Kings River East Groundwater Sustainability Agency
Regular Board Meeting
Agenda

City of Dinuba – Council Chambers
405 East El Monte Way, Dinuba, CA 93618
February 20, 2020
2:00 p.m.

1. **Call to Order**

2. **Pledge of Allegiance**

3. **Potential Conflicts of Interest**

   3.1. Any Director who has potential conflict of interest may now identify the Agenda item and recuse himself or herself from discussing and voting on the matter (FPPC § 87105).

4. **Public Comment**

   4.1. Public will be given up to three minutes (3 min) to address the Board of Directors on any item not on the agenda but within the subject matter of the Board's jurisdiction. Board of Directors is prohibited from taking action on public comments and as appropriate, matters raised during this period may be referred to appropriate parties or added to the agenda of an upcoming Board meeting (Gov. Code § 54954.3(a)).

5. **Communications – Review and Consider for Action**

6. **Audit Presentation** – Review and consider taking action to accept fiscal year end September 30, 2019 audit. (see Insert 6.1)

7. **Board of Director Reports – Discuss and Consider for Action**

   7.1. Report(s) by Director(s) on event(s) attended during the prior month

8. **Consent Calendar Items** – All Consent Calendar items are considered routine and will be enacted in one motion. There will be no separate discussion of these matters, unless a request is made in which event the item will be removed from the Consent Calendar to be discussed and voted upon by a separate action.

   8.1. Payables – Review and approve payment of December 2019 and January 2020 invoices (see Insert 8.1)

   8.2. Board Meeting Minutes – Review and approve minutes of December 19, 2019 regular Board meetings (see Insert 8.2)

9. **Other Board Items – Take Action**

   9.1. Treasurer's Statement – Review and approve December 2019 and January 2020 Treasurer's statement (see Insert 9.1)

   9.2. Grant Reimbursements – Review and discuss status of reimbursement from grants.

Kings River East Groundwater Sustainability Agency
Regular Board Meeting
Agenda

10. Groundwater Sustainability Activities – Review for Possible Action

10.1. GSA Invoices – Provide an update on collections and typical questions from landowners

10.2. Groundwater Sustainability Plan (GSP) – Update on the GSP, Annual Report, and upcoming outreach event

11. Legal Issues – Review for Possible Action

11.1. Attorney Legal Update on Matters Affecting the GSA and Legislation

12. Future Agenda Item(s) – No Action

13. Adjournment

Notes:

1. In compliance with the Americans with Disabilities Act of 1990, requests for special assistance to attend or participate in this meeting should be made to the City of Dinuba (559-591-5900) at least 48 hours in advance of the public meeting to enable the City to make reasonable accommodations.
2. Public records relating to an agenda item are available for public review, after posting of the agenda, at 289 North L Street, Dinuba, CA 93618 during regular business hours.

AFFIDAVIT OF POSITING

I, Marc Limas, on behalf of the Kings River East Groundwater Sustainability Agency, hereby certify that I posted a copy of the foregoing agenda in the lobby of the City of Dinuba at 405 East El Monte Way, Dinuba, CA 93618, at least seventy – two (72) hours prior to the meeting, in accordance with Govt. Code § 54954.2(a).

February 14, 2020

Marc Limas

Insert 6.1

KINGS RIVER EAST GROUNDWATER SUSTAINABILITY AGENCY
FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED
SEPTEMBER 30, 2019

KINGS RIVER EAST GROUNDWATER SUSTAINABILITY AGENCY
FOR THE YEAR ENDED SEPTEMBER 30, 2019

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KINGS RIVER EAST GROUNDWATER SUSTAINABILITY AGENCY
BOARD OF DIRECTORS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

Board of Directors

Ernest "Buddy" Mendes	Chairman
Mary Fast	Vice-Chairman
Jack Brandt	Secretary/Treasurer
Steve Boos	Director
David Brown	Director
Fernando Rubalcaba	Director
Eddie Valero	Director

cuttone & mastro
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

To the Board of Directors
Kings River East Groundwater Sustainability Agency
Dinuba, California

Report on the Financial Statements
We have audited the accompanying financial statements of Kings River East Groundwater Sustainability Agency (the Agency), as of and for the year ended September 30, 2019 , 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 an opinion 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 and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. 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.

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Fresno, California 93711
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fax 559-261-4301

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Kings River East Groundwater Sustainability Agency as of September 30, 2019 , and the changes in financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other-Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 6 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 January 21, 2019, on our consideration of the Kings River East Groundwater Sustainability 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 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 Kings River East Groundwater Sustainability Agency'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 the Kings River East Groundwater Sustainability Agency's internal control over financial reporting and compliance.

Cutler & Martin

January 29, 2020

KINGS RIVER EAST GROUNDWATER SUSTAINABILITY AGENCY
Management's Discussion and Analysis

As management of the Kings River East Groundwater Sustainability Agency (the Agency), we offer readers of the Agency's financial statements this narrative overview and analysis of the Agency's financial performance during the fiscal year ended September 30, 2019 . Please read it in conjunction with the Agency's financial statements, which follow this section.

Financial Highlights

- The Agency's total Net Position increased $270,530 during the year.
- The Agency's operating revenue for the year ended September 30, 2019 was $413,582 while operating expenses were $427,282 and other income was $284,230.

Overview of the Financial Statements

This annual financial report includes this management's discussion and analysis, the independent auditor's report and the basic financial statements of the Agency. The financial statements also include notes that explain in more detail some of the information in the financial statements.

Required Financial Statements

The financial statements of the Agency report information of the Agency using accounting methods similar to those used by private sector companies. These statements offer short- and long-term financial information about its activities. The Statement of Net Position includes all of the Agency's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to Agency creditors (liabilities). It also provides the basis for evaluating the capital structure of the Agency and assessing the liquidity and financial flexibility of the Agency. The majority of operating funds is derived from advances and fees and the majority of expenses are associated with administration of the Agency.

All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses and Changes in Net Position. This statement can be used to determine whether the Agency has successfully recovered all of its costs through its fees and other charges, its profitability, and its credit worthiness.

The final required financial statement is the Statement of Cash Flows. This statement reports cash receipts, cash payments, and net changes in cash resulting from operations, financing, and investing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in the cash balance during the reporting period.

Financial Analysis of the Agency

The Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position provide an indication of the Agency's financial condition. The Agency's Net Position reflects the difference between assets and liabilities. An increase in Net Position over time typically indicates an improvement in financial condition.

