



RECLAMATION DISTRICT 900, CALIFORNIA
A BLENDED COMPONENT UNIT OF THE
CITY OF WEST SACRAMENTO
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

FINANCIAL STATEMENTS AND SUPPLEMENTARY
INFORMATION WITH INDEPENDENT AUDITORS'
REPORTS THEREON

Focused
on YOU



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A BLENDED COMPONENT UNIT OF THE CITY OF WEST SACRAMENTO

Financial Statements
and Supplementary Information
with Independent Auditors' Reports Thereon

For the Years Ended June 30, 2025 and 2024

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A BLENDED COMPONENT UNIT OF THE CITY OF WEST SACRAMENTO

Financial Statements
and Supplementary Information
with Independent Auditors' Reports Thereon

For the Years Ended June 30, 2025 and 2024

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Reclamation District 900, California
West Sacramento, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and General Fund of the Reclamation District No. 900, California (hereafter, the District) a component unit of the City of West Sacramento, California (hereafter, the City) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and General Fund of the District as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Component Unit Reporting

As discussed in Note 1, the financial statements present only the District and do not purport to, and do not, present fairly the financial position of the City as of June 30, 2025, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.



To the Board of Trustees
Reclamation District 900, California
West Sacramento, California

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information and required other post-employment benefits schedules as listed on the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.



To the Board of Trustees
Reclamation District 900, California
West Sacramento, California

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Summarized Comparative Information

We have previously audited the financial statements of the District for the year ended June 30, 2024, and expressed an unmodified audit opinion on those financial statements in our report dated March 26, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2025, on our consideration of the District'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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's 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 District's internal control over financial reporting and compliance.

LSL, LLP

Sacramento, California
December 19, 2025

BASIC FINANCIAL STATEMENTS

RECLAMATION DISTRICT 900, CALIFORNIA
Statement of Net Position
June 30, 2025 and 2024

	2025	2024
ASSETS		
Cash and investments	\$ 1,039,643	\$ 1,162,362
Pooled cash and investments in County Treasury, at fair value	14,648,008	12,489,875
Receivables (net of uncollectibles):		
Assessments	59,124	46,112
Operations and maintenance charges	-	69,276
Government cost reimbursement grants	-	147,376
Prepaid costs	141,113	145,812
Capital assets (net of accumulated depreciation)	14,930,051	14,696,401
Total assets	30,817,939	28,757,214
DEFERRED OUTFLOWS OF RESOURCES		
OPEB-related	47,389	77,019
Total deferred outflows of resources	47,389	77,019
LIABILITIES		
Accounts payable and accrued expenses	101,433	80,037
Payroll related accruals	36,036	37,761
Unearned revenue	2,316	2,591
Noncurrent liabilities:		
Due within one year:		
Compensated absences	35,284	-
Due in more than one year:		
Net OPEB liability	55,561	51,947
Compensated absences	40,889	36,408
Total liabilities	271,519	208,744
DEFERRED INFLOWS OF RESOURCES		
OPEB-related	59,665	72,343
Total deferred inflows of resources	59,665	72,343
NET POSITION		
Invested in capital assets	14,930,051	14,696,401
Unrestricted	15,604,093	13,856,745
Total net position	\$ 30,534,144	\$ 28,553,146

RECLAMATION DISTRICT 900, CALIFORNIA
Statement of Activities
For the Year Ended June 30, 2025 and 2024

	2025				2024			
	Program Revenues			Net (Expenses) Revenues and Changes in Net Position	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Services	Capital Contributions and Grants	Governmental Activities	Expenses	Charges for Services	Capital Contributions and Grants	Governmental Activities
Functions/Programs:								
Primary government:								
Governmental activities:								
Flood protection	\$ 2,933,984	\$ 703,752	\$ 791,736	\$ (1,438,496)	\$ 2,571,160	\$ 886,315	\$ 250,765	\$ (1,434,080)
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RECLAMATION DISTRICT 900, CALIFORNIA
Balance Sheet
Governmental Fund
June 30, 2025 and 2024

	2025	2024
ASSETS		
Cash	\$ 1,039,643	\$ 1,162,362
Pooled cash and investments in County Treasury	14,648,008	12,489,875
Receivables (net of uncollectibles):		
Assessments	59,124	262,764
Prepaid expenses	141,113	145,812
Total assets	\$ 15,887,888	\$ 14,060,813
LIABILITIES		
Accounts payable and accrued expenses	\$ 137,469	\$ 117,798
Deferred revenue	2,316	2,591
Total liabilities	139,785	120,389
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenues	48,485	238,024
Total deferred inflows of resources	48,485	238,024
FUND BALANCES		
Nonspendable	141,113	145,812
Committed	-	153,584
Unassigned	15,558,505	13,403,004
Total fund balances	15,699,618	13,702,400
Total liabilities, deferred inflows of resources, and fund balances	\$ 15,887,888	\$ 14,060,813

RECLAMATION DISTRICT 900, CALIFORNIA
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2025 and 2024

	2025	2024
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Total fund balances - governmental funds	\$ 15,699,618	\$ 13,702,400
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the funds.	14,930,051	14,696,401
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings, and contributions subsequent to the measurement date for the postretirement benefits (OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the Statement of Net Position.		
Deferred outflows-OPEB related	47,389	77,019
Deferred inflows-OPEB related	<u>(59,665)</u>	<u>(72,343)</u>
Total deferred outflows and inflows related to postemployment benefits	(12,276)	4,676
Other long-term assets that are not available to pay for current period expenditures and, therefore, are either labeled unavailable or not reported in the funds.		
Grant-related revenues	48,485	238,024
Long-term liabilities that are not due and payable in the current period, and therefore, are not reported in the funds.		
Compensated absences	(76,173)	(36,408)
Net OPEB liability	<u>(55,561)</u>	<u>(51,947)</u>
Total long-term liabilities	<u>(131,734)</u>	<u>(88,355)</u>
Net position of governmental activities	<u>\$ 30,534,144</u>	<u>\$ 28,553,146</u>

