

Yolo Subbasin Groundwater Agency Board of Directors Meeting Agenda

Monday, September 21, 2020

3:15 p.m. to 5:00 p.m.

34274 State Highway 16, Woodland, CA 95695

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All items on the agenda will be open for the public comment before final action is taken. Speakers are requested to restrict comments to the item as it appears on the agenda and stay within a three-minute time limit. The Chair has the discretion of limiting the total time for an item.

- 3:15 1. CALL TO ORDER AND DETERMINATION OF QUORUM**
- 3:18 2. APPROVE AGENDA AND ADDING ITEMS TO THE POSTED AGENDA** – In order to add an agenda item, it must fit into one of the following categories: a) A majority determination that an emergency (as designed by the Brown Act) exists; or b) A 4/5ths determination that the need to take action arose subsequent to the agenda being posted.
- 3:20 3. PUBLIC FORUM** – The Public may address the Yolo Subbasin Groundwater Agency Board of Directors on any item of interest not appearing on the agenda that is within the subject matter of the Yolo Subbasin Groundwater Agency.
- 3:25 4. REPORT OF THE CHAIR AND EXECUTIVE OFFICER**, pages 3 - 11
Executive Officer report on activities since last Board meeting.

- 3:30 5. CONSIDERATION: CONSENT ITEMS**, pages 12 - 13
- a. Approve June 15, 2020 Board of Directors' Meeting Minutes, pages 14 - 20
 - b. Receive Fiscal Year 2019-2020 Financial Statements: July 1, 2019-June 30, 2020, pages 21 - 26
 - c. Receive Audited Financial Statements as of June 30, 2020, Richardson & Co., pages 27 - 53
 - d. Receive Fiscal Year 2020-2021 Financial Statements: July – August 2020, pages 54 - 58
 - e. Approve recommended amendment to Conflict of Interest Code and Submission to Fair Political Practices Commission, pages 59 - 62
 - f. Adopt recommended Board Policies, pages 63 - 72
 - g. Adopt 2021 Board meeting dates: 1/11, 3/15, 6/21, 9/20, 11/15/21, page 73
 - h. Receive minutes of Executive Committee: 5/18, 7/8, and 8/10/20, pages 74 - 81
 - i. Receive minutes of Working Group: 5/6/20, pages 82 - 85
- 3:35 6. UPDATE ON WATER LEGISLATION, REGULATORY & DELTA ISSUES**, Adam Robin, Northern California Water Association
- 3:50 7. CALIFORNIA DEPARTMENT of WATER RESOURCES UPDATE**, Report from Barrett Kaasa on programs of interest to the YSGA
- 4:00 8. ESTABLISHMENT OF AD-HOC COMMITTEE FOR RECONSIDERATION OF VOTING STRUCTURE AND EXPENSE ALLOCATION**, page 86
- 4:10 9. UPDATE: GROUNDWATER SUSTAINABILITY PLAN DEVELOPMENT**, pages 87 - 88
- a. Water Budget
 - b. Hydrogeologic Conceptual Model
 - c. Stakeholder Communication and Engagement
 - d. Groundwater Monitoring and Report
 - e. Surface Water and Groundwater Modeling
 - f. Sustainable Management Criteria
- 4:55 10. MEMBERS' REPORTS AND FUTURE AGENDA ITEMS** – Yolo Subbasin Groundwater Agency Members are invited to briefly report on current issues and recommended topics for future Yolo Subbasin Groundwater Agency Board of Directors meetings.
- 4:59 11. NEXT MEETING** – Monday, November 16, 2020
- 5:00 12. ADJOURNMENT**

Consideration of items not on the posted agenda, items in the following categories: 1) majority determination that an emergency (as defined by the Brown Act) exists; or 2) a 4/5ths determination that the need to take action arose subsequent to posting of the agenda. I declare under penalty of perjury that the foregoing agenda was posted by September 18, 2020 and made available to the public during normal business hours at the following locations: YSGA's office at 34274 State Highway 16, Woodland 95695.



Donna L. Gentile, Board Secretary

**Yolo Subbasin Groundwater Agency Board of Directors
Meeting Agenda Report**

MEETING DATE: September 21, 2020

AGENDA ITEM NO. 4

SUBJECT: Report of the YSGA Executive Officer

INITIATED OR BOARD

INFORMATION

REQUESTED BY: STAFF

ACTION: MOTION

OTHER _____

RESOLUTION

ATTACHMENT YES NO

BACKGROUND

The YSGA Executive Officer will provide either an oral or written report on recent activities. A written report from the YSGA Executive Officer is attached.

RECOMMENDATION

This agenda item is for informational purposes only. No Board action is required.

Date: September 18, 2020
To: YSGA Board of Directors
From: Kristin Sicke, Executive Officer
Subject: Report of the Executive Officer

Recommendation

For informational purposes only. No Board action required.

Background

Following is an update to the Board of Directors of the YSGA on activities and issues related to the ongoing implementation of the Sustainable Groundwater Management Act (SGMA). This report should be considered as a summary document so that Board members and other interested parties can quickly read about the general activities taking place between YSGA Board meetings. Board members should feel free to contact me at any time for more detail or with ideas and/or questions that they might have regarding the program.

Since the June 15, 2020 meeting of the YSGA Board of Directors the following activities have taken place.

Program Administration

Three meetings were held by the YSGA Executive Committee (EC) on July 7, August 10, and September 14, 2020. The EC, consisting of Chair Cornwell, Vice-Chair Loren, Lynnel Pollock, Kurt Balasek, and Executive Officer Sicke, discussed logistical issues related to the establishment of a new JPA and the development of the Groundwater Sustainability Plan (GSP). The next meeting of the YSGA EC is scheduled for October 29, 2020 from 12:15 to 1 p.m. remotely or at the Yolo County Flood Control and Water Conservation District (YCFC&WCD) Headquarters in Woodland.

The GSP Technical Team and Technical Advisory Committee (TAC) met on July 9, August 5, and September 3, 2020 to review the representative well selection process and methodology for selecting the minimum thresholds and measurable objectives – particularly for the groundwater levels, storage, and water quality.

The YSGA Working Group met on September 10, 2020 to discuss GSP development and groundwater monitoring activities that had occurred since the May 6, 2020 Working Group meeting. Max Stevenson provided an update on the Groundwater Monitoring Program, GEI provided an updated on the Sustainable Management Criteria development, and Executive Officer Sicke provided a general update on the schedule for upcoming workshops and draft review of GSP chapters.

The YCFC&WCD is in the process of hiring a water resources technician to assist the YCFC&WCD with groundwater monitoring program activities.

Additionally, staff continued to communicate with Solano Subbasin GSA, Sacramento Central Groundwater Authority (South American Subbasin), and Colusa Groundwater Authority on data sharing opportunities and general GSP coordination.

The Yolo Groundwater website <http://yologroundwater.org> was updated as needed. A calendar of current events is posted to the website.

Program Implementation

Water Budgets: Stockholm Environment Institute (SEI) has continued to develop the draft chapters of the water budget and model documentation for incorporation into the GSP.

Hydrogeologic Conceptual Model (HCM): The GSP Technical Team is continuing to refine the draft HCM and Groundwater Conditions sections for the draft Basin Setting chapter.

Sustainable Management Criteria: GEI and the TAC are in the process of developing the methodology for establishing the sustainable management criteria. A series of remote Management Area workshops are currently being scheduled for member agencies to review the representative wells, and methodology for establishing the minimum thresholds and measurable objectives for groundwater levels, storage, and water quality within each Management Areas. These meetings will be posted to the website, and public participation is encouraged.

Grant Applications: Staff submitted a request through DWR's Technical Support Services to install up to three new monitoring wells in known 'data gap' areas.

Groundwater Monitoring: The groundwater monitoring program continues to track groundwater elevations through the year. Groundwater level information can be viewed on the YSGA's website at <http://yologroundwater.org>.

As reported at the June 2020 Board meeting, all of the wells within the YCFC&WCD's network of 150+ wells have been surveyed by Jim Frame. Jim Frame has begun to survey non-YCFC&WCD wells, which is now expected to be completed by Spring 2021. About 75% of the proposed list of representative wells have been surveyed.

Also as reported, a total of 21 real-time groundwater level monitoring devices have been installed in Yolo County. YCFC&WCD staff are still coordinating with Reclamation Districts 999 and 150 to install real-time monitoring units in the Clarksburg area and with growers to install real-time monitoring units in the Dunnigan Hills/Hungry Hollow area. YCFC&WCD staff are working on having all data and information from those units viewable in <http://yologroundwater.org>.

Program Outreach

Staff participated in a number of meetings/workshops/conferences related to SGMA and groundwater recharge and protection, which include the following:

1. Participated in Discussion with Capay Valley Constituents (June 24 and September 15; Sicke)
2. Participated in Meetings with DWR and MBK to Discuss Study on Cache Creek Capacity at Yolo (July 23, August 19, and September 16; O'Halloran, Sicke, Stevenson)
3. Participated in Meeting with State Water Board to Discuss Groundwater Recharge Permitting Program and Long-Term Needs for Yolo Subbasin (August 11; Sicke)
4. Participated in North Yolo Management Area Discussion to Review Technical Advisory Committee Material (August 14; Cornwell, Reinhard, Vanderwaal, Sicke, and GEI)
5. Participated in Data Coordination Discussion with Solano Subbasin Consultants (August 25; Sicke and SEI)
6. Participated in Interbasin Coordination Discussion with So. American Subbasin Coordinator Rob Swartz (August 31; Sicke)
7. Participated in California Irrigation Institute's Board of Directors' Meeting (September 8; Sicke)

8. Participated in Yolo County Farm Bureau Coordination Discussions to Plan for Grower Meetings (September 11, 15, and 17; Sagara, O'Halloran, and Sicke)
9. Participated in NCWA's Groundwater Management Task Force Meeting (September 14; O'Halloran, Sicke, Stevenson)
10. Coordinated with Rosemary Knight at Stanford on InSAR and Groundwater Subsidence Studies (September 16; Stevenson)
11. Participated in Discussion with DWR and TNC on Groundwater Recharge Bird Habitat Enhancement Pilot Project (September 17; Sicke)

Other Items of Note

In April 2020, the Central Valley Project announced an allocation of 50% and 75% of contract supply for agricultural water service contractors and Sacramento River Settlement Contractors considered to be "North-of-Delta", respectively.

In May 2020, the State Water Project announced an allocation increase to 20% of requested supplies.

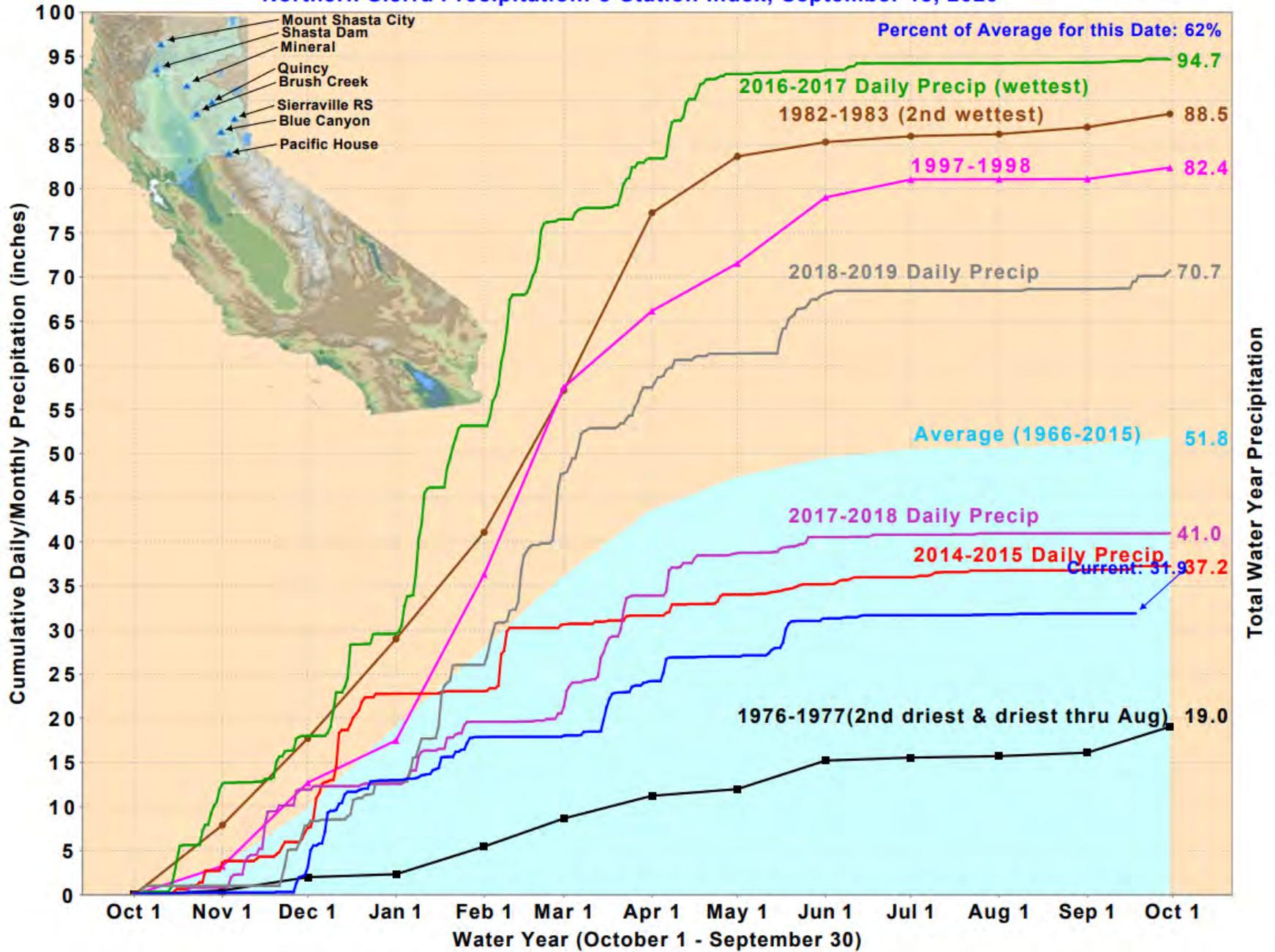
On June 4, 2020, [Term 91 went into effect](#) and the State Water Board sent out diversion curtailment notices.

As of today, precipitation in the Northern Sierra is at 62% of average to date (see the hydrographs below; June update was at 63% average to date).

The YCFC&WCD is forecasting a carryover of about 75,000 acre-feet of surface water in Indian Valley Reservoir for the 2021 irrigation season.

The Woodland-Davis Clean Water Agency expects to have surface water supplies available through October 31, 2020. The Agency has potential options available for surface water deliveries starting November 1, 2020; however, these alternative options are currently not available every year. The Agency is evaluating alternative long-term surface water supply options for ensuring sustainable supplies throughout the entire water year.

Northern Sierra Precipitation: 8-Station Index, September 18, 2020



Current Groundwater Conditions

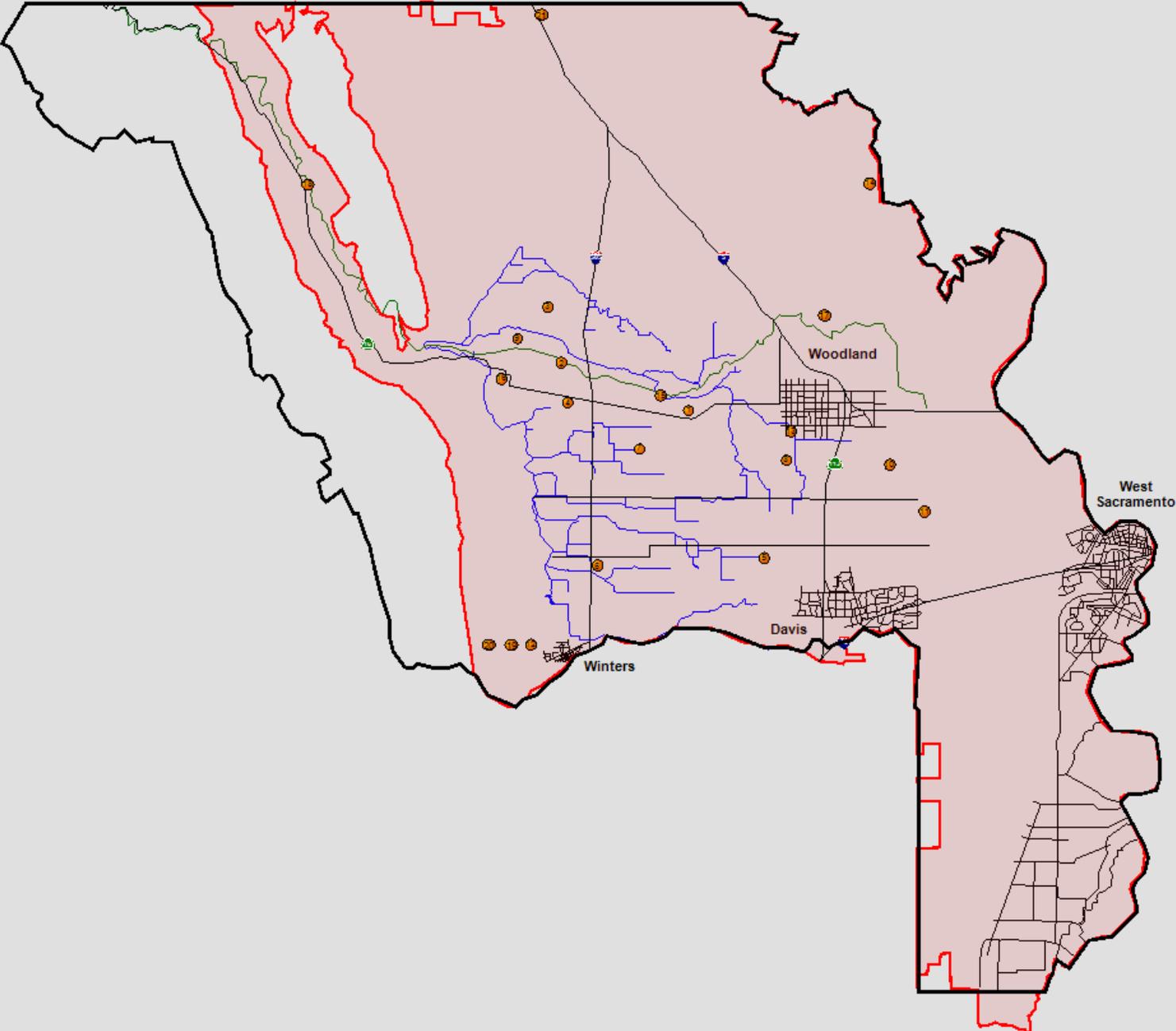
Since March, groundwater levels have begun a gradual decline (as is to be expected during the spring/irrigation season). When compared to last year's elevations (as shown on the historical depth to water table below), this year's water levels are on average 7-feet lower. When compared to the most recent drought period (2015 elevations), this year's groundwater levels are on average 20-feet higher.

Included below are the following graphics that illustrate the current groundwater conditions and monitoring efforts.

1. A location map of the 21 real-time monitoring locations currently operating in the Yolo Subbasin. Wells 17-21 still need to be incorporated in the depth to water historical comparison chart.
2. A table showing historical groundwater elevations on a specific date (September 18, 2020 in this example).
3. A hydrograph of average groundwater levels based on 113 monitored wells throughout Western Yolo County. These measurements are taken twice annually, once in the spring when groundwater levels are at their highest and again in the fall when groundwater levels are at their lowest. This hydrograph contains the spring 2020 measurements.

This data is current as of September 18, 2020. Visit <http://yologroundwater.org> for more detailed information.