Net Position

A comparison of the Statement of Net Position can determine the change in the components of financial position (the assets and liabilities) of the Agency from year-end to year-end. This comparison is presented in the following table:

Condensed Statement of Net Position September30, 2019

	September 30, 2019	September 30, 2018	Dollar Change	Percentage Change
Current Assets	$ 668,946	$ 517,702	$ 151,244	29.21%
Capital Assets	-	-	-	-
Total Assets	668,946	517,702	151,244	-
Current Liabilities	263,572	382,858	(119,286)	-31.16%
Long Term Debt	-	-	-	-
Total Liabilities	263,572	382,858	(119,286)	-31.16%
Total Net Position	$ 405,374	$ 134,844	$ 270,530	200.62%

The table shows the Agency's Net Position increased for the year ended September 30, 2019 by $270,530. Factors contributing to this increase include:

- At September 30, 2019, current assets were $668,946 and current liabilities were $263,572.
- Billings in the year ended September 30, 2019 continued and in combination with grant funds received, exceeded the expenses for the year causing cash to increase by $128,541.

Revenues, Expenses and Changes in Net Position

A comparison of the Statement of Revenues, Expenses and Changes in Net Position for each year will explain the changes in financial position that resulted from the operating activities during the year. This comparison is presented in the following table:

Condensed Statement of Revenues, Expenses and Changes in Net Position
September 30, 2019

	September 30, 2019	September 30, 2018	Dollar Change	Percentage Change
Operating Revenues	$ 413,582	$ 411,266	$ 2,316	0.56%
Operating Expenses	427,282	205,751	221,531	107.67%
Operating Income (Loss)	(13,700)	205,515	(219,215)	-106.67%
Other Income	284,230	1,230	283,000	23008.13%
Change In Net Position	270,530	206,745	63,785	30.85%
Net Position - Beginning of Year	134,844	(71,901)	206,745	-287.54%
Net Position - End of Year	$ 405,374	$ 134,844	$ 270,530	200.62%

The table shows the Agency's Net Position increased for the year ended September 30, 2019 by $270,530. Factors contributing to this increase include:

- Fees were charged for the second year to landowners within the Agency boundaries and were consistent with the prior year.
- More costs were incurred for the development of the Groundwater Sustainability Plan in the year ending September 30, 2019, however, grants of $274,115 helped the Agency pay for the costs.

Debt Service Requirements
The Agency has no long-term debt.

Capital Assets
The Agency has no capital assets.

Contacting the Agency's Management
This annual financial report is designed to provide our customers and creditors with a general overview of the Agency's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Kings River East Groundwater Sustainability Agency, 289 North L Street, Dinuba, CA 93618.

KINGS RIVER EAST GROUNDWATER SUSTAINABILITY AGENCY
STATEMENT OF NET POSITION
SEPTEMBER 30, 2019

Assets	
Current Assets	
Cash	$ 537,503
Accounts Receivable, Net	61,504
Grant Receivable	68,307
Interest Receivable	1,632
Total Assets	668,946
Liabilities	
Current Liabilities	
Accounts Payable	140,260
Deferred Revenue	123,312
Total Liabilities	263,572
Net Postion	
Unrestricted	405,374
Total Net Postion	$ 405,374

The accompanying notes are integral part of these financial statements.

KINGS RIVER EAST GROUNDWATER SUSTAINABILITY AGENCY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2019

Operating Revenues	
Fees	$ 413,582
Total Operating Revenues	413,582
Operating Expenses	
Administrative Services	95,470
Administrative - Other	15,818
Audit Services	3,785
Bad Debts	28,081
Engineering Services	243,500
Groundwater Sustainability Costs	25,577
Legal	15,051
Total Operating Expenses	427,282
Operating Loss	(13,700)
Other Income	
Grant Income	274,115
Interest Income	10,115
Total Other Income	284,230
Change In Net Position	270,530
Net Position at Beginning of Year	134,844
Net Position at End of Year	$ 405,374

The accompanying notes are integral part of these financial statements.

KINGS RIVER EAST GROUNDWATER SUSTAINABILITY AGENCY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

Cash Flows from Operating Activities	
Cash Received from Fees	$ 428,050
Cash paid for Operations	(515,029)
Net Cash Flows from Operating Activities	(86,979)
Cash Flows From Noncapital Financing Activities	
Grant Funds Received	205,808
Cash Flows From Investing Activities	
Cash Received From Interest Earned	9,712
Net Change in Cash	128,541
Cash at the Beginning of Year	408,962
Cash at the End of Year	$ 537,503

Reconciliation of Operating Loss to Net Cash Flows from Operating Activities:	
Operating Loss	$ (13,700)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Net Changes in assets and liabilities	
Accounts Receivable	46,007
Accounts Payable	(87,747)
Deferred Revenue	(31,539)
Net Cash Flows from Operating Activities	$ (86,979)

The accompanying notes are integral part of these financial statements.

(1) Description of Entity

(a) Description of Operations

Kings River East Groundwater Sustainability Agency (the "Agency") was formed January 1, 2017 as an agency created by the State of California Legislature. The Agency operates entirely within central California. The Agency was formed to comply with the requirements of the Sustainable Groundwater Management Act (SGMA) which requires that all groundwater basins in the State of California form at least one "Groundwater Sustainability Agency", develop a plan for groundwater sustainability by January 31, 2020 and achieve sustainability on or before 2040. The SGMA gives authority to local government agencies to form GSA's to adopt groundwater sustainability plans to manage and regulate pumping from groundwater basins or subbasins.

(b) Member Agencies

In March 2016, the following agencies held a public hearing and signed a memorandum of understanding to form the Kings River East Groundwater Sustainability Agency: County of Tulare, County of Fresno, City of Orange Cove, City of Reedley, City of Dinuba, Orange Cove Irrigation District, Alta Irrigation District, Hills Valley Irrigation District, Tri-Valley Water District, Cutler Public Utility District, East Orosi Community Services District, London Community Services District, Orosi Public Utility District and Sultana Community Services District. The entities above as well as Kings River Water District are members of the Agency.

(c) Reporting Entity

In accordance with the requirements of *The Financial Reporting Entity, of the Governmental Accounting Standards Board (GASB)*, the financial statements must present the Agency (the primary government) and its component units. Pursuant to this criterion, no component units were identified for inclusion in the accompanying financial statements.

(2) Summary of Significant Accounting Policies

(a) Basis of Presentation and Accounting

The Agency is considered a special-purpose government engaged only in business type-activities and uses enterprise fund accounting and reporting. Enterprise fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position and a Statement of Cash Flows.