RECLAMATION DISTRICT 900, CALIFORNIA
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Fund
For the Years Ended June 30, 2025 and 2024

	2025	2024
REVENUES		
Property assessments	\$ 2,710,208	\$ 2,656,906
Federal and state grants	791,736	250,765
Charges for services	893,291	869,454
Use of money and property	704,380	154,500
Miscellaneous	4,906	5,332
Total revenues	5,104,521	3,936,957
EXPENDITURES		
Flood protection:		
Operations and maintenance	586,842	460,249
Labor and related	1,297,660	883,107
Administration	341,069	301,645
Rehabilitation and capital outlay	881,732	699,644
Total expenditures	3,107,303	2,344,645
Net change in fund balances	1,997,218	1,592,312
Fund balances-beginning of year	13,702,400	12,110,088
Fund balances-end of year	\$ 15,699,618	\$ 13,702,400

RECLAMATION DISTRICT 900, CALIFORNIA
Reconciliation of the Statement of Revenues, Expenses and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2025 and 2024

	2025	2024
Amounts reported for governmental activities in the Statement of Activities are different because:		
Net change in fund balances - total governmental funds:	\$ 1,997,218	\$ 1,592,312
Governmental funds report capital outlays are expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.		
Capital outlay	881,732	453,851
Depreciation expense	<u>(648,082)</u>	<u>(651,762)</u>
Total adjustment	233,650	(197,911)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		
Earned but unavailable grant revenues	(189,539)	16,861
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
Compensated absences	(39,765)	(19,325)
Changes in OPEB liabilities and related deferred outflows and inflows of resources	<u>(20,566)</u>	<u>(9,279)</u>
Total adjustment	<u>(60,331)</u>	<u>(28,604)</u>
Change in net position of governmental activities	<u>\$ 1,980,998</u>	<u>\$ 1,382,658</u>

RECLAMATION DISTRICT NO. 900, CALIFORNIA
Notes to Financial Statements
For the Years Ended June 30, 2025 and 2024

NOTE 1: DESCRIPTION OF THE DISTRICT AND SIGNIFICANT ACCOUNTING POLICIES

The District

Reclamation District 900, California (the "District") was created by Act of the Legislature in the Statutes of 1911. The District is situated in Yolo County. The District operates under the laws of the Water Code of the State of California, Division 15, Sections 50000 through 53900.

On November 14, 2019, the Yolo Local Agency Formation Commission adopted a resolution reorganizing Reclamation District No. 900 as a Subsidiary District to the City of West Sacramento. As such, Reclamation District No. 900 is currently governed by the City Council.

By agreement dated October 21, 2019 and effective July 1, 2020 after detachment and annexation of Reclamation District No. 537 territory located within the boundaries of the City of West Sacramento, certain assets of Reclamation District No. 537 were transferred to Reclamation District No. 900. Those assets transferred include the following: (1) land rights and facilities, including the pumping plant; (2) land rights with regard to levees previously operated and maintained by Reclamation District No. 537, including roads, and (3) 93% of Reclamation District No. 537 funds on hand as of the reorganization date. In addition, the detached and annexed area will remain a separate Benefit Assessment Area from the current area of Reclamation District No. 900.

A. Reporting Entity

The District has reviewed criteria to determine whether other entities with activities that benefit the District should be included within its financial reporting entity. The criteria include, but are not limited to, whether the entity exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters), the scope of public service and a special financing relationship.

The District has determined that no other outside entity meets the above criteria, and therefore, no agency has been included as a component unit in the District's financial statements. However, the City of West Sacramento (the City) exercises such oversight responsibility over the District since reorganization as a Subsidiary District in November 2019. The City Council transitioned as trustees of the District in January 2020. Accordingly, the District's financial statements will also be presented as a blended component unit of the City of West Sacramento as of and for the years ended June 30, 2025 and 2024.

B. Basis of Presentation and the Measurement Focus of Accounting

The basic financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP), as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accounting policies of the District conform to accounting principles generally accepted in the United States of America, as applicable

to governmental units. As required by GASB, the basic financial statements of the District are comprised of the following:

- Government-wide financial statements
- Government fund financial statements
- Notes to the basic financial statements

Government-wide financial statements – The statement of net assets and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Under the economic resources measurement focus, all (both current and long term) economic resources and obligations of the reporting government are reporting in the

NOTE 1: DESCRIPTION OF THE DISTRICT AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

government-wide financial statements. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and –like transactions are recognized when the exchange takes place. Such is the same approach used in the preparation of the fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government- wide statements and the statements for governmental funds.

Program revenues include charges for services, special assessments, and payments made by parties outside of the reporting government's assessment pool if that money is restricted to a particular program. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program.

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as an expenditure. Proceeds of long-term debt are recorded as a liability in the government-wide financial statements, rather than as another financing source. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expenditure.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are, therefore, clearly identifiable to a particular function.

Fund financial statements – In the fund financial statements, governmental funds are presented using the modified-accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Measurable means that the amounts can be estimated or otherwise determined. Available means that the amounts were collected during the reporting period or soon enough thereafter to be available to finance the expenditures accrued for the reporting period. The District uses an availability period of 90 days for all revenues.

In the fund financial statements, governmental funds are presented using the current financial resources measurement focus. This means that only current assets and deferred outflows of resources, and current liabilities and deferred inflows of resources are generally included on their balance sheets. The reported fund balance is considered to be a measure of “available spendable resources”. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balance. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

Expenditure recognition for governmental fund types excludes amounts represented by non- current liabilities. Since they do not affect “available spendable resources”, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources were expended, rather than as fund assets. The proceeds of long-term debt are recorded as other financing sources rather than as a fund liability. Amounts paid to reduce long-term indebtedness are reported as fund expenditures.

