



**NORTHERN DELTA  
GROUNDWATER  
SUSTAINABILITY AGENCY**

Date: February 13, 2024

Time: 10:30 a.m.

Place: Walnut Grove Library, 14177 Market Street, Walnut Grove, CA 95690

1. **Call to Order**
2. **Pledge of Allegiance**
3. **Roll Call/Establishment of Quorum**
4. **Public Comment**  
May be limited to three minutes for any item *not scheduled* on the Agenda
5. **Review and Approve 6/28/2023 Board Meeting Minutes**
6. **Chair, Vice-Chair & Treasurer/Secretary Reports**
7. **Associate Member Agency Activities**  
Associate Member GSA-RD 551 (Pierson District) – South American Subbasin  
Associate Member RD 38 (Staten Island) – Eastern San Joaquin Subbasin
8. **Groundwater Sustainability Plan Status**  
South American Subbasin Status  
Solano Subbasin Status
9. **SGMA and Other Regulatory Developments**
10. **Financial Updates**  
2022-23 Fiscal Year Audit  
Status of 2023-24 Fiscal Year Budget
11. **Securing Funds for 2024-25 Fiscal Year and Future Years**  
Consideration of Initiating Proposition 218 Election
12. **Staff Report**  
NDGSA staff will an update on activities and items not already discussed during the agenda
13. **Agenda Proposals, Time and Place of Next Board Meeting, TBD May 2024**
14. **Adjournment**

**Note:** *Action may be taken on any item on this agenda.*

**Handouts**

NDGSA Voting Record - p. 3

NDGSA & Associate Member Map - p. 5

NDGSA Staff Agenda Report - p. 7

Item 5. June 28, 2023 Meeting Minutes - p. 11

Item 10. Financial Statement & Independent Auditor's Report - p. 15

Quarterly Financial Statements for 2023 - p. 35

2023-24 Fiscal Year Budget Status - p. 41

Item 11. Resolution 2024-001 Initiating Proceedings for Proposition 218 Election - p. 43

Meeting materials will be posted at <https://www.ndgsa.org>.

Upon request, these materials may be made available in an alternative format to persons with disabilities. For special accommodations, contact Anna Swenson at [Anna@thefreshwatertrust.org](mailto:Anna@thefreshwatertrust.org) or (916) 668-7345.



## WEIGHTED VOTING RECORD FOR NDGSA MEETING

SUBJECT: \_\_\_\_\_

DATE: \_\_\_\_\_

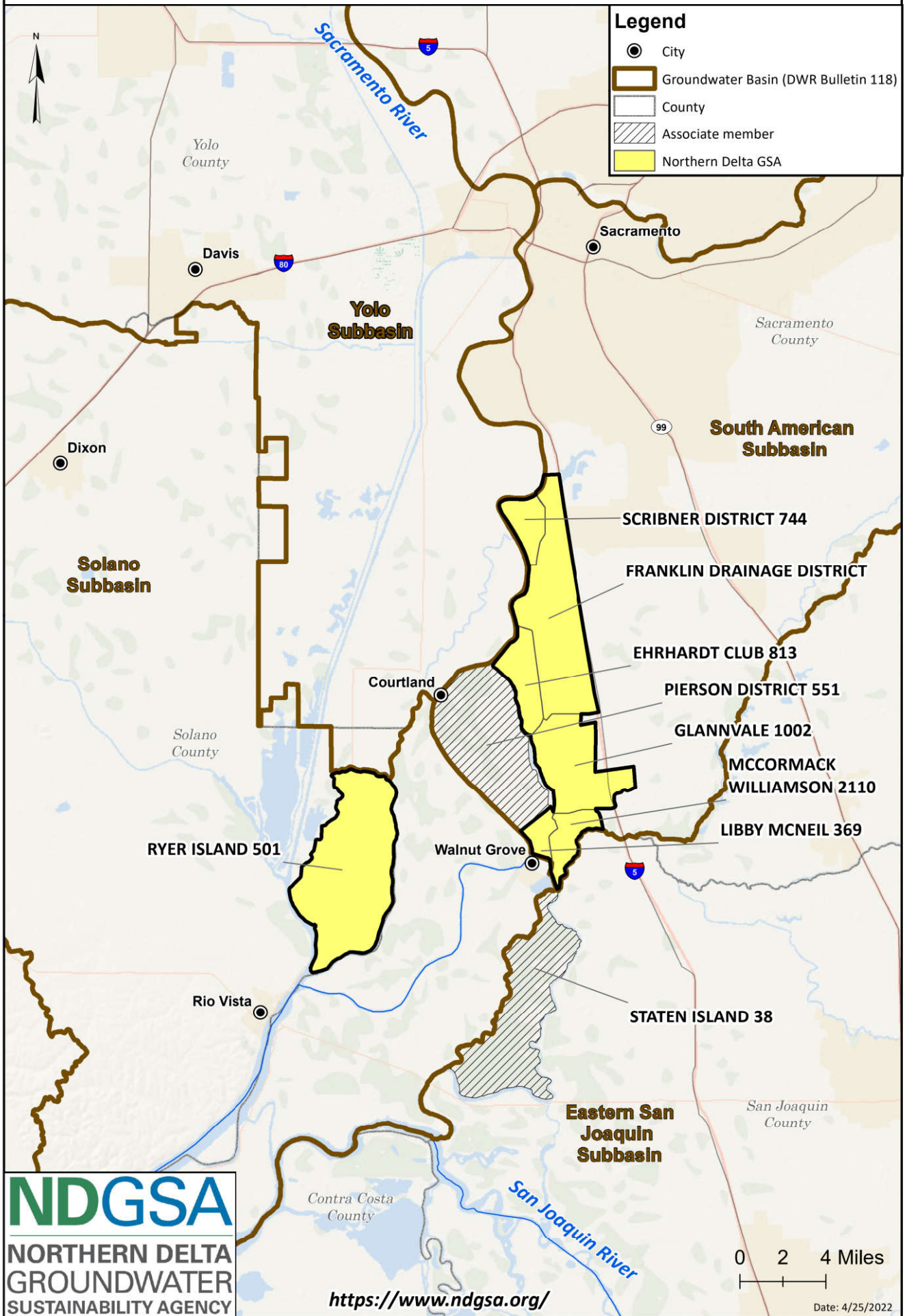
Member Agency	Agency #	Subbasin	County	Acreage	Votes	Present?	Representative	Tallied Vote		
								Yay	Nay	Abstain
Ryer Island	RD 501	Solano	Solano	11,793	3		Craig Nakahara Richard Hamilton			
Franklin Drainage	FDD	South American	Sacramento	7,859	2		Richard Elliot Sr. Craig Ledbetter			
Glannvale	RD 1002	South American	Sacramento	5,302	2		Jeff McCormack Matt Frank			
Ehrheardt Club	RD 813	South American	Sacramento	2,356	1		Matt Frank Tom Herzog			
Scribner District	RD 744	South American	Sacramento	1,585	1		Brad Van Loben Sels Russell Van Loben Sels			
McCormack Williamson	RD 2110	South American	Sacramento	1,571	1		Jerred Dixon			
Libby McNeil	RD 369	South American	Sacramento	776	1		Clarence Chu Topher Chan			
<b>Total Votes</b>					<b>11</b>					
Total Acres				31,242						