The financial statements of the Kings River East Groundwater Sustainability Agency (Agency) have been prepared in conformity with generally accepted accounting principles (GAAP) 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 more significant of the government's policies are described below.

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the government body is that the cost and expenses of providing goods or services to its customers be financed or recovered primarily through users charges; or where the governing body has decided that periodic determination of revenue earned, expenses incurred, and net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Enterprise funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Operating revenues are those revenues that are generated from the primary operations of the Agency. The primary operations of the Agency are to facilitate compliance with the Sustainable Groundwater Management Act (SGMA) by creating a Groundwater Sustainability Plan (GSP) and to achieve sustainability goals. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the Agency. All other expenses are reported as non-operating expenses.

(b) Cash Equivalents and Investments

The Agency considers all highly liquid investments (including restricted cash and investments) with maturities of three months or less when purchased to be cash equivalents. It is the policy of the Agency to choose a financial institution that provides the most appropriate services for the lowest cost.

(c) Accounts Receivable

The Agency recognized revenues in the year the property owners are assessed. For the year ended September 30, 2019, the Agency has established an allowance for uncollectible accounts in the amount of $28,081. This amount has been written off to bad debts in the year.

(d) Net Position

Net position comprises the various net earnings from operating income, nonoperating revenues and expenses, and capital contributions. Net position is reported in three categories as follows:

Net investment in capital assets – This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that attributed to the acquisition. At September 30, 2019 there is no net investment in capital assets.

Restricted – This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments. At September 30, 2019 there is no restricted net position.

Unrestricted – This amount is all net assets that do not meet the definition of "net investment in capital assets" or "restricted net position."

(e) 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 contingencies 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.

(f) Income Taxes

The Agency is a governmental agency and is not subject to federal or state income taxes.

(g) Subsequent Events

Subsequent events have been evaluated through January 29, 2020 which is the date the financial statements were available to be issued.

(3) Cash and Cash Equivalents

As of September 30, 2019, the carrying amounts of the Agency's bank deposits was $272,494. At June 30, 2019, the respective bank balance was $312,657. The Federal Depository Insurance Company (FDIC) insures deposits up to $250,000. The Agency has not formally adopted deposit and investment policies that limit the government's allowable deposits or investments and address the specific types of risk to which the government is exposed. At September 30, 2019, the Agency also had $265,009 on deposit with the California Local Agency Investment Fund.

(4) Related Party Transactions

The Alta Irrigation District (the District) maintains the Agency's accounting records and incurs administrative and other expenses on behalf of the Agency. Such expenses have been or are in the process of being reimbursed by the Agency to the District. The Agency is reimbursing the District for current expenses and $12,319 per month for past expenses. Accounts payable to the District as of September 30, 2019, was $85,700. During the year ended September 30, 2019, the Agency paid the District $227,414 as reimbursements. There is no interest being charged to the Agency.

cuttone & mastro
CERTIFIED PUBLIC ACCOUNTANTS

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
Kings River East Groundwater Sustainability Agency
Dinuba, 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 business-type activities of the Kings River East Groundwater Sustainability Agency as of and for the year ended September 30, 2019 , and the related notes to the financial statements, which collectively comprise the Kings River East Groundwater Sustainability Agency's basic financial statements, and have issued our report thereon dated January 29, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Kings River East Groundwater Sustainability 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 Kings River East Groundwater Sustainability Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Kings River East Groundwater Sustainability 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. 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 Kings River East Groundwater Sustainability Agency'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 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 internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity'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.

Crittenden & Mastro

January 29, 2020

cuttone & mastro
CERTIFIED PUBLIC ACCOUNTANTS

January 29, 2020

To the Board of Directors
Kings River East Groundwater Sustainability Agency
Dinuba, California

We have audited the financial statements of Kings River East Groundwater Sustainability Agency for the year ended September 30, 2019. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards* as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated August 5, 2019. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Kings River East Groundwater Sustainability Agency are described in Note 2 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during the year ended September 30, 2019. We noted no transactions entered into by the Kings River East Groundwater Sustainability 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 estimate affecting the business-type activities financial statements was management's estimate of the allowance for bad debts being based on the evaluation of how to collect the uncollected billings and the expectation of how much of the uncollected billings will be collected. We evaluated the key factors and assumptions used to develop the allowance for bad debts in determining that it is 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 disclosure affecting the financial statements was the disclosure of related party transactions in Note 4 to the financial statements. This note discloses the relationship with the related party and the amounts paid to the related party during the year.

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

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 trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. The following material misstatements detected as a result of the audit procedures were corrected by management:

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Allowance for bad debts – During the audit, there was a discussion with management regarding the collectability of billings by the Agency that had not yet been collected. Management subsequently evaluated the collectability of the prior billings and calculated an estimate to be recorded as an allowance for bad debts.

Grant receivable – The Agency is recording grant funds as income when received. It was determined that there were grant funds not yet received however earned, as of the fiscal year end, September 30, 2019.

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 January 29, 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 Kings River East Groundwater Sustainability 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 Kings River East Groundwater Sustainability 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 Discussion and Analysis, which is required supplementary information (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.

Restriction on Use

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

Very truly yours,

Wilbur & Martin

Kings River East GS Agency

BILL PAYMENT LIST

January 1-20, 2020

DATE	NUM	VENDOR	AMOUNT
Rabobank			
01/16/2020	10067	ACWA	-3,230.00
01/16/2020	10068	Provost & Prichard Engineering	-7,400.80
01/16/2020	10069	Kenneth D. Schmidt & Associates	-2,395.16
01/16/2020	10070	Alta Irrigation District	-4,640.43
01/16/2020	10071	Baker Manock & Jensen, PC	-1,169.26
01/16/2020	10072	Alta Irrigation District	-12,319.00
01/20/2020	10073	Cardmember Service	-12.99
Total for Rabobank			**$ -31,167.64**

Kings River East GS Agency

BILL PAYMENT LIST

February 20, 2020

DATE	NUM	VENDOR	AMOUNT
Rabobank			
02/20/2020	10074	Professional Print & Mail, Inc	-2,528.23
02/20/2020	10075	Cuttone & Mastro Certified Public Accountants	-3,950.00
02/20/2020	10076	Provost & Prichard Engineering	-14,584.36
02/20/2020	10077	Kings River Conservation District	-9,372.96
02/20/2020	10078	Alta Irrigation District	-15,044.89
02/20/2020	10079	Baker Manock & Jensen, PC	-861.75
02/20/2020	10080	Alta Irrigation District	-11,928.08
Total for Rabobank			**$ -58,270.27**