As the District does not operate on a fee-for-service basis, but rather from property assessments, the accompanying financial statements are presented as a governmental fund basis, rather than on a proprietary fund basis.

Currently, the District has only one governmental fund, the General Fund. The General Fund is the general operating and maintenance fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

RECLAMATION DISTRICT NO. 900, CALIFORNIA
Notes to Financial Statements
For the Years Ended June 30, 2025 and 2024

NOTE 1: DESCRIPTION OF THE DISTRICT AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The District has adopted a fund balance policy in accordance with GASB 54 requirements. The following fund balance classifications were adopted:

- **Nonspendable Fund Balance** – for funds that cannot be spent due to their form or funds that legally or contractually must be maintained intact. Prepaid expenses are reflected as nonspendable fund balances in the accompanying financial statements.
- **Restricted Fund Balance** – for funds that are mandated for specific purposes by external parties, constitutional provisions, or enabling legislation. There are no restricted funds as of June 30, 2025 and 2024.
- **Committed Fund Balance** – for funds set aside for specific purposes by the District's highest level of decision-making authority (Board of Trustees) pursuant to formal action taken, such as a majority vote or resolution. These committed funds cannot be used for any other purpose unless the Board of Trustees removes or changes the specific use through the same type of formal action taken to establish the commitment. Board of Trustee action to commit fund balance needs to occur within the fiscal reporting period, no later than June 30th; however, the amount can be determined with the release of the financial statements. The Board of Trustees has committed \$0 and \$153,584 in funds to cover future OPEB costs as of June 30, 2025 and 2024, respectively, and has set aside such funds in a separate account in the County Treasury.
- **Assigned Fund Balance** – for funds constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. As of June 30, 2025, the Board of Trustees has not assigned any funds.
- **Unassigned Fund Balance** – The residual positive net resources of the general fund in excess of what can properly be classified in one of the above four categories.

C. Assessments

As stated in Note 1 and effective July 1, 2020, certain territory within the boundaries of the City of West Sacramento previously part of Reclamation District No. 537 and certain assets of Reclamation District No. 537 were transferred to Reclamation District No. 900. The detached and annexed area will remain a separate Benefit Assessment Area from the current area of Reclamation District No. 900 with a benefit assessment of \$0.20 per \$100 of assessed value for the fiscal year 2023/2024 and 2024/2025.

Yolo County bills and collects a majority of the assessments through property tax bills. Yolo County credits the general fund account maintained by the County Treasurer for 50% of the total assessment in December, 45% in April, and the remaining 5% in June. Those assessments unable to be added to the County Tax Bills are billed and collected directly by the District.

D. Budgets and Budgetary Accounting

State law does not require the District's governing board to adopt a budget. The District's governing board adopts a budget each year, which is used as a management tool.

NOTE 1: DESCRIPTION OF THE DISTRICT AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for *deferred outflows of resources*. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. As of June 30, 2025 and 2024, the District reported deferred outflows of resources related to OPEB, due to a change of assumptions and experience of investment gains/losses, projected versus actual return on assets, and other related differences in experience.

In addition to liabilities, the statement of net position reports a separate section for *deferred inflows of resources*. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future period(s) and, accordingly, will not be recognized as an inflow of resources (revenue) until such time. As of June 30, 2025 and 2024, the District reported deferred inflows of resources related to OPEB, due to a change of assumptions and differences between expected and actual experience.

F. Cash and Cash Equivalents

The District considers all highly liquid investments with a maturity of three months or less at the time of purchase to be cash equivalents.

G. Investments

Investments are generally stated at fair value, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

H. Accounts Receivable

Receivables are reflected at estimated net realizable value. As of June 30, 2025 and 2024, an allowance for doubtful assessment accounts of \$18,694 and \$16,078, respectively, was estimated based on management judgment and the aging of delinquent receivables.

As of June 30, 2024, the District recorded an allowance for doubtful accounts of \$77,647 related to a receivable from another District. During the year ended June 30, 2025, this receivable and related allowance were removed, as the amount was determined to be no longer collectible.

I. Lease Assets

Lease assets are recorded at the amount of the initial measurement of the lease liabilities in accordance to GASB Statement No. 87. Lease assets are amortized over the lease term. See Note 7 for information on leases.

J. Capital Assets

Capital assets, which include level improvements, a pump station, and various types of equipment, are recorded as assets in the government-wide financial statements. For the fund financial statements, capital outlays are recorded as expenditures of the general fund. Capital assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation and recorded as capital contributions in the accompanying financial government-wide financial statements.

The District's capitalization thresholds are \$2,500 for office equipment, \$5,000 for field equipment, \$50,000 for pumps and improvements, and \$100,000 for infrastructure assets. Maintenance and repairs are charged to operations when incurred. Betterments and major improvements that significantly increase the values, change capacities, or extend the useful lives are capitalized. Upon sale or retirement of fixed assets, the cost and the related accumulated depreciation, as applicable, are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

NOTE 1: DESCRIPTION OF THE DISTRICT AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

<u>Asset Class</u>	<u>Years</u>
Machinery and Equipment	7
Vehicles	8
Generators	20
Lease Assets	3 - 7
Pump Stations and Levee Improvements	15 - 50

K. Compensated Absences

Accumulated unpaid employee vacation benefits as well as applicable untaken sick leave benefits as of June 30, 2025 and 2024 are \$76,173 and \$36,408, respectively.

L. Net OPEB Liability

For purposes of measuring the Net OPEB liability, deferred outflows of resources, deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments, if any, are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2024
Measurement Date	June 30, 2025
Measurement Period	July 1, 2024 to June 30, 2025

M. 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 of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

I. New GASB Pronouncements Effective during Fiscal Year

The following Government Accounting Standards Board (GASB) pronouncement was effective for and implemented for the fiscal year ended June 30, 2025:

1. *GASB Statement No. 101, Compensated Absences*

The requirements of this Statement will improve financial reporting by implementing a unified recognition and measurement model that will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. Establishing the unified model will result in consistent application to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave. This Statement will also result in a more robust estimate of the amount of compensated absences that a government will pay or settle, which will enhance the relevance and reliability of information about the liability for compensated absences. The effects of this Statement had no significant impact on the District's operations.