Subbasin	Number of Agencies	Number of Eligible Votes	Voting Majority	Votes Cast	
				In Favor	Opposed
Solano	1	3	3		
South American	6	8	5		
All Subbasins	7	11	6		

ATTEST \_\_\_\_\_ Officer of the Board of Directors



# Northern Delta Groundwater Sustainability Agency



**NDGSA**  
 NORTHERN DELTA  
 GROUNDWATER  
 SUSTAINABILITY AGENCY

<https://www.ndgsa.org/>

Date: 4/25/2022





Date: Tuesday, February 13<sup>th</sup>, 2024

Time: 10:30 a.m.

Place: Walnut Grove Library, 14177 Market Street, Walnut Grove, CA 95690

## Staff Agenda Report

### **Item 7. Associate Member Agency Activities**

**GSA-RD 551 & South American Subbasin Participation** – NDGSA Staff have represented GSA-RD 551, an Associate Member of the NDGSA, in the South American Subbasin’s SGMA planning efforts. GSA-RD 551 is considered part of the NDGSA for the purposes of the Subbasin’s cost share. Per the August 2022 MOU GSA-RD 551 pays the same per-acre fee as other NDGSA members. The NDGSA received all contributions from GSA-RD 551 for the 2022-23 FY and the first payment for the current fiscal year is expected in the coming weeks.

**RD 38 - Staten Island in Eastern San Joaquin Subbasin Planning** – In March 2023 DWR recommended approval of the Eastern San Joaquin Subbasin GSP, though DWR did identify corrective actions to improve the GSP and assist with implementation. Subsequently, DWR formally approved the GSP in July 2023. The Eastern San Joaquin Groundwater Authority, the collaborative responsible for SGMA efforts in the Subbasin, is currently evaluating options for mitigating domestic wells that fail due to overdraft and is coordinating with a consultant in anticipation of the required 2025 GSP update.<sup>1</sup> NDGSA Staff continue to monitor SGMA planning and implementation efforts in the Subbasin.

RD 38 - Staten Island is an Associate Member of the NDGSA located in the Eastern San Joaquin Subbasin. RD 38 makes financial contributions to the Agency to support NDGSA Staff engagement in the Eastern San Joaquin SGMA process. Staff separately invoice and account for the support provided to RD 38. Of the most recent contribution (\$11,593 in May 2022), approximately \$6,000 remains to fund the NDGSA’s continued support of Staten Island for the foreseeable future.

### **Item 8. Groundwater Sustainability Plan Status**

NDGSA Staff are active participants in the South American and Solano Subbasin collaborative processes and the associated public meetings to represent local interests and protect agricultural groundwater supplies and domestic wells. The South American Subbasin GSP and the Solano Subbasin GSP were submitted for DWR review in January 2022, and DWR has since formally approved both of these GSPs. Now that the GSPs have been approved, the GSA collaboratives in both Subbasins are focused on securing additional funding and completing implementation actions, annual reporting, and the periodic reviews/updates. NDGSA Staff continue to support these efforts, working to ensure that concerns specific to groundwater sustainability in the Delta are adequately represented in the larger subbasin processes.

---

<sup>1</sup> More information is available at the Eastern San Joaquin Groundwater Authority’s website: [www.esjgroundwater.org](http://www.esjgroundwater.org).

**South American Subbasin Implementation** – The South American Subbasin GSP was approved in July 2023. With the approval of the GSP, the Subbasin Collaborative has shifted to focusing on implementation and annual reporting. An MOU between the GSAs in the Subbasin guides the implementation of the final GSP, the NDGSA signed onto this MOU in January 2023 per Resolution 2022-001, and Staff continue to participate in the South American Subbasin Collaborative. The MOU allocates costs among the GSAs using respective groundwater demand and a base share of 2.5%. The NDGSA made its contribution of \$13,050 for the 2022-23 FY. The cost share for the current 2023-24 FY is projected to be the same, based on the Anticipated Annual Budget presented at the Collaborative’s December 2023 meeting. Additionally, a Domestic Well Advisory Committee was formed to represent the interests of residential landowners in the Subbasin, and work has begun to prepare and submit the required annual report to DWR. Lastly, a draft of the Subbasin’s Annual Report for 2023, due to DWR by April 1<sup>st</sup>, has been completed. The draft Annual Report provides an overview of the 2023 monitoring results, the progress towards making the GSP revisions recommended by DWR, and implementation activities. It also reports that no undesirable results arose in 2023.

**Solano Subbasin Implementation** – The Solano Subbasin GSP was approved in January 2024. DWR’s approval did, however, identify three minor corrective actions: (1) revise definition of undesirable result for groundwater quality as it relates to overdraft; (2) revise sustainable management criteria to address subsidence concerns more thoroughly; and (3) bolster the aspects of the GSP addressing interconnected surface waters. The list of corrective actions is short compared to other GSP approvals, and these three actions are expected to be straightforward to address. These revisions and the implementation of the GSP will be overseen by the Solano Subbasin Collaborative, which includes the NDGSA, in accordance with the 2022 MOU.

Under the Collaborative MOU, the NDGSA has one voting representative and contributes \$4,800 per calendar year as cost share—the NDGSA will be providing the 2024 payment in the near future. Other members of the Collaborative participated in a Proposition 218 election,<sup>2</sup> ultimately adopting a fee of \$2.79 per acre. Though there were earlier discussions about basing the fee on groundwater use, this fee is based solely on land ownership and does not take use into account. The Subbasin’s main consultant is working on preparing the annual report, due April 1<sup>st</sup>, and expects to have a draft at the March Collaborative meeting. There has also been some discussion about arranging a meeting of GSA Board members sometime in the spring.

**Staff Recommendation** – Staff recommends that the Board approve of Staff’s continued engagement on behalf of the NDGSA in both the South American and Solano Subbasins.