Well Monitoring
Real-Time



- SCADA Links
- Comparison Trends
- Comparison Table 1
- Comparison Table 2

Legend

- Monitoring Site 
- District 
- YSGA 
- County 

Well Monitoring

Depth to Water Historical Comparison
(Daily Average DTW in feet)

SCADA Links

Well Map

Select Date

09/18/20

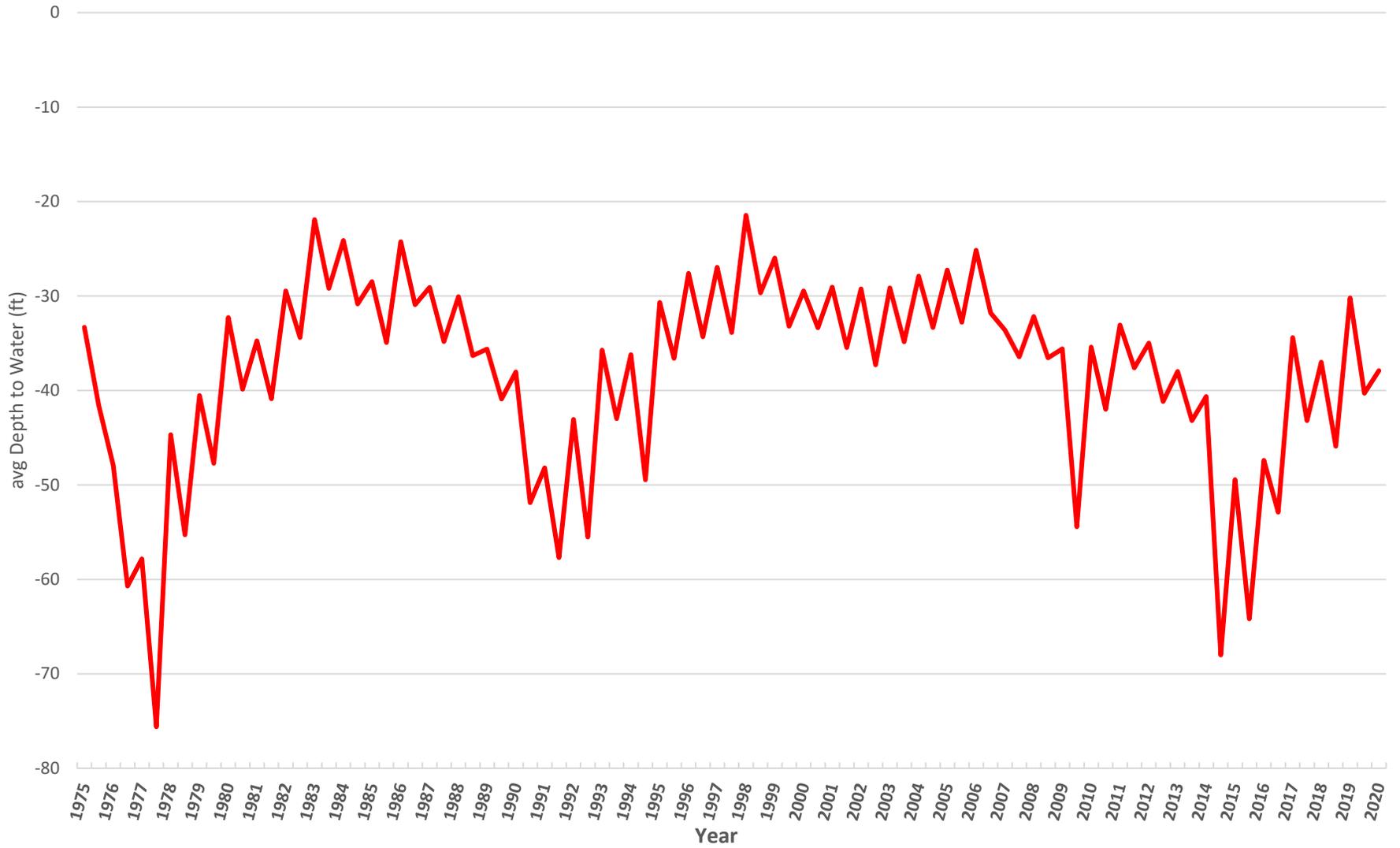
Comparison Trends

Comparison Table 2

Well	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Δ 2019 - 2020	Δ 2015 - 2020
1.	96.1	94.3	98.9	109.3	132.8	134.0	122.2	110.3	114.8	106.3	121.9	-15.6	12.1
2.	51.3	44.9	36.9	54.1	55.6	51.2	41.1	30.8	33.6	30.5	32.0	-1.5	19.2
3.	48.1	39.6	45.9	52.4	82.7	78.4	62.3	40.2	44.6	38.8	43.6	-4.8	34.8
4.		32.9	35.5	38.6	59.5	51.6	49.9	30.5	31.6	30.0	33.1	-3.0	18.5
5.	17.3	17.3	20.0	23.2	35.0	36.3	35.9	23.7	25.3	18.6	21.7	-3.1	14.7
6.			35.3	41.1	75.4	67.2	45.4	33.4	39.7	33.9	35.7	-1.8	31.5
7.				16.8	43.4	50.5	26.8	20.6	22.2	19.1	24.8	-5.7	25.7
8.				60.2	81.9	80.5	78.9	56.6	61.2	50.0	57.6	-7.6	22.9
9.					78.3	73.5	59.5	41.3	44.9	41.4	43.5	-2.1	30.0
10.					80.6	78.3	73.9	43.0	64.9	47.6	68.5	-20.9	9.8
11.					29.6	25.7	25.8	16.2	22.2	16.6	23.5	-6.9	2.1
12.									124.1	112.5	122.9	-10.3	
13.									90.0	79.5	89.2	-9.8	
14.									11.9	11.1	11.2	-.2	
15s.									41.9	36.7	46.3	-9.6	
16.										37.7	40.2	-2.5	

YFCWCWD Average Groundwater

Depth by Season *(spring 2020 is 113 wells)*



**Yolo Subbasin Groundwater Agency Board of Directors
Meeting Agenda Report**

MEETING DATE: September 21, 2020

AGENDA ITEM NO. 5

SUBJECT: Consideration: YSGA Consent Items

INITIATED OR BOARD

INFORMATION

REQUESTED BY: STAFF

ACTION: MOTION

OTHER _____

RESOLUTION

ATTACHMENT YES NO

BACKGROUND

a. Approve June 15, 2020 YSGA Board of Directors' Meeting Minutes

Pursuant to Section 54957.5 of the Brown Act, copies of the draft minutes are available to the public at the Board meetings prior to their approval.

b. Receive Fiscal Year 2019-2020 Financial Statements: July 2019 to June 2020

Receive financial statements for July 1, 2019 to June 30, 2020.

c. Receive Audited Financial Statements for year ending June 30, 2020

Receive audited financial statements as of June 30, 2020 prepared by Richardson & Company, CPA. The YSGA Executive Committee reviewed the audit and received a presentation from Brian Nash at their September 14, 2020 meeting.

d. Receive Fiscal Year 2020-2021 Financial Statements: July to August 2020

Receive financial statements for July 1, 2020 to August 31, 2020.

e. Approve recommended amendment to Conflict of Interest Code (COIC) and Submission to Fair Political Practices Commission (FPPC)

The FPPC requires a biennial review of the YSGA COIC. Legal counsel was consulted and has made the recommendation to add the position of Executive Officer to the Designated Positions. Deadline for submission to the FPPC is October 1, 2020.

f. Adopt recommended Board Policies

As recommended by the auditor's 2019 management letter, the following board policies are presented for Board adoption.

g. Adopt 2021 Board of Directors' Meeting Dates

Adopt proposed meeting dates for the 2021 calendar year: January 11, March 15, June 21, September 20, and November 15, 2021

h. Receive Minutes of YSGA Executive Committee:
Receive YSGA Executive Committee meeting minutes for May 18, July 8, and August 10, 2020.

i. Receive Minutes of YSGA Working Group:
Receive YSGA Working Group meeting minutes for May 6, 2020.

RECOMMENDATION

- a. Recommend adoption of June 15, 2020 Board meeting minutes with any corrections.
- b. This agenda item is for informational purposes only. No Board action is required.
- c. This agenda item is for informational purposes only. No Board action is required.
- d. This agenda item is for informational purposes only. No Board action is required.
- e. Recommend approval of amendment to YSGA’s Conflict of Interest Code and submission to Fair Political Practices Commission
- f. Recommend adoption the Board Policies as presented with this agenda package.
- g. Recommend adoption of 2021 Board of Directors’ meeting dates
- h. This agenda item is for informational purposes only. No Board action is required.
- i. This agenda item is for informational purposes only. No Board action is required.

Yolo Subbasin Groundwater Agency
BOARD OF DIRECTORS' MEETING MINUTES
Monday, JUNE 15, 2020, 3:15 p.m.
Meeting held via Teleconference
34274 State Highway 16, Woodland, CA 95695

- 1. CALL TO ORDER and DETERMINATION OF QUORUM:** Meeting called to order at 3:15 p.m. by Roger Cornwell, Chair.
Kristin Sicke conducted a roll call and determined a quorum was present.

The following Board members and (alternates) were in attendance:

California American Water, Dunnigan: Evan Jacobs
Colusa Drain Mutual Water Co. – Lynnel Pollock
City of West Sacramento: Martha Guerrero, (William Roberts)
City of Winters: Jesse Loren, Vice-Chair, (Kurt Balasek)
City of Woodland: Xóchitl Rodriguez
Dunnigan Water District: (Bill Vanderwaal)
Environmental Representative: Ann Brice
Esparto Community Service District (CSD): Charles Schaupp (arrived after Roll Call at Item #2)
Madison Community Service District (CSD): Leo Refsland (arrived after Roll Call at Item #2)
Reclamation District (RD)108: Hilary Reinhard (arrived after Roll Call at Item #2)
RD 307: James Johas
RD 537: Tom Ramos
RD 787: Roger Cornwell, Board Chair
RD 827: Dan Ramos
RD 999: Tom Slater
RD 2035: (Mike Hall)
University of California Davis (UCD): Camille Kirk
Yocha Dehe Wintun Nation: Emily Drewek (arrived after Roll Call at Item #2)
Yolo County: Gary Sandy
Yolo County Farm Bureau (YCFB): Stan Lester (Denise Sagara)
Yolo County Flood Control & Water Conservation District (YCFC&WCD): Tom Barth,
(Tim O'Halloran)

Absent: City of Davis, RD 150, RD 730, RD 765, RD 785, RD 1600 (Arrived after Roll Call at Item #2: Esparto CSD, Madison CSD, RD 108, Yocha Dehe Wintun Nation)

- 2. APPROVE AGENDA:** The Board approved the March 16, 2020 agenda as posted. Motioned by City of West Sacramento to approve the agenda, seconded by Yolo County Farm Bureau and unanimously approved.

Absent: City of Davis, RD 150, RD 730, RD 765, RD 785, RD 1600

- 3. PUBLIC FORUM:** No comments from the public.

- 4. REPORT OF THE CHAIR and EXECUTIVE OFFICER:** Chair Cornwell did not have

anything to report. Kristin Sicke reviewed the information provided in the written Executive Officer's report in the agenda. She gave a current water conditions report as detailed in the illustrations included with the agenda.

5. CONSIDERATION: CONSENT ITEMS

- a. Approved March 15, 2020 Board of Directors meeting minutes
- b. Received Fiscal Year End 2019-2020 Financial Statements: March 2020 to May 2020
- c. Approved Budget Amendment #2 for FY2020-2021
- d. Received minutes of Executive Committee: 3/8, 4/13/20
- e. Received minutes of Working Group, 4/3/19

Motioned by the City of West Sacramento to approve all consent items, seconded by YCFC&WCD and unanimously approved.

Absent: City of Davis, RD 150, RD 730, RD 765, RD 785, RD 1600

6. UPDATE ON WATER LEGISLATION, REGULATORY & DELTA ISSUES,

Adam Robin, Legislative Affairs Director gave updates on the following pertinent legislative and regulatory issues related to water and groundwater.

Regulatory Updates

Bay-Delta

State and Federal Administration worked over a period of years to develop voluntary agreements to implement the required update to the State Water Board Bay-Delta Water Quality Control Plan. These voluntary agreement would be adopted in lieu of the impaired flow proposals previous recommended by the State Water Board staff. Currently the voluntary agreements are on hold. In late February, the Trump Administration issued new biological opinions in response to lawsuits from the Newsom Administration and a variety of NGO groups and that litigation process continues. While a preliminary injunction was granted in part through the end of May, the elements of that injunction has run its course and the buyouts are now in effect. A supplemental briefing may result in additional orders, but Adam did not have an update at this time. It's important to note that both the State and Federal administration have expressed an interest in going back to the voluntary agreement approach. Coordination is still happening at an operational level and the parties are discussing other ways that they could return to the table. Legal counsel O'Brien added debriefing has been completed on the supplemental order issued a couple of weeks ago and a final decision on the preliminary injunction is expected any day.

Federal Waters

The definition of waters of the U.S. under the Federal Clean Water Act has been under discussion for decades. A series of Supreme Court decisions had led to a variety of regulatory definitions. During the 2nd Obama Administration there was a proposed Federal definition that raised a lot of consternation from the agricultural community. In late April, the Trump Administration finalized a navigable waters protection rule that updates the definition of Federal waters. This matters to a wide variety of regulated parties, such as agriculture, because it defines the scope of Federal jurisdiction under the Clean Water Act. On May 1st, seventeen states, including California, challenged the proposed final Federal rule on a variety of procedural and substantive ground. No resolution is expected in the short-term. Adam explained how California's rule builds on Federal definition that can include not only surface water but groundwater protection as well. This is relevant for agriculture because it does include a variety of exemptions and exceptions for ordinary farming activities and prior converted wetlands.

2020 Legislative Updates:

State Budget

The Legislature adjourned unexpectedly for 5-6 weeks in mid-March in response to COVID-19 Shelter-in-Place mandates. This came at a time when they are typically very engaged in developing the details of the coming fiscal year State budget. Right now Sacramento leaders are grappling with how to close a \$54 billion budget deficit, in the context of a State budget that was proposed to be just over \$220 billion. Today is the deadline for the legislature to adopt a budget in order to meet the Governor's deadline to sign and approve a budget by July 1st. Adam noted that the budget that is adopted today will not likely be the final budget. This will be a dynamic conversation until August as it relates to the broad outlines of the State budget. Hard choices will have to be made with a \$54 billion deficit.

Groundwater - GSA Related Legislative Updates

In the overall grim budget picture there are a few positive items of note:

- DWR will be receiving \$9 million in general funds to provide 37 new positions to fill field technical assistance and GSP evaluation roles.
- An additional \$130 million in combined Proposition 1 and Proposition 68 funds are available for multi-benefit flood projects. There are five named projects and three of them are in Yolo County: Yolo Bypass Phase 1 Implementation, Knights Landing Outfall Gates Improvement, and \$2 million for DWR's work in the Cache Creek Settling Basin.

Bonds

- Conversations are ongoing for a potential resources bond for the November 2020 ballot. It is less likely because it is unclear whether anyone wants to take on additional debt at this point. The last bond voters rejected in March was a \$15 billion school construction bond. Adam should have more information in September.
- There has been a notable pivot from talking about these as climate resilience bonds to economic stimulus bonds due to the jobs associated with these types of investments. NCWA continues to lobby for Northern California water priorities. NCWA wants to ensure that any planning or implementation money provided to GSA's not be limited to critically overdrafted basins.
- The majority of non-COVID-19 related policy measures have been shut down for the year. NCWA is tracking about 10% of the measures that they were previously tracking.

Adam answered questions from the Board about Chrome-6 MCL updates and DWR's Cache Creek Settling Basin (CCSB) funding. The State Water Resources Control Board issued a white paper a few months ago accepting technical and economic feasibility for future MCL. Adam did not have a specific updates at this time, but can be prepared to give an update to the Board in September. CCSB funds will be used to address sedimentation issues and a Regional Water Board Compliance order.

7. PRESENTATION: CAPSTONE OF CIVIC SPARK FELLOW, Brooke Ely

Kristin informed that Civic Spark is an AmeriCorps program that matches fellows with project partners to serve on at least one project that benefits at least one local public agency. Max Stevenson submitted an application on behalf of the YSGA. Brooke Ely is an Environmental Engineer who has been working for the YSGA for the past nine months. Her work with the groundwater monitoring program is concluding soon. Brooke will give a presentation on what she has accomplished. The main goal has been to improve the well monitoring network through coordination and communication with entities in Yolo County to identify current and future monitoring plans. She assisted with collecting data from entities and populating that information in the WRID, creating well location maps and systematically identifying and labeling representative wells in the network. She elaborated on the specifics of her activities. Jim Frame continues to survey and benchmark wells for the database as

well. She displayed some of the maps created to illustrate this information for the GSP. Next steps were outlined for well database management, stakeholder engagement and future tasks. Brooke's PPT is included in the June Board presentation materials on the YSGA website - <https://www.yologroundwater.org/board-of-directors>. Kristin commended Brooke on her excellent work during her fellowship.

8. PRESENTATION: LESSONS LEARNED FROM YUBA SUBBASIN, Jim Blanke

Kristin introduced Jim Blanke, Woodard & Curran, who is the consultant working with the Yuba Subbasins to develop their GSP. Kristin asked Jim to share Yuba's observations and lesson's learned in developing their GSP that has been submitted to DWR. Jim's detailed PPT is available as part of the June Board materials posted on the YSGA's website. He compared Sacramento Valley conditions to the very different issues in the San Joaquin Valley subbasins. Sacramento Valley focus is related to healthy aquifer conditions vs critically overdrafted basin issues: shallow wells, groundwater dependent ecosystems, interconnected surface water, and subsidence and water quality.

He emphasized the importance of sequencing activities: establish outreach, develop a shared understanding of the subbasin, accept the tools/models needed for analysis, develop management, and develop project and management actions. Regionally accepted groundwater models are critical for quantification and early buy-in on the tool is beneficial. Models can support a variety of other planning efforts as well and they benefit from coordinated development and maintenance. A key component in SGMA is proactive outreach to a broad spectrum of stakeholders to ensure that they are heard either in a public or one-on-one setting. Being open and transparent on assumptions and limitations is also important for future communications. It is important to follow through on data gaps. He discussed the challenging data gaps with domestic wells. He commended the YSGA and Brooke Ely for her work in this regard.

In the Yuba subbasin, identifying groundwater dependent ecosystems was challenging when the dataset had no knowledge of the source of water. They had to consider using the best available science through other State and local agencies for identification. DWR's Natural Communities Commonly Associated with Groundwater, California Department of Fish & Wildlife, The Nature Conservancy and other non-governmental organizations have developed guidance tools and documents to assist with identification. Jim also discussed depletion of inter-connected surface water and the challenges to identifying what is "significant and unreasonable".

Jim explained how developing projects and management actions to incorporate activities could achieve both sustainability, fill data gaps and address issues from the GSP process. He recommended setting up a structure for implementation and beginning annual reporting early (April 1st deadline). Partnering with the State, other entities and neighboring subbasins is essential and identifying activities with multiple purposes and possible cost sharing opportunities.

Jim was asked whether they had to consider issues of intermittent streams and the depletion of inter-connected surface waters. Yuba did not have this issue. One Board member commented that she appreciated the consideration of adding a non-regulatory threshold to guide management. It is very sensible, practical and it's something that the Yolo GSP should consider doing. Jim summarized some of the comments received since their GSP was submitted to DWR.

9. UPDATE ON GROUNDWATER SUSTAINABILITY PLAN (GSP) DEVELOPMENT, Kristin Sicke, YCFC&WCD, discussed the written agenda report on the items outlined below. The GSP technical team, GEI and SEI, are continuing to write content for sections of the Plan. Monitoring wells are being videologged and new wells are being installed through DWR Technical Support Services. The well surveying effort will be complete by the fall. We are expending our DWR Grant funds for the well monitoring component. We are still working with entities for the selection of representative wells for the monitoring network. A Technical Advisory Committee was established by the Working Group in May to work through some focused technical aspects of the Plan. Their first meeting will be the week of July 6th. The draft Communication and Engagement Plan should be posted to the website by the end of June. This will be a living document that will be updated regularly. The Sustainable Management Criteria workshops have been pushed back to August/September 2020.

- a. Water Budget
- b. Hydrogeologic Conceptual Model
- c. Stakeholder Communication and Engagement
- d. Groundwater Monitoring and Report
- e. Surface Water and Groundwater Modeling
- f. Sustainable Management Criteria

10. MEMBERS' REPORTS and FUTURE AGENDA ITEMS – Nothing discussed.

- a. “White” Area Annexation
- b. White Paper on Areas of Special Concern

11. NEXT MEETING – Monday, September 21, 2020, 3:15 pm

12. ADJOURNMENT – Chair Cornwell adjourned the meeting at 4:30 p.m.

Respectfully submitted,
Donna L. Gentile, Board Secretary & Administrative Coordinator

	Agency	Name	Board/ Alternate		Telecall Attendance	Time arrived (Item #)
1	City of Davis	Brett Lee	Board	Absent	R. Tsai	
		Arnold/Gryczko	Alternate			
2	City of West Sacramento	Martha Guerrero	Board		Yes	
		William Roberts	Alternate		Yes	
3	City of Winters	Jesse Loren	Board		Yes	
		Wade Cowan	Alternate			
		Kurt Balasek	Alternate		Yes	
4	City of Woodland	Xóchitl Rodriguez	Board		Yes	
		Angel Barajas	Alternate			
5	Dunnigan Water District	Eli Voelz	Board			
		Bill Vanderwaal	Alternate		Yes	
6	Esparto CSD	Charles Schaupp	Board		Yes	#2
		Steve Knightley	Alternate			
7	Madison CSD	Leo Refsland	Board		Yes	
8	RD 108	Hilary Reinhard	Board		Yes	#2
		Bill Vanderwaal	Alternate			#2
9	RD 150	Warren Bogle	Board	Absent		
10	RD 307	James Johas	Board		Yes	
		Karen Chesnut	Alternate			
11	RD 537	Tom Ramos	Board		Yes	
12	RD 730	Jim Heidrick	Board	Absent		
13	RD 765	David Dickson, Jr.	Board	Absent		
		Doug Dickson, Sr.	Alternate			
14	RD 785	Ross Peabody	Board	Absent		
15	RD 787	Roger Cornwell	Board		Yes	
		Dominic Bruno	Alternate			
16	RD 827	Dan Ramos	Board		Yes	
17	RD 999	Tom Slater	Board		Yes	
18	RD 1600	Michele Clark	Board	Absent		
19	RD 2035	Kryiakos Tsakopoulos	Board			
		Mike Hall	Alternate		Yes	
20	Yocha Dehe	Emily Drewek	Board		Yes	#2
		Marc Fawns	Alternate			
21	Yolo County	Gary Sandy	Board		Yes	
		Jim Provenza	Alternate			
22	YCFC&WCD	Tom Barth	Board		Yes	
		Tim O’Halloran	Alternate		Yes	
23	UC Davis	Camille Kirk	Board		Yes	
24	CalAm Water- Dunnigan	Evan Jacobs	Board		Yes	
		Audie Foster	Alternate			
25	Colusa Drain MWC	Lynnel Pollock	Board		Yes	
		Jim Wallace	Alternate			
26	Yolo County Farm Bureau	Stan Lester	Board		Yes	
		Denise Sagara	Alternate			
27	Environmental Rep.	Ann Brice	Board		Yes	

	Agency	Name	Board/ Alternate		Telecall	Time arrived (Item #)
	<u>OTHER YSGA Staff:</u>					
	Executive Officer	Kristin Sicke			Yes	
	Board Secretary	Donna Gentile			Yes	
	Legal Counsel	Kevin O'Brien, Downey Brand			Yes	
	<u>PUBLIC:</u>					
	Brooke Ely	YSGA Staff			Yes	
	Adam Robin	NCWA			Yes	
	Matt Cohen	City of Woodland			Yes	
	Mary Fahey	Colusa County			Yes	
	Joe Hobbs	Dept Fish & Wildlife			Yes	
	Matt Brady				Yes	
	Wesley Snyder				Yes	
	Satya Gala	GEI			Yes	
	Jim Blanke				Yes	
	Dave Pratt				Yes	
	Marina Deligiannis	Lake Co. Water			Yes	