NOTE 1: DESCRIPTION OF THE DISTRICT AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Subsequent Events

Management has evaluated subsequent events through December 19, 2025, the date upon which the financial statements were available to be issued. Based on such evaluation, no additional adjustments to or disclosures in the financial statements were deemed necessary.

NOTE 2: CASH AND INVESTMENTS

Cash and investments at June 30, 2025 and 2024 consist of the following:

	2025	2024
Cash on Hand	\$ 500	\$ 500
Deposits with Financial Institutions	1,039,143	1,161,862
Pooled Cash and Investments with County Treasury	14,648,008	12,489,875
Total Cash and Investments	<u>\$ 15,687,651</u>	<u>\$ 13,652,237</u>

District relies on the Yolo County Treasury to maintain investments in accordance with the State of California policies. The external investment pool with the Yolo County Treasury is described as follows:

A. Yolo County Treasury

As provided for by the California Government Code, the District maintains cash in the Yolo County Pooled Investment Fund (County Treasury). The County Treasury pools these funds with those of other districts in the county and invests the cash. The share of each fund in the pooled cash account is separately accounted for and interest earned is apportioned quarterly to funds that are legally required to receive interest based on the relationship of a fund's daily balance to the total of pooled cash and investments.

Investment gains and losses are proportionately shared by the participants as increases or reductions in earnings. The value of the pool shares in the County Treasury, which may be withdrawn, is determined on an amortized cost basis, which is different than the fair value of the District's portion in the pool.

The County Treasury is authorized to deposit cash and invest excess funds by California Government Code Section 53648 et seq. The funds maintained by the County Treasury are either secured by federal depository insurance or are collateralized.

The County Treasury is restricted by Government Code Section 53635, pursuant to Section 53601, to invest in time deposits, U.S. Treasury notes and agency obligations, state registered warrants and municipal notes, local agency bonds, the State Treasurer's investment pool, bankers' acceptances, commercial paper, negotiable certificates of deposit and repurchase or reverse repurchase agreements.

NOTE 2: CASH AND INVESTMENTS (CONTINUED)

The County Treasurer is overseen by the Board of Supervisors Investment Committee, pursuant to Government Code, and must adhere to an annual investment policy that prohibits investments that have the possibility of returning a zero or negative yield if held to maturity.

B. Investments Authorized by the District's Investment Policy

The District invests in investment types authorized for the entity by the California Government Code 53601.

C. 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 values to changes in market interest rates. The County manages its exposure to declines in fair value by limiting the weighted average maturity of its investment portfolio to five years or less in accordance with its investment policy.

D. 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 risk is measured by the assignment of a rating by the nationally recognized statistical rating organization. As of June 30, 2025, the County Treasury is not rated.

The District has no limitation on the amount that can be invested in any one issuer beyond that stipulated in the California Government Code.

E. Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District and the California Government Code do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision: the California Government Code requires that a financial institution secure deposits made by state and local government units by pledging securities in an undivided collateral pool held by a depository regulated under state law. 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.

All bank deposits as of June 30, 2025 are insured by the Federal Depository Insurance Corporation (FDIC).

F. Derivative Investments

The District did not directly enter into any derivative investments. Information regarding the amount invested in derivatives by the County Treasury was not available. Additional disclosure detail required by Government Accounting Standards Board Statement No. 3, No. 31, No. 40, and GASB Technical Bulletin 94-1, regarding cash deposits and investments, are presented in the financial statements of the County of Yolo for the year ended June 30, 2025.

G. Fair Value Measurements

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. As of June 30, 2025, the District held no individual investments. All investments are held in pooled investments funds.

RECLAMATION DISTRICT NO. 900, CALIFORNIA
Notes to Financial Statements
For the Years Ended June 30, 2025 and 2024

NOTE 2: CASH AND INVESTMENTS (CONTINUED)

Within the external investment funds, deposits and withdrawals are made on the basis of \$1 and not fair value. Accordingly, the District's proportionate share of investments in such pooled funds are an uncategorized input not defined as Level 1, Level 2, or Level 3 input. The asset's level within the hierarchy is based on the lowest level of input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

NOTE 3: CAPITAL ASSETS

A summary of current-year changes to capital assets, the total of which is recorded in the government-wide statements, is shown as follows:

	July 1, 2024	Additions	Disposals	June 30, 2025
Pump Stations and Related	\$ 15,934,927	\$ 745,738	\$ -	\$ 16,680,665
Furniture and Equipment	57,842	-	-	57,842
Vehicles and Moving Equipment	1,637,418	135,994	-	1,773,412
Building Improvements	2,979,341	-	-	2,979,341
	20,609,528	881,732	-	21,491,260
Accumulated Depreciation	(5,913,127)	(648,082)	-	(6,561,209)
Net Capital Assets	\$ 14,696,401	\$ 233,650	\$ -	\$ 14,930,051

NOTE 4: RETIREMENT PLANS

The District provides pension benefits for all of its full-time employees through a defined contribution plan (a money purchase plan) of the Internal Revenue Code. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate immediately upon employment. The District contributes 14% of the employees' salary each year. The District's contributions for each employee (and interest allocated to the employees' account) are fully vested after five years of continuous service. District contributions for, and interest forfeited by, employees who leave employment before six years of service are used to reduce the District's current-period contribution requirement.

The District contributed \$120,095 and \$72,137 for the years ended June 30, 2025 and 2024, respectively, to the money purchase plan, including available forfeitures. The plan is administered through the Equitable Company.

During the year ended June 30, 2020, the Board of Trustees approved an additional deferred compensation retirement plan under Section 457 of the Internal Revenue Code. As of June 30, 2025, such a retirement account has been established with CalPERS with the General Manager as Administrator. Partial funding is anticipated in the near future.