## **Item 10. Financial Updates**

**2022-23 Fiscal Year Audit** – Boden Klein & Sneesby, the accounting firm that completed the NDGSA’s previous audits, was again retained to review the NDGSA’s 2022-23 FY financials. The realized revenue for the 2022-23 FY was \$104,360, which was comprised of \$70,650 of property-based fees, \$33,297 of associate member contributions from GSA-RD 551, \$163 of interest income, and \$250 of

---

<sup>2</sup> Cost of Service Report: [www.scwa2.com/wp-content/uploads/2022/06/SGSA-Charge-Report\\_Final-6-03-2223.pdf](http://www.scwa2.com/wp-content/uploads/2022/06/SGSA-Charge-Report_Final-6-03-2223.pdf)  
Solano GSA Meeting Packet: [www.scwa2.com/wp-content/uploads/2022/07/JUL.2002.SolanoGSA.BODPacket.pdf](http://www.scwa2.com/wp-content/uploads/2022/07/JUL.2002.SolanoGSA.BODPacket.pdf)



regulatory fees for reviewing a groundwater well permit. The Agency's expenses for the fiscal year totaled \$82,532, which includes \$3,436 of support for RD 38. The audit concluded that the NDGSA's financial statements appear accurate and correct and do not show any indication of material misstatement.

**Status of Current 2023-24 Fiscal Year** – The NDGSA has a good financial position for the current fiscal year. At the beginning of the 2024 calendar year, the NDGSA had \$26,900 in its bank account, of which about \$6,000 is associated with RD 38 - Staten Island. The Agency has received one payment of the property-based fees for the current fiscal year—the first Solano County payment, which was just over \$14,000 and amounts to approximately half of the expected revenue from Solano County. The NDGSA further expects to receive a payment very soon from Sacramento County of about \$25,000, of a total of \$41,000 expected to be collected in the County. Additionally, the NDGSA should receive over \$30,000 from GSA-RD 551 in the current fiscal year. Thus, as of January 2024, the Agency had received \$14,000 of the \$100,000 anticipated for the 2023-24 fiscal year.

At the end of 2023, the NDGSA had received invoices for \$25,000 for the 2023-24 FY, which includes the annual insurance premium (\$1,754), the audit expense (\$4,750), and cost share for the SGMA efforts in the Solano Subbasin (\$4,800). Notably, this does not include the South American Subbasin cost share, expected to be \$13,000; this cost share will be offset by the expected contributions from the NDGSA Associate Member GSA-RD 551, which are not included in the NDGSA's adopted budget. Currently, the 2023-24 FY accounts payable cover half of the fiscal year and amount to approximately one-third of the adopted budget. However, the accounts payable to date do not include the cost associated with hosting the NDGSA meetings or the majority of the costs associated with the Proposition 218 election. The NDGSA appears likely to remain under budget for the current fiscal year.

**Staff Recommendation** – Staff recommends that the Board direct Staff to again retain Boden Klein & Sneesby for the 2023-2024 fiscal year audit.

### **Item 11. Securing Funds for the 2024-25 Fiscal Year and Future Years**

In order to continue engaging in the SGMA processes beyond the current fiscal year ending June 30, 2024, the NDGSA needs to secure sufficient funding. In 2018, the NDGSA completed a Proposition 218 election in the form of a ballot protest proceeding to collect property-based service fees to fund the Agency's operations and groundwater sustainability planning activities. The 2018 process enabled the NDGSA to collect up to \$3.00 per acre from the land within the Agency; the highest fee ever levied was \$2.77 per acre, and the fees have decreased in each year since.

The 2018 Proposition 218 election process was for SGMA planning purposes. Now the GSPs have been approved, marking a shift from SGMA planning to GSP implementation and making it necessary to update the Cost of Service (or Engineering) Report. Staff recommend pursuing another Proposition 218 election process in Spring 2024 using the same process that was used in 2018. This would provide a stable source of funding based on the projected annual needs. A new Proposition 218 election process would require updating the Cost of Service Report, contacting affected landowners and holding a public hearing. As was the case in 2018, the Board would have the authority to impose the proposed fee if no more than 51% of the record landowners file protests before the hearing

To support a new Proposition 218 election process, the NDGSA's current fiscal year budget includes nearly \$15,000. Based on the fact that some of the approach and analysis was prepared previously and now needs to be updated, Staff believes the budgeted amount should cover all or most of the necessary costs. Should Staff be authorized to initiate the investigation and associated activities, the cost estimate will be updated as needed and brought back to the Board.

**Staff Recommendation** – Staff recommends that the Board adopt Resolution 2024-001 Initiating Investigation & Associated Proceedings for Proposition 218 Election Process.

### **Item 12. Staff Report**

NDGSA Staff will provide an update on any activities, items, or inquiries that are not already discussed as part of the other agenda items.

# NORTHERN DELTA GROUNDWATER SUSTAINABILITY AGENCY

## Minutes of Wednesday June 28, 2023 Northern Delta Groundwater Sustainability Agency Meeting

Walnut Grove Library, 14177 Market Street, Walnut Grove, CA 95690

### 1. Call to Order

The meeting was called to order at 10:36 a.m. by Chair Van Loben Sels.

### 2. Roll Call

NDGSA Members Representatives:

RD 744 – Brad Van Loben Sels, Chair

RD 501 – Craig Nakahara, Vice-Chair

RD 1002 – Jeff McCormack,

Secretary/Treasurer

RD 813 – Matt Frank

RD 369 – Topher Chan

Franklin Drainage – Richard Elliot Sr.

Osha Meserve, General Counsel

Soluri Meserve

Erik Ringelberg, Regional VP,

The Freshwater Trust

Chris Thomas, Policy Specialist,

The Freshwater Trust

Anna Swenson, Outreach Coordinator,

The Freshwater Trust

Quorum established with six Members (ten total votes) present throughout the meeting.

### 3. Public Comments

The Department of Water Resources (DWR) North Central Region Representative provided an update about DWR's data collection efforts, the availability of translation services for GSAs, and potential grant opportunities.

### 4. Review & Approve 5/25/2022 Board Meeting Minutes

*Action – Motion to approve the 5/25/2022 Minutes by Secretary McCormack, seconded by Member Chan. The motion passed unanimously.*

### 5. Chair, Vice-Chair & Treasurer/Secretary Reports

No other reports from the Chair, Vice-Chair, or Secretary/Treasurer.

*Action – None.*

### 6. Associate Member Agency Activities

#### **GSA-RD 551 South American Subbasin Participation and Proposed MOU**

Discussion – Staff informed the Board that GSA-RD 551 has made the financial contributions per the terms of the Memorandum of Understanding (MOU) between GSA-RD 551 and the NDGSA.

GSA-RD 551 has expressed a desire to remain an Associate Member and continue having NDGSA Staff represent it in South American Subbasin SGMA activities.

*Action – None.*

## **Staten Island in Eastern San Joaquin Subbasin Planning**

Discussion – Staff updated the Board about the status of Associate Member RD 38 – Staten Island and activities in the Eastern San Joaquin Subbasin.

*Action – None.*

## **7. Subbasin GSP Implementation**

### **South American Subbasin Status**

Discussion – Staff updated the Board on the status of planning efforts in the South American Subbasin. In particular, the MOU between the GSAs in the Subbasin continues to guide the collaborative efforts to implement the GSP, which is expected to have a final determination from DWR in January 2024.