Kings River East Groundwater Sustainability Agency
Regular Board Meeting

Insert 8.2

City of Dinuba – Council Chambers
405 East El Monte Way, Dinuba, CA 93618
December 19, 2019

1. **Call to Order:** The Regular Meeting of the Kings River East Groundwater Sustainability Agency was called to order by Chairman Ernest "Buddy" Mendes at 2:09 p.m. and the following directors were present, Ag Production, Steve Boos, Alta Irrigation District, Jack Brandt, Cities, Mary Fast, Tulare County Alternate Kuyler Crocker, Drinking Water Districts, Fernie Rubalcaba, and Irrigation/Water Districts Alternate, Jack Paxton. Also, in attendance – Alta Irrigation District, General Manager Chad Wegley, Operations Manager Marc Limas, Resource Analyst Luis Rios, and attorney Lauren D. Layne.

2. **Pledge of Allegiance:** Jack Paxton commenced with the Pledge of Allegiance.

3. **Potential Conflicts of Interest:** None.

4. **Public Comment:** None.

5. **Communications:** None.

6. **Board of Director Reports:** None.

7. **Consent Calendar Items:** It was M/S/C unanimously by Croker/Brandt to approve the consent calendar as presented.

   7.1. Payables – Review and approve payment of November invoices (see Insert 7.1)

   7.2. Board Meeting Minutes – Review and approve minutes of November 21, 2019 regular Board meeting.

8. **Other Board Items – Take Action**

   8.1. Treasurer's Statement – Board of Directors reviewed the Treasurer's statement for the period ending November 30, 2019 and it was M/S/C unanimously by Brandt/Crocker to accept the Treasurer's report. (see Insert 8.1)

   8.2. Grant Reimbursements – The payment for the fourth reimbursement was received in November, the fifth and final reimbursement of approximately $17,000 on the Prop 1 grant was submitted to DWR for processing.

9. **Groundwater Sustainability Activities – Review for Possible Action**

   9.1. GSA Invoices – Invoices for the 2020 fee will be processed and mailed in January 2020 along with any remaining unpaid 2018 and 2019 fees.

   9.2. Groundwater Sustainability Plan (GSP) – Chad Wegley gave an update on the GSP ongoing outreach efforts. Two (2) workshops were held in Dinuba with a combined attendance of approximately sixty (60) people. Outreach efforts will continue once the GSP is submitted.

9.2.1. KREGSA GSP Comment Letters – Chad Wegley reviewed written comments received by the November 14, 2019 deadline. All comments can't be addressed by the January 31, 2020 deadline. The Technical Committee recommended to include the table with written comments and responses summarized in the appendix of the GSP. Written comment periods will be available for every five (5) year update to the GSP.

10. **Public Hearing for Adoption of Kings River East – GSA Groundwater Sustainability Plan:** Chairman Ernest "Buddy" Mendes opened the Public Hearing at 2:22 p.m. Chad Wegley gave a brief presentation about the GSP and also explained potential impacts to domestic wells if water levels reach measurable objective levels.

    Wendy Avila with Community Water Center commented on the impacts to domestic wells and Community Water Center's opposition to adoption of the GSP.

    There being no further comments Chairman Ernest "Buddy" Mendes closed the Public Hearing at 2:50 p.m.

    10.1.1. KREGSA GSP Resolution – It was M/S/C unanimously by Fast/Brandt to adopt resolution 2019-1201 adopting Kings River East – GSA Groundwater Sustainability Plan with written comments and responses summarized in the appendix of the GSP. (see Insert 10.1.1)

11. **Legal Issues** – Attorney Layne gave an update on the adoption of coordination agreements and GSP's in the neighboring Subbasins.

12. **Future Agenda Item(s):** None.

13. **Adjournment:** There being no further items to discuss, the meeting was adjourned by Chairman Ernest "Buddy" Medes at 2:58 p.m., until the next regular scheduled meeting on January 16, 2019.

Kings River East – GSA

Signed: _____

Jack Brandt, Secretary

JB:ml

Kings River East GS Agency

BALANCE SHEET

As of December 31, 2019

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
LAIF	266,641.65
Rabobank	2,450.00
Rabobank Money Market	162,089.06
Total Bank Accounts	**$431,180.71**
Accounts Receivable	
Accounts Receivable (A/R)	87,720.67
Total Accounts Receivable	**$87,720.67**
Other Current Assets	
Interest Receivable	0.00
Total Other Current Assets	**$0.00**
Total Current Assets	**$518,901.38**
TOTAL ASSETS	**$518,901.38**
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable (A/P)	43,082.73
Total Accounts Payable	**$43,082.73**
Other Current Liabilities	
Deferred Revenue	0.00
Other Payables	0.00
Total Other Current Liabilities	**$0.00**
Total Current Liabilities	**$43,082.73**
Total Liabilities	**$43,082.73**
Equity	
Retained Earnings	396,317.26
Net Income	79,501.39
Total Equity	**$475,818.65**
TOTAL LIABILITIES AND EQUITY	**$518,901.38**

Kings River East GS Agency

PROFIT AND LOSS

October - December, 2019

	TOTAL
Income	
Grant Income	
Prop 1 Grant Income	31,066.43
Total Grant Income	**31,066.43**
GSA Prop 26 Fee	**122,307.14**
Interest Income	958.29
Late Fee	14.46
Total Income	**$154,346.32**
GROSS PROFIT	**$154,346.32**
Expenses	
Administrative	
Administrative Services	13,045.88
Material	508.28
Mileage	324.80
Postage	21.45
Total Administrative Services	**13,900.41**
Bank Charges	193.97
Engineering Services	45,463.36
Insurance	1,217.28
Legal	5,985.28
Meetings	284.00
Total Administrative	**67,044.30**
Dues	3,230.00
Grants/Outreach	
Grant Application	51.57
Total Grants/Outreach	**51.57**
Groundwater Sustainability	
Hydrogeology	4,519.06
Total Groundwater Sustainability	**4,519.06**
Total Expenses	**$74,844.93**
NET OPERATING INCOME	**$79,501.39**
NET INCOME	**$79,501.39**

Kings River East GS Agency

STATEMENT OF CASH FLOWS

October - December, 2019

	TOTAL
OPERATING ACTIVITIES	
Net Income	79,501.39
Adjustments to reconcile Net Income to Net Cash provided by operations:	
Accounts Receivable (A/R)	1,864.68
Accounts Payable (A/P)	-66,008.33
Deferred Revenue	-123,311.71
Total Adjustments to reconcile Net Income to Net Cash provided by operations:	**-187,455.36**
Net cash provided by operating activities	**$ -107,953.97**
INVESTING ACTIVITIES	
Interest Receivable	1,632.38
Net cash provided by investing activities	**$1,632.38**
NET CASH INCREASE FOR PERIOD	**$ -106,321.59**
Cash at beginning of period	537,502.30
CASH AT END OF PERIOD	**$431,180.71**

Kings River East GS Agency

LAIF, Period Ending 12/31/2019

RECONCILIATION REPORT

Reconciled on: 01/07/2020

Reconciled by: Marc Limas

Any changes made to transactions after this date aren't included in this report.