NOTE 5: OTHER POSTEMPLOYMENT HEALTHCARE BENEFIT PLAN

Plan Description. The postemployment healthcare benefit plan was formally adopted by resolution in June 2015, though the District had been paying benefits for three retirees on a pay-as-you-go basis prior to adopting a formal plan. Postemployment medical benefits will be made to all qualifying retirees with benefits consistent with those offered to active employees (the district contribution is capped at 80% of the average of Sacramento area CalPERS rates). There is dependent coverage but no survivor benefit. Retiree benefits are paid to employees who have attained age 60 with twenty years of service.

Funding Policy. The District has a formal trust agreement with CalPERS to fund the Net OPEB liability and funded \$220,127 during the year ended June 30 2021. In addition, each year the District pays the retiree healthcare out of pocket, rather than drawing down from the CERBT trust. The District has committed and set aside funds at the County for this purpose in the amount of \$0 and \$153,584 as of June 30, 2025 and June 30, 2024, respectively.

NOTE 5: OTHER POSTEMPLOYMENT HEALTHCARE BENEFIT PLAN (CONTINUED)

A. Employees Covered

As of the June 30, 2025 actuarial valuation, the following number of current and former employees were covered by the benefit terms under the Plan:

Active Employees	9
Inactive Employees or Beneficiaries Currently Receiving Benefits	3
Inactive Employees Entitled to, But Not Yet Receiving Benefits	-
Total	<u>12</u>

B. Contributions

The District’s plan and its contribution requirements have been established by board resolution, the Employee Handbook and according to current year CalPERS rates for active employees (with an 80% contribution cap). For the fiscal years ended June 30, 2025 and 2024, the District made benefit payments to the health plan provider of \$26,839 and \$28,637 on a pay-as you-go basis.

C. Net OPEB Liability

The District’s Net OPEB Liability was measured on June 30, 2025, and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation dated June 30, 2024.

That valuation is based on the following actuarial methods and assumptions:

Actuarial Assumptions:	
Discount Rate	6.00%
Inflation	2.5% per annum
Salary Increases	2.75% per annum
Investment Rate of Return	6.0%, based on the Building Block Method
Mortality Rate	Derived using CalPERS’ 2021 Active Mortality Table for Miscellaneous and School Employees
Retirement Rate	Derived using tables from the 2021 CalPERS 2.0%@ 62 rates for Miscellaneous Employees experience
Healthcare Trend Rate	4% per annum

D. Discount Rate

The discount rate used to measure the total OPEB liability was 6.0 percent. The discount rate has been set equal to the long-term expected rate of return on investments.

RECLAMATION DISTRICT NO. 900, CALIFORNIA
Notes to Financial Statements
For the Years Ended June 30, 2025 and 2024

NOTE 5: OTHER POSTEMPLOYMENT HEALTHCARE BENEFIT PLAN (CONTINUED)

E. Changes in the OPEB Liability

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (c) = (a) - (b)
Balance as of June 30, 2024, measurement date	\$ 402,017	\$ 350,070	\$ 51,947
Changes recognized for the measurement period			
Service Cost	37,881	-	37,881
Interest	24,598	-	24,598
Employer Contributions	-	21,978	(21,978)
Administrative Expenses	-	(271)	271
Expected Investment Income	-	20,996	(20,996)
Benefit Payments for Retiree Healthcare	(21,978)	(21,978)	-
Investment Gains (Losses)	-	16,162	(16,162)
Net Change in Net OPEB Liability	40,501	36,887	3,614
Balance as of June 30, 2025, measurement date	\$ 442,518	\$ 386,957	\$ 55,561

F. Sensitivity of the Net OPEB Liability to the Changes in the Discount Rate

The following presents the Net OPEB Liability of the District if it were calculated using a discount rate that is one percentage point higher or lower than the current discount rate, for the measurement period ended June 30, 2025:

	1% Decrease	Current Discount Rate	1% Increase
Net OPEB Liability (Asset)	\$ 117,952	\$ 55,561	\$ 4,605

G. Sensitivity of the Net OPEB Liability to the Changes in the Health Care Cost Trend Rates

The following presents the Net OPEB liability of the District if it were calculated using health care cost trend rates that are one percentage point higher or lower than the current rate, for the measurement period ended June 30, 2025:

	1% Decrease	Current Trend Rate	1% Increase
Net OPEB Liability (Asset)	\$ (8,003)	\$ 55,561	\$ 136,886

H. OPEB Plan Fiduciary Net Position

The District's Fiduciary Net Position is \$386,957 as of June 30, 2025 as the OPEB liability has been partially funded in a CERBT funding vehicle through a trust agreement with CalPERS (CERBT Asset Allocation Strategy 2). The audited CERBT financial statements are available at www.calpers.ca.gov.

I. Recognition of Deferred Outflows and Deferred Inflows of Resources

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time.

RECLAMATION DISTRICT NO. 900, CALIFORNIA
Notes to Financial Statements
For the Years Ended June 30, 2025 and 2024

NOTE 5: OTHER POSTEMPLOYMENT HEALTHCARE BENEFIT PLAN (CONTINUED)

Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The recognition period differs depending on the source of the gain or loss:

Net difference between projected and actual earnings on OPEB plan investments	5 years
All other amounts	Expected average remaining service lifetime (EARS�)

J. OPEB Expense and Deferred Outflows Related to OPEB

As of June 30, 2025, deferred inflows and outflows of resources related to OPEB are from the following sources:

	Net Deferred Outflows of Resources	Net Deferred Inflows of Resources
Differences between projected and actual return on assets	\$ -	\$ (26,753)
Differences between expected and actual experience	25,142	(845)
Changes in Assumptions	22,247	(32,067)
Balance at June 30, 2024	<u>\$ 47,389</u>	<u>\$ (59,665)</u>