*Action – None.*

### **Solano Subbasin Planning and Proposed MOU**

Discussion – Staff updated the Board on activities in the Solano Subbasin. The GSP implementation MOU was executed in 2022. A final determination on the Solano Subbasin GSP is expected from DWR in January 2024.

*Action – None.*

## **8. SGMA Regulatory Developments**

### **Groundwater Well Consistency Determinations**

Discussion – Staff discussed the process to determine whether a proposed groundwater well is consistent with groundwater sustainability, including the processes used by other GSAs in the region.

*Action – None.*

### **Groundwater Recharge**

Discussion – Staff explained Executive Order N-4-23, which streamlines the process for diverting peak flows for groundwater recharge purposes. Staff also appraised the Board about a coalition of stakeholders have formed to investigate how floodwater could be better controlled to improve shallow groundwater in the portions of the South American Subbasin in the Cosumnes Watershed.

*Action – None.*

### **Ongoing NDGSA Water-Related Planning**

Discussion – Staff updated the Board about recent watershed planning activities in the area that could impact groundwater sustainability. Staff will continue to monitor these developments and engage in the planning processes as appropriate.

*Action – None.*

## **9. Financial Updates**

Discussion – Staff presented the results of the financial audit for the 2021-22 fiscal year, which was completed by the accounting firm Boden, Klein & Sneesby. The audit concluded that the NDGSA's financial statements appear accurate and correct and do not show any indication of material misstatement. Staff also provided an update on the status of the current fiscal year budget.

*Action – Members directed staff to retain Boden Klein & Sneesby for the next audit.*

## **10. Upcoming 2023-24 Fiscal Year Budget & Fees**

Discussion – Staff presented a proposed budget for the upcoming 2023-2024 fiscal year to the Board and explained each line item in the proposed budget—the majority of the individual line-item projections were carried over from the previous year without change. The proposed budget is conservative in that it does not consider Associate Member contributions. The total proposed budget equates to \$2.41 per-acre, a decrease from the current fiscal year. As with past years, funds would be collected by the Counties upon Board approval.

*Action – Member Elliot moved to adopt Resolution 2023-001 Adopting 2023-24 Fiscal Year Budget, seconded by Secretary McCormack. Motion passed unanimously.*

*Action – Vice-Chair Nakahara moves to adopt Resolution 2023-002 Adopting 2023-24 Fiscal Year Property-based Fees, seconded by Secretary McCormack. Motion passed unanimously.*

## **11. Consultant Agreement and Scope of Work**

Discussion – Staff explained that the NDGSA contracted with The Freshwater Trust in 2018 to provide consulting services, as outlined in two separate scopes of work. The contract needs to be extended and a new scope executed in order to retain The Freshwater Trust's services.

*Action – Secretary McCormack moves to adopt Resolution 2023-003 Authorizing Chair to Execute Amendment and Third Scope of Work, seconded by Member Elliot. Motion passed unanimously.*

## **12. Staff Report**

Staff explained the need to complete a Form 700 for the Agency's records to the Board Members.

## **13. Agenda Proposals, Time and Place of Next Board Meeting**

Next meeting is tentatively scheduled for January 16, 2024, at 9 am at the Walnut Grove Library.

## **14. Adjournment**

Meeting adjourned at 11:30 am by Chair Van Loben Sels.

*Respectfully submitted by Anna Swenson*



**NORTHERN DELTA GROUNDWATER  
SUSTAINABILITY AGENCY**

FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITOR'S REPORT

JUNE 30, 2023

**NORTHERN DELTA GROUNDWATER  
SUSTAINABILITY AGENCY  
TABLE OF CONTENTS  
JUNE 30, 2023**

<u>Page Number</u>	<u>Financial Statements</u>
1-2	Independent auditor's report
3-4	Management's discussion and analysis
5	Governmental funds balance sheet/statement of net position
6	Statement of governmental revenues, expenditures and changes in fund balance/statement of activities
7-12	Notes to basic financial statements
	<u>Required Supplementary Information</u>
13	Budgetary comparison schedule
14	Notes to required supplementary information
	<u>Other Information</u>
15	Organization





3005 Douglas Blvd., Ste. 115

Roseville, CA 95661

(916) 774-1040

(916) 774-1177 Fax

## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Northern Delta Groundwater Sustainability Agency  
1717 I Street  
Sacramento, California 95814

### **Opinion**

We have audited the accompanying financial statements of the governmental activities of Northern Delta Groundwater Sustainability Agency (NDGSA) as of and for the year ended June 30, 2023, 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 of Northern Delta Groundwater Sustainability Agency as of June 30, 2023, 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 Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United State of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of NDGSA, 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.

### **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 NDGSA'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.

### **Auditor's 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 auditor's 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 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, 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 NDGSA'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 NDGSA'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 management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not 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 audits 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 Information**

Management is responsible for the other information included in the annual report. The other information comprises the NDGSA's organization, but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

*Boden Klein & Sneesby*

BODEN KLEIN & SNEESBY  
A Professional Corporation  
Roseville, California  
December 8, 2023



**NORTHERN DELTA GROUNDWATER  
SUSTAINABILITY AGENCY**  
Management's Discussion and Analysis  
June 30, 2023

The Northern Delta Groundwater Sustainability Agency (NDGSA) recently completed the Fiscal Year 2022-2023 (July 1, 2022 – June 30, 2023), its fifth full fiscal year as a Joint Powers Agency (JPA). The NDGSA does not have historical records which to compare its financial performance against, its records only go back to the Agency's formative stages in January 2019. Regardless, the NDGSA provides the following discussion and analysis of the Agency's financials for the fiscal year ending on June 30, 2023.

For context, the NDGSA was established on April 17, 2018 between 16 independent Groundwater Sustainability Agencies (GSAs). The Northern Delta GSA was formed through the execution of a joint powers agreement under the Joint Exercise of Powers Act of the State of California – the GSA membership in the NDGSA has changed some in the intervening years as some original members have withdrawn from the JPA, but the NDGSA nevertheless remains a valid and functional JPA. The purpose of the NDGSA is to achieve compliance with the California Sustainable Groundwater Management Act for the portions of the Sacramento-San Joaquin River Delta within its jurisdiction.