Summary

	USD
Statement beginning balance	266,641.65
Checks and payments cleared (0)	0.00
Deposits and other credits cleared (0)	0.00
Statement ending balance	266,641.65
Register balance as of 12/31/2019	266,641.65

California State Treasurer
Fiona Ma, CPA

Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

January 02, 2020

LAIF Home
PMIA Average Monthly Yields

KINGS RIVER EAST GROUNDWATER
SUSTAINABILITY AGENCY
TREASURER
289 NORTH L STREET
DINUBA, CA 93618

Tran Type Definitions

Account Number:

December 2019 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	266,641.65
Total Withdrawal:	0.00	Ending Balance:	266,641.65

Kings River East GS Agency

Rabobank, Period Ending 12/31/2019

RECONCILIATION REPORT

Reconciled on: 01/07/2020

Reconciled by: Marc Limas

Any changes made to transactions after this date aren't included in this report.

Summary

	USD
Statement beginning balance	33,680.08
Service charge	-108.99
Checks and payments cleared (13)	-57,645.96
Deposits and other credits cleared (7)	33,193.17
Statement ending balance	9,118.30
Uncleared transactions as of 12/31/2019	-6,668.30
Register balance as of 12/31/2019	2,450.00
Cleared transactions after 12/31/2019	0.00
Uncleared transactions after 12/31/2019	44.99
Register balance as of 01/07/2020	2,494.99

Details

Checks and payments cleared (13)

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
11/21/2019	Bill Payment	10053	Cardmember Service	-19.25
11/21/2019	Bill Payment	10054	Provost & Prichard Engineering	-31,169.26
11/21/2019	Bill Payment	10057	Kings River Conservation District	-51.57
12/10/2019	Transfer			-3.32
12/12/2019	Transfer			-121.40
12/19/2019	Bill Payment	10066	Cardmember Service	-2.20
12/19/2019	Bill Payment	10065	Alta Irrigation District	-12,319.00
12/19/2019	Bill Payment	10064	ACWA/JPIA	-1,217.28
12/19/2019	Bill Payment	10062	Baker Manock & Jensen, PC	-3,289.26
12/19/2019	Bill Payment	10061	Kenneth D. Schmidt & Associates	-2,123.90
12/19/2019	Bill Payment	10060	Alta Irrigation District	-7,023.93
12/24/2019	Transfer			-174.18
12/30/2019	Transfer			-131.41
Total				-57,645.96

Deposits and other credits cleared (7)

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
12/03/2019	Receive Payment	CASH		63.52
12/09/2019	Receive Payment	1323		38.79
12/11/2019	Receive Payment	26190		131.40
12/20/2019	Receive Payment	1575		38.50
12/20/2019	Transfer			32,641.67
12/23/2019	Receive Payment	1103		137.88
12/27/2019	Receive Payment	263		141.41
Total				33,193.17

Additional information

Uncleared checks and payments as of 12/31/2019

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
12/19/2019	Bill Payment	10063	Provost & Prichard Engineering	-6,668.30
Total				-6,668.30

Uncleared checks and payments after 12/31/2019

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
01/03/2020	Transfer			-1,734.59
Total				-1,734.59

Uncleared deposits and other credits after 12/31/2019

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
01/02/2020	Receive Payment	1914		122.49
01/02/2020	Receive Payment	2359		138.33
01/02/2020	Receive Payment	27046		1,139.18
01/02/2020	Receive Payment	1370		94.66
01/02/2020	Receive Payment	1373		42.58
01/02/2020	Receive Payment	1914		242.34
Total				1,779.58

Mechanics Bank
P.O. Box 6010
Santa Maria, CA 93456-6010
www.RabobankAmerica.com
Return Service Requested

Mechanics Bank
Member FDIC
EQUAL HOUSING LENDER
NMLS #442116

Account Number:
This Statement: December 31, 2019
Last Statement: November 29, 2019
Days in Statement Period: 32
Checks/Items Enclosed: 9

63310 TR029STM010120125014 01 000000000 1 004

KINGS RIVER EAST GRNDWATER SUST AGENCY
289 N L ST
DINUBA CA 93618-2107

63310 0222112 0001-0003 000000000000000

Customer Service Information

Telephone Banking
1-800-942-6222

Written Inquiries:
P.O. Box 6002, Arroyo Grande, CA 93421-6002

Visit Us Online:
www.RabobankAmerica.com/contact-us

PUBLIC CHECKING

Account Number:

Balance Summary

Beginning Balance as of 11/29/2019	**$33,680.08**
+ Deposits and Credits (8)	33,243.17
- Withdrawals and Debits (16)	57,804.95
Ending Balance as of 12/31/2019	**$9,118.30**
Low Balance	2,500.00
Average Balance	16,953.43

Credits

Date	Description	Additions
12-04	DEPOSIT	63.52
12-05	SERVICE CHG REFUND REMOTE DEP CAPTURE	50.00
12-09	REMOTE DEP CAPTURE	38.79
12-11	REMOTE DEP CAPTURE	131.40
12-20	CASH MGMT TRSFR CR REF 3540510L FUNDS TRANSFER FRM DEP 856912940 FROM TRANSFER FROM MM T O GF	32,641.67
12-20	REMOTE DEP CAPTURE	38.50
12-23	REMOTE DEP CAPTURE	137.88
12-27	REMOTE DEP CAPTURE	141.41

Debits

Date	Description	Subtractions
12-02	ACH DEBIT BANKCARD DEPOSIT FEES 191202 000912200487231	98.99

FDIC

If you have questions about FDIC insurance or would like to calculate coverage for your individual situation, please visit **www.fdic.gov/deposit** or call **877.ASK.FDIC**

As of September 1, 2019, Rabobank, N.A. and Mechanics Bank merged and are considered insured by the same depository institution (Mechanics Bank). Basic FDIC insurance coverage for deposit accounts (checking, savings, money market, and certificates of deposit [CDs]) is $250,000. If you have deposits at both banks at this time, your deposits will remain separately insured for at least six months from the date of merger – and possibly longer for CDs. This grace period gives you the opportunity to restructure your accounts, if necessary. You may also qualify for more than $250,000 in FDIC insurance coverage if you own deposit accounts in different ownership categories. If you determine that you need to restructure your accounts, your local branch staff will be able to help you make those changes.