Net OPEB expense for the years ended June 30, 2025 and 2024 is comprised as follows:

	2025	2024
Service Cost	\$ 37,881	\$ 21,997
Interest Cost	24,598	21,180
Expected Return on Assets	(20,996)	(19,412)
Administrative Expense	271	282
Recognition of Experience Gain (Loss) Deferrals	(1,178)	(1,178)
Recognition of Assumption Change Deferrals	(5,076)	(5,076)
Recognition of Investment (Gain) Loss Deferrals	7,044	11,651
Net OPEB Expense	<u>\$ 42,544</u>	<u>\$ 29,444</u>

Net OPEB expense does not include \$30,047 employer contributions for retiree healthcare benefits.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Registration of Deferred Outflows and Inflows of Resources in Future Pension Expense		
Fiscal Year Ending June 30:	Net Deferred Inflows of Resources	Net Deferred Outflows of Resources
2026	\$ (3,268)	\$ 7,269
2027	(16,710)	7,269
2028	(18,206)	7,269
2029	(13,180)	7,269
2030	(4,613)	7,269
Thereafter	(3,688)	11,044
	<u>\$ (59,665)</u>	<u>\$ 47,389</u>

RECLAMATION DISTRICT NO. 900, CALIFORNIA
Notes to Financial Statements
For the Years Ended June 30, 2025 and 2024

NOTE 6: CONTINGENCIES

The District has programs for public liability and property damage. There have been no settlements related to these programs that exceed insurance coverage during the 2024-25 fiscal year. The District retains the risk for all loss exposure in excess of insurance coverage. Claims, expenditures, and liabilities are reported when it is probable that a loss has been incurred and the amount of that loss, including those incurred but not reported, can be reasonably estimated.

The District periodically receives Federal, State, and local funds for specific purposes and is subject to compliance requirements. Such funding is subject to review and audit by the awarding agencies at their discretion. If such audits were to disallow any expenditure, the District could potentially be liable to return funds. Management believes that such amounts, if any, would not have a significant effect on the financial position of the District. This is not considered a probable contingency and no liability has been reported on these financial statements.

NOTE 7: LEASES

The District has a month-to-month equipment lease as of June 30, 2025 but no lease commitments as of the date of this report.

NOTE 8: RELATED PARTY TRANSACTIONS

On November 14, 2019, the Yolo Local Agency Formation Commission adopted a resolution reorganizing Reclamation District No. 900 as a Subsidiary District to the City of West Sacramento, and the City Council became the new trustees of the District.

The following summarizes cash receipts and disbursements, as well as accounts receivables from and payables to the City of West Sacramento (COWS), as of and for the years ended June 30, 2025 and 2024 are as follows:

	2025	2024
Cash Receipts:		
Property Assessments Received	\$ 1,634	\$ 1,634
Property Assessments from COWS on Behalf of RD 811	50,417	15,989
Property Assessments from COWS on Behalf of WUSD	72,746	64,558
Operations and Maintenance Charges Received from City of West Sacramento on Behalf of WSAFCA	862,548	846,465
Total Cash Receipts from City of West Sacramento	<u>\$ 987,345</u>	<u>\$ 928,646</u>
Cash Disbursements:		
Water and Sewer Charges Paid	\$ 1,367	\$ 1,704
Assessments Paid	6,761	-
Shared Services and Other Charges for Services Provided	8,924	-
Total Cash Disbursed from City of West Sacramento	<u>\$ 17,052</u>	<u>\$ 1,704</u>
Accounts Receivable from the City of West Sacramento	<u>\$ -</u>	<u>\$ 108,293</u>
Accounts Payable to the City of West Sacramento	<u>\$ -</u>	<u>\$ 129</u>

REQUIRED SUPPLEMENTARY INFORMATION

RECLAMATION DISTRICT 900, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
General Fund
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Property assessments	\$ 2,744,910	\$ 2,744,910	\$ 2,710,208	\$ (34,702)
Federal and state grants	214,250	214,250	791,736	577,486
Charges for services	880,394	880,394	893,291	12,897
Interest	120,000	120,000	704,380	584,380
Reimbursements and other	6,500	6,500	4,906	(1,594)
Total revenues	3,966,054	3,966,054	5,104,521	1,138,467
EXPENDITURES				
Flood Protection:				
Operations and maintenance	598,000	598,000	586,842	11,158
Labor and related	1,366,442	1,427,124	1,297,660	129,464
Administration	370,000	370,000	341,069	28,931
Capital outlay	-	-	881,732	(881,732)
Total expenditures	2,334,442	2,395,124	3,107,303	(712,179)
Net change in fund balances	\$ 1,631,612	\$ 1,570,930	1,997,218	\$ 426,288
Fund balances-beginning			13,702,400	
Fund balances-ending			\$ 15,699,618	

RECLAMATION DISTRICT 900, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
General Fund
For the Year Ended June 30, 2024

	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Property assessments	\$ 2,584,228	\$ 2,584,228	\$ 2,656,906	\$ 72,678
Federal and state grants	350,000	350,000	250,765	(99,235)
Charges for services	839,250	839,250	869,454	30,204
Interest	55,000	55,000	154,500	99,500
Unrealized gains (losses) on investments	20,000	20,000	-	(20,000)
Reimbursements and other	18,950	18,950	5,332	(13,618)
Total revenues	<u>3,867,428</u>	<u>3,867,428</u>	<u>3,936,957</u>	<u>69,529</u>
EXPENDITURES				
Flood Protection:				
Operations and maintenance	491,500	491,500	460,249	31,251
Labor and related	1,042,896	1,042,896	883,107	159,789
Administration	303,925	303,925	301,645	2,280
Capital outlay	-	-	699,644	(699,644)
Total expenditures	<u>1,838,321</u>	<u>1,838,321</u>	<u>2,344,645</u>	<u>(506,324)</u>
Net change in fund balances	<u>\$ 2,029,107</u>	<u>\$ 2,029,107</u>	<u>1,592,312</u>	<u>\$ (436,795)</u>
Fund balances-beginning			10,121,468	
Fund balances-ending			<u>\$ 11,713,780</u>	