**FINANCIAL POSITION**

- Total Revenue: The NDGSA's revenue for the 2022-23 FY totaled \$104,360. This was comprised of property-based fees (the NDGSA's primary source of revenue), \$33,297 of voluntary contributions from Reclamation District 551 (a non-voting Associate Member of the NDGSA), \$163 of interest income, and a \$250 regulatory fee for reviewing a groundwater permit application. The realized property-based fees raised for the 2022-23 FY totaled \$70,650. This figure was comprised of:
  - Sacramento County: \$41,357
  - Solano County: \$29,293
- NDGSA does not formally adopt a budget for revenues; however, NDGSA's annual revenue projection is calculated as budgeted expenses plus a 10% reserve. For the 2022-23 FY, the projected revenue was \$77,675 (budgeted expenses of \$70,613 plus a 10% reserve of \$7,062). Total revenue of \$104,360 exceeds the 2022-23 FY projected income of \$77,675 by \$26,685. Although there is always a certain discrepancy between the property-based fees adopted and the resulting income realized due to the Counties' collection fee and the inability to assess some parcels, this was outweighed by the other sources of revenue that were not contemplated in the NDGSA's adopted budget. The most significant source of additional revenue came from the voluntary contribution of funds from RD 551 for Associate Member Status.
- Expenses: The 2022-23 FY expenses totaled \$82,532. This figure was comprised of:
  - Independent Audit: \$ 9,000 (\$4,250 prior FY & \$4,750 current FY)
  - Insurance: \$ 1,760
  - Legal expenses: \$ 8,706
  - RD 38 – Staten Island \$ 3,436
  - Consulting expenses (total of remaining expense categories): \$ 59,630
- The expenses directly associated with the NDGSA, not including the \$3,436 of legal and consulting expenses incurred in support of RD 38 – Staten Island, totaled \$79,096.

**NORTHERN DELTA GROUNDWATER  
SUSTAINABILITY AGENCY**  
Management's Discussion and Analysis  
June 30, 2023

- The expenses directly associated with the NDGSA (\$79,096) amounted to 112% of the budget adopted for the 2022-23 FY. The difference is largely due to the fact that there were more meetings and coordination with other GSAs in the subbasins than anticipated.

REPORT ON NDGSA

The NDGSA uses the accrual basis of accounting, all current year revenue and expenses are taken into account when billed or purchased.

BUDGET VARIABLES FOR 2022-23 FISCAL YEAR

In addition to the expenses associated with greater coordination with other GSAs across the subbasins, there were a number of other budget variables for the 2022-23 FY that resulted in some differences between the budgetary projections and the realized expenses. For example, the NDGSA had funds in the budget to pursue a potential grant opportunity, but no such opportunity arose so these funds were not used. Similarly, the expenses associated with RD 38 – Staten Island are not accounted for in the NDGSA's budget because those expenses are tracked separately and covered by RD 38's financial contributions. There were also some minor differences caused by lower than projected costs associated with the Proposition 218 preparation, legal representation, and administrative costs.

The most significant variable were the contributions from Reclamation District 551. In August 2022, RD 551 executed a Memorandum of Understanding with the NDGSA formalizing the District's status as an Associated Member of the NDGSA. In exchange for this status, RD 551 agreed to pay the same per-acre fee as the other members of the NDGSA. This resulted in \$33,297 of revenue that had not been included in the budget. While the MOU with RD 551 remains in effect, this source of potential revenue will not be taken into account for future budgetary projections due to the uncertainty inherent in realizing these funds.

Together, these events improved the NDGSA's net position by increasing the realized revenue and decreasing the potential liabilities and expenses. The NDGSA ended the fiscal year with \$21,828 of revenue in excess of the expenses for the year. This surplus has helped the Agency make progress against the outstanding liabilities that remained from the prior fiscal year. At this time, the NDGSA has satisfied virtually all outstanding liabilities—the only outstanding expenses from the 2022-23 FY only remain unpaid because paying them would cause the Agency's bank account to drop below the cash reserve maintained per Board direction. All outstanding liabilities associated with earlier fiscal years have been satisfied.

**NORTHERN DELTA GROUNDWATER  
SUSTAINABILITY AGENCY**  
GOVERNMENTAL FUNDS BALANCE SHEET / STATEMENT OF NET POSITION  
JUNE 30, 2023

	General Fund	Adjustments	Statement of Net Assets
<b>ASSETS</b>			
Assets			
Cash and investments	\$ 26,415	\$ -	\$ 26,415
Assessments receivable	465	-	465
Interest receivable	125	-	125
Capital assets, net of accumulated depreciation	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 27,005</b>	<b>\$ -</b>	<b>\$ 27,005</b>
 <b>LIABILITIES</b>			
Liabilities			
Accounts payable	\$ 26,546	\$ -	\$ 26,546
Total Liabilities	26,546	-	26,546
<b>Fund Balance/Net position</b>			
Fund Balance			
Unassigned	459	(459)	-
Total Fund Balance	459	(459)	-
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 27,005</b>		
Net Position:			
Invested in capital assets, net of related debt		-	-
Unrestricted		459	459
<b>TOTAL NET POSITION</b>		<b>\$ 459</b>	<b>\$ 459</b>

The accompanying notes are an integral part of these financial statements

**NORTHERN DELTA GROUNDWATER  
SUSTAINABILITY AGENCY**  
STATEMENT OF GOVERNMENTAL REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE / STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2023

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Revenues:			
Assessments	\$ 70,650	\$ -	\$ 70,650
Assessments - RD 551	33,297	-	33,297
Interest income	163	-	163
Miscellaneous income	<u>250</u>	<u>-</u>	<u>250</u>
 Total Revenues	 <u>104,360</u>	 <u>-</u>	 <u>104,360</u>
Expenditures:			
NDGSA meetings	9,512	-	9,512
Agency administration	19,048	-	19,048
Grant preparation	1,011	-	1,011
NDGSA coordination on GSP development	30,059	-	30,059
Legal representation	8,706	-	8,706
Insurance	1,760	-	1,760
Audit service	9,000	-	9,000
RD 38 - Staten Island	<u>3,436</u>	<u>-</u>	<u>3,436</u>
 Total Expenditures	 <u>82,532</u>	 <u>-</u>	 <u>82,532</u>
 Changes in Fund Balance/Net Position	 21,828	 -	 21,828
Fund Balance/Net Position:			
Beginning of Period	<u>(21,369)</u>	<u>-</u>	<u>(21,369)</u>
 End of Period	 <u>\$ 459</u>	 <u>\$ -</u>	 <u>\$ 459</u>

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



**NORTHERN DELTA GROUNDWATER  
SUSTAINABILITY AGENCY**

Notes to Financial Statements

June 30, 2023

Note 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization & Description of the Agency

The Northern Delta GSA (“NDGSA” or “Agency”) was officially formed in early 2018 for the purpose of acting as the Groundwater Sustainability Agency (“GSA”) for the northern portions of the Sacramento-San Joaquin River Delta. The NDGSA was formed by local agencies that have taken responsibility for sustainably managing groundwater resources according to SGMA. The NDGSA was formed through a Joint Powers Agreement signed by its member agencies. Although a collection of reclamation Agencies and other local agencies were responsible for forming the NDGSA, the NDGSA is separate and distinct from those local agencies. The NDGSA focuses solely on groundwater issues and is not involved with levee or land management activities. The Agency has also been closely working with several other Partner GSA’s.