Kings River East GS Agency

Rabobank Money Market, Period Ending 12/31/2019

RECONCILIATION REPORT

Reconciled on: 01/07/2020

Reconciled by: Marc Limas

Any changes made to transactions after this date aren't included in this report.

Summary

	USD
Statement beginning balance	194,021.32
Interest earned	279.10
Checks and payments cleared (1)	-32,641.67
Deposits and other credits cleared (4)	430.31
Statement ending balance	162,089.06
Register balance as of 12/31/2019	162,089.06
Cleared transactions after 12/31/2019	0.00
Uncleared transactions after 12/31/2019	1,734.59
Register balance as of 01/07/2020	163,823.65

Details

Checks and payments cleared (1)

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
12/20/2019	Transfer			-32,641.67
Total				**-32,641.67**

Deposits and other credits cleared (4)

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
12/10/2019	Transfer			3.32
12/12/2019	Transfer			121.40
12/24/2019	Transfer			174.18
12/30/2019	Transfer			131.41
Total				**430.31**

Additional Information

Uncleared deposits and other credits after 12/31/2019

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
01/03/2020	Transfer			1,734.59
Total				**1,734.59**

Mechanics Bank
P.O. Box 6010
Santa Maria, CA 93456-6010
www.RabobankAmerica.com
Return Service Requested

Mechanics Bank
Member FDIC
EQUAL HOUSING LENDER
NMLS #442116

Account Number:
This Statement: December 31, 2019
Last Statement: November 29, 2019
Days in Statement Period: 32
Checks/Items Enclosed: 0

89263 TR029STM010120125014 01 000000000 1 003

KINGS RIVER EAST GRNDWATER SUST AGENCY
289 N L ST
DINUBA CA 93618-2107

89263 0308142 0001-0002 0000000000000000

Customer Service Information

Telephone Banking
1-800-942-6222

Written Inquiries:
P.O. Box 6002, Arroyo Grande, CA 93421-6002

Visit Us Online:
www.RabobankAmerica.com/contact-us

PUBLIC MONEY MARKET

Account Number:

Balance Summary

Beginning Balance as of 11/29/2019	**$194,021.32**
+ Deposits and Credits (4)	430.31
+ Interest Paid	279.10
- Withdrawals and Debits (1)	32,641.67
Ending Balance as of 12/31/2019	**$162,089.06**
Low Balance	161,504.37
Average Balance	181,910.61

Earnings Summary

Interest Paid This Period	279.10
Interest Paid Year to Date	3,659.67
Interest Earned	279.10
Interest-Bearing Days	32
Annual Percentage Yield Earned	1.76%

Credits

Date	Description	Additions
12-10	CASH MGMT TRSFR CR REF 3441101L FUNDS TRANSFER FRM DEP 564556711 FROM TRANSFER FROM GF T O MM	3.32
12-12	CASH MGMT TRSFR CR REF 3460944L FUNDS TRANSFER FRM DEP 564556711 FROM TRANSFER FROM GF T O MM	121.40
12-24	CASH MGMT TRSFR CR REF 3580949L FUNDS TRANSFER FRM DEP 564556711 FROM TRANSFER FROM GF T O MM	174.18
12-30	CASH MGMT TRSFR CR REF 3641048L FUNDS TRANSFER FRM DEP 564556711 FROM TRANSFER FROM GF T O MM	131.41
12-31	INTEREST CREDIT	279.10

FDIC

If you have questions about FDIC insurance or would like to calculate coverage for your individual situation, please visit **www.fdic.gov/deposit** or call **877.ASK.FDIC**.

As of September 1, 2019, Rabobank, N.A. and Mechanics Bank merged and are considered insured by the same depository institution (Mechanics Bank). Basic FDIC insurance coverage for deposit accounts (checking, savings, money market, and certificates of deposit [CDs]) is $250,000. If you have deposits at both banks at this time, your deposits will remain separately insured for at least six months from the date of merger – and possibly longer for CDs. This grace period gives you the opportunity to restructure your accounts, if necessary. You may also qualify for more than $250,000 in FDIC insurance coverage if you own deposit accounts in different ownership categories. If you determine that you need to restructure your accounts, your local branch staff will be able to help you make those changes.

Kings River East GS Agency

BALANCE SHEET

As of January 31, 2020

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
LAIF	268,173.43
Rabobank	-25,474.65
Rabobank Money Market	161,242.03
Total Bank Accounts	**$403,940.81**
Accounts Receivable	
Accounts Receivable (A/R)	385,026.55
Total Accounts Receivable	**$385,026.55**
Other Current Assets	
Allowance for Bad Debts	-28,081.32
Grant Receivable	37,240.92
Interest Receivable	0.00
Total Other Current Assets	**$9,159.60**
Total Current Assets	**$798,126.96**
TOTAL ASSETS	**$798,126.96**
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable (A/P)	55,742.04
Total Accounts Payable	**$55,742.04**
Other Current Liabilities	**$0.00**
Total Current Liabilities	**$55,742.04**
Total Liabilities	**$55,742.04**
Equity	
Retained Earnings	405,366.31
Net Income	337,018.61
Total Equity	**$742,384.92**
TOTAL LIABILITIES AND EQUITY	**$798,126.96**

Kings River East GS Agency

PROFIT AND LOSS

October 2019 - January 2020

	TOTAL
Income	
Grant Income	
Prop 1 Grant Income	0.00
Total Grant Income	**0.00**
GSA Prop 26 Fee	**421,787.16**
Interest Income	2,733.37
Late Fee	45.69
Total Income	**$424,566.22**
GROSS PROFIT	**$424,566.22**
Expenses	
Administrative	
Administrative Services	27,427.22
Material	1,068.59
Mileage	428.04
Postage	21.45
Total Administrative Services	**28,945.30**
Audit Fee	3,950.00
Bank Charges	238.96
Engineering Services	28,878.46
Insurance	1,217.28
Legal	6,847.03
Meetings	284.00
Total Administrative	**70,361.03**
Checks & Deposit Slips	12.99
Dues	3,230.00
Grants/Outreach	
Grant Application	51.57
Grower/Landowner Outreach	9,372.96
Total Grants/Outreach	**9,424.53**
Groundwater Sustainability	
Hydrogeology	4,519.06
Total Groundwater Sustainability	**4,519.06**
Total Expenses	**$87,547.61**
NET OPERATING INCOME	**$337,018.61**
NET INCOME	**$337,018.61**