RECLAMATION DISTRICT 900, CALIFORNIA
Schedule of Expenditures - Budget to Actual
General Fund
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
OPERATIONS AND MAINTENANCE				
Facilities:				
Facilities - power	215,000	215,000	209,037	5,963
Facilities - fuel	50,000	50,000	50,589	(589)
Supplies and materials	25,000	25,000	25,847	(847)
Facilities - repairs	15,000	15,000	53,243	(38,243)
Facilities - equipment and tools	20,000	20,000	12,127	7,873
Herbicides	55,000	55,000	44,817	10,183
Field services	30,000	30,000	7,375	22,625
Debris and trash disposal	15,000	15,000	13,760	1,240
Professional fees:				
Pesticide	18,000	18,000	18,258	(258)
Engineering	25,000	25,000	43,322	(18,322)
Other	20,000	20,000	19,433	567
Equipment:				
Fuel	10,000	10,000	1,836	8,164
Repair and servicing	45,000	45,000	32,033	12,967
Parts and supplies	35,000	35,000	39,288	(4,288)
Rentals	15,000	15,000	15,877	(877)
	593,000	593,000	586,842	6,158
LABOR AND RELATED:				
Compensation and related:				
Administrative salary and wages	354,000	372,632	355,378	17,254
Field salary and wages	532,942	560,992	526,963	34,029
Overtime	8,000	8,000	-	8,000
Payroll taxes	89,000	95,000	66,734	28,266
Medical insurance	145,000	145,000	124,715	20,285
Dental insurance	7,000	7,000	5,759	1,241
Retiree medical	35,000	35,000	30,047	4,953
Retirement plan	133,000	133,000	144,858	(11,858)
Worker's compensation insurance	45,000	47,000	20,365	26,635
Uniforms	7,000	7,000	7,881	(881)
Training and licensing	5,000	5,000	8,685	(3,685)
Cellphone stipend	5,500	5,500	6,275	(775)
	1,366,442	1,421,124	1,297,660	123,464
ADMINISTRATION:				
Liability and auto insurance:	120,000	120,000	124,006	(4,006)
Professional fees:				
Professional services - legal	40,000	40,000	22,615	17,385
Professional services - accounting and payroll	50,000	50,000	37,952	12,048
Professional services - assessment administration	25,000	25,000	17,531	7,469
Professional services - COWS shared services	10,000	10,000	8,747	1,253
Professional services - IT	-	-	16,963	(16,963)
Office:				
Office - utilities and janitorial	19,000	19,000	18,973	27
Office - supplies and software	15,000	15,000	16,311	(1,311)
Office - equipment	10,000	10,000	3,058	6,942
Office - furnishings	10,000	10,000	1,626	8,374
Office - document management	-	-	-	-
Memberships	15,000	15,000	7,723	7,277
Permits and fees	40,000	40,000	52,909	(12,909)
Assessments paid	14,000	14,000	8,384	5,616
Security	-	-	2,267	(2,267)
Other	2,000	2,000	2,004	(4)
	370,000	370,000	341,069	28,931
REPAIR, REPLACEMENTS, AND REHABILITATION				
Capital - facilities	-	-	881,732	(881,732)
	-	-	881,732	(881,732)

RECLAMATION DISTRICT 900, CALIFORNIA
Schedule of Expenditures - Budget to Actual
General Fund
For the Year Ended June 30, 2024

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
OPERATIONS AND MAINTENANCE				
Facilities:				
Facilities - power	200,000	200,000	204,884	(4,884)
Facilities - fuel	50,000	50,000	37,975	12,025
Supplies and materials	20,000	20,000	18,167	1,833
Facilities - repairs	15,000	15,000	545	14,455
Facilities - equipment and tools	20,000	20,000	13,555	6,445
Herbicides	55,000	55,000	34,163	20,837
Field services	60,000	60,000	2,070	57,930
Debris and trash disposal	15,000	15,000	12,244	2,756
Professional fees:				
Pesticide	15,000	15,000	16,521	(1,521)
Engineering	19,000	19,000	45,817	(26,817)
Other	3,000	3,000	1,153	1,847
Equipment:				
Fuel	10,000	10,000	-	10,000
Repair and servicing	42,500	42,500	30,452	12,048
Parts and supplies	32,500	32,500	27,524	4,976
Rentals	16,000	16,000	82	15,918
	573,000	573,000	445,152	127,848
LABOR AND RELATED:				
Compensation and related:				
Administrative salary and wages	351,170	351,170	282,082	69,088
Field salary and wages	385,346	385,346	326,263	59,083
Overtime	8,000	8,000	-	8,000
Payroll taxes	58,921	58,921	45,257	13,664
Medical insurance	130,000	130,000	105,725	24,275
Dental insurance	6,000	6,000	4,287	1,713
Retiree medical	32,500	32,500	26,839	5,661
Retirement plan	100,000	100,000	72,137	27,863
Worker's compensation insurance	31,200	31,200	13,921	17,279
Uniforms	6,000	6,000	5,618	382
Training and licensing	5,000	5,000	728	4,272
	1,119,637	1,119,637	883,107	236,530
ADMINISTRATION				
Liability and auto insurance:	95,000	95,000	97,192	(2,192)
Professional fees:				
Professional services - legal	40,000	40,000	23,049	16,951
Professional services - accounting and payroll	45,000	45,000	48,321	(3,321)
Professional services - assessment administration	25,000	25,000	21,166	3,834
Professional services - COWS shared services	10,000	10,000	-	10,000
Professional services - other	-	-	1,530	(1,530)
Office:				
Office - utilities and janitorial	19,000	19,000	18,851	149
Office - supplies and software	10,000	10,000	12,837	(2,837)
Office - equipment	5,000	5,000	5,854	(854)
Office - furnishings	10,000	10,000	1,775	8,225
Memberships	13,000	13,000	7,476	5,524
Permits and fees	35,000	35,000	38,970	(3,970)
Bad debt expense	-	-	-	-
Assessments paid	10,000	10,000	11,943	(1,943)
Other	4,000	4,000	11,361	(7,361)
	321,000	321,000	301,645	19,355
REPAIR, REPLACEMENTS, AND REHABILITATION				
Capital - facilities	-	-	714,741	714,741
	-	-	714,741	714,741