The NDGSA was formed to retain local control over local groundwater resources, ensuring that groundwater management decisions are made by local entities familiar with the area. As such, the NDGSA is comprised of representatives from local agencies, which are themselves made up of local landowners. The goal of the NDGSA is to provide cost-effective, responsive, and collaborative management of groundwater that achieves compliance with SGMA without burdening local interests more than necessary. It is this concern for local issues that drives the NDGSA’s decision-making process.

Accounting Policies

The accounting policies of the Agency conform to generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA).

The Reporting Entity

The Agency's government-wide financial statements include the accounts of all Agency operations under the jurisdiction of the Board of Directors. The criteria for including organizations as component units within the Agency's reporting entity, as set forth in Section 2100 of the Government Accounting Standards Boards (GASB) *Codification of Government Accounting and Financial Reporting Standards*, include whether:

- The organization is legally separated (can sue and be sued in their own name)
- The agency holds the corporate powers of the organization
- The agency appoints a voting majority of the organization's board
- The agency is able to impose its will on the organization
- The organization has the potential to impose a financial benefit/burden on the agency
- There is fiscal dependency by the organization on the agency

Based on the aforementioned criteria, the Northern Delta GSA has no component units.

**NORTHERN DELTA GROUNDWATER  
SUSTAINABILITY AGENCY**  
Notes to Financial Statements  
June 30, 2023

Basis of Presentation

*Government-Wide Financial Statements*

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the Agency.

The government-wide financial statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the fiduciary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. The financial statements, therefore, include a reconciliation to better identify the relationship between the government-wide statements and the statements for the governmental funds. The Agency does not have business type or fiduciary funds as of June 30, 2023.

*Fund Financial Statements*

Fund financial statements report detailed information about the Agency. The focus of governmental fund financial statements is on major funds rather than reporting funds by type.

The accounting and financial treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The Statement of Governmental Revenues, Expenditures, and Changes in Fund Balance for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The General Fund is the general operating fund of the GSA and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds. It is the GSA's only fund.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting.



**NORTHERN DELTA GROUNDWATER  
SUSTAINABILITY AGENCY**  
Notes to Financial Statements  
June 30, 2023

*Revenues – Exchange and Non-exchange Transactions*

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded under the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Available" means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the Agency, "available" means collectible within the current period or within 60 days after year-end.

Non-exchange transactions, in which the Agency receives value without directly giving equal value in return, include property taxes, grants, and entitlements. Under the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and entitlements is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are to be used for the fiscal year when use is first permitted; matching requirements, in which the Agency must provide local resources to be used for specific purposes; and expenditure requirements, in which the resources are provided to the Agency on a reimbursement basis. Under the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

*Expenses/Expenditures*

On the accrual basis of accounting, expenses are recognized at the time a liability is incurred. On the modified accrual basis of accounting, expenditures are generally recognized in the accounting period in which the related fund liability is incurred, as under the accrual basis of accounting. However, under the modified accrual basis of accounting, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

Fund Accounting

The accounts of the Agency are organized on the basis of funds, which are considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity or retained earnings, revenues, and expenditures or expenses, as appropriate. Agency resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The Agency's accounts are organized into major, non-major, proprietary, and fiduciary funds as follows:

*Major Governmental Fund*

The General Fund is the general operating fund of the Agency. It is used to account for all financial resources except those required to be accounted for in another fund.

**NORTHERN DELTA GROUNDWATER  
SUSTAINABILITY AGENCY**  
Notes to Financial Statements  
June 30, 2023

Budgets and Budgetary Accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. By state law, the Agency's governing board must adopt a final budget no later than July 1. A public hearing must be conducted to receive comments prior to adoption. The Agency's governing board satisfied these requirements.

These budgets are revised by the Agency's governing board during the year to give consideration to unanticipated income and expenditures. The original and final revised budgets are presented for the General Fund in the financial statements.

Property Taxes, Assessments, and Fees

The GSA's principal source of revenue is derived from an annual assessment levied by the NDGSA. All funds collected are transferred by the respective county to the Agency with-in one or two months of collection for use in the Agency's operations. The county makes a third payment shortly after the Agency's fiscal year end, once the County has finalized its records.

Assessments collected by the respective counties are apportioned to the Agency. All assessments are levied as of July 1 for the fiscal year ending June 30. Assessments are due and payable and delinquent as follows:

	<u>First Installment</u>	<u>Second Installment</u>
Due Date	November 1	February 1, following year
Delinquent Date	December 10	April 10, following year

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Fund Equity

In the fund financial statements, governmental funds report fund balance as non-spendable, restricted, committed, assigned or unassigned, based primarily on the extent to which the Agency is bound to honor constraints on how specific amounts are to be spent:

Non-spendable Fund Balance – Includes the portions of fund balance not appropriate for expenditures.

Restricted Fund Balance - Includes amounts subject to externally imposed and legally enforceable constraints.

**NORTHERN DELTA GROUNDWATER  
SUSTAINABILITY AGENCY**

Notes to Financial Statements  
June 30, 2023

Committed Fund Balance – Includes amounts subject to Agency constraints self-imposed by formal action of the Agency's Governing Board.

Assigned Fund Balance – Includes amounts the Agency intends to use for a specific purpose. Assignments may be established by the Agency's Governing Board with the recommendation of the Treasurer and confirmed by the Governing Board.

Unassigned Fund Balance – Includes the residual balance that has not been assigned to other funds and is not restricted, committed, or assigned to specific purposes.

*Fund Balance*

The Agency's fund balance at June 30, 2023 consisted of the following:

	<u>General Fund</u>
Unassigned	\$ 459
Total Fund Balance	<u>\$ 459</u>

*Fund Balance Policy*

The Agency believes that sound financial management principles require that sufficient funds be retained by the Agency to provide a stable financial base at all times. To retain this stable financial base, the Agency needs to maintain an unrestricted fund balance in its General Fund sufficient to fund cash flows of the Agency and to provide financial reserves for unanticipated expenditures and/or revenue shortfalls of an emergency nature.

The purpose of the Agency's fund balance policy is to maintain a prudent level of financial resources to protect against reducing service levels because of temporary revenue shortfalls or unpredicted one-time expenditures. The Agency does not have a formal minimum fund balance requirement.

The Agency's policy is that committed, assigned, or unassigned amounts are considered to have been spent when the expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used. This policy also applies to restricted and unrestricted fund balances.

Note 2

CASH

Cash at June 30, 2023 consisted of the following:

Cash in the bank	\$ 26,415
Total cash	<u>\$ 26,415</u>

**NORTHERN DELTA GROUNDWATER  
SUSTAINABILITY AGENCY**  
Notes to Financial Statements  
June 30, 2023

Note 3      COMMITMENTS AND CONTINGENCIES

Litigation

The Northern Delta GSA is unaware of any outstanding claims against it in amounts that may be material to the financial statements.