Yolo Subbasin Groundwater Agency
Balance Sheet
 As of June 30, 2020

	<u>Jun 30, 20</u>
ASSETS	
Current Assets	
Checking/Savings	
1000 - 1st Northern-Checking	2,445.00
1010 - 1st Northern-Savings	43,157.52
1020 - Yolo County Treasury	<u>721,722.82</u>
Total Checking/Savings	767,325.34
Other Current Assets	
1150 - Prepaid Insurance	<u>360.98</u>
Total Other Current Assets	<u>360.98</u>
Total Current Assets	<u>767,686.32</u>
TOTAL ASSETS	<u><u>767,686.32</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 - Accounts Payable	<u>24,281.90</u>
Total Accounts Payable	<u>24,281.90</u>
Total Current Liabilities	<u>24,281.90</u>
Total Liabilities	24,281.90
Equity	
3000 - Unassigned Fund Balance	-24,000.00
3300 - Assigned Fund Balance	24,000.00
3200 - Retained Earnings	463,831.49
Net Income	<u>279,572.93</u>
Total Equity	<u>743,404.42</u>
TOTAL LIABILITIES & EQUITY	<u><u>767,686.32</u></u>

Yolo Subbasin Groundwater Agency
Budget vs Actual
 July 2019 through June 2020

	<u>Jul '19 - Jun 20</u>	<u>Budget</u>	<u>% of Budget</u>
Income			
4000 · Member Contributions-Municipal	160,000.00	160,000.00	100.0%
4100 · Member Contributions-Rural	245,557.00	259,616.50	94.59%
4200 · Member Contributions-Affiliates	65,000.00	65,000.00	100.0%
4300 · Direct Contribution-White Areas	0.00	20,000.00	0.0%
4400 · Interest Income	15,232.11	5,000.00	304.64%
Total Income	<u>485,789.11</u>	<u>509,616.50</u>	<u>95.32%</u>
Expense			
5100 · Bank & Other Fees	1,471.06	500.00	294.21%
5300 · Insurance-General & Auto	1,574.95	2,000.00	78.75%
5500 · Membership Dues	2,815.00	3,000.00	93.83%
7000 · Admin. Services/Expenses (WRA)			
7010 · Westside IRWMP Cost Share (WRA)	21,500.00	21,500.00	100.0%
7000 · Admin. Services/Expenses (WRA) - Other	87,317.23	106,000.00	82.38%
Total 7000 · Admin. Services/Expenses (WRA)	<u>108,817.23</u>	<u>127,500.00</u>	<u>85.35%</u>
7100 · Project Mgmt-SGMA Implementatio	40,112.44	110,000.00	36.47%
7200 · Consultant Services	0.00	20,000.00	0.0%
7300 · Legal Services	1,989.00	20,000.00	9.95%
7350 · Audit Services - Financial	7,372.50	7,000.00	105.32%
7500 · GW Monitoring-Real-time Sensors	0.00	80,000.00	0.0%
7600 · YC Groundwater Monitor Program	42,064.00	42,064.00	100.0%
Total Expense	<u>206,216.18</u>	<u>412,064.00</u>	<u>50.05%</u>
Net Income	<u><u>279,572.93</u></u>	<u><u>97,552.50</u></u>	

Yolo Subbasin Groundwater Agency
Profit & Loss by Quarter
July 2019 through June 2020

	<u>Jul - Sep 19</u>	<u>Oct - Dec 19</u>	<u>Jan - Mar 20</u>	<u>Apr - Jun 20</u>	<u>TOTAL</u>
Income					
4000 · Member Contributions-Municipal	160,000.00	0.00	0.00	0.00	160,000.00
4100 · Member Contributions-Rural	245,557.00	0.00	0.00	0.00	245,557.00
4200 · Member Contributions-Affiliates	65,000.00	0.00	0.00	0.00	65,000.00
4400 · Interest Income	6.01	2,994.26	8,940.93	3,290.91	15,232.11
Total Income	<u>470,563.01</u>	<u>2,994.26</u>	<u>8,940.93</u>	<u>3,290.91</u>	<u>485,789.11</u>
Expense					
5100 · Bank & Other Fees	0.00	138.89	967.59	364.58	1,471.06
5300 · Insurance-General & Auto	492.00	1,082.95	0.00	0.00	1,574.95
5500 · Membership Dues	0.00	1,200.00	1,615.00	0.00	2,815.00
7000 · Admin. Services/Expenses (WRA)					
7010 · Westside IRWMP Cost Share (WRA)	0.00	21,500.00	0.00	0.00	21,500.00
7000 · Admin. Services/Expenses (WRA) - Other	16,886.44	14,445.09	30,113.53	25,872.17	87,317.23
Total 7000 · Admin. Services/Expenses (WRA)	<u>16,886.44</u>	<u>35,945.09</u>	<u>30,113.53</u>	<u>25,872.17</u>	<u>108,817.23</u>
7100 · Project Mgmt-SGMA Implementatio	11,509.43	0.00	4,468.66	24,134.35	40,112.44
7300 · Legal Services	0.00	684.00	0.00	1,305.00	1,989.00
7350 · Audit Services - Financial	6,900.00	0.00	472.50	0.00	7,372.50
7600 · YC Groundwater Monitor Program	0.00	0.00	42,064.00	0.00	42,064.00
Total Expense	<u>35,787.87</u>	<u>39,050.93</u>	<u>79,701.28</u>	<u>51,676.10</u>	<u>206,216.18</u>
Net Income	<u><u>434,775.14</u></u>	<u><u>-36,056.67</u></u>	<u><u>-70,760.35</u></u>	<u><u>-48,385.19</u></u>	<u><u>279,572.93</u></u>

Yolo Subbasin Groundwater Agency
Transaction List by Date
July 2019 through June 2020

Type	Date	Num	Name	Memo	Account	Clr	Split	Amount
General Journal	07/01/2019	5		Re-assign insurance paid in FY18-19 for FY19-20	1150 - Prepaid Insurance		5300 - Insurance-General & Auto	-492.00
Transfer	07/18/2019			Funds Transfer	1010 - 1st Northern-Savings	√	1000 - 1st Northern-Checking	-15,000.00
Bill Pmt -Check	07/22/2019	126	Downey Brand		1000 - 1st Northern-Checking	√	2000 - Accounts Payable	-1,587.00
Bill Pmt -Check	07/22/2019	127	Yolo County Flood Control & WCD		1000 - 1st Northern-Checking	√	2000 - Accounts Payable	-30,603.35
Invoice	07/25/2019	2019-1	Reclamation District 307		1100 - Accounts Receivable		-SPLIT-	5,941.00
Invoice	08/01/2019	2019-2	Reclamation District 307		1100 - Accounts Receivable		-SPLIT-	2,970.50
Invoice	08/01/2019	2019-3	YCFC&WCD		1100 - Accounts Receivable		4100 - Member Contributions-Rural	110,000.00
Invoice	08/01/2019	2019-4	County of Yolo		1100 - Accounts Receivable		4100 - Member Contributions-Rural	40,000.00
Invoice	08/01/2019	2019-5	City of Davis		1100 - Accounts Receivable		4000 - Member Contributions-Municipal	40,000.00
Invoice	08/01/2019	2019-6	City of Woodland		1100 - Accounts Receivable		4000 - Member Contributions-Municipal	40,000.00
Invoice	08/01/2019	2019-7	City of Winters		1100 - Accounts Receivable		4000 - Member Contributions-Municipal	20,000.00
Invoice	08/01/2019	2019-8	Yocha Dehe Wintun Nation		1100 - Accounts Receivable		4000 - Member Contributions-Municipal	10,000.00
Invoice	08/01/2019	2019-9	Esparto Community Service District		1100 - Accounts Receivable		4000 - Member Contributions-Municipal	5,000.00
Invoice	08/01/2019	2019-10	Madison Community Service District		1100 - Accounts Receivable		4000 - Member Contributions-Municipal	5,000.00
Invoice	08/01/2019	2019-11	Dunnigan Water District		1100 - Accounts Receivable		4100 - Member Contributions-Rural	5,350.00
Invoice	08/01/2019	2019-12	Reclamation District 108		1100 - Accounts Receivable		4100 - Member Contributions-Rural	21,600.00
Invoice	08/01/2019	2019-13	Reclamation District 2035		1100 - Accounts Receivable		4100 - Member Contributions-Rural	19,000.00
Invoice	08/01/2019	2019-14	University of California Davis		1100 - Accounts Receivable		4200 - Member Contributions-Affiliates	40,000.00
Invoice	08/01/2019	2019-15	Colusa Drain Mutual Water Comany		1100 - Accounts Receivable		4200 - Member Contributions-Affiliates	10,000.00
Invoice	08/01/2019	2019-16	California American Water Company		1100 - Accounts Receivable		4200 - Member Contributions-Affiliates	5,000.00
Invoice	08/01/2019	2019-17	Yolo County Farm Bureau		1100 - Accounts Receivable		4200 - Member Contributions-Affiliates	10,000.00
Invoice	08/01/2019	2019-18	Reclamation District 537		1100 - Accounts Receivable		4100 - Member Contributions-Rural	2,600.00
Invoice	08/01/2019	2019-19	Reclamation District 730		1100 - Accounts Receivable		4100 - Member Contributions-Rural	2,249.00
Invoice	08/01/2019	2019-20	Reclamation District 765		1100 - Accounts Receivable		4100 - Member Contributions-Rural	700.00
Invoice	08/01/2019	2019-21	Reclamation District 785		1100 - Accounts Receivable		4100 - Member Contributions-Rural	1,600.00
Invoice	08/01/2019	2019-22	Reclamation District 787		1100 - Accounts Receivable		4100 - Member Contributions-Rural	14,700.00
Invoice	08/01/2019	2019-23	Reclamation District 827		1100 - Accounts Receivable		4100 - Member Contributions-Rural	613.00
Invoice	08/01/2019	2019-24	Reclamation District 1600		1100 - Accounts Receivable		4100 - Member Contributions-Rural	3,462.00
Invoice	08/01/2019	2019-25	City of West Sacramento		1100 - Accounts Receivable		4000 - Member Contributions-Municipal	40,000.00
Invoice	08/01/2019	2019-26	Reclamation District 150		1100 - Accounts Receivable		4100 - Member Contributions-Rural	2,146.50
Invoice	08/01/2019	2019-27	Reclamation District 999		1100 - Accounts Receivable		4100 - Member Contributions-Rural	12,625.00
Payment	08/12/2019	17972	Esparto Community Service District		1200 - Undeposited Funds	√	1100 - Accounts Receivable	5,000.00
Payment	08/15/2019	3852	Colusa Drain Mutual Water Comany		1200 - Undeposited Funds	√	1100 - Accounts Receivable	5,000.00
Payment	08/15/2019	99103	Dunnigan Water District		1200 - Undeposited Funds	√	1100 - Accounts Receivable	5,350.00
Payment	08/16/2019	132214	Yocha Dehe Wintun Nation		1200 - Undeposited Funds	√	1100 - Accounts Receivable	10,000.00
Deposit	08/19/2019			Deposit	1020 - Yolo County Treasury	√	-SPLIT-	25,350.00
Payment	08/19/2019	437804	City of Davis		1200 - Undeposited Funds	√	1100 - Accounts Receivable	40,000.00
Payment	08/19/2019	29318	Reclamation District 108		1200 - Undeposited Funds	√	1100 - Accounts Receivable	21,600.00
Payment	08/21/2019	47659	California American Water Company		1200 - Undeposited Funds	√	1100 - Accounts Receivable	5,000.00
Transfer	08/22/2019			Funds Transfer	1010 - 1st Northern-Savings	√	1000 - 1st Northern-Checking	-20,000.00
Bill Pmt -Check	08/26/2019	128	Water Resources Association of Yolo Cty	VOID:	1000 - 1st Northern-Checking	√	2000 - Accounts Payable	0.00
Payment	08/26/2019	57330	YCFC&WCD		1200 - Undeposited Funds	√	1100 - Accounts Receivable	110,000.00
Payment	08/26/2019	47748	Reclamation District 787		1200 - Undeposited Funds	√	1100 - Accounts Receivable	14,700.00
Payment	08/28/2019	JE#332-Yolo County	Reclamation District 307		1200 - Undeposited Funds	√	1100 - Accounts Receivable	5,941.00
Payment	08/28/2019	JE #335-YCT	Reclamation District 150		1200 - Undeposited Funds	√	1100 - Accounts Receivable	1,076.25
Payment	08/28/2019	JE#334-Yolo County	Reclamation District 730		1200 - Undeposited Funds	√	1100 - Accounts Receivable	2,249.00
Payment	08/28/2019	JE#333-Yolo County	Reclamation District 1600		1200 - Undeposited Funds	√	1100 - Accounts Receivable	3,462.00
Deposit	08/28/2019			Deposit	1020 - Yolo County Treasury	√	1200 - Undeposited Funds	5,941.00
Deposit	08/28/2019			Deposit	1020 - Yolo County Treasury	√	1200 - Undeposited Funds	1,076.25

Yolo Subbasin Groundwater Agency
Transaction List by Date
July 2019 through June 2020

Type	Date	Num	Name	Memo	Account	Clr	Split	Amount
Deposit	08/28/2019			Deposit	1020 · Yolo County Treasury	√	1200 · Undeposited Funds	2,249.00
Deposit	08/28/2019			Deposit	1020 · Yolo County Treasury	√	1200 · Undeposited Funds	3,462.00
Payment	08/29/2019	ACH #4984	Madison Community Service District		1200 · Undeposited Funds	√	1100 · Accounts Receivable	5,000.00
Bill	08/29/2019	2019-0829	Richardson & Company LLP		2000 · Accounts Payable		7350 · Audit Services - Financial	-6,900.00
Bill	08/30/2019	2019-7 revised	Water Resources Association of Yolo Cty		2000 · Accounts Payable		7000 · Admin. Services/Expenses (WRA)	-16,886.44
Payment	08/30/2019	ACH #4984	County of Yolo		1200 · Undeposited Funds	√	1100 · Accounts Receivable	40,000.00
Deposit	08/30/2019			Deposit	1000 · 1st Northern-Checking	√	-SPLIT-	45,000.00
Deposit	09/04/2019			Deposit	1020 · Yolo County Treasury	√	-SPLIT-	191,300.00
Bill Pmt -Check	09/04/2019	129	Richardson & Company LLP		1000 · 1st Northern-Checking	√	2000 · Accounts Payable	-6,900.00
Bill Pmt -Check	09/04/2019	130	Water Resources Association of Yolo Cty		1000 · 1st Northern-Checking	√	2000 · Accounts Payable	-16,886.44
Payment	09/05/2019	JE #56	Reclamation District 537		1200 · Undeposited Funds	√	1100 · Accounts Receivable	2,600.00
Deposit	09/05/2019			Deposit	1020 · Yolo County Treasury	√	1200 · Undeposited Funds	2,600.00
Payment	09/09/2019	286361	City of West Sacramento		1200 · Undeposited Funds	√	1100 · Accounts Receivable	40,000.00
Payment	09/16/2019	6887	Yolo County Farm Bureau		1200 · Undeposited Funds	√	1100 · Accounts Receivable	10,000.00
Deposit	09/28/2019			Interest	1010 · 1st Northern-Savings	√	4400 · Interest Income	6.01
Bill	09/30/2019	2019-0930	Yolo County Flood Control & WCD		2000 · Accounts Payable		7100 · Project Mgmt-SGMA Implementatio	-11,509.43
Deposit	09/30/2019			Deposit	1020 · Yolo County Treasury	√	1200 · Undeposited Funds	2,970.50
Check	10/01/2019			Service Charge	1020 · Yolo County Treasury	√	5100 · Bank & Other Fees	-113.89
Deposit	10/01/2019			Interest	1020 · Yolo County Treasury	√	4400 · Interest Income	2,989.87
Deposit	10/02/2019			Deposit	1020 · Yolo County Treasury	√	-SPLIT-	50,000.00
Bill	10/03/2019	Policy FY19-20	ACWA/JPIA		2000 · Accounts Payable		-SPLIT-	-1,443.93
Payment	10/03/2019	JE#313-Yolo County	Reclamation District 307		1200 · Undeposited Funds	√	1100 · Accounts Receivable	2,970.50
Bill	10/14/2019	2019-14	Water Resources Association of Yolo Cty		2000 · Accounts Payable		7010 · Westside IRWMP Cost Share (WRA)	-21,500.00
Bill Pmt -Check	10/15/2019	131	ACWA/JPIA		1000 · 1st Northern-Checking	√	2000 · Accounts Payable	-1,443.93
Bill Pmt -Check	10/15/2019	132	Water Resources Association of Yolo Cty		1000 · 1st Northern-Checking	√	2000 · Accounts Payable	-21,500.00
Bill Pmt -Check	10/15/2019	133	Yolo County Flood Control & WCD		1000 · 1st Northern-Checking	√	2000 · Accounts Payable	-11,509.43
Payment	10/16/2019	18754	Reclamation District 999		1200 · Undeposited Funds	√	1100 · Accounts Receivable	12,625.00
Payment	10/17/2019	11141224	University of California Davis		1200 · Undeposited Funds	√	1100 · Accounts Receivable	40,000.00
Bill	10/18/2019	541619	Downey Brand		2000 · Accounts Payable		7300 · Legal Services	-684.00
Deposit	10/23/2019			Deposit	1020 · Yolo County Treasury	√	-SPLIT-	52,625.00
Payment	10/25/2019	2197	Reclamation District 827		1200 · Undeposited Funds	√	1100 · Accounts Receivable	613.00
Bill Pmt -Check	11/06/2019	134	Downey Brand		1000 · 1st Northern-Checking	√	2000 · Accounts Payable	-684.00
Deposit	11/08/2019			Deposit	1010 · 1st Northern-Savings	√	1200 · Undeposited Funds	613.00
Check	11/08/2019			Service Charge	1000 · 1st Northern-Checking	√	5100 · Bank & Other Fees	-25.00
Payment	11/20/2019	53492	City of Winters		1200 · Undeposited Funds	√	1100 · Accounts Receivable	20,000.00
Bill	12/01/2019	102673	Digital Deployment/Streamline		2000 · Accounts Payable		5500 · Membership Dues	-1,200.00
Payment	12/09/2019	939	Reclamation District 765		1200 · Undeposited Funds	√	1100 · Accounts Receivable	700.00
Transfer	12/10/2019			Funds Transfer	1010 · 1st Northern-Savings	√	1000 · 1st Northern-Checking	-10,000.00
Bill	12/10/2019	2019-15	Water Resources Association of Yolo Cty		2000 · Accounts Payable		7000 · Admin. Services/Expenses (WRA)	-14,445.09
Bill Pmt -Check	12/10/2019	135	Water Resources Association of Yolo Cty		1000 · 1st Northern-Checking	√	2000 · Accounts Payable	-14,445.09
Payment	12/23/2019	293538	City of Woodland		1200 · Undeposited Funds	√	1100 · Accounts Receivable	40,000.00
Deposit	12/31/2019			Interest	1010 · 1st Northern-Savings	√	4400 · Interest Income	4.39
Check	01/01/2020			Service Charge	1020 · Yolo County Treasury	√	5100 · Bank & Other Fees	-429.48
Deposit	01/01/2020			Interest	1020 · Yolo County Treasury	√	4400 · Interest Income	4,292.82
Bill	01/03/2020	2020-0103	Yolo County Flood Control & WCD		2000 · Accounts Payable		7100 · Project Mgmt-SGMA Implementatio	-4,468.66
Bill	01/08/2020	2020-01	Water Resources Association of Yolo Cty		2000 · Accounts Payable		7000 · Admin. Services/Expenses (WRA)	-12,542.82
Transfer	01/08/2020			Funds Transfer	1010 · 1st Northern-Savings	√	1000 · 1st Northern-Checking	-10,000.00
Bill Pmt -Check	01/08/2020	136	Water Resources Association of Yolo Cty		1000 · 1st Northern-Checking	√	2000 · Accounts Payable	-12,542.82
Bill	01/09/2020	2020-02	Water Resources Association of Yolo Cty		2000 · Accounts Payable		7000 · Admin. Services/Expenses (WRA)	-770.00
Bill Pmt -Check	01/09/2020	137	Water Resources Association of Yolo Cty		1000 · 1st Northern-Checking	√	2000 · Accounts Payable	-770.00

Yolo Subbasin Groundwater Agency
Transaction List by Date
July 2019 through June 2020