RECLAMATION DISTRICT 900, CALIFORNIA
Schedule of Changes in Net OPEB Liability and Related Ratios
As of June 30, for the Last Ten Fiscal Years ¹

	2025	2024	2023	2022
Measurement Date	<u>6/30/2025</u>	<u>6/30/2024</u>	<u>6/30/2023</u>	<u>6/30/2022</u>
TOTAL OPEB LIABILITY				
Service cost	\$ 37,881	\$ 21,997	\$ 21,408	\$ 21,201
Interest on total OPEB liability	24,598	21,180	19,884	21,751
Changes of benefit terms	-	-	-	-
Changes of assumptions	-	2,713	-	8,751
Experience gains (losses)	-	24,213	6,223	(45,205)
Benefit payments, including refunds of employee contributions	(21,978)	(20,165)	(26,050)	(26,602)
Net change in total OPEB liability	40,501	49,938	21,465	(20,104)
Total OPEB liability-beginning	402,017	352,079	330,614	350,718
Total OPEB liability-ending (a)	442,518	402,017	352,079	330,614
PLAN FIDUCIARY NET POSITION				
Contributions-employer	-	-	26,050	26,602
Contributions-employee	21,978	20,165	-	-
Net investment income	37,158	26,678	11,253	(44,854)
Benefit payments, including refunds of employee contributions	(21,978)	(20,165)	(26,050)	(26,602)
Administrative expense	(271)	(282)	(267)	(300)
Net change in fiduciary net position	36,887	26,396	10,986	(45,154)
Plan fiduciary net position-beginning	350,070	323,674	312,688	357,842
Plan fiduciary net position-ending (b)	386,957	350,070	323,674	312,688
Net OPEB liability/(asset) (a) - (b)	\$ 55,561	\$ 51,947	\$ 28,405	\$ 17,926
Plan fiduciary net position as a percentage of the total OPEB liability	87.4%	87.1%	91.9%	94.6%

Notes to Schedule of Changes in the Net OPEB Liability and Related Ratios:

Benefit Changes : None

Changes of Assumptions : None

¹ Fiscal year 2018 was the first year of GASB Statement No. 75 implementation; therefore only eight years are shown.

2021	2020	2019	2018
6/30/2021	6/30/2020	6/30/2019	6/30/2018
\$ 19,488	\$ 20,549	\$ 37,674	\$ 36,666
21,042	18,355	22,181	11,645
-	-	-	-
9,219	20,846	(94,437)	-
-	3,423	-	-
<u>(26,020)</u>	<u>(16,601)</u>	<u>(14,810)</u>	<u>(14,240)</u>
23,729	46,572	(49,392)	34,071
<u>326,989</u>	<u>280,417</u>	<u>329,809</u>	<u>295,738</u>
350,718	326,989	280,417	329,809
220,127	152,001	-	-
-	-	-	-
31,004	(2,481)	-	-
(26,020)	(16,601)	-	-
<u>(151)</u>	<u>(37)</u>	<u>-</u>	<u>-</u>
224,960	132,882	-	-
<u>132,882</u>	<u>-</u>	<u>-</u>	<u>-</u>
357,842	132,882	-	-
\$ (7,124)	\$ 194,107	\$ 280,417	\$ 329,809
102.0%	40.6%	0.0%	0.0%

RECLAMATION DISTRICT 900, CALIFORNIA
Schedules of Plan Contributions
As of June 30, for the Last Ten Fiscal Years ¹

Fiscal Year Ending June 30,	Actuarially Determined Contribution	Actual Employer Contributions	Contribution Deficiency (Excess)
<u>Single Employer OPEB Plan</u>			
2025	\$ -	\$ 21,978	\$ (21,978)
2024	-	20,165	(20,165)
2023	-	26,050	(26,050)
2022	-	26,602	(26,602)
2021	-	220,127	(220,127)
2020	-	152,001	(152,001)
2019	-	14,810	(14,810)
2018	-	14,640	(14,640)

Notes to Schedule:

Actuarial methods and assumptions used to set the actuarially determined contributions for fiscal year 2025 were from the June 30, 2025 actuarial valuation.

Methods and assumptions used to determine contributions:

Actuarial cost method:	Entry age normal
Amortization method/period:	Level of percent of payroll over a closed rolling 15-year period
Asset valuation method:	Market value
Inflation rate:	2.50%
Payroll growth rate:	2.75% per annum
Investment rate of return:	6.0% per annum
Healthcare cost trend:	4% per annum
Retirement age:	2.0% @62
	The probabilities of retirement are based on the 2021 CalPERs experience study for miscellaneous employees experience.
	Pre-retirement mortality probability based on 2021 active mortality table for miscellaneous and schools employees.
Mortality	

⁽¹⁾ Historical information is required only for the measurement periods for which GASB 75 is applicable. Fiscal Year 2018 was the first year of implementation. Future years' information will be displayed up to 10 years as information becomes available.

OTHER REPORT



INDEPENDENT AUDITORS' 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 Trustees
Reclamation District 900, California
West Sacramento, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and General Fund information of the Reclamation District 900, California (the "District"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 19, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) 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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. *A material weakness* is a deficiency, or 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. *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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from 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 financial statements. 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*.



To the Board of Trustees
Reclamation District 900, California
West Sacramento, California

Purpose of This Report

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

LSL, LLP

Sacramento, California
December 19, 2025