Note 4      SUBSEQUENT EVENTS

The Agency's management has evaluated the potential for subsequent events through the available for issuance date of the financial statements, December 8, 2023.

**NORTHERN DELTA GROUNDWATER  
SUSTAINABILITY AGENCY**

REQUIRED SUPPLEMENTARY INFORMATION

JUNE 30, 2023

**NORTHERN DELTA GROUNDWATER  
SUSTAINABILITY AGENCY**  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable/ (Unfavorable)
Revenues:				
Assessments	\$ 77,793	\$ 77,793	\$ 70,650	\$ (7,143)
Assessments - RD 551	-	-	33,297	33,297
Interest income	-	-	163	163
Miscellaneous income	-	-	250	250
<b>Total Revenues</b>	<b>77,793</b>	<b>77,793</b>	<b>104,360</b>	<b>26,567</b>
Expenditures:				
NDGSA meetings	2,525	2,525	9,512	(6,987)
Agency administration	20,611	20,611	19,048	1,563
Grant preparation	1,500	1,500	1,011	489
Proposition 218 preparation	1,600	1,600	-	1,600
NDGSA Coordination on GSP development	27,578	27,578	30,059	(2,481)
Legal representation	10,000	10,000	8,706	1,294
Insurance	1,800	1,800	1,760	40
Auditing	5,000	5,000	9,000	(4,000)
RD 38 - Staten Island	-	-	3,436	(3,436)
<b>Total Expenditures</b>	<b>70,614</b>	<b>70,614</b>	<b>82,532</b>	<b>(11,918)</b>
Excess of Revenues Over Expenditures	7,179	7,179	21,828	14,649
Fund Balance				
Beginning of period	(21,369)	(21,369)	(21,369)	-
<b>End of Period (deficit)</b>	<b>\$ (14,190)</b>	<b>\$ (14,190)</b>	<b>\$ 459</b>	<b>\$ 14,649</b>

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



**NORTHERN DELTA GROUNDWATER  
SUSTAINABILITY AGENCY**  
Notes to Required Supplementary Information  
June 30, 2023

Note 1 PURPOSE OF STATEMENTS AND SCHEDULES

A. Budgetary Comparison Schedule

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 34, the Agency is required to present a Schedule of Revenues, Expenditures and Changes in Fund Balance budgetary comparison for the General Fund and each Major Special Revenue Fund that has an adopted budget. This schedule presents the original adopted budget and the actual revenue and expenditures of the General Fund.

**NORTHERN DELTA GROUNDWATER  
SUSTAINABILITY AGENCY**

OTHER INFORMATION

JUNE 30, 2023



**NORTHERN DELTA GROUNDWATER  
SUSTAINABILITY AGENCY**

Organization  
June 30, 2023

The Northern Delta Groundwater Sustainability Agency was established on April 17, 2018 by 16 independent Groundwater Sustainability Agencies (GSAs). The Northern Delta GSA was formed through the execution of a joint powers agreement under the Joint Exercise of Powers Act of the State of California. In June 2019, several of the member agencies withdrew from the NDGSA in accordance with the Joint Powers Agreement forming the Northern Delta Groundwater Sustainability Agency, leaving the NDGSA comprised of nine full Member Agencies. In a prior fiscal year (2019-2020), another local agency interested in groundwater planning joined the NDGSA as a non-voting member. The NDGSA is administered by a Board of Directors comprised of representatives from the member agencies.

Board of Directors

- |                       |                     |
|-----------------------|---------------------|
| • Brad Van Loben Sels | Chair               |
| • Craig Nakahara      | Vice-Chair          |
| • Jeff McCormack      | Secretary-Treasurer |
| • Richard Elliot Sr.  | Member              |
| • Jered Dixon         | Member              |
| • Clarence Chu        | Member              |
| • Norm Peters         | Member              |





**NORTHERN DELTA  
GROUNDWATER  
SUSTAINABILITY AGENCY**

**First Quarter 2023  
Financial Report**

**Current Assets**

<b>Bank Accounts</b>		
<b>F&amp;M Bank Checking Account</b>		
	Previous Balance (12/31/2022)	\$ 34,560.63
	Total Deposits	\$ 28,300.81
	Total Payments	\$ 30,619.02
<b>F&amp;M Bank Savings Account</b>		\$ 0.00
<b>Other Assets</b>		\$ 0.00
<b>Total Current Assets</b>		<b>\$ 32,242.42</b>

<b>Financial Activity — 1/1/2023 – 3/31/2023</b>			
			<b>Running Balance</b>
<b>Beginning Balance</b>			<b>\$ 34,560.63</b>
1/23/2023	Sacramento County Deposit	\$ 2,593.05	\$ 37,153.68
2/1/2023	Payment to Soluri Meserve for Feb. 2022	(\$ 112.50)	\$ 37,041.18
2/1/2023	Payment to Soluri Meserve for March 2022	(\$ 922.50)	\$ 36,118.68
2/1/2023	Payment to Soluri Meserve for Staten Island May 2022	(\$ 67.50)	\$ 36,051.18
2/13/2023	Sacramento County Deposit	25,707.76	\$ 61,758.94
2/14/2023	Payment to TFT for Dec. 2021	(\$ 7,451.78)	\$ 54,307.16
2/14/2023	Payment to TFT for Jan. 2022	(\$ 534.55)	\$ 53,772.61
2/14/2023	Payment to TFT for Feb. 2022	(\$ 2,074.55)	\$ 51,698.06
2/14/2023	Payment to TFT for March 2022	(\$ 3,278.70)	\$ 48,419.36
2/14/2023	Payment to TFT for April 2022	(\$ 5,655.00)	\$ 42,764.36
2/14/2023	Payment to TFT for Staten Island May 2022	(\$ 836.25)	\$ 41,928.11
2/14/2023	Payment to TFT for Staten Island June 2022	(\$ 222.50)	\$ 41,705.61

2/14/2023	Payment to TFT for Staten Island July 2022	(\$ 210.00)	\$ 41,495.61
2/14/2023	Payment to TFT for Staten Island Aug. 2022	(\$ 101.25)	\$ 41,394.36
2/14/2023	Payment to TFT for Staten Island Sept. 2022	(\$ 135.00)	\$ 41,259.36
2/27/2023	Payment to TFT for Staten Island Oct. 2022	(\$ 168.75)	\$ 41,090.61
2/27/2023	Payment to TFT for Staten Island Nov. 2022	(\$ 101.25)	\$ 40,989.36
3/22/2023	Payment to Soluri Meserve for May 2022	(\$ 3,481.94)	\$ 37,507.42
3/22/2023	Payment to Soluri Meserve for April 2022	(\$ 765.00)	\$ 36,742.42
3/27/2023	Payment to Boden Klein Sneesby NDGSA Audit	(\$ 3,500.00)	\$ 33,242.42
3/27/2023	Payment to Boden Klein Sneesby NDGSA Audit	(\$ 1,000.00)	\$ 32,242.42
<b>Balance as of 3/31/2023</b>			<b>\$ 32,242.42</b>