Type	Date	Num	Name	Memo	Account	Clr	Split	Amount
Payment	01/14/2020	3889	Colusa Drain Mutual Water Comany		1200 · Undeposited Funds	√	1100 · Accounts Receivable	5,000.00
Bill	01/23/2020	2020.0123	ACWA		2000 · Accounts Payable		5500 · Membership Dues	-1,615.00
Payment	01/23/2020	JE #395-YCT	Reclamation District 150		1200 · Undeposited Funds	√	1100 · Accounts Receivable	1,076.25
Deposit	01/23/2020			Deposit	1020 · Yolo County Treasury	√	1200 · Undeposited Funds	1,076.25
Payment	01/29/2020	1423	Reclamation District 785		1200 · Undeposited Funds	√	1100 · Accounts Receivable	1,600.00
Deposit	02/04/2020			Deposit	1020 · Yolo County Treasury	√	-SPLIT-	67,300.00
Transfer	02/11/2020			Funds Transfer	1010 · 1st Northern-Savings	√	1000 · 1st Northern-Checking	-7,000.00
Bill	02/12/2020	110881	Richardson & Company LLP		2000 · Accounts Payable		7350 · Audit Services - Financial	-472.50
Bill Pmt -Check	02/13/2020	138	ACWA		1000 · 1st Northern-Checking	√	2000 · Accounts Payable	-1,615.00
Bill Pmt -Check	02/13/2020	139	Digital Deployment/Streamline		1000 · 1st Northern-Checking	√	2000 · Accounts Payable	-1,200.00
Bill Pmt -Check	02/13/2020	140	Yolo County Flood Control & WCD		1000 · 1st Northern-Checking	√	2000 · Accounts Payable	-4,468.66
Check	02/13/2020	141	Reclamation District 150	For overpayment of FY2019-2020 YSGA Membership dues	1000 · 1st Northern-Checking	√	1100 · Accounts Receivable	-6.00
Bill	02/20/2020	2020-0220	Yolo County Flood Control & WCD		2000 · Accounts Payable		7600 · YC Groundwater Monitor Program	-42,064.00
Payment	02/20/2020	JE#362-YCT	Reclamation District 2035		1200 · Undeposited Funds	√	1100 · Accounts Receivable	19,000.00
Deposit	02/20/2020			Deposit	1020 · Yolo County Treasury	√	1200 · Undeposited Funds	19,000.00
Bill	03/06/2020	2020-03	Water Resources Association of Yolo Cty		2000 · Accounts Payable		7000 · Admin. Services/Expenses (WRA)	-16,800.71
Bill Pmt -Check	03/09/2020	142	Richardson & Company LLP		1000 · 1st Northern-Checking	√	2000 · Accounts Payable	-472.50
Transfer	03/20/2020	ACH 6918		Funds Transfer 3/19/20 ACH#6918	1020 · Yolo County Treasury	√	1000 · 1st Northern-Checking	-110,000.00
Bill Pmt -Check	03/20/2020	143	Water Resources Association of Yolo Cty		1000 · 1st Northern-Checking	√	2000 · Accounts Payable	-16,800.71
Bill Pmt -Check	03/20/2020	144	Yolo County Flood Control & WCD		1000 · 1st Northern-Checking	√	2000 · Accounts Payable	-42,064.00
Transfer	03/24/2020			Funds Transfer	1000 · 1st Northern-Checking	√	1010 · 1st Northern-Savings	-50,000.00
Deposit	03/31/2020			Interest	1010 · 1st Northern-Savings	√	4400 · Interest Income	2.03
Check	03/31/2020			Service Charge	1020 · Yolo County Treasury	√	5100 · Bank & Other Fees	-538.11
Deposit	03/31/2020			Interest	1020 · Yolo County Treasury	√	4400 · Interest Income	4,646.08
Bill	04/10/2020	547200	Downey Brand		2000 · Accounts Payable		7300 · Legal Services	-675.00
Bill	04/30/2020	2020-0430	Yolo County Flood Control & WCD		2000 · Accounts Payable		7100 · Project Mgmt-SGMA Implementatio	-11,183.25
Bill	05/15/2020	2020-05	Water Resources Association of Yolo Cty		2000 · Accounts Payable		7000 · Admin. Services/Expenses (WRA)	-15,171.37
Transfer	05/15/2020			Funds Transfer	1010 · 1st Northern-Savings	√	1000 · 1st Northern-Checking	-26,000.00
Bill Pmt -Check	05/18/2020	145	Downey Brand		1000 · 1st Northern-Checking	√	2000 · Accounts Payable	-675.00
Bill Pmt -Check	05/18/2020	146	Yolo County Flood Control & WCD		1000 · 1st Northern-Checking	√	2000 · Accounts Payable	-11,183.25
Bill Pmt -Check	05/18/2020	147	Water Resources Association of Yolo Cty		1000 · 1st Northern-Checking	√	2000 · Accounts Payable	-15,171.37
Deposit	06/30/2020			Interest	1010 · 1st Northern-Savings	√	4400 · Interest Income	1.39
Bill	06/30/2020	2020.0630	Yolo County Flood Control & WCD		2000 · Accounts Payable		7100 · Project Mgmt-SGMA Implementatio	-12,951.10
Bill	06/30/2020	550671	Downey Brand		2000 · Accounts Payable		7300 · Legal Services	-630.00
Bill	06/30/2020	2020-07	Water Resources Association of Yolo Cty		2000 · Accounts Payable		7000 · Admin. Services/Expenses (WRA)	-10,700.80
Check	06/30/2020			Service Charge	1020 · Yolo County Treasury	√	5100 · Bank & Other Fees	-364.58
Deposit	06/30/2020			Interest	1020 · Yolo County Treasury	√	4400 · Interest Income	3,289.52



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GOVERNANCE LETTER

To the Board of Directors
Yolo Subbasin Groundwater Agency
Woodland, California

We have audited the financial statements of the governmental activities and major Special Revenue Fund of the Yolo Subbasin Groundwater Agency (the Agency) for the year ended June 30, 2020, and have issued our report thereon dated September 14, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as information related to the planned scope and timing of the audit. We communicated such information to you in our engagement letter dated December 1, 2018 and to a member of the Board of Directors during the audit. Professional standards also require that we provide you with the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Agency are described in Note A to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by the Agency during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive accounting estimate affecting the financial statements is used in determining the amount of liabilities recorded. We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were the disclosures related to the related party transactions and contingencies disclosed in Notes D and E to the financial statements, respectively.

The financial statement disclosures are neutral, consistent, and clear.

To the Board of Directors
Yolo Subbasin Groundwater Agency

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Four adjustments were proposed during the audit, including an entry to reclassify a liability for reporting purposes, an entry to repost a previous entry for member dues owed from Reclamation District 307, an entry to accrue County of Yolo fourth quarter interest and an entry to record the change in fair value of the Yolo County investment pool.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 14, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Agency's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Agency's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis, which is RSI that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

* * * * *

To the Board of Directors
Yolo Subbasin Groundwater Agency

Restriction on Use

This information is intended solely for the use of the Board of Directors and management of the Agency and is not intended to be, and should not be, used by anyone other than these specified parties.

Richardson & Company, LLP

September 14, 2020

YOLO SUBBASIN GROUNDWATER AGENCY

Audited Financial Statements and
Compliance Report

June 30, 2020

YOLO SUBBASIN GROUNDWATER AGENCY

Audited Financial Statements and
Compliance Report

June 30, 2020

TABLE OF CONTENTS

Independent Auditor’s Report.....1
Management’s Discussion and Analysis.....3

Basic Financial Statements:

 Statement of Net Position and Governmental Fund Balance Sheet.....8
 Statement of Activities and Governmental Fund Revenues, Expenditures and
 Changes in Fund Balance.....9
 Statement of Revenues, Expenditures and Changes in Fund Balance – Budget
 and Actual – Special Revenue Fund10
 Notes to Basic Financial Statements11

Compliance Report:

 Independent Auditor’s 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*..... 18



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Yolo Subbasin Groundwater Agency
Woodland, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major Special Revenue Fund of the Yolo Subbasin Groundwater Agency (the Agency), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Agency'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, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and the major Special Revenue Fund of the Agency as of June 30, 2020, and the respective changes in financial position thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America as well as accounting systems prescribed by the State Controller's Office and state regulations governing special districts.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, as listed in the accompanying table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 14, 2020 on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, 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 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 Agency's internal control over financial reporting and compliance.

Richardson & Company, LLP

September 14, 2020

Yolo Subbasin Groundwater Agency
Management's Discussion and Analysis
For the Year Ended June 30, 2020

OVERVIEW

The Yolo Subbasin Groundwater Agency (Agency) was formed under a Joint Exercise of Powers Agreement on June 19, 2017 pursuant to the Joint Exercise of Powers Act, California Government Code §§ 6500 *et seq.* The California Legislature enacted the 2014 Sustainable Groundwater Management Act (SGMA), effective January 1, 2015, requiring the formation of a Groundwater Sustainability Agency for each of the regional subbasins in the State.

The Agency was formed for the purpose of acting as the Groundwater Sustainability Agency (GSA) for the Yolo Subbasin. The Agency is considered the exclusive GSA for the Yolo Subbasin.

The mission of the Agency is to provide a dynamic, cost-effective, flexible collegial organization to ensure compliance with SGMA within the Yolo Subbasin. Each of the member agencies and affiliated parties will have initial responsibility for groundwater management within their respective jurisdictional boundaries and the Agency will serve a coordinating and administrative role for developing the Groundwater Sustainability Plan (GSP). The Yolo Subbasin GSP will be completed by January 1, 2022 to meet the State's deadline.

DESCRIPTION OF BASIC FINANCIAL STATEMENTS

The Agency maintains its accounting records in accordance with generally accepted accounting principles for a Special Revenue Fund of the governmental fund group as prescribed by the Government Accounting Standards Board. A Special Revenue Fund is used to account for the proceeds of specific revenue sources that are either restricted or committed to expenditure for specified purposes. Agency's revenues are legally restricted under a joint powers agreement provided for under the California Government Code. The accounts of the Agency are organized on the basis of fund accounting. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives.

The Governmental Accounting Standards Board requires that fund balances are reported in classifications that comprise a hierarchy based primarily on the extent to which the Agency is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The categories include non-spendable and restricted funds. Non-spendable fund balance represents amounts such as prepaid expenses that are not available for expenditure because they are not expected to be converted to cash. The Agency's revenues are legally restricted for the purpose of managing the Yolo groundwater subbasin, so any residual amounts would be considered restricted fund balance.

The basic financial statements include the statement of net position/governmental fund balance sheet and the statement of activities/statement of revenues, expenditures, and changes in fund balance. Additionally, the statement of revenues, expenditures, and changes in fund balance – budget to actual is included on page 10 of this report.

The Agency as a single governmental JPA presents their fund financial statements with their government-wide statements on the Statement of Net Position. Over time, increases or decreases in fund balance and net position may serve as a useful indicator of whether Agency's financial position is improving or deteriorating.

The statement of activities/statement of revenues, expenditures, and changes in fund balance reports all of the Agency's revenues and expenses/expenditures during the periods indicated. This statement reflects the operating activity as both a Special Revenue Fund and also converts to a statement of activities, if

Yolo Subbasin Groundwater Agency
Management's Discussion and Analysis
For the Year Ended June 30, 2020

applicable. All changes in fund balance of the Special Revenue Fund are reported as soon as the underlying event is measurable and available. Expenditures/expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (i.e. amounts due to vendors) for both the fund balance and net position. Revenues are reported when available (i.e. grant awards) for fund balance and reported when earned under the accrual basis in the statement of net position.

The statement of revenues, expenditures, and changes in fund balance – budget to actual illustrate the actual results compared to the legally adopted budget on a fund basis. The fund basis does not include depreciation expense and includes capital asset purchases as expenditures.

NOTES TO FINANCIAL STATEMENTS

The notes provide additional information that is essential to a full understanding of the financial data provided in the financial statements. The notes to the financial statements can be found on pages 11 to 17 of this report.

CONDENSED STATEMENTS OF NET POSITION

For the fiscal years ended June 30, the following condensed comparative Statements of Net Position using a net position basis are presented:

	<u>2020</u>	<u>2019</u>	<u>Increase (Decrease)</u>	<u>% Change</u>
Current Assets	\$ 778,157	\$ 501,964	\$ 276,193	55%
Total Assets	<u>778,157</u>	<u>501,964</u>	<u>276,193</u>	<u>55%</u>
Current Liabilities	24,282	32,190	(7,908)	(79%)
Total Liabilities	<u>24,282</u>	<u>32,190</u>	<u>(7,908)</u>	<u>(79%)</u>
Net position:				
Restricted for groundwater sustainability activities	<u>753,875</u>	<u>469,774</u>	<u>284,101</u>	<u>60%</u>
Total Net Position	<u><u>\$ 753,875</u></u>	<u><u>\$ 469,774</u></u>	<u><u>\$ 284,101</u></u>	<u><u>60%</u></u>

FISCAL YEAR 2020 COMPARED TO FISCAL YEAR 2019

Current assets consisted of cash and cash equivalents, due from other governments and prepaid assets. Current assets increased by \$276,193 from the previous year. The increase is primarily due to not spending the expected consulting costs for project management.

Current liabilities of \$24,282 decreased \$7,908 from the previous year and include amounts due to Yolo County Flood Control and Water Conservation District (the District). The District is a related party that manages the projects and work for the Agency. The current liabilities include \$12,951 due to the District for project management expenses.

The restricted net position may be used to meet the Agency's ongoing obligations to member agencies and creditors. Restricted net position increased by \$284,101. This increase was the result of revenue being greater than project expenses by \$284,101.

Yolo Subbasin Groundwater Agency
Management's Discussion and Analysis
For the Year Ended June 30, 2020

CONDENSED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION

For the fiscal years ended June 30, the following condensed Statement of Activities are presented:

	<u>2020</u>	<u>2019</u>	<u>Increase (Decrease)</u>	<u>% Change</u>
General Revenues	\$ 490,319	\$ 491,046	\$ (727)	0%
Total Expenses	206,218	206,602	(384)	(22%)
Change in Net Position	284,101	284,444	(343)	0%
Net position, beginning of year	469,774	185,330	284,444	0%
Net position, end of year	<u>\$ 753,875</u>	<u>\$ 469,774</u>	<u>\$ 284,101</u>	<u>60%</u>

ANALYTICAL REVIEW REVENUES

The Agency's principal source of revenue is from dues contributions received from its member agencies. The total revenue received from this source for the fiscal year was \$464,616 and were \$17,742 lower than in the previous year. Interest earnings increased \$16,413 due to the larger investment in the County of Yolo investment pool.

ANALYTICAL REVIEW EXPENSES

Total operating expenses for the fiscal year were \$206,218, which was primarily for administrative and technical services, and is \$384 lower than the previous year's expenses of \$206,602.

Yolo Subbasin Groundwater Agency
Management's Discussion and Analysis
For the Year Ended June 30, 2020

SPECIAL REVENUE AND CONDENSED BUDGETARY ANALYSIS

For the fiscal year ended June 30, 2020, the following condensed Budget to Actual Statements of Revenues, Expenditures, and Changes in Fund Balance are presented:

	Final Budget	Actual Amounts	Variance with Budget Positive (Negative)	% Difference
General revenues				
Member contributions	\$ 484,617	\$ 464,616	\$ (20,001)	(4%)
Use of money and property	5,000	25,703	20,703	81%
Total Revenues	489,617	490,319	702	0%
Expenditures				
Administration services				
Water Resource Association	127,500	108,817	18,683	17%
Yolo County groundwater monitoring program	42,064	42,064		0%
Project management	110,000	40,112	69,888	174%
Services and supplies	12,500	13,236	(736)	(6%)
Legal	20,000	1,989	18,011	906%
Monitoring sensors	80,000		80,000	0%
Consulting services	20,000		20,000	0%
Total Expenditures	412,064	206,218	205,846	100%
Expenditures (over) under revenue	77,553	284,101	206,548	73%
Fund balance, beginning of year	469,774	469,774		0%
Fund balance, end of year	\$ 547,327	\$ 753,875	\$ 206,548	27%

ADMINISTRATIVE SERVICES EXPENSES

The Agency incurs administrative expenses from Water Resources Association of Yolo County (WRA) to manage the Agency. Total actual administrative costs were \$18,683 lower than budgeted, largely due to administrative time needed being less than anticipated. Administrative expenses are budgeted based upon the costs as needed under the Administrative Services Agreement with the WRA.

PROJECT MANAGEMENT AND LEGAL EXPENSES

Overall project management and legal fees came in lower than budgeted by \$87,899. Lower costs are the result of utilizing less YCFC&WCD staff labor for project management and technical assistance to develop the GSP. This work is primarily being performed by consultants under funding through the Proposition 1 planning grant from DWR. Additionally, legal costs were much lower due to legal counsel having less legal issues with the GSP.

MONITORING SENSORS AND CONSULTING SERVICES

The Agency did not incur budgeted monitoring sensors or consulting services costs due to these costs being incurred by the District and funded through a grant rather than funding from the Agency.

Yolo Subbasin Groundwater Agency
Management's Discussion and Analysis
For the Year Ended June 30, 2020

ACCOMPLISHMENTS

On June 17, 2019, the Agency Board adopted an annual budget for fiscal years 2019-2020 and 2020-2021. This budget includes the addition of dues contributions from the new Reclamation District member agencies: 150, 307 and 999.

As stated in the JPA Agreement Article 5.11, following the 2-year anniversary of the Agreement effective date (June 19, 2017), the Board of Directors shall consider whether to recommend to the Members that the voting structure and/or expense allocation provisions should be modified in any respect. On April 22, 2019 the Agency Board of Directors voted to postpone reconsideration of the voting structure and expense allocation until after the Groundwater Sustainability Plan (GSP) is completed and submitted to the California Department of Water Resources. The deadline for this submission is January 1, 2022, however it is anticipated that the GSP will be completed much earlier than this deadline.

The YSGA launched a new website hosted by Streamline in January 2020. The new website design complies with all California Special District regulations and public transparency guidelines.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Agency Board adopted an annual budget for fiscal years 2019-2020 and 2020-2021 on June 17, 2019. Budget amendments were adopted on March 16, 2020. The Board adopted fiscal year 2020-2021 budget amendments on June 15, 2020. As of July 1, 2020, Reclamation District 785 and 827 were consolidated with Reclamation District 537. This consolidation will change the memberships dues and result in an overall reduction by approximately \$1,775 annually of the previous combined dues for all three Reclamation Districts for fiscal year 2020-2021.

CONTACTING THE AGENCY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our stakeholders with a general overview of the Agency's finances and to demonstrate accountability for the revenues it receives. If you have any questions regarding this report or need additional information, contact the Yolo Subbasin Groundwater Agency, 34274 State Highway 16, Woodland, CA 95695 or at yologroundwater.org.

YOLO SUBBASIN GROUNDWATER AGENCY

STATEMENT OF NET POSITION AND
GOVERNMENTAL FUND BALANCE SHEET

June 30, 2020

	Special Revenue Fund	Adjustments	Statement of Net Position
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Current Assets			
Cash and investments	\$ 777,796		\$ 777,796
Prepaid insurance	361		361
	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u>\$ 778,157</u>	<u> </u>	<u>778,157</u>
LIABILITIES			
Current Liabilities			
Accounts payable	\$ 11,331		11,331
Due to other governments	12,951		12,951
	<u> </u>	<u> </u>	<u> </u>
TOTAL LIABILITIES	<u>24,282</u>	<u> </u>	<u>24,282</u>
FUND BALANCE			
Fund balance:			
Nonspendable	361	\$ (361)	
Restricted for groundwater sustainability activities	753,514	(753,514)	
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUND BALANCE	<u>753,875</u>	<u>(753,875)</u>	<u> </u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 778,157</u>	<u> </u>	<u> </u>
NET POSITION			
Restricted for groundwater sustainability activities		<u>753,875</u>	<u>753,875</u>
TOTAL NET POSITION		<u>\$ 753,875</u>	<u>\$ 753,875</u>

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

YOLO SUBBASIN GROUNDWATER AGENCY

STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

For the Year Ended June 30, 2020

	Special Revenue Fund	Adjustments	Statement of Net Position
EXPENDITURES/EXPENSES			
Administration services			
Water Resource Association	\$ 108,817		\$ 108,817
Yolo County groundwater monitoring program	42,064		42,064
Project management	40,112		40,112
Services and supplies	13,236		13,236
Legal	1,989		1,989
TOTAL EXPENDITURES/EXPENSES	<u>206,218</u>		<u>206,218</u>
NET PROGRAM EXPENSES	<u>206,218</u>		<u>206,218</u>
GENERAL REVENUES			
Member contributions			
Rural	239,616		239,616
Municipal	160,000		160,000
Affiliates	65,000		65,000
Use of money and property	25,703		25,703
TOTAL REVENUES	<u>490,319</u>		<u>490,319</u>
EXCESS OF REVENUES OVER EXPENDITURES	284,101	\$ (284,101)	
CHANGE IN NET POSITION		284,101	284,101
Fund balance/net position, beginning of year	<u>469,774</u>		<u>469,774</u>
FUND BALANCE/NET POSITION, END OF YEAR	<u>\$ 753,875</u>	<u>\$ -</u>	<u>\$ 753,875</u>

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

YOLO SUBBASIN GROUNDWATER AGENCY
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - SPECIAL REVENUE FUND

For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	With Final Budget Positive (Negative)
REVENUES				
Member contributions				
Rural	\$ 256,646	\$ 259,617	\$ 239,616	\$ (20,001)
Municipal	160,000	160,000	160,000	
Affiliates	65,000	65,000	65,000	
Use of money and property	5,000	5,000	25,703	20,703
TOTAL REVENUES	486,646	489,617	490,319	702
EXPENDITURES				
Current				
Administration services				
Water Resource Association	127,500	127,500	108,817	18,683
Yolo County groundwater monitoring program	42,064	42,064	42,064	
Project management	110,000	110,000	40,112	69,888
Services and supplies	10,500	12,500	13,236	(736)
Legal	20,000	20,000	1,989	18,011
Monitoring sensors	80,000	80,000	80,000	80,000
Consulting services	20,000	20,000		20,000
TOTAL EXPENDITURES	410,064	412,064	206,218	205,846
NET CHANGE IN FUND BALANCE	\$ 76,582	\$ 77,553	284,101	\$ 206,548
Fund balance, beginning of year			469,774	
FUND BALANCE, END OF YEAR			\$ 753,875	

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

YOLO SUBBASIN GROUNDWATER AGENCY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Yolo Subbasin Groundwater Agency (the Agency) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The most significant accounting policies of the Agency are described below.

Nature of Activities: The Agency was formed under a Joint Exercise of Powers Agreement on June 19, 2017 pursuant to the Joint Exercise of Powers Act, California Government Code §§ 6500 *et seq* for the purpose of acting as the Groundwater Sustainability Agency (GSA) for the Yolo Subbasin. The California Legislature enacted the 2014 Sustainable Groundwater Management Act (SGMA), effective January 1, 2015, requiring the formation of a Groundwater Sustainability Agency for the each of the regional subbasins in the State.

The Agency was formed for the purpose of acting as the Groundwater Sustainability Agency (GSA) for the Yolo Subbasin. The Agency is considered the exclusive GSA for the Yolo Subbasin.

The Agency's mission is to provide a dynamic, cost-effective, flexible collegial organization to ensure compliance with SGMA within the Yolo Subbasin. Each of the member agencies and affiliated parties will have initial responsibility for groundwater management within their respective jurisdictional boundaries and the Agency will serve a coordinating and administrative role for developing the Groundwater Sustainability Plan (GSP). The Yolo Subbasin GSP will be completed by January 1, 2022 to meet the State's deadline.