Kings River East GS Agency

STATEMENT OF CASH FLOWS

October 2019 - January 2020

	TOTAL
OPERATING ACTIVITIES	
Net Income	337,018.61
Adjustments to reconcile Net Income to Net Cash provided by operations:	
Accounts Receivable (A/R)	-295,448.92
Grant Receivable	31,066.43
Accounts Payable (A/P)	-53,349.02
Deferred Revenue	-123,311.71
Other Payables	-31,169.26
Total Adjustments to reconcile Net Income to Net Cash provided by operations:	**-472,212.48**
Net cash provided by operating activities	**$ -135,193.87**
INVESTING ACTIVITIES	
Interest Receivable	1,632.38
Net cash provided by investing activities	**$1,632.38**
NET CASH INCREASE FOR PERIOD	**$ -133,561.49**
Cash at beginning of period	537,502.30
CASH AT END OF PERIOD	**$403,940.81**

Kings River East GS Agency

Rabobank, Period Ending 01/31/2020

RECONCILIATION REPORT

Reconciled on: 02/18/2020

Reconciled by: Marc Limas

Any changes made to transactions after this date aren't included in this report.

Summary

	USD
Statement beginning balance	9,116.30
Service charge	-44.99
Checks and payments cleared (5)	-8,820.96
Deposits and other credits cleared (10)	5,440.64
Statement ending balance	5,692.99
Uncleared transactions as of 01/31/2020	-31,167.64
Register balance as of 01/31/2020	-25,474.65
Cleared transactions after 01/31/2020	0.00
Uncleared transactions after 01/31/2020	27,293.10
Register balance as of 02/18/2020	1,818.45

Details

Checks and payments cleared (5)

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
12/19/2019	Bill Payment	10063	Provost & Prichard Engineering	-6,668.30
01/03/2020	Transfer			-1,734.59
01/09/2020	Transfer			-19.43
01/10/2020	Transfer			-166.78
01/24/2020	Transfer			-231.86
Total				**-8,820.96**

Deposits and other credits cleared (10)

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
01/02/2020	Receive Payment	1914		122.49
01/02/2020	Receive Payment	1914		242.34
01/02/2020	Receive Payment	27046		1,139.18
01/02/2020	Receive Payment	1373		42.58
01/02/2020	Receive Payment	1370		94.66
01/08/2020	Receive Payment	2359		138.33
01/09/2020	Receive Payment	1493		19.43
01/23/2020	Receive Payment	2139		166.78
01/30/2020	Transfer	747308931		231.86
Total				**3,242.99**

5,440.64

Additional Information

Uncleared checks and payments as of 01/31/2020

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
01/16/2020	Bill Payment	10071	Baker Manock & Jensen, PC	-1,169.26
01/16/2020	Bill Payment	10070	Alta Irrigation District	-4,640.43
01/16/2020	Bill Payment	10069	Kenneth D. Schmidt & Associates	-2,395.16
01/16/2020	Bill Payment	10068	Provost & Prichard Engineering	-7,400.60
01/16/2020	Bill Payment	10067	ACWA	-3,230.00
01/16/2020	Bill Payment	10072	Alta Irrigation District	-12,319.00
01/20/2020	Bill Payment	10073	Cardmember Service	-12.99
Total				**-31,167.64**

Uncleared checks and payments after 01/31/2020

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
02/05/2020	Transfer			-425.88
02/06/2020	Transfer			-71.49
02/07/2020	Transfer			-11,632.38
02/11/2020	Transfer			-13,771.59
02/12/2020	Transfer			-2,765.04
02/13/2020	Transfer			-5,830.36
02/14/2020	Transfer			-940.11
Total				**-35,436.85**

Uncleared deposits and other credits after 01/31/2020

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
02/04/2020	Receive Payment	7308		35.99
02/04/2020	Receive Payment	3517		84.59
02/04/2020	Receive Payment	8481		400.29
02/05/2020	Receive Payment	8473		46.49
02/06/2020	Receive Payment	CASH		84.52
02/06/2020	Receive Payment	2532		19.07
02/06/2020	Receive Payment	6459		32.98
02/06/2020	Receive Payment	1086		65.89
02/06/2020	Receive Payment	5071		132.58
02/06/2020	Receive Payment	262		247.31
02/06/2020	Receive Payment	1489		98.24
02/06/2020	Receive Payment	3911		5.29
02/06/2020	Receive Payment	3274		15.44
02/06/2020	Receive Payment	5910		46.13
02/06/2020	Receive Payment	1128		274.51
02/06/2020	Receive Payment	3151		63.14
02/06/2020	Receive Payment	1098		9.45
02/06/2020	Receive Payment	1852		21.40

Mechanics Bank
P.O. Box 6010
Santa Maria, CA 93456-6010
www.RabobankAmerica.com
Return Service Requested

Mechanics Bank
Member FDIC
NMLS #442116

Account Number:	
This Statement:	January 31, 2020
Last Statement:	December 31, 2019
Days in Statement Period:	31
Checks/Items Enclosed:	1

51581 TR029STM020120161831 01 000000000 1 004

KINGS RIVER EAST GRNDWATER SUST AGENCY
289 N L ST
DINUBA CA 93618-2107

51581 0190802 0001-0003 0000000000000000

Customer Service Information

Telephone Banking
1-800-942-6222

Written Inquiries:
P.O. Box 6002, Arroyo Grande, CA 93421-6002

Visit Us Online:
www.RabobankAmerica.com/contact-us

PUBLIC CHECKING

Account Number:

Balance Summary

Beginning Balance as of 12/31/2019	**$9,118.30**
+ Deposits and Credits (6)	5,490.64
- Withdrawals and Debits (8)	8,915.95
Ending Balance as of 01/31/2020	**$5,692.99**
Low Balance	2,500.00
Average Balance	4,273.93