# NDGSA

## NORTHERN DELTA GROUNDWATER SUSTAINABILITY AGENCY

### Second Quarter 2023 Financial Report

#### Current Assets

Bank Accounts		
<b>F&amp;M Bank Checking Account</b>		
	Previous Balance (3/31/2023)	\$ 32,242.42
	Total Deposits	\$ 50,042.91
	Total Payments	\$ 23,000.60
<b>F&amp;M Bank Savings Account</b>		\$ 0.00
<b>Other Assets</b>		\$ 0.00
<b>Total Current Assets</b>		<b>\$ 59,284.73</b>

Financial Activity — 4/1/2023 – 6/30/2023			
			Running Balance
Beginning Balance			\$ 32,242.42
4/4/2023	Payment to TFT for May 2022	(\$ 14,382.60)	\$ 17,859.82
4/4/2023	Payment to TFT for June 2022	(\$ 2,778.00)	\$ 15,081.82
4/4/2023	Payment to TFT for Staten Island Dec. 2022	(\$ 438.75)	\$ 14,643.07
4/7/2023	RD 551 Associate Member Deposit	\$ 22,767.03	\$ 37,410.10
4/28/2023	Solano County Deposit	\$ 13,167.10	\$ 50,577.20
6/20/2023	Sacramento County Deposit	\$ 12,629.33	\$ 63,206.53
6/26/2023	Payment to Soluri Meserve for July 2022	(\$ 450.00)	\$ 62,756.53
6/26/2023	Payment to Soluri Meserve for September 2022	(\$ 1,100.00)	\$ 61,656.53
6/26/2023	Payment to Soluri Meserve for October 2022	(\$ 810.00)	\$ 60,846.53
6/26/2023	Payment to Soluri Meserve for November 2022	(\$ 2,572.50)	\$ 58,274.03
6/26/2023	Payment to Soluri Meserve for December 2022	(\$ 450.00)	\$ 57,824.03
6/27/2023	F&M Bank Checking	(\$ 18.75)	\$ 57,805.28
6/29/2023	Solano County Deposit	\$ 1,479.45	\$ 59,284.73
<b>Balance as of 6/30/2023</b>			<b>\$ 59,284.73</b>



**NORTHERN DELTA  
GROUNDWATER  
SUSTAINABILITY AGENCY**

**Third Quarter 2023  
Financial Report**

**Current Assets**

<b>Bank Accounts</b>		
<b>F&amp;M Bank Checking Account</b>		
	Previous Balance (6/30/2023)	\$ 59,284.73
	Total Deposits	\$ 10,529.61
	Total Payments	\$ 45,153.52
<b>F&amp;M Bank Savings Account</b>		\$ 0.00
<b>Other Assets</b>		\$ 0.00
<b>Total Current Assets</b>		<b>\$ 25,250.21</b>

<b>Financial Activity — 7/1/2023 – 9/30/2023</b>			
			<b>Running Balance</b>
<b>Beginning Balance</b>			<b>\$ 63,206.53</b>
7/3/2023	Solano Subbasin Cost Share	(\$ 4,800.00)	\$ 54,484.73
7/6/2023	S. American Subbasin Cost Share	(\$ 13,050.00)	\$ 41,434.73
7/10/2023	Payment to Soluri Meserve for January – March 2023	(\$ 247.50)	\$ 41,187.23
7/10/2023	Payment to Soluri Meserve for RD 38 for April 2023	(\$ 412.50)	\$ 40,774.73
7/11/2023	Payment to TFT for July 2022	(\$ 2,137.50)	\$ 38,637.23
7/11/2023	Payment to TFT for August 2022	(\$ 1,798.75)	\$ 36,838.48
7/11/2023	Payment to TFT for September 2022	(\$ 1,313.75)	\$ 35,524.73
7/11/2023	Payment to TFT for October 2022	(\$ 2,293.75)	\$ 33,230.98
7/11/2023	Payment to TFT for November 2022	(\$ 2,641.25)	\$ 30,589.73
7/11/2023	Payment to TFT for December 2022	(\$ 5,741.25)	\$ 24,848.48
7/12/2023	RD 551 Deposit	\$ 10,529.61	\$ 35,378.09
7/25/2023	Payment to TFT for January 2023	(\$ 8,153.27)	\$ 27,224.82
7/25/2023	Payment to TFT for RD 38 for January 2023	(\$ 202.50)	\$ 27,002.32
7/25/2023	Payment to TFT for RD 38 for February 2023	(\$ 175.00)	\$ 26,847.32
7/25/2023	Payment to TFT for RD 38 for March 2023	(\$ 168.75)	\$ 26,678.57

7/25/2023	Payment to TFT for RD 38 for April 2023	(\$ 263.75)	\$ 26,414.82
9/6/2023	Sacramento County Deposit	\$ 589.39	\$ 27,004.21
9/28/2023	Golden State Insurance	(\$ 1,754.00)	\$ 25,250.21
<b>Balance as of 9/30/2023</b>			<b>\$ 25,250.21</b>



**NORTHERN DELTA  
GROUNDWATER  
SUSTAINABILITY AGENCY**

**Fourth Quarter 2023  
Financial Report**

**Current Assets**

<b>Bank Accounts</b>		
<b>F&amp;M Bank Checking Account</b>		
	Previous Balance (9/30/2023)	\$ 25,250.21
	Total Deposits	\$ 14,175.93
	Total Payments	\$ 12,517.99
<b>F&amp;M Bank Savings Account</b>		\$ 0.00
<b>Other Assets</b>		\$ 0.00
<b>Total Current Assets</b>		<b>\$ 26,908.15</b>

<b>Financial Activity — 10/1/2023 – 12/31/2023</b>			
			<b>Running Balance</b>
<b>Beginning Balance</b>			<b>\$ 25,250.21</b>
10/4/2023	Payment to TFT for April 2023	(\$ 2,873.75)	\$ 22,376.46
10/4/2023	Payment to TFT for February 2023	(\$ 1,031.25)	\$ 21,345.21
10/4/2023	Payment to TFT for RD 38 for June 2023	(\$ 796.25)	\$ 20,548.96
10/4/2023	Payment to TFT for March 2023	(\$ 2,221.25)	\$ 18,327.71
10/4/2023	Payment to TFT for May 2023	(\$ 2,257.50)	\$ 16,070.21
10/4/2023	Payment to TFT for RD 38 for May 2023	(\$ 262.50)	\$ 15,807.71
11/6/2023	Payment to Soluri Meserve for