The Agency's members and affiliated parties cited in the Agency's JPA agreement include:

Member agencies:

- City of Davis
- City of Winters
- Dunnigan Water District
- Madison Community Service District
- Reclamation District 150
- Reclamation District 307
- Reclamation District 537
- Reclamation District 765
- Reclamation District 787
- Reclamation District 1600
- Yocha Dehe Wintun Nation
- Yolo County Flood Control and Water Conservation District
- City of West Sacramento
- City of Woodland
- Esparto Community Service District
- Reclamation District 108
- Reclamation District 730
- Reclamation District 785
- Reclamation District 827
- Reclamation District 999
- Reclamation District 2035
- Yolo County

Affiliated parties:

- California American Water Company – Dunnigan
- Environmental Party Representative
- Private Pumper Representative as appointed by the Yolo County Farm Bureau
- Colusa Drain Mutual Water Company
- University of California, Davis

YOLO SUBBASIN GROUNDWATER AGENCY

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In addition to the agencies above, as described in Note D, the Agency and the Water Resources Association of Yolo County (WRA) have common board members and management. The Agency had no employees or capital assets as of June 30, 2020. The WRA and Yolo County Flood Control and Water Conservation District provide administration and technical support to the Agency.

Basis of Presentation - Government-wide Financial Statements: The government-wide financial statements (i.e., the statement of net position and statement of activities) report information on all of the nonfiduciary activities of the primary government.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Revenues that are not classified as program revenues, including interest income, are presented as general revenues.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Nonexchange transactions in which the Agency gives or receives value without directly receiving or giving equal value in exchange, include grants, entitlements and contributions. These revenues are recognized when all eligibility requirements have been met. When nonexchange revenues are received before eligibility requirements are met, they are reported as unearned revenues until earned.

The Agency had no noncurrent assets or liabilities and, therefore, the activities reported in the Special Revenue Fund also represent the amounts reported in the government-wide financial statements.

Basis of Presentation – Fund Financial Statements: The accounts of the Agency are organized on the basis of funds. A fund is a separate accounting entity with a self-balancing set of accounts. Each fund is established for the purpose of accounting for specific activities in accordance with applicable regulations, restrictions or limitations. Major individual funds are reported as separate columns in the fund financial statements. The Agency reports its activities in a Special Revenue Fund.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Agency considers revenues to be available if they are collected within 90 days of the end of the current fiscal period. Grant funds and exchange revenue earned but not received are recorded as a receivable. Grant funds and exchange revenue received before the revenue recognition criteria have been met or not received within the availability period are reported as deferred inflows or unearned revenues, respectively.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, principal and interest on long-term liabilities, expenditures related to claims and judgments and expenditures related to compensated absences are recognized to the extent they have matured and are payable from current financial resources. General capital asset purchases are reported as capital outlay expenditures and proceeds of debt are reported as other financing sources in governmental funds.

YOLO SUBBASIN GROUNDWATER AGENCY

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

When both restricted and unrestricted resources are available, it is the Agency's policy to use restricted resources first, then unrestricted resources as they are needed.

The Agency's only major governmental fund is the Special Revenue Fund. The Special Revenue Fund is the general operating fund of the Agency and accounts for revenues restricted to providing groundwater sustainability activities of the Agency. The fund is charged with all costs of operations.

Revenue Recognition: The major source of revenue for the Agency is member contributions. The contributions from municipal members and affiliated parties is a flat amount approved by the Board, while the contributions by rural agencies is \$.50 per acre. The Board of Directors approved budgeted contributions from "white areas" not included in the boundaries of member agencies, but no contributions were billed for these areas during the year ended June 30, 2020.

Fund Balance: Governmental funds report nonspendable, restricted, committed, assigned and unassigned balances.

Nonspendable Funds – Fund balance should be reported as nonspendable when the amounts cannot be spent because they are either not in spendable form, or are legally or contractually required to be maintained intact. Nonspendable balances are not expected to be converted to cash within the next operating cycle, which include prepaid expenses and long-term receivables. The Agency's nonspendable fund balance as of June 30, 2020 is related to prepaid insurance.

Restricted Funds – Fund balance should be reported as restricted when constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. All of the Agency's fund balance was restricted under the JPA agreement as of June 30, 2020. The Agency's restricted fund balance includes a Board designated cash reserve of \$24,000 set aside to cover approximately three months of estimated expenditures. The reserve may go below this level if expenditures are approved by the Board in excess of revenues. The Board may allocate funds in excess of the policy in the following fiscal year.

Committed Funds – Fund balance should be reported as committed when the amounts can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, which is a Resolution of Board of Directors. These amounts cannot be used for any other purpose unless the governing body modifies or removes the fund commitment with another Resolution. The Agency had no committed fund balance at June 30, 2020.

Assigned Funds – Fund balance should be reported as assigned when the amounts are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The Agency had no assigned fund balance at June 30, 2020.

Unassigned Funds – Unassigned fund balance is the residual classification of the Agency's funds and includes all spendable amounts that have not been restricted, committed, or assigned to specific purposes. The Agency had no unassigned fund balance at June 30, 2020.

Budget: The Board approves all budgeted revenues and expenditures for the Special Revenue Fund.

YOLO SUBBASIN GROUNDWATER AGENCY

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2020

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgeted revenues and expenditures represent the original budget as approved by the Board and the final budget, which includes modifications of the original budget through amendments approved by the Board of Directors during the year. Budgetary control is maintained at the fund level. The budget may only be amended by the Board of Directors. The budget is presented on a basis consistent with generally accepted accounting principles. Appropriations lapse at the end of each fiscal year.

Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts. Actual results could differ from those estimates.

NOTE B – CASH AND INVESTMENTS

The following is a summary of cash and investments at June 30, 2020:

Cash and investments:	
Bank deposits	\$ 45,603
Investment in the County of Yolo investment pool	<u>732,193</u>
Total cash and investments	<u>\$ 777,796</u>

Investment Policy: All investments are made in accordance with Government Code, Section 53600, Chapter 4 – Financial Affairs. The Agency has contracted with the County of Yolo Chief Financial Officer to be the Auditor and Treasurer of the Agency. The Agency has no investment policy and currently only allows investment of excess funds in the County of Yolo investment pool.

Interest rate risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. As of June 30, 2020 the weighted average maturity of the investments contained in the County of Yolo investment pool was approximately 416 days.

Credit Risk: Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The County of Yolo investment pool does not have a rating provided by a nationally recognized statistical rating organization.

Concentration of Credit Risk: Concentration of credit risk is the risk of loss attributed to the magnitude of the Agency's investment in a single issuer of securities. When investments are concentrated in one issuer, this concentration presents a heightened risk of potential loss. State law contains limitations on the amount that can be invested in any one issuer. All investments of the Agency are in the County pool, which contains a diversification of investments.

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

YOLO SUBBASIN GROUNDWATER AGENCY

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2020

NOTE B – CASH AND INVESTMENTS (Continued)

investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: the California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure public agency deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. At June 30, 2020, the carrying amount of the deposits was \$45,603 and the balance in financial institutions was \$45,603, all of which was covered by federal depository insurance.

Investment in County of Yolo Investment Pool: The Agency participates in the County of Yolo investment pool, which is managed by the Yolo County Treasurer. Funds deposited in the County pool are invested in accordance with the California State Government Code and the County investment policy. The County has established a financial oversight committee to monitor and review the management of funds maintained in the investment pool in accordance with Article 6, Section 27131 of the California Government Code. The oversight committee and the Board of Supervisors review and approve the investment policy annually. On a quarterly basis, interest is allocated to participants based on average daily balances. Investments held in the County's investment pool are available on demand and are stated at fair value. The investments are available for withdraw on an amortized cost basis. Information regarding categorization of investments and other deposit and investment risk disclosures can be found in Yolo County's financial statements. The County of Yolo financial statements may be obtained by contacting the County Auditor Controller's office at 625 Court Street, Room 102, Woodland, CA 95695 or at yolocounty.org on the General Governments, Budget and Finance page.

NOTE C – INSURANCE

The Agency participates in the Association of California Water Agencies Joint Powers Insurance Authority (ACWA/JPIA) a public entity risk pool of California water agencies, for general and auto liability, public officials liability, and cybercrime liability. ACWA/JPIA provides insurance through the pool up to a certain level, beyond which group purchased commercial excess insurance is obtained. The Agency pays an annual premium to ACWA/JPIA that includes its pro-rata share of excess insurance premiums, charges for the pooled risk, claims adjusting and legal costs, and administrative and other costs to operate the ACWA/JPIA. The Agency's deductibles and maximum coverage are as follows:

Coverage	ACWA/JPIA	Commercial Insurance	Deductible
General and auto liability (includes public officials liability)	\$ 5,000,000	\$ 55,000,000	None
Cyber liability		3,000,000 per occurrence 5,000,000 in aggregate	\$ 10,000

The Agency continues to carry commercial insurance for all other risks of loss to cover all claims for risk of loss to which the Agency is exposed. Settled claims resulting from these risks have not exceeded commercial insurance coverage and there have been no reductions in insurance coverage.

YOLO SUBBASIN GROUNDWATER AGENCY

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2020

NOTE D – RELATED PARTY TRANSACTIONS

As discussed in Note A, the Agency is composed of various member agencies that share common Board Members with the Yolo County Flood Control and Water Conservation District (the District) and Water Resources Association of Yolo County (WRA).

The District is a member agency that provided various administrative and technical services to the Agency under an administrative and technical services agreement. For the year ended June 30, 2020, the Agency reimbursed the District \$42,064 for the groundwater monitoring program and \$40,112 for administration and technical support, of which \$12,951 was reported as due to other governments at June 30, 2020.

The Water Resources Association of Yolo County (WRA) provides administrative services to the Agency under an administrative services agreement. For the year ended June 30, 2020, the Agency reimbursed the WRA \$87,317 for administrative services and \$21,500 for the Westside-Sacramento Integrated Regional Water Management Plan. The District provides office space free of charge to the WRA staff performing accounting services for the Agency. The WRA provides computer technology to the Agency under the agreement.

NOTE E – CONTINGENCIES

The Agency is eligible for the 2017 Proposition 1 Sustainable Groundwater Planning (SGWP) Grant from the California Department of Water Resources (DWR) for the purpose of developing a Groundwater Sustainability Plan (GSP). However, the Agency deferred administration of this grant to the District. The grant agreement amount will not exceed \$1,000,000. Costs charged to the grant program are subject to audit and potential adjustment by the DWR. Therefore, to the extent that District has not complied with rules and regulation governing the grant could ultimately result in the Agency incurring direct costs to develop the GSP. In the opinion of the Agency management, the ultimate liability, if any, from any such audits are not expected to have a significant impact on the Agency's operations.

The Agency is responsible for developing a GSP for the Yolo Subbasin under the 2014 Groundwater Sustainability Act. The GSP is subject to review and approval by the State of California, which could result in additional unanticipated costs to comply with State requirements.

On March 11, 2020, the World Health Organization declared the outbreak of a coronavirus (COVID-19) pandemic. The COVID-19 outbreak is disrupting supply chains and affecting production and sales across a range of industries. The extent of the impact of COVID-19 on the Agency's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, and the impact on citizens, employees, vendors, and members, all of which are uncertain and cannot be predicted. At this point, the extent to which COVID-19 may impact the financial condition or results of operations is uncertain. One possible effect could be lack of the ability of certain members to pay member contributions if the pandemic were to continue for an extended period.

YOLO SUBBASIN GROUNDWATER AGENCY

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2020

NOTE F – SUBSEQUENT EVENT

Subsequent to June 20, 2020, \$130 million in combined Proposition 1 and 68 funds became available for multi-benefit flood projects. There are three projects in Yolo County: Yolo Bypass Phase 1 Implementation, Knights Landing Outfall Gates Improvement and \$2 million for Department of Water Resources work in the Cache Creek Settling Basin.

Reclamation District 785 and Reclamation District 827 are merging into Reclamation District 537 effective July 1, 2020. The Southern portion of Reclamation District 537 will be detaching and will become part of Reclamation District 900. This will affect the dollar amount of member contributions required to be paid by each reclamation district in the future.

COMPLIANCE REPORT



550 Howe Avenue, Suite 210
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INDEPENDENT AUDITOR'S 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

To the Board of Directors
Yolo Subbasin Groundwater Agency
Woodland, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major Special Revenue Fund of the Yolo Subbasin Groundwater Agency (the Agency), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated September 14, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency'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 Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency'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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Agency's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a 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 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency'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 or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide on the effectiveness of the Agency'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Richardson & Company, LLP

September 14, 2020



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MANAGEMENT LETTER

To the Board of Directors and Management
Yolo Subbasin Groundwater Agency
Woodland, CA

In planning and performing our audit of the financial statements of the governmental activities and major Special Revenue Fund of the Yolo Subbasin Groundwater Agency (the Agency) as of and for the year ended June 30, 2020, in accordance with auditing standards generally accepted in the United States of America, we considered the Agency's internal control over financial reporting (internal control) as a basis for designing 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 Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency'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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

During our audit, we became aware of the following matters that have been included for your consideration:

Creation of Policies and Procedures

We recommend YSGA consider approving an investment policy, capital assets policy, employee and Board expense reimbursement policy, procurement policy and fraud reporting policy, as applicable. A good starting point would be the policies and procedures of a member agency. It is our understanding that Agency has begun the process of creating policies and procedures. We understand a number of policies will be presented to the Board for approval in September 2020.

We also recommend the Administrative Coordinator document procedures performed to process transactions so another employee/contract employee would have procedures to follow in case of turnover. Areas to document may include how to process cash receipts, cash disbursements and bank reconciliations in QuickBooks, what documentation should be maintained, how to produce QuickBooks reports used by the Board as well as when and how to prepare required regulatory/State filings and information for Board meetings. We would recommend keeping the information basic initially and adding to it over time as time permits. We understand procedures are in the process of being written.

To the Board of Directors and Management
Page 2

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This communication is intended solely for the information and use of the Board of Directors, management, and others within the Agency, and is not intended to be, and should not be, used by anyone other than these specified parties.

Richardson & Company, LLP

September 14, 2020

Yolo Subbasin Groundwater Agency
Balance Sheet
 As of August 31, 2020

	<u>Aug 31, 20</u>
ASSETS	
Current Assets	
Checking/Savings	
1000 · 1st Northern-Checking	7,163.10
1010 · 1st Northern-Savings	59,157.52
1020 · Yolo County Treasury	<u>897,421.57</u>
Total Checking/Savings	963,742.19
Accounts Receivable	
1100 · Accounts Receivable	152,504.25
Total Accounts Receivable	<u>152,504.25</u>
Other Current Assets	
1200 · Undeposited Funds	89,638.50
Total Other Current Assets	<u>89,638.50</u>
Total Current Assets	<u>1,205,884.94</u>
TOTAL ASSETS	<u><u>1,205,884.94</u></u>
LIABILITIES & EQUITY	
Equity	
3000 · Unassigned Fund Balance	-24,000.00
3300 · Assigned Fund Balance	24,000.00
3200 · Retained Earnings	743,404.42
Net Income	<u>462,480.52</u>
Total Equity	<u>1,205,884.94</u>
TOTAL LIABILITIES & EQUITY	<u><u>1,205,884.94</u></u>

Yolo Subbasin Groundwater Agency
Budget vs Actual
 July through August 2020

	<u>Jul - Aug 20</u>	<u>Budget</u>	<u>% of Budget</u>
Income			
4000 · Member Contributions-Municipal	160,000.00	160,000.00	100.0%
4100 · Member Contributions-Rural	237,841.50	257,842.00	92.24%
4200 · Member Contributions-Affiliates	65,000.00	65,000.00	100.0%
4400 · Interest Income	0.00	5,000.00	0.0%
Total Income	<u>462,841.50</u>	<u>487,842.00</u>	<u>94.88%</u>
Expense			
5100 · Bank & Other Fees	0.00	500.00	0.0%
5300 · Insurance-General & Auto	360.98	2,000.00	18.05%
5500 · Membership Dues	0.00	3,000.00	0.0%
7000 · Admin. Services/Expenses (WRA)			
7010 · Westside IRWMP Cost Share (WRA)	0.00	21,500.00	0.0%
7000 · Admin. Services/Expenses (WRA) - Other	0.00	100,000.00	0.0%
Total 7000 · Admin. Services/Expenses (WRA)	<u>0.00</u>	<u>121,500.00</u>	<u>0.0%</u>
7100 · Project Mgmt-SGMA Implementatio	0.00	110,000.00	0.0%
7200 · Consultant Services	0.00	20,000.00	0.0%
7300 · Legal Services	0.00	20,000.00	0.0%
7350 · Audit Services - Financial	0.00	7,050.00	0.0%
7500 · GW Monitoring-Real-time Sensors	0.00	80,000.00	0.0%
7600 · YC Groundwater Monitor Program	0.00	42,064.00	0.0%
Total Expense	<u>360.98</u>	<u>406,114.00</u>	<u>0.09%</u>
Net Income	<u><u>462,480.52</u></u>	<u><u>81,728.00</u></u>	

Yolo Subbasin Groundwater Agency
Profit & Loss
 July through August 2020

	<u>Jul 20</u>	<u>Aug 20</u>	<u>TOTAL</u>
Income			
4000 · Member Contributions-Municipal	160,000.00	0.00	160,000.00
4100 · Member Contributions-Rural	237,841.50	0.00	237,841.50
4200 · Member Contributions-Affiliates	<u>65,000.00</u>	<u>0.00</u>	<u>65,000.00</u>
Total Income	462,841.50	0.00	462,841.50
Expense			
5300 · Insurance-General & Auto	<u>360.98</u>	<u>0.00</u>	<u>360.98</u>
Total Expense	<u>360.98</u>	<u>0.00</u>	<u>360.98</u>
Net Income	<u><u>462,480.52</u></u>	<u><u>0.00</u></u>	<u><u>462,480.52</u></u>

**Yolo Subbasin Groundwater Agency
Transaction List by Date
July through August 2020**

Type	Date	Num	Name	Memo	Account	Clr	Split	Amount
General Journal	07/01/2020	9		Re-assign insurance paid in FY19-20 for FY20-21	1150 · Prepaid Insurance		5300 · Insurance-General & Auto	-360.98
Invoice	07/23/2020	2020-01	City of Davis		1100 · Accounts Receivable		4000 · Member Contributions-Municipal	40,000.00
Invoice	07/23/2020	2020-02	City of West Sacramento		1100 · Accounts Receivable		4000 · Member Contributions-Municipal	40,000.00
Invoice	07/23/2020	2020-03	City of Winters		1100 · Accounts Receivable		4000 · Member Contributions-Municipal	20,000.00
Invoice	07/23/2020	2020-04	City of Woodland		1100 · Accounts Receivable		4000 · Member Contributions-Municipal	40,000.00
Invoice	07/23/2020	2020-05	Esparto Community Service District		1100 · Accounts Receivable		4000 · Member Contributions-Municipal	5,000.00
Invoice	07/23/2020	2020-06	Madison Community Service District		1100 · Accounts Receivable		4000 · Member Contributions-Municipal	5,000.00
Invoice	07/23/2020	2020-07	Yocha Dehe Wintun Nation		1100 · Accounts Receivable		4000 · Member Contributions-Municipal	10,000.00
Invoice	07/23/2020	2020-08	California American Water Company		1100 · Accounts Receivable		4200 · Member Contributions-Affiliates	5,000.00
Invoice	07/23/2020	2020-09	Colusa Drain Mutual Water Comany		1100 · Accounts Receivable		4200 · Member Contributions-Affiliates	10,000.00
Invoice	07/23/2020	2020-10	University of California Davis		1100 · Accounts Receivable		4200 · Member Contributions-Affiliates	40,000.00
Invoice	07/23/2020	2020-11	Yolo County Farm Bureau		1100 · Accounts Receivable		4200 · Member Contributions-Affiliates	10,000.00
Invoice	07/23/2020	2020-12	Dunnigan Water District		1100 · Accounts Receivable		4100 · Member Contributions-Rural	5,350.00
Invoice	07/23/2020	2020-13	Reclamation District 108		1100 · Accounts Receivable		4100 · Member Contributions-Rural	21,600.00
Invoice	07/23/2020	2020-14	Reclamation District 150		1100 · Accounts Receivable		4100 · Member Contributions-Rural	2,146.50
Invoice	07/23/2020	2020-15	Reclamation District 307		1100 · Accounts Receivable		4100 · Member Contributions-Rural	2,970.50
Invoice	07/23/2020	2020-16	Reclamation District 537		1100 · Accounts Receivable		4100 · Member Contributions-Rural	3,038.50
Invoice	07/23/2020	2020-17	Reclamation District 730		1100 · Accounts Receivable		4100 · Member Contributions-Rural	2,249.00
Invoice	07/23/2020	2020-18	Reclamation District 765		1100 · Accounts Receivable		4100 · Member Contributions-Rural	700.00
Invoice	07/23/2020	2020-19	Reclamation District 787		1100 · Accounts Receivable		4100 · Member Contributions-Rural	14,700.00
Invoice	07/23/2020	2020-20	Reclamation District 999		1100 · Accounts Receivable		4100 · Member Contributions-Rural	12,625.00
Invoice	07/23/2020	2020-21	Reclamation District 1600		1100 · Accounts Receivable		4100 · Member Contributions-Rural	3,462.00
Invoice	07/23/2020	2020-22	Reclamation District 2035		1100 · Accounts Receivable		4100 · Member Contributions-Rural	19,000.00
Invoice	07/23/2020	2020-23	County of Yolo		1100 · Accounts Receivable		4100 · Member Contributions-Rural	40,000.00
Invoice	07/23/2020	2020-24	YCFC&WCD		1100 · Accounts Receivable		4100 · Member Contributions-Rural	110,000.00
Payment	08/06/2020	99313	Dunnigan Water District		1200 · Undeposited Funds	√	1100 · Accounts Receivable	5,350.00
Payment	08/06/2020	19424	Esparto Community Service District		1200 · Undeposited Funds	√	1100 · Accounts Receivable	5,000.00
Payment	08/06/2020	49347	Reclamation District 787		1200 · Undeposited Funds	√	1100 · Accounts Receivable	14,700.00
Transfer	08/07/2020			Funds Transfer	1010 · 1st Northern-Savings	√	1000 · 1st Northern-Checking	-24,000.00
Payment	08/07/2020	7329	Yolo County Farm Bureau		1200 · Undeposited Funds	√	1100 · Accounts Receivable	10,000.00
Bill Pmt -Check	08/10/2020	148	Downey Brand		1000 · 1st Northern-Checking	√	2000 · Accounts Payable	-630.00
Bill Pmt -Check	08/10/2020	149	Yolo County Flood Control & WCD		1000 · 1st Northern-Checking	√	2000 · Accounts Payable	-12,951.10
Bill Pmt -Check	08/10/2020	150	Water Resources Association of Yolo Cty		1000 · 1st Northern-Checking	√	2000 · Accounts Payable	-10,700.80
Payment	08/10/2020	58738	YCFC&WCD		1200 · Undeposited Funds	√	1100 · Accounts Receivable	110,000.00
Payment	08/10/2020	136629	Yocha Dehe Wintun Nation		1200 · Undeposited Funds	√	1100 · Accounts Receivable	10,000.00
Payment	08/14/2020	20063	Reclamation District 999		1200 · Undeposited Funds	√	1100 · Accounts Receivable	12,625.00
Payment	08/17/2020	442216	City of Davis		1200 · Undeposited Funds		1100 · Accounts Receivable	40,000.00
Payment	08/19/2020	ACH#8300 - YCT	Madison Community Service District		1200 · Undeposited Funds	√	1100 · Accounts Receivable	5,000.00
Payment	08/19/2020	ACH#8301 - YCT	County of Yolo		1200 · Undeposited Funds	√	1100 · Accounts Receivable	40,000.00
Deposit	08/20/2020			ACH Deposit	1000 · 1st Northern-Checking	√	-SPLIT-	45,000.00
Payment	08/20/2020	3953	Colusa Drain Mutual Water Comany		1200 · Undeposited Funds		1100 · Accounts Receivable	5,000.00
Payment	08/21/2020	JE#179 - YCT	Reclamation District 730		1200 · Undeposited Funds	√	1100 · Accounts Receivable	2,249.00
Payment	08/21/2020	JE#180 - YCT	Reclamation District 150		1200 · Undeposited Funds	√	1100 · Accounts Receivable	1,073.25
Payment	08/21/2020	JE#181 - YCT	Reclamation District 1600		1200 · Undeposited Funds	√	1100 · Accounts Receivable	1,731.00
Deposit	08/21/2020			Deposit	1020 · Yolo County Treasury		1200 · Undeposited Funds	2,249.00
Deposit	08/21/2020			Deposit	1020 · Yolo County Treasury		1200 · Undeposited Funds	1,073.25