Credits

Date	Description	Additions
01-02	REMOTE DEP CAPTURE	1,779.58
01-08	SERVICE CHG REFUND REMOTE DEP CAPTURE	50.00
01-08	REMOTE DEP CAPTURE	19.43
01-09	REMOTE DEP CAPTURE	166.78
01-23	REMOTE DEP CAPTURE	231.86
01-30	CASH MGMT TRSFR CR REF 0300511L FUNDS TRANSFER FRM DEP 856912940 FROM TRANSFER FROM MM T O GF	3,242.99

Debits

Date	Description	Subtractions
01-02	ACH DEBIT BANKCARD DEPOSIT FEES 200102 000912200487231	19.99
01-03	ACH DEBIT MERCHPARTNRS 8662429933 200103 1418833776	25.00
01-03	CASH MGMT TRSFR DR REF 0031026L FUNDS TRANSFER TO DEP 856912940 FROM TRANSFER FROM GF T O MM	1,734.59

FDIC

If you have questions about FDIC insurance or would like to calculate coverage for your individual situation, please visit **www.fdic.gov/deposit** or call **877.ASK.FDIC**

As of September 1, 2019, Rabobank, N.A. and Mechanics Bank merged and are considered insured by the same depository institution (Mechanics Bank). Basic FDIC insurance coverage for deposit accounts (checking, savings, money market, and certificates of deposit [CDs]) is $250,000. If you have deposits at both banks at this time, your deposits will remain separately insured for at least six months from the date of merger – and possibly longer for CDs. This grace period gives you the opportunity to restructure your accounts, if necessary. You may also qualify for more than $250,000 in FDIC insurance coverage if you own deposit accounts in different ownership categories. If you determine that you need to restructure your accounts, your local branch staff will be able to help you make those changes.

Kings River East GS Agency

Rabobank Money Market, Period Ending 01/31/2020

RECONCILIATION REPORT

Reconciled on: 02/18/2020

Reconciled by: Marc Limas

Any changes made to transactions after this date aren't included in this report.

Summary

	USD
Statement beginning balance	162,089.06
Interest earned	243.30
Checks and payments cleared (1)	-3,242.99
Deposits and other credits cleared (4)	2,152.66
Statement ending balance	161,242.03
Register balance as of 01/31/2020	161,242.03
Cleared transactions after 01/31/2020	0.00
Uncleared transactions after 01/31/2020	35,436.85
Register balance as of 02/18/2020	196,678.88

Details

Checks and payments cleared (1)

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
01/30/2020	Transfer			-3,242.99
Total				-3,242.99

Deposits and other credits cleared (4)

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
01/03/2020	Transfer			1,734.59
01/09/2020	Transfer			19.43
01/10/2020	Transfer			166.78
01/24/2020	Transfer			231.86
Total				2,152.66

Additional Information

Uncleared deposits and other credits after 01/31/2020

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
02/05/2020	Transfer			425.88
02/06/2020	Transfer			71.49
02/07/2020	Transfer			11,632.38
02/11/2020	Transfer			13,771.59
02/12/2020	Transfer			2,765.04
02/13/2020	Transfer			5,830.36
02/14/2020	Transfer			940.11
Total				35,436.85

Mechanics Bank
P.O. Box 6010
Santa Maria, CA 93456-6010
www.RabobankAmerica.com
Return Service Requested

Mechanics Bank
Member FDIC
EQUAL HOUSING LENDER
NMLS #442116

Account Number:
This Statement: January 31, 2020
Last Statement: December 31, 2019
Days in Statement Period: 31
Checks/Items Enclosed: 0

71955 TR029STM020120161831 01 000000000 1 003

KINGS RIVER EAST GRNDWATER SUST AGENCY
289 N L ST
DINUBA CA 93618-2107

71955 0263281 0001-0002 000000000000000

Customer Service Information

Telephone Banking
1-800-942-6222

Written Inquiries:
P.O. Box 6002, Arroyo Grande, CA 93421-6002

Visit Us Online:
www.RabobankAmerica.com/contact-us

PUBLIC MONEY MARKET

Account Number:

Balance Summary

Beginning Balance as of 12/31/2019	**$162,089.06**
+ Deposits and Credits (4)	2,152.66
+ Interest Paid	243.30
- Withdrawals and Debits (1)	3,242.99
Ending Balance as of 01/31/2020	**$161,242.03**
Low Balance	160,998.73
Average Balance	163,695.13

Earnings Summary

Interest Paid This Period	243.30
Interest Paid Year to Date	243.30
Interest Earned	243.30
Interest-Bearing Days	31
Annual Percentage Yield Earned	1.77%

Credits

Date	Description	Additions
01-03	CASH MGMT TRSFR CR REF 0031026L FUNDS TRANSFER FRM DEP 564556711 FROM TRANSFER FROM GF T O MM	1,734.59
01-09	CASH MGMT TRSFR CR REF 0090945L FUNDS TRANSFER FRM DEP 564556711 FROM TRANSFER FROM GF T O MM	19.43
01-10	CASH MGMT TRSFR CR REF 0101037L FUNDS TRANSFER FRM DEP 564556711 FROM TRANSFER FROM GF T O MM	166.78
01-24	CASH MGMT TRSFR CR REF 0241800L FUNDS TRANSFER FRM DEP 564556711 FROM TRANSFER FROM GF T O MM	231.86
01-31	INTEREST CREDIT	243.30

FDIC

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Kings River East GS Agency

LAIF, Period Ending 01/31/2020

RECONCILIATION REPORT

Reconciled on: 02/18/2020

Reconciled by: Marc Limas

Any changes made to transactions after this date aren't included in this report.

Summary

	USD
Statement beginning balance	266,641.65
Checks and payments cleared (0)	0.00
Deposits and other credits cleared (1)	1,531.78
Statement ending balance	268,173.43
Register balance as of 01/31/2020	268,173.43

Details

Deposits and other credits cleared (1)

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
01/15/2020	Deposit			1,531.78
Total				1,531.78

California State Treasurer
Fiona Ma, CPA

Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

February 03, 2020

LAIF Home
PMIA Average Monthly Yields

KINGS RIVER EAST GROUNDWATER
SUSTAINABILITY AGENCY
TREASURER
289 NORTH L STREET
DINUBA, CA 93618

Tran Type Definitions

Account Number:

January 2020 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
1/15/2020	1/14/2020	QRD	1629387	SYSTEM	1,531.78

Account Summary

Total Deposit:	1,531.78	Beginning Balance:	266,641.65
Total Withdrawal:	0.00	Ending Balance:	268,173.43