**Yolo Subbasin Groundwater Agency
Transaction List by Date
July through August 2020**

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Clr</u>	<u>Split</u>	<u>Amount</u>
Deposit	08/21/2020			Deposit	1020 - Yolo County Treasury		1200 - Undeposited Funds	1,731.00
Payment	08/24/2020	3269	Reclamation District 537		1200 - Undeposited Funds		1100 - Accounts Receivable	3,038.50
Deposit	08/26/2020			Deposit	1020 - Yolo County Treasury		-SPLIT-	167,675.00
Transfer	08/27/2020			Funds Transfer	1000 - 1st Northern-Checking	√	1010 - 1st Northern-Savings	-40,000.00
Payment	08/28/2020	JE# 230	Reclamation District 307		1200 - Undeposited Funds	√	1100 - Accounts Receivable	2,970.50
Deposit	08/28/2020			Deposit	1020 - Yolo County Treasury		1200 - Undeposited Funds	2,970.50
Payment	08/28/2020	29884	Reclamation District 108		1200 - Undeposited Funds		1100 - Accounts Receivable	21,600.00
Payment	08/31/2020	55075	City of Winters		1200 - Undeposited Funds		1100 - Accounts Receivable	20,000.00

Yolo Subbasin Groundwater Agency

Groundwater Sustainability Agency

34274 State Highway 16 Woodland, CA 95695 530.662.3211 www.yologroundwater.org

EXECUTIVE COMMITTEE REPORT

Date: September 21, 2020
To: YSGA Board of Directors
From: Executive Committee
Re: **CONFLICT OF INTEREST CODE BIENNIAL REVIEW REQUIREMENTS**

Recommendation

Board approval of the recommended Conflict of Interest Code amendment attached.

Background

The Political Reform Act requires every multi-county agency to review its conflict of interest code biennially and notify the Fair Political Practices Commission as to whether or not the agency's code needs to be amended. The biennial notice must be submitted to the FPPC no later than October 1, 2020.

The law requires that every multi-county agency have a conflict of interest code which identifies all agency officials and employees who make or participate in making governmental decisions. The YSGA's legal counsel, Downey Brand, has reviewed our conflict of interest code and recommends the addition of the Executive Officer position to the Designated Positions list. The amended code is attached to this memo.

YOLO SUBBASIN GROUNDWATER AGENCY

CONFLICT OF INTEREST CODE

The Political Reform Act (Government Code § 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations § 18730) that contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations § 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendices, designating positions and establishing disclosure categories, constitute the conflict of interest code of the **Yolo Subbasin Groundwater Agency (Agency)**.

Individuals holding designated positions are designated employees or officials of the Agency and shall file their statements of economic interests with the Agency, which will make the statements available for public inspection and reproduction. (Gov. Code, § 81008.) **All statements will be retained by the Agency.**

YOLO SUBBASIN GROUNDWATER AGENCY

APPENDIX OF DESIGNATED POSITIONS

DESIGNATED POSITIONS

DISCLOSURE CATEGORIES

Board of Directors and Alternates.....	1, 2
<u>Executive Officer.....</u>	<u>1, 2</u>
Attorney*.....	1, 2
Consultants/New Positions**	

*This position is filled by a consultant working in a staff capacity.

**Consultants and new positions shall be included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the Code subject to the following limitation:

The chairperson of the Agency’s Board of Directors may determine in writing that a particular consultant or new persons, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements in this section. Such written determination shall include a description of the consultant's or new person’s duties and, based upon that description, a statement of the extent of disclosure requirements. The chairperson’s determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code. (Gov. Code Section 81008)

COMMENT:

The position of Executive Officer is now listed separately, as the current Executive Officer is not also an Alternate for the Board of Directors.

YOLO SUBBASIN GROUNDWATER AGENCY

APPENDIX OF DISCLOSURE CATEGORIES

Category 1

Individuals holding designated positions must report: a) Interests in real property located within the jurisdiction as well as interests in real property within two miles of the boundaries of the jurisdiction or of any land owned or used by the Agency; b) Investments, business positions in business entities, income, gifts, loans, and travel payments from persons or entities engaged in the business of acquisition or disposal of real property (e.g. real property developers and brokers).

Category 2

Individuals holding designated positions must report: Investments, business positions in business entities and income, including gifts, loans, and travel payments, from sources which provide facilities, services, supplies, or equipment of the type utilized by the Agency, including but not limited to the following:

1. Motor vehicles and specialty vehicles and parts therefor
2. Construction and building materials and equipment
3. Office equipment and supplies
4. Petroleum products
5. Irrigation equipment and supplies
6. Safety equipment and facilities
7. Engineering services
8. Water quality testing
9. Real property or real estate development
10. Farming
11. Newspapers and other publications
12. Printing or reproduction services
13. Employment and temporary help agencies
14. Soil tests, compaction and grading
15. Banks and savings and loans
16. Insurance companies
17. Public utilities or private water companies
18. Audit agreements and contracts
19. Medical services
20. Agricultural or similar chemicals
21. Financial or investment advisors

Yolo Subbasin Groundwater Agency

Groundwater Sustainability Agency

34274 State Highway 16 Woodland, CA 95695 530.662.3211 www.yologroundwater.org

EXECUTIVE COMMITTEE REPORT

Date: September 21, 2020
To: YSGA Board of Directors
From: Executive Committee and the Administrative Coordinator
Re: **ADOPTION OF DRAFT BOARD POLICIES**

Recommendation

Board adoption of the board policies as detailed below that are included with this report.

Background

In the management letter from the June 30, 2019 financial audit, Richardson & Company, CPA recommended that the YSGA Board consider approving an investment policy, capital assets policy, employee and Board expense reimbursement policy, procurement policy and fraud reporting policy, as applicable.

Templates for the draft policies were primarily based on information and documents obtained from the Yolo Local Agency Formation Commission. The Executive Committee and the Administrative Coordinator drafted and reviewed these five policies for the Board's consideration.

- Adoption/Amendment of Policies
- Asset Protection and Fraud in the Workplace
- Capital Assets Policy
- Expense Authorization and Reimbursement Guidelines
- Investment Policy Guidelines

Yolo Subbasin Groundwater Agency (YSGA)

Policies & Procedures

GENERAL - Section 1000

POLICY TITLE: Adoption and Amendment of Policies

POLICY NUMBER: 1000

(Adopted _____)

1000.1 Consideration by the Board of Directors to adopt a new policy or to amend an existing policy may be initiated by any Director or the Executive Officer. The proposed adoption or amendment shall be initiated by a Director or the Executive Officer by submitting a written draft of the proposed new or amended policy to the Board Chairperson and the Executive Officer, which may be submitted in person or by any communication method approved by the YSGA, and requesting that the item be included for consideration on the agenda of the next appropriate regular meeting of the Board of Directors. Any member of the Board may place an item on a future agenda by making a formal request to the Executive Officer at a meeting of the Board. The Executive Officer will place Board items on a future Board agenda when reasonable, based on the staff time and research necessary to prepare the item for Board consideration.

1000.2 Adoption of a new policy or amendment of an existing policy shall be accomplished at a regular meeting of the Board of Directors in accordance with the YSGA's state statutes regarding the constitution of a majority vote.

1000.3 Copies of the proposed new or amended policy shall be included in the agenda-information packet for any meeting in which they are scheduled for consideration (listed on the agenda). A copy of the proposed new or amended policy(ies) shall be made available to each Director for review at least 72 hours, per the Brown Act, prior to any meeting at which the policy(ies) are to be considered.

Yolo Subbasin Groundwater Agency (YSGA)

Policies & Procedures

ADMINISTRATION - Section 2000

2100 - Financial Management

POLICY TITLE: Asset Protection and Fraud in the Workplace

POLICY NUMBER: 2105

(Adopted _____)

2105.1 Purpose and Scope: To establish policy and procedures for clarifying acts that are considered to be fraudulent, describing the steps to be taken when fraud or other dishonest activities are suspected, and providing procedures to follow in accounting for missing funds, restitution and recoveries.

2105.2 The Yolo Subbasin Groundwater Agency (YSGA) is committed to protecting its assets against the risk of loss or misuse. Accordingly, it is the policy of the YSGA to identify and promptly investigate any possibility of fraudulent or related dishonest activities against the YSGA and, when appropriate, to pursue available legal remedies.

2105.3 Definitions:

- a) Fraud – Fraud and other similar irregularities include, but are not limited to:
 - 1) Claim for reimbursement of expenses that are not job-related or authorized by YSGA policy;
 - 2) Forgery, falsification, or unauthorized alteration of documents or records (including but not limited to checks, promissory notes, time sheets, independent contractor agreements, purchase orders, budgets, etc.);
 - 3) Misappropriation of YSGA assets (including but not limited to funds, securities, supplies, furniture, equipment, etc.);
 - 4) Inappropriate use of YSGA resources (including but not limited to labor, time, and materials);
 - 5) Improprieties in the handling or reporting of money or financial transactions;
 - 6) Authorizing or receiving payment for goods not received or services not performed;
 - 7) Computer-related activity involving unauthorized alteration, destruction, forgery, or manipulation of data or misappropriation of YSGA-owned or –licensed software;
 - 8) Misrepresentation of information;
 - 9) Theft of equipment or other goods;
 - 10) Any apparent violation of federal, state, or local laws related to dishonest activities or fraud;
 - 11) Seeking or accepting anything of material value from those doing business with the YSGA including vendors, consultants, contractors, lessees, applicants, and grantees. Materiality is determined by the YSGA Conflict of Interest Code which incorporates the Fair Political Practices Commission’s regulations;
 - 12) Any other conduct, actions or activities treated as fraud or misappropriation under any federal or state law, rule or regulation.
- b) Employee – In this context, “employee” refers to any individual or group of individuals who receive compensation, either full- or part-time, including members of the Board of Directors, from the YSGA. The term also includes any volunteer who provides services to the YSGA through an authorized arrangement with the YSGA.
- c) Management – In this context, “management” refers to any manager, supervisor, or other individual who manages or supervises YSGA’s resources or assets.

Yolo Subbasin Groundwater Agency (YSGA)

Policies & Procedures

ADMINISTRATION - Section 2000

2100 - Financial Management

- d) Internal Audit Committee – In this context, if the claim of fraud involves anyone other than the YSGA’s Executive Officer, the Internal Audit Committee shall consist of the Executive Officer, the YSGA’s Legal Counsel and any other persons appointed to the Internal Audit Committee by the Executive Officer. If the claim of fraud involves the YSGA’s Executive Officer, the Internal Audit Committee shall consist of the Chair of the Board of Directors, Legal Counsel and those persons appointed to the Internal Audit Committee by the Chair of the Board. Nothing contained in this policy shall be construed as requiring the Executive Officer or the Chair of the Board to appoint other persons to the Internal Audit Committee. Individuals appointed to the Internal Audit Committee by the Executive Officer or the Chair of the Board other than the YSGA’s Legal Counsel shall serve at the pleasure of the Executive Officer or the Chair of the Board.
- e) External Auditor – In this context, “External Auditor” refers to independent audit professionals appointed by the YSGA’s Board of Directors to perform annual audits of the YSGA’s financial statements

2105.4 It is the YSGA’s intent to fully investigate any suspected acts of fraud, misappropriation, or other similar irregularity. An objective and impartial investigation will be conducted regardless of the position, title, and length of service or relationship with the YSGA of any party who might be or become involved in or become the subject of such investigation. An employee being investigated for fraud may request representation by a representative of any recognized bargaining unit that represents the employee.

2105.5 For claims of fraud not involving the Executive Officer, the Executive Officer or an Internal Audit Committee appointed by the Executive Officer shall have primary responsibility for investigation of activity covered by this policy. For claims of fraud involving the Executive Officer, the Chair of the Board or an Internal Audit Committee appointed by the Chair shall have primary responsibility for investigation of activity covered by this policy. The YSGA’s General Counsel shall advise the Committee, the Executive Officer and/or the Board Chair on all such investigations.

2105.6 Throughout the investigation, the Internal Audit Committee will inform the Executive Officer of pertinent investigative findings

2105.7 An employee will be granted whistle-blower protection when acting in accordance with this policy so long as he or she has not engaged in activity that violates this policy. When informed of a suspected impropriety, neither the YSGA nor any person acting on its behalf shall:

- a) Dismiss or threaten to dismiss an employee providing the information,
- b) Discipline, suspend, or threaten to discipline or suspend such an employee,
- c) Impose any penalty upon such an employee, or
- d) Intimidate or coerce such an employee.

Violations of this whistle-blower protection policy will result in discipline up to and including termination.

2105.8 Upon conclusion of an investigation, the results will be reported to the Executive Officer or, if the investigation involves the Executive Officer, the Board Chair, either of whom shall advise the Board of Directors.

2105.9 Following review of investigation results, the Executive Officer or the Board, as the case may be, will take appropriate action regarding employee misconduct. Disciplinary action can include employment discipline up to and including termination, referral for criminal prosecution, or both.

Yolo Subbasin Groundwater Agency (YSGA)

Policies & Procedures

ADMINISTRATION - Section 2000

2100 - Financial Management

2105.10 The Executive Officer or the General Counsel will pursue every reasonable effort, including court-ordered restitution, to obtain recovery of YSGA losses from the offender, other responsible parties, insurers, or other appropriate sources unless the Board should otherwise direct in consultation with General Counsel.

2105.11 Procedures:

2105.12.1 Board of Directors Responsibilities

- a) If a Board Member has reason to suspect a fraud has occurred, he or she shall immediately contact the Executive Officer or the Board Chair, if the activity involves the Executive Officer, and the YSGA's Legal Counsel.
- b) The Board Member shall not attempt to investigate the suspected fraud or discuss the matter with anyone other than the Executive Officer or Board Chair, as the case may be, and the YSGA's Legal Counsel.
- c) The alleged fraud or audit investigation shall not be discussed with the media by any person other than the Executive Officer or the Board Chair after consultation with the YSGA's Legal Counsel and any Internal Audit Committee appointed as to the matter.

2105.12.2 Management Responsibilities

- a) Management staff is responsible for being alert to, and reporting fraudulent or related dishonest activities in their areas of responsibility.
- b) Each manager should be familiar with the types of improprieties that might occur in his or her area of responsibility and be alert for any indication that improper activity, misappropriation, or dishonest activity did occur or is occurring.
- c) When an improper activity is detected or suspected, management should determine whether an error or mistake has occurred or if there may be dishonest or fraudulent activity.
- d) If a manager determines a suspected activity may involve fraud or related dishonest activity, he or she should contact his or her immediate supervisor or the YSGA's Executive Officer. If the activity involves
- e) Managers should not attempt to conduct individual investigations, interviews, or interrogations other than as directed by the Executive Officer or General Counsel. However, management staff are responsible for taking appropriate corrective actions to implement adequate controls to prevent recurrence of improper actions.
- f) Management staff should support the YSGA's responsibilities and cooperate fully with the Internal Audit Committee, other involved departments, and law enforcement agencies in the detection, reporting, and investigation of criminal acts, including the prosecution of offenders.
- g) Management staff must give full and unrestricted access to all necessary records and Personnel to those responsible for identifying, investigating and remedying fraud and related dishonest acts. All YSGA assets, including furniture, desks, and computers, are open to inspection at any time. No YSGA officer, agent or employee has a reasonable expectation of privacy in YSGA property and other resources to preclude such inspection.
- h) In dealing with suspected dishonest or fraudulent activities, great care must be taken. Therefore, management staff should avoid the following:

Yolo Subbasin Groundwater Agency (YSGA)

Policies & Procedures

ADMINISTRATION - Section 2000

2100 - Financial Management

- 1) Incorrect accusations;
 - 2) Alerting suspected individuals that an investigation is underway;
 - 3) Treating employees unfairly; and
 - 4) Making statements that could lead to claims of false accusations or other offenses.
- i) In handling dishonest or fraudulent activities, managers have the responsibility to:
- 1) Make no contact (unless requested) with the suspected individual to determine facts or demand restitution. Under no circumstances should there be any reference to “what you did”, “the crime”, “the fraud”, “the misappropriation”, etc;
 - 2) Avoid discussing the case, facts, suspicions, or allegations with anyone outside the YSGA, unless specifically directed to do so by the Executive Officer or the Board Chair; and
 - 3) Avoid discussing the case with anyone inside the YSGA other than employees who have a need to know such as the Executive Officer, Internal Audit Committee, or the YSGA’s Legal Counsel.
 - 4) Direct all inquiries from the suspected individual, or his or her representative, to the Executive Officer, the Board Chair, or the YSGA’s Legal Counsel. All inquiries by an attorney representing a suspected individual should be directed to the Executive Officer or the YSGA’s Legal Counsel. All inquiries from the media should be directed to the Executive Officer or the Board Chair, if the activity involves the Executive Officer.
 - 5) Take appropriate corrective and disciplinary action, up to and including dismissal, after consulting with the [position or department] and Legal Counsel, in conformance with YSGA policy and applicable law.

2105.12.3 Employee Responsibilities

- a) A suspected fraudulent incident or practice observed by, or made known to, an employee must be reported to the employee’s supervisor for reporting to the proper management official.
- b) When an employee believes his or her supervisor may be involved in inappropriate activity, the employee shall make the report to the next higher level of management and/or the Executive Officer. If the activity involves the Executive Officer, it shall be reported to the Board Chair or the YSGA’s Legal Counsel.
- c) A reporting employee shall refrain from further investigation of the incident, confrontation with the alleged violator, or further discussion of the incident with anyone, unless requested by the Executive Officer, Internal Audit Committee, the YSGA’s Legal Counsel, or law enforcement personnel.

2105.12.4 Internal Audit Committee Responsibilities

- a) Upon assignment by the Executive Officer or the Board Chair, an Internal Audit Committee will promptly investigate the allegations.
- b) In all circumstances where there reason to suspect a criminal fraud has occurred, the Internal Audit Committee, in consultation with the YSGA Executive Officer or the Board Chair and Legal Counsel, if the Executive Officer is suspected of involvement in the fraud, will contact the appropriate law enforcement agency.
- c) The Internal Audit Committee shall be available and receptive to relevant, confidential information to the extent allowed by law after consultation with the YSGA’s Legal Counsel.
- d) If evidence is uncovered showing possible dishonest or fraudulent activities, the Internal Audit Committee will:

Yolo Subbasin Groundwater Agency (YSGA)

Policies & Procedures

ADMINISTRATION - Section 2000

2100 - Financial Management

- 1) Discuss the findings with management and the Executive Officer;
- 2) Advise management, if the case involves YSGA staff members, to meet with the [position title] (or his/her designated representative) to determine if disciplinary action should be taken;
- 3) Report to the External Auditor such activities to assess the effect of the illegal activity on the YSGA's financial statements;
- 4) Coordinate with the YSGA's risk manager regarding notification to insurers and filing of insurance claims;
- 5) Take immediate action, after consultation with the Legal Counsel, to prevent the theft, alteration, or destruction of evidence. Such action shall include, but is not limited to:
 - a) Removing relevant records and placing them in a secure location, or limiting access to those records
 - b) Preventing the individual suspected of committing the fraud from having access to the records.
- 6) In consultation with the YSGA Legal Counsel and the local law enforcement agency, the Internal Audit Committee may disclose particulars of the investigation to potential witnesses if such disclosure would further the investigation.
- 7) If the Internal Audit Committee is contacted by the media regarding an alleged fraud or audit investigation, the Internal Audit Committee will refer the media to the Executive Officer or Board Chair, if the activity involves the Executive Officer.
- 8) At the conclusion of the investigation, the Internal Audit Committee will document the results in a confidential memorandum report to the Executive Officer or the Board Chair for action. If the report concludes that the allegations are founded and the YSGA's Legal Counsel has determined that a crime has occurred, the report will be forwarded to the appropriate law enforcement agency.
- 9) The Internal Audit Committee shall make recommendations to the appropriate department as to the prevention of future similar occurrences.
- 10) Upon completion of the investigation, including all legal and personnel actions; all records, documents, and other evidentiary material, obtained from the department under investigation will be returned by the Internal Audit Committee to that department.

2105.13 Exceptions

There will be no exceptions to this policy unless provided and approved in writing by the Executive Officer or the Board Chair and the YSGA Legal Counsel. The Board of Directors reserves the right to amend, delete, or revise this policy at any time by formal action of the Board of Directors.

Yolo Subbasin Groundwater Agency (YSGA)

Policies & Procedures

ADMINISTRATION – Section 2000

2100 – Financial Management

POLICY TITLE: Capital Assets Policy

POLICY NUMBER: 2115

(Adopted _____)

2115.1 This policy establishes the minimum cost (capitalization amount) that shall be used to determine the capital assets that are to be recorded in Yolo Groundwater Sustainability Agency (YSGA) annual financial statements.

A “Capital Asset” is defined as a unit of property that: (1) has an economic useful life that extends beyond 12 months; and (2) was acquired or produced for a cost of \$2,500 or more.

2115.2 Capital Assets must be capitalized and depreciated for financial statement purposes. All Capital Assets are recorded at historical cost as of the date acquired. An invoice substantiating an acquisition cost of each unit of property shall be retained for a minimum of four years.

2115.3. Tangible assets costing below the aforementioned threshold amount are recorded as an expense for YSGA’s annual financial statements. Assets with an economic useful life of less than 12 months are required to be expensed for financial statement purposes, regardless of the acquisition or production cost.

2115.4 A betterment is an improvement made to a fixed asset in order to extend its useful life or increase its value. Doing so results in an enhanced asset. The cost of a betterment will be capitalized and depreciated over time. Conversely, if an expenditure on a fixed asset does not result in an improvement, then the cost is charged to expense as incurred.

2115.5 Depreciation is calculated using the straight-line method over the estimated useful lived of the respective assets.

2115.6 An inventory of assets should be taken annually and the YSGA Board of Directors should approve the disposal of any assets.

Yolo Subbasin Groundwater Agency (YSGA)

Policies & Procedures

ADMINISTRATION – Section 2000

2100 - Financial Management

POLICY TITLE: Expense Authorization and Reimbursement Guidelines

POLICY NUMBER: 2125

(Adopted _____)

2125.1 All purchases made for the Yolo Subbasin Groundwater Agency (YSGA) by staff greater than \$500 and up to \$5,000 shall be authorized by the Executive Officer or Chair of the Board of Directors or other responsible managing employee or committee and shall be in conformance with the approved YSGA budget.

2125.2 Any commitment of YSGA funds for a purchase or expense greater than \$5,000 and up to \$20,000 shall be approved by the Executive Committee and shall be in conformance with the Board-approved budget or other action and/or authorizations. Any expenditure of \$20,000 or greater must be authorized by the Board of Directors.

2125.3 Whenever employees or Directors of the YSGA incur "out-of-pocket" expenses for item(s) or service(s) appropriately relating to YSGA business as verified by valid receipts, said expended cash shall be reimbursed upon request from the YSGA by check. The YSGA does not currently maintain a petty cash fund in the office. In those instances when a receipt is not obtainable, the requested reimbursement shall be approved by the Executive Officer or Chair of the Board of Directors before remuneration. The YSGA may establish a reimbursement request form and, if it does, no reimbursement will be made without submission of a request on that form.

2125.4 Requests for reimbursement to the YSGA must have a good faith basis. Submission of a request for a reimbursement without such a basis shall subject the requestor to appropriate sanctions, up to and including termination of employment and referral to an appropriate law enforcement agency for prosecution.

2125.5 The YSGA management encourages its staff to make purchases through vendors that the YSGA has an established account to avoid out of pocket expenses. Employees who need to make purchases on a regular basis may be issued a credit card to facilitate YSGA business. The YSGA will fully compensate staff for all reasonable and prudent expenses incurred in the course of business as described in this policy. Credit cards should only be used for legitimate YSGA business.

2125.6 The employee will submit credit card receipts for purchases made to the Executive Officer or other responsible managing employee each month. No personal items may be charged on the business credit card.

2125.7 The YSGA may establish a mileage reimbursement form when personal vehicles are used to conduct YSGA business. Employees will be reimbursed as determined by the IRS mileage reimbursement rate in effect at the time the expense was incurred.

2125.8 The YSGA has not established guidelines for reimbursement for travel expenses, meals, lodging, air travel and car rentals. Currently there are not provisions in the budget for travel related expenses, which can be established upon request by the Board of Directors under the management of the Executive Officer.

Yolo Subbasin Groundwater Agency (YSGA)

Policies & Procedures

ADMINISTRATION – Section 2000

2100 - Financial Management

POLICY TITLE: Investment Policy Guidelines

POLICY NUMBER: 2130

(Adopted _____)

2130.1 Yolo Subbasin Groundwater Agency (YSGA) funds not required for immediate expenditure will be invested in compliance with governing provisions of law (Government Code Sections 53600 et. seq.) and this policy. Funds shall be invested with a priority toward safeguarding principal while endeavoring to maximize returns.

2130.2 The YSGA entered into Agreement No. 17-288 with the Yolo County Department of Financial Services to provide treasury services as of November 13, 2017. As per this Agreement, the County treasury is the primary depository of YSGA funds received.

2130.3 Allowable investments must be approved by the YSGA Board of Directors. Current approved investments are with the County of Yolo Investment Pool or the California Local Agency Investment Fund.

2130.4 Each month, the Financial Supervisor (or other appointed designee) shall furnish the Executive Committee with a detailed listing of the previous month's treasury balance. The Financial Supervisor (or other appointed designee) shall furnish a quarterly report of the investment portfolio performance. The Board of Directors will be furnished the quarterly investment portfolio performance report at each regular Board meeting.

2130.4 Every two years the YSGA will review this investment policy at a public Board meeting, as an agenda item. Any changes or amendments shall be made only with Board approval.

Yolo Subbasin Groundwater Agency

Groundwater Sustainability Agency

34274 State Highway 16 Woodland, CA 95695 530.662.3211 www.yologroundwater.org

EXECUTIVE COMMITTEE REPORT

Date: September 21, 2020
To: YSGA Board of Directors
From: Executive Committee
Re: **APPROVE 2021 BOARD OF DIRECTORS' MEETING DATES**

Recommendation

Board approval of 2021 meeting dates (as proposed below).

Background

The Executive Committee recommends setting meeting dates for 2021. The proposed Monday meeting dates are:

January 11, 2021
March 15, 2021
June 21, 2021
September 20, 2021
November 15, 2021

Unless otherwise notified, all meetings will start at 3:15 p.m. The Executive Committee reserves the option of scheduling special meeting(s) as needed during the year.

Due to safety concerns and directives from the Governor and Federal Government related to COVID-19, the YSGA will hold meetings remotely until further notice.

**MINUTES of Executive Committee (EC) Meeting
Yolo Subbasin Groundwater Agency (YSGA)
May 18 2020, 12:30 – 1:00 pm
Teleconferenced GoToMeeting**

Present (attended via GoToMeeting): Roger Cornwell, Jesse Loren, Kristin Sicke, Tim O'Halloran, Kurt Balasek, Lynnel Pollock, Donna Gentile, Elisa Sabatini

1. **CALL TO ORDER** at 12:15 pm by Chair Roger Cornwell.
2. **APPROVE AGENDA and ADDING ITEMS TO THE POSTED AGENDA** – Jesse motioned to approve the agenda. Lynnel seconded the motion that passed unanimously.
3. **PUBLIC FORUM** – No comments.
4. **ADMINISTRATIVE ITEMS** (Donna Gentile)
 - a) *April 13, 2020 meeting minutes approved.*
 - b) *Reviewed financials FY2019-2020: April 2020:* The EC reviewed the financials. Donna reported on the current bank balance as of 5/18/20 after today's check run.
 - c) *Discuss Membership Dues "for" invoicing in July and changes for consolidated Reclamation Districts:* Donna discussed the need to adjust the membership dues to reflect the 3 Reclamation District's (RD) that are consolidating effective July 1st. Jesse shared that the City of Winters is having serious budget discussions. They would like a 3-year (at a minimum) and ideally a 7 year projection for their budget planning. Kristin reminded that the Board agreed to postpone revisiting the dues structure until after the GSP was submitted. Currently it is anticipated that the GSP will be completed by spring or summer of 2021. A subcommittee will need to be established to discuss long-term (10-year) forecasting of the revenue needs to support the YSGA's anticipated expenses/operations. By the fall, we may need to begin looking at these issues and potential funding options for the YSGA, which is earlier than expected. Tim commented that the consolidation of the three RD's this July will require some interim discussion to adjust their dues to accommodate these changes. Budget discussions are challenging because we still do not know the future ongoing structure of the YSGA and WRA. Will they continue to be separate agencies or be consolidated? Kristin suggested that a subcommittee will need 6 months to investigate all the financing and organizational re-structuring options. More importantly the question is to define what the YSGA's operating expenses will be after the GSP is complete. As part of DWR's GSP submission process, an annual and 5-year report update is required.
 - d) *Upcoming Fiscal end of year procedures: Audit ending 6/30/20 and Yolo County end of fiscal year document deadline July 30:* For informational purposes, Donna reported on the two tasks that are pending after July. The audit for fiscal year ending 6/30/20 audit with Richardson & Company will likely begin in July/August. Yolo County Financial Services also has a checklist of documents required to be submitted for this fiscal year end and the next budget year.
 - e) *Addition of Kristin to YSGA First Northern Bank and Yolo County Treasury accounts as authorized agency representative (sign authorizing letter to bank):* An authorizing letter to First Northern Bank is ready to sign today adding Kristin to the accounts as an authorized YSGA account representative and removing Tim (reminder this is only for the YSGA accounts). Yolo County has their own form to change authorizing representatives for the YSGA account that will be submitted with year-end documents.
 - f) *Assess whether Conflict of Interest Code needs to be amended. FPPC requires biennial review by 10/1/20, FPPC email received:* A notice was received from the FPPC to conduct a biennial review of our Conflict of Interest Code (COIC). The deadline for this review is 10/1/20. This may require a consult with legal counsel. Donna will review the requirements and how to document the review process by the

MINUTES of Executive Committee (EC) Meeting
Yolo Subbasin Groundwater Agency (YSGA)
May 18 2020, 12:30 – 1:00 pm
Teleconferenced GoToMeeting

YSGA Board. There is a form to indicate to the FPPC whether changes are needed. If changes are needed, our COIC would need to be approved by the FPPC as was initially done in 2018.

- g) Payments to approve*: All payments approved

Jesse motioned to approve Administrative Items a – g. Lynnel seconded the motion that passed unanimously.

5. **REVIEW DRAFT NEW BOARD POLICIES**: Donna presented to the EC for consideration draft documents for each of the policies below as recommended by our auditor, Richardson & Company and Yolo County LAFCO. She received sample polices from the YCFC&WCD and Mark Krummenacker, Yolo County LAFCO. Since the YSGA does not have “employees” or “management” staff, Donna adapted the text to reflect the YSGA’s situation as best as possible. These policies need to be reviewed and consistent references should be established throughout. Legal counsel may want to review these draft policies as well. The Board can decide to amend these policies in the future should YSGA operations change. The EC’s consensus was to keep the policies generic for now and amend as the agency develops.

The EC established a subcommittee with Lynnel Pollock, Kurt Balasek and Donna to further refine the policies. A final draft will be presented to the Board for comments and adoption at the September 21st Board meeting.

- a) Adoption/Amendment of Policies: This policy is suggested by Donna to establish a guideline for policy adoption and amendments.
- b) Asset Protection and Fraud in the Workplace: This is a lengthy version of this policy based on the auditor’s fraud policy recommendations to include a section that says how to report fraud, including if it is suspected at the executive officer or board level.
- c) Expense Authorization and Reimbursement Guidelines: This sample policy will need to identify dollar amounts if this policy is used as presented.
- d) Investment Policy Guidelines: The auditor gave some suggestions that Donna incorporated into this draft.
- e) Capital Assets Policy: Donna was not clear the kind of assets the YSGA might have and gave two short samples from the auditor and the WRA’s adopted policy.

6. **UPDATE ON YSGA ACTIVITIES** (Sicke/O’Halloran) – Updates were given on the following:

- a) Groundwater Sustainability Plan (GSP) Development Update:
 - *Update on May 6, 2020 Working Group virtual meeting* – Kristin reported what was covered in this meeting that included an overview of activities since the last meeting in April 2019 and the process for moving forward. The virtual meeting presentation is available on the website: <https://www.yologroundwater.org/working-group>. Participation was solicited for a Technical Advisory Committee(s) (TAC) to provide technical guidance for the GSP. A meeting with GEI is scheduled to be sure the process is well-laid out for the TAC.

MINUTES of Executive Committee (EC) Meeting
Yolo Subbasin Groundwater Agency (YSGA)
May 18 2020, 12:30 – 1:00 pm
Teleconferenced GoToMeeting

- *Sustainable Management Criteria (SMC) Workshops – mid summer.* Hopefully these workshops will proceed amid all the current meeting restrictions for COVID-19. DWR recently offered guidance on how to convene larger meetings online. Kristin is hoping we can hold a few small group in-person meetings in the near future.
- b) YSGA Board meeting June 15, 2020: Kristin reviewed the potential items for the agenda and asked the EC for any additional items they want to include.
 - *Consent Items:* board minutes, financial statements, subcommittee minutes
 - *FY2020-2021 Budget – Amendments (if needed):* An update of the dues for RD 537 will be needed as RD 785 and RD 827 will be merging into RD 537's jurisdiction effective July 1, 2020. The Rural Agency membership dues will need to reflect these changes, as well as updating the JPA agreement.
 - *Adopt 2021 Board meeting dates:* Could be adopted at the June or September meeting
 - *Biennial Review of FPPC Conflict of Interest Code:* Could be adopted at the September agenda
 - *Legislation and Regulatory Update, Adam Robin, NCWA*
 - *GSP Development Update:* Kristin offered to have Scott Matyac from the Yuba Water Agency give an overview on lessons learned from their GSP process as they have already submitted theirs to DWR. The EC agreed this would be useful information for a Board presentation.

7. OTHER UPDATES & FUTURE EC AGENDA ITEMS:

- *Website Updates:* After reviewing the layout and organization of resources and information on the website, Donna is refining and consolidating several areas to be more efficient and user-friendly. There is another home page layout that would allow more information to be displayed without scrolling down than current format being used. She will be presenting a cloned website to Kristin and Max for their review.

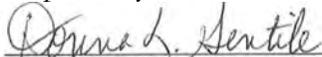
Future Agenda Items:

- Executive Committee Agenda: Prop 218 and long-range funding for the YSGA (Pollock)

8. NEXT EC MEETING DATE: July 8, 2020, 12:30 p.m., Yolo County Flood Control & WCD Board Room and/or via teleconferencing options.

9. ADJOURN: Meeting adjourned at 1:00 p.m.

Respectfully submitted,



Donna L. Gentile

Board Secretary & Administrative Coordinator

**MINUTES of Executive Committee (EC) Meeting
Yolo Subbasin Groundwater Agency (YSGA)
July 8, 2020, 12:15 – 1:00 pm
Teleconferenced GoToMeeting**

Present: Roger Cornwell, Jesse Loren, Kristin Sicke, Kurt Balasek, Lynnel Pollock, Donna Gentile, Elisa Sabatini

Absent: Tim O'Halloran

1. **CALL TO ORDER** at 12:15 pm by Chair Roger Cornwell.
2. **APPROVE AGENDA and ADDING ITEMS TO THE POSTED AGENDA** – Jesse motioned to approve the agenda. Lynnel seconded the motion that passed unanimously.
3. **PUBLIC FORUM** – No comments.
4. **ADMINISTRATIVE ITEMS** (Donna Gentile)
 - a) *May 18, 2020 meeting minutes approved.*
 - b) *Reviewed financials FY2019-2020: July 2019 to June 2020:* The EC reviewed the draft fiscal year financial statements. Donna reported that there are three pending invoices to be received for expenses through 6/30/20: YCFC&WCD Project Management, WRA Administrative support and Downey Brand legal services. All invoices will need to be posted prior to starting the audit process. Richardson & Company is tentatively scheduled to start this process by the end of July. This process will primarily be conducted remotely. Hopefully, the final audit can be presented to the Board at their September meeting. This is the final audit with Richardson & Company per the three-year audit services proposal agreement. The Board will need to decide whether to continue with an annual audit or switch to a biennial audit period. Audit proposals will need to be solicited by the end of 2020/beginning of 2021.
 - c) *Members will be invoiced for Fiscal Year 2020-2021 dues by or before July 31:* Membership dues invoices will be sent by the end of July. The appropriate adjustments will be made for the dues changes for the Reclamation Districts being consolidated. Lynnel again inquired about the preparation of at least a one-year budget projection. Particularly if the YSGA will be looking at an alternative dues/funding structure.

As a representative for Colusa Drain Mutual Water Company (CDMWC), Lynnel reiterated that the bulk of their landowners are in Colusa County versus Yolo County. Colusa conducted a Prop. 218 process and is now charging landowners differently. CDMWC increased their dues to shareholders by 50% a year. She expressed concern about how their shareholders are funding the Yolo portion moving forward. She would like ballpark projections regarding how much more money we would need to finish the GSP through implementation. What are the projections for the YSGA's dues structure for the following year after GSP completion? Kristin addressed Lynnel's questions. As approved by the YSGA Board, they agreed to postpone discussions regarding re-visiting the JPA's dues structure until after the GSP was submitted. The Board will need to approve the formation of a subcommittee to start holding these discussions about alternative funding structures. This will most likely be on the September Board agenda. Interested members would be solicited to participate in this process and develop one, three, and five-year expense plans. The intention was to finish the 2020-2021 fiscal year before the discussions occurred.

MINUTES of Executive Committee (EC) Meeting
Yolo Subbasin Groundwater Agency (YSGA)
July 8, 2020, 12:15 – 1:00 pm
Teleconferenced GoToMeeting

- d) Discuss Conflict of Interest Code amendment process: FPPC requires a biennial review of the Conflict of Interest Code (COIC). The deadline for this review is 10/1/20. Donna consulted the FPPC for clarification on the review process. If there are no changes to our COIC, then we simply complete and submit a form to the FPPC without the need for a 45-day public comment period. The biennial review will be on the September Board agenda. COIC amendments are needed when new decision-making positions are created within the YSGA. Donna thought it would be necessary to consult legal counsel to verify whether amendments are needed, since they drafted the agency's original COIC. Kristin will consult with Kevin O'Brien.
- e) Payments to approve*: There were no payments to approve at this time.

Jesse motioned to approve Administrative Item 4a. Lynnel seconded the motion that passed unanimously.

5. SUBCOMMITTEE UPDATE ON DRAFT BOARD POLICIES:

The EC established a subcommittee with Lynnel Pollock and Kurt Balasek to assist Donna in refining the policies. Lynnel and Kurt reviewed their edits with the EC. The policies will be presented in a final draft form to the EC at their August meeting. Final drafts will be presented to the Board for comments and adoption at the September 21st Board meeting.

- a) 1000 - Adoption/Amendment of Policies: No changes were suggested to this draft.
- b) 2105 - Asset Protection and Fraud in the Workplace: No changes were suggested to this draft.
- c) 2115 - Capital Assets Policy: This policy still needs to be formally written. The EC discussed the two options presented by the auditor and the WRA's current capital assets policy. It was agreed to set the capitalization of assets to a minimum of \$2,500.
- d) 2125 - Expense Authorization and Reimbursement Guidelines: The EC discussed the subcommittee's comments provided in the sidebar on the first two paragraphs. The EC agreed with the recommended changes presented.
- e) 2130 - Investment Policy Guidelines: The subcommittee felt that because YSGA funds are deposited in the Yolo County Treasury that the County has extensive guidelines and policies as approved by the Board of Supervisors to safeguard our funds. Donna will reference the financial services agreement number between the YSGA and Yolo County. The EC agreed with the recommended changes presented.

6. UPDATE ON YSGA ACTIVITIES (Sicke/O'Halloran) – Kristin gave updates on the following:

- a) Groundwater Sustainability Plan (GSP) Development Update:
- TAC Process – 1st Meeting July 9, 2020 – Kristin reported that this meeting's focus will be to review the process for establishing or identifying the sustainable management criteria and receive feedback from the TAC. The second meeting will likely be in August instead of holding the regular Working Group meeting. Anyone who is interested is welcome to participate in a public capacity.
 - Sustainable Management Criteria (SMC) Workshops – fall: Hopefully, these workshops will take place in the fall. We continue to work closely with the consultants as they begin to draft

**MINUTES of Executive Committee (EC) Meeting
Yolo Subbasin Groundwater Agency (YSGA)
July 8, 2020, 12:15 – 1:00 pm
Teleconferenced GoToMeeting**

sections of the GSP. She will give an update to the EC in the few months about when certain sections will be posted to the website for review.

- b) YSGA Board meeting September 21, 2020: Kristin presented an additional item for the September meeting under the GSP update, which is enlisting assistance with reviewing the funding mechanism for the YSGA and establishing a subcommittee to begin that process. She is planning on investigating what other GSAs are doing to successfully fund their efforts. Kristin welcomes any input on this topic.

- *Consent Items*
- *Adopt 2021 Board meeting dates*
- *Biennial Review of FPPC Conflict of Interest Code*
- *Legislation and Regulatory Update, Adam Robin, NCWA*
- *GSP Development Update*

7. OTHER UPDATES & FUTURE EC AGENDA ITEMS:

- *Website Updates:* Donna reported that she continues to refine the YSGA’s website format and content to be more user-friendly. She has renamed the “Reports” menu item to “Groundwater Levels” and re-organized information under the “Groundwater” menu item. She is still determining the best way to present informational documents under the “Resources” menu item. She is sending updates to Max, Kristin and Tim for their review.
- *Coordination Efforts between Basin Boundaries:* Kristin reported that she recently met with Solano subbasin consultants, Luhdorff & Scalmanini and Chris Lee, Solano GSA to discuss coordination of their monitoring and modeling efforts along Putah Creek. Jesse recommended that the new Putah Creek Council Executive Director, Kenny Liner be included in this conversation as well. Rich Marovich has not yet retired and is still participating in Putah Creek efforts.
- *YCFC&WCD is Soliciting for Additional Staffing* to work 75% time on YSGA activities including continuing Brooke Ely’s work related to the groundwater monitoring program. If they find the right candidate, hopefully they can also work with Donna to overlap training of her YSGA duties before she retires. They hope to have someone hired by the end of August or beginning of September. Kristin will forward the job announcement to Kurt in case he finds any potential candidates.

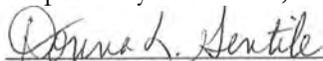
Future Agenda Items:

- Executive Committee Agenda: Prop 218 and long-range funding for the YSGA (Pollock)

- 8. NEXT EC MEETING DATE:** August 10, 2020, 12:15 p.m., Yolo County Flood Control & WCD Board Room and/or via teleconferencing options.

- 9. ADJOURN:** Meeting adjourned at 12:45 p.m.

Respectfully submitted,



Donna L. Gentile

Board Secretary & Administrative Coordinator

MINUTES of Executive Committee (EC) Meeting
Yolo Subbasin Groundwater Agency (YSGA)
August 10, 2020, 1:15 pm – 2:00 pm
Teleconferenced GoToMeeting

Present: Jesse Loren, Elisa Sabatini, Kurt Balasek, Donna Gentile, Kristin Sicke, Lynnel Pollock, Tim O'Halloran

Absent: Roger Cornwell

1. **Call to Order:** Meeting was called to order by Vice-Chair Jesse Loren at 1:20 pm.
2. **Approve Agenda and Adding Items to the Posted Agenda:** Lynnel Pollock motioned to approve the agenda. Kurt Balasek seconded the motion that was unanimously approved.
3. **Public Comment:** No comments.
4. **Administrative Items:** Lynnel motioned to approve items 4a. and d. Kurt seconded the motion that was unanimously approved.
 - a) July 8, 2020 meeting minutes were approved.
 - b) Reviewed financials: FY2020-21: July 2020: The EC reviewed the July financials. The only activity for the month of July was the mailing of the FY2020-2021 membership invoices. Several agencies have paid their dues as of this date.
 - c) Update on year-end financial reporting:
 - FY2019-2020 audit by Richardson & Company: Donna reported that the audit is being completely conducted remotely (she assembled and uploaded about thirty documents). The EC will need to review the draft audit before being presented to the Board at the September 21st meeting. The EC selected September 14th to review the audit. The audit will be a Consent Agenda Item as last year.
 - Yolo County FY End FY2019-2020 reporting and FY2020-2021 budget submission: Donna reported that she has completed preparation and submission of about fifteen documents to the County for this annual requirement. The final audit report will also need to be submitted to the County after YSGA Board review in September for documentation purposes.
 - d) Approval of payments for YSGA expenses: All payments were approved.

5. Subcommittee Update on Draft Board Policies:

Clean drafts of all the policies discussed at the last EC meeting were included with this agenda. Kurt and Lynnel reviewed an updated draft of Capitol Assets policy. They did not include a specific depreciation schedule since the YSGA has not purchased any assets to-date. This schedule could be set by the auditor when appropriate. This policy can always be amended in the future.

The EC has reviewed all the draft policies presented and recommends that the policies are presented to the Board for comments. Kurt moved that board policies #1000, 2105, 2125, 2130 and 2115 be recommended to the Board for adoption in September. Lynnel seconded the motion and it passed unanimously.

6. Update on YSGA Activities: (Sicke/O'Halloran) – Kristin gave an update on the following items.

- a) Groundwater Sustainability Plan (GSP Development Update:
 - Technical Advisory Committee (TAC) – The 2nd TAC meeting was held last week. It is a very productive group. Three sustainability indicators have been reviewed and analyzed by the TAC. They will start looking at the other three indicators next. The 3rd meeting will be scheduled for the end of August.

MINUTES of Executive Committee (EC) Meeting
Yolo Subbasin Groundwater Agency (YSGA)
August 10, 2020, 1:15 pm – 2:00 pm
Teleconferenced GoToMeeting

- *Working Group (WG)* – The next WG meeting is scheduled for September 10th. The WG will receive an update on the TAC’s progress and what will be presented to the Board on September 21st.
 - *Sustainability Management Criteria Workshops* - We are still planning to hold these workshops in the fall. Kristin was hoping we could hold these meetings in person, but that may not be possible yet. We are still figuring out the best way to hold larger public meetings within the constraints of COVID-19 protocols.
- b) *Establishment of Subcommittee for Reconsideration of Voting Structure and Expense Allocation*: As discussed at the last EC meeting, the Board will be asked to approve the formation of a committee to start investigating our best funding options to sustain the YSGA after the GSP is completed. Interested parties can contact Kristin to take part in the committee. The EC decided this is an “ad-hoc” committee versus a subcommittee of the Board. Elisa asked to be kept informed of the committee make-up and Yolo County representation. Lynnel inquired how many people might be on this committee. The EC thought maybe 5-7 people so as not to become too cumbersome.
- c) *YSGA Board meeting September 21, 2020*: The EC discussed the agenda items. Item 6b (above) will be added to the agenda. Kristin informed that the draft GSP components ready for public review will be presented and posted on the YSGA website.

7. **Other Updates & Future Executive Committee Agenda Items:** Jesse thanked Kristin and Tim for providing a photo of Putah Creek that helped her to accurately identify the location of a monitoring well project that she was questioned about by a local citizen.
8. **Next Executive Committee Meeting Date:** September 14, 2020. 12:30 p.m. GoToMeeting
9. **Adjourned** at 1:50 pm.

Respectfully submitted,



Donna L. Gentile
Board Secretary & Administrative Coordinator

Yolo Subbasin Groundwater Agency (YSGA) Working Group
1:00 p.m. to 2:30 p.m. via ToGoMeeting Teleconference
May 6, 2020 Minutes

1	<p>CALL TO ORDER and DETERMINATION OF QUORUM Kristin Sicke, Executive Officer, called the meeting to order at 1:00 p.m. Donna Gentile conducted a roll call and determined a quorum of sixteen (16) member agencies were virtually in attendance (Roll Call attached).</p>
2.	<p>APPROVE AGENDA and ADDING ITEMS TO THE POSTED AGENDA – Kristin noted a minor modification to Agenda Item #7 in the emailed version. Bill Vanderwaal motioned to approve the agenda; the motion was seconded by Roger Cornwall and passed unanimously.</p>
3.	<p>PUBLIC FORUM – There were no comments from the public.</p>
4.	<p>APPROVE MINUTES of April 3, 2019 YSGA Working Group meeting. Carol Scianna motioned to approve the minutes, the motion was seconded by Roger Cornwell and passed unanimously.</p>
5.	<p>INFORMATIONAL ITEM – Report of the Executive Officer (Kristin Sicke): Kristin reported on the behind the scenes work that has been ongoing since the last Working Group meeting in 2019. She provided a refresher of the YSGA’s 27-member organizational structure and identified the six Management Areas (MA) for managing the subbasin. Those MA are Capay Valley, North Yolo, Central Yolo, Yolo Zamora, South Yolo, and Clarksburg. One update: RD1600 requested to move from North Yolo to South Yolo MA.</p> <p>Kristin gave a real-time groundwater monitoring well update. She illustrated with a historical comparison of current year groundwater levels to last year and to 2015 levels (drought year). In addition to the YCFWCWCD’s sixteen SCADA monitoring wells, they are installing new WellIntel monitoring devices into select wells. The data from WellIntel sites will be included into the monitoring network. Max Stevenson will give an update on the groundwater monitoring program in Item #7.</p> <p>Kristin summarized discussions at the March 16, 2020 YSGA Board meeting regarding development of the Groundwater Sustainability Plan (GSP) and the hiring of GEI Consultants to assist with the development GSP components and begin conducting outreach for local feedback. The GSP schedule will be updated to reflect a new completion timeline. Originally planned for the end of this year, completion is now projected by spring 2021 as impacted by the COVID-19 State mandates. The YSGA continues to utilize DWR’s awarded grant funding to the JPA for GSP development tasks.</p>
6.	<p>DWR UPDATE – Barrett Kaasa, California Department of Water Resources (DWR) bkaasa@water.ca.gov, gave an update on groundwater related funding and activities. He informed that DWR’s non-essential staff is working from home per State’s shelter-in-place mandates (SIP). Therefore, contacting staff via email is the most expedient way to receive a response. Essential DWR staff is in the office and in the field, so email is also your best option. He gave updates on the following topics: SGMA (https://water.ca.gov/Programs/Groundwater-Management)</p> <ul style="list-style-type: none"> • The GSP public comment period for the 42 submitted Plans has been extended to May 15 and June 3. Currently none of those GSP’s border Yolo county. • In January, DWR held two SGMA workshops in Southern California (location of the

**Yolo Subbasin Groundwater Agency (YSGA) Working Group
1:00 p.m. to 2:30 p.m. via ToGoMeeting Teleconference
May 6, 2020 Minutes**

	<p>most critically overdrafted basins). Two Northern California workshops are planned, but due to SIP those dates and locations are still to be determined. Topics will include DWR’s assessment and evaluations process, how to use the GSP reporting system, the monitoring network module, and the annual report submittal system, provide information on State assistance and discussions on sustainable management criteria.</p> <ul style="list-style-type: none"> • More GSA forums are also planned to discuss SGMA implementation topics, but scheduling is still to be determined. • The SacValley SIM model was released. This is a groundwater model that DWR will be using for modeling. It is also available for GSAs to use. A beta version is available on DWR’s website. A calibrated model is expected by fall 2020. • DWR is now offering in-translation services for notices and informational documents that GSA’s are sending to the public. Languages included are Chinese, Hmong, Korean, Laotian, Punjabi, Spanish, Tagalog, and Vietnamese. Documents have a 1,500 word count limit. • DWR recently updated their InSAR data set through September 2019. Data for 2020 is expected to be available in 2021. • A new landuse dataset that represents 2016 for California is available on the SGMA Data Viewer (https://sgma.water.ca.gov/webgis/?appid=SGMADataViewer#gwlevels)
<p>7.</p>	<p>GROUNDWATER SUSTAINABILITY PLAN (GSP) DEVELOPMENT: GROUNDWATER MONITORING PROGRAM UPDATE – YCFC&WCD, Max Stevenson gave updates on the following items.</p>
	<ul style="list-style-type: none"> a. <u>Spring 2020 Update of Bi-Annual Hydrograph</u>: Max illustrated average groundwater levels (https://www.yologroundwater.org/reports) for 2020. Measurements are taken in spring and fall every year to capture seasonal changes. b. <u>YSGA Monitoring Program Activities 2019-2020</u>: Max gave an overview of activities and available technical resources. <ul style="list-style-type: none"> • Brooke Ely, CivicSpark Fellow has been assisting the YSGA with groundwater monitoring activities this year. She is an environmental engineer and will be working with the YSGA until August 2020. • Yolo County Water Resources Information Database (WRID) was developed with a DWR grant in 2004. In 2009 it became an online database sponsored by the Water Resources Association of Yolo County. Most of the groundwater level and water quality data is contained within this database. It assists with our regulatory and CASGEM reporting and currently has about 100 active user accounts. • GIS Database includes the location of all our representative wells that will be used to evaluate sustainability criteria for the GSP. Max gave a photographic tour through the YCFCWCD well monitoring network and some of the well improvements that are underway. Frame Survey and Mapping is conducting ground surface elevation (GSE) surveys. He has already completed surveillance of 152 wells in the YCFCWCD program. Next, he will survey an additional 50-75 YSGA representative wells from its member agencies. Some wells may already have good quality GSE information. Max explained why surveying GSE is important with a simple illustration (see the PPT from the meeting: https://www.yologroundwater.org/files/c67facc66/Working+Group+Meeting_20200506.pdf). This task is being funded by our DWR grant at an estimated cost of \$70-\$80,000 when completed.

Yolo Subbasin Groundwater Agency (YSGA) Working Group
1:00 p.m. to 2:30 p.m. via ToGoMeeting Teleconference
May 6, 2020 Minutes

	<p>c. <u>Representative Well Selection and Member Agency Coordination</u>: Max discussed the coordination steps with Member Agencies to complete the outdoor labeling and elevation survey process. After a representative well is selected, then the YSGA and well owner need to enter into a one-page monitoring agreement. This is a data coordination agreement, not a legal agreement. Max showed an example of the agreement form. After the agreement is signed then access to the wells allows labeling and GSE surveying. Max showed a simple table listing the Member Agencies and number of wells in the program. He reviewed next steps: contacting each agency and confirm their representative wells, getting contact information for technicians and execute agreements. The timeline is to be completed by the end of the summer.</p>
<p>8.</p>	<p>GSP DEVELOPMENT: OVERVIEW OF WATER BUDGETS - Executive Officer and Stockholm Environment Institute (SEI): Vishal Mehta, Susie Bresney, Chuck Young</p> <p>a. <u>Activities since the April 2019 Working Group Meeting</u>: Vishal gave an update on progress made in the last year. The historical modeling period has been extended to 2018 from 2015. They have incorporated and run five future scenarios and aggregated the results by management area. Today SEI will give a quick overview of the results they are currently evaluating. For detailed illustrations: https://www.yologroundwater.org/files/c67facc66/Working+Group+Meeting_20200506.pdf.</p> <p>b. <u>Water Budgets by Management Areas and Yolo Subbasin Summary</u>: and</p> <p>c. <u>Future Scenarios</u>: Vishal reviewed the five future scenarios projections that are based on historical climate repeating. Each scenario includes urban demand projections and constant recent cropping pattern. All future projections are slightly wetter and warmer. He displayed a graph comparing historical precipitation vs future scenarios for the Yolo subbasin from 1970 to 2016. He also compared historical vs future baseline for urban and agricultural water deliveries. Vishal discussed and illustrated baseline and future baseline storage by management area. When compared to historical information their analysis projected that the Capay, South Yolo and Clarksburg areas would experience no remarkable change. Central and North Yolo would fare well because of more surface water availability/utilization. Dunnigan Hills would fare worse than historically because the groundwater drops lower during drought years and does not recover as well. He noted that there is variation in all the management areas because certain assumptions had to be made during modeling future scenarios. Next steps will be defining sustainable yield, exploring model use for defining Sustainable Management Criteria, and incorporating rural landuse changes, projects, and management actions.</p>
<p>9.</p>	<p>GSP DEVELOPMENT: SUSTAINABLE MANAGEMENT CRITERIA DEVELOPMENT AND WORKSHOPS - Executive Officer, Kristin reviewed the Sustainable Management Criteria (SMC) that includes sustainable goal, undesirable results, minimum thresholds, and measurable objectives. She reviewed the sustainability indicators and how they will be applied to the SMC. The next steps for developing the SMC include selection of representative monitoring sites, assessment of sustainability indicators, definition of undesirable results, setting minimum thresholds and measurable objectives and sustainability goal.</p> <p>a. <u>Establishing Technical Advisory Committee (TAC)</u>: Kristin asked the WG for their input to create a TAC to discuss Sustainability Indicators and Management Area Focus. Kristin asked for interested participants to serve on the TAC. A representative</p>

**Yolo Subbasin Groundwater Agency (YSGA) Working Group
1:00 p.m. to 2:30 p.m. via ToGoMeeting Teleconference
May 6, 2020 Minutes**

	<p>is needed from each of the management areas. Kristin was asked whether the TAC would cover both topics or would there be a TAC for each. This might impact who would be able to serve. This will need to be discussed further. Kristin laid out a timeline for establishing the TAC and receiving a commitment to participate by 5/22 and have the first teleconference meeting on 6/1. Kristin will be reaching out to individuals. Anyone interested should contact Kristin directly.</p> <p>b. <u>Scheduling Workshops</u>: Scheduling of workshops is on hold due to the SIP mandate. If anyone has suggestions on how to host a large workshop virtually, please talk with Kristin. Camille, UC Davis had a recommendation and will share that information with Kristin.</p>
10.	<p>FUTURE WORKING GROUP DISCUSSIONS – Executive Officer</p> <p>a. Transition to quarterly meetings; email updates of TAC activities</p> <p>b. Annexation of White Areas</p> <p>c. White Paper on Areas of Special Concern</p> <p>d. Role of Water Transfers</p>
11.	<p>WRAP UP and NEXT STEPS:</p> <p>The Groundwater Resources Association will be offering a groundwater short course. That information will be posted on the YSGA’s website. It is a good course for new staff or those interested in learning more about groundwater.</p> <p>a. <u>Next Meeting</u>: Transitioning from monthly to quarterly WG meetings. Next meeting will be August 5, 2020 at 1 p.m. (Post meeting note: August 5th meeting was postponed to September 10.)</p>
12.	<p>ADJOURN: Meeting adjourned at 2:30 pm</p>

Respectfully submitted,



Donna L. Gentile
Board Secretary & Administrative Coordinator

**Yolo Subbasin Groundwater Agency Board of Directors
Meeting Agenda Report**

MEETING DATE: September 21, 2020

AGENDA ITEM NO. 8

SUBJECT: Consideration: Establishment of Ad-Hoc Committee for Reconsideration of Voting Structure and Expense Allocation

INITIATED OR BOARD

INFORMATION

REQUESTED BY: STAFF

ACTION: MOTION

OTHER _____

RESOLUTION

ATTACHMENT YES NO

BACKGROUND

Article 5.11 Reconsideration of Voting Structure and Expense Allocation of the YSGA JPA, states that no later than the first Board meeting following the two-year anniversary of the Effective Date of the Agreement (June 19, 2017), the Board of Directors shall consider whether to recommend to the Members that the voting structure described in Article 4.6 and/or expense allocation provisions described in Article 5.1 and Exhibit D should be modified in any respect.

At the April 22, 2019 meeting, the Board voted to postpone consideration of voting structure and expense allocation until the GSP is completed and submitted to the California Department of Water Resources.

The Executive Committee recommends establishing an ad-hoc committee to begin the process of reviewing the funding mechanism for the YSGA. The YSGA Executive Committee would like the Board to request participants to serve on this ad-hoc committee. As part of this process, the Executive Officer and ad-hoc committee will review the existing budget and long-term needs of the YSGA.

RECOMMENDATION

Recommend approval of establishing an ad-hoc committee for reconsideration of the voting structure and expense allocation

**Yolo Subbasin Groundwater Agency Board of Directors
Meeting Agenda Report**

MEETING DATE: September 21, 2020

AGENDA ITEM NO. 9

SUBJECT: Update on Groundwater Sustainability Plan Development

INITIATED OR BOARD

INFORMATION

REQUESTED BY: STAFF

ACTION: MOTION

OTHER _____

RESOLUTION

ATTACHMENT YES NO

BACKGROUND

a. Water Budget

SEI has been participating in the Technical Advisory Committee meetings and is currently focused on completing the Water Budgets and Model Documentation sections of the GSP. Future scenarios as part of the water budgets analysis will be discussed at future TAC meetings.

b. Hydrogeologic Conceptual Model

Montgomery & Associates completed a draft of the Hydrogeologic Conceptual Model and Groundwater Conditions; the GSP Technical Team have continued to refine the documents for incorporation into the Basin Setting chapter of the Yolo Subbasin GSP.

c. Stakeholder Communication and Engagement

A first draft of the Stakeholder Communication and Engagement Plan (C&E Plan) has been completed and will be updated with pending Management Area workshops and public meetings. YCFC&WCD and WRA staff will be responsible for coordination of the implementation of the C&E Plan, including maintaining an interested parties list, communicating with stakeholders regarding opportunities to comment, and collecting comments on the draft GSP. The Executive Officer is currently scheduling remote individual Management Area workshops and public meetings.

d. Groundwater Monitoring and Reporting

The GSP Technical Team is currently working on documenting the representative well selection process. Ultimately, a corresponding sustainability indicator, minimum threshold, measurable objective, and interim milestone will be assigned to representative wells. The draft selection of representative wells along with respective hydrographs will be reviewed at upcoming Management Area workshops and public meetings. The GSP Technical Team will be working

e. Surface Water and Groundwater Modeling

The groundwater model continues to be refined by SEI and the model documentation chapter is being developed for incorporating into the GSP.

f. Sustainable Management Criteria

The Sustainable Management Criteria term collectively refers to the Sustainability Goal, Undesirable Results, Minimum Thresholds, and Measurable Objectives and is an assessment of sustainability indicators, significant and unreasonable conditions, management areas, and representative monitoring sites. Development of the Sustainable Management Criteria relies upon the hydrogeologic conceptual model, groundwater conditions, and water budget.

The GSP Technical Team has started evaluating three of the six sustainability indicators: groundwater levels, groundwater storage, and groundwater quality. As part of that assessment, the GSP Technical Team has selected the proposed representative wells for monitoring each sustainability indicator and has proposed a methodology for establishing the minimum thresholds and measurable objectives related to the three sustainability indicators.

Satya Gala of GEI will provide an update on the process of developing the Sustainable Management Criteria and the overall progress to-date of the GSP Technical Team.

The Yolo Subbasin GSP is now estimated to be completed by August 31, 2021.

RECOMMENDATION

This agenda item is for informational purposes only. No Board action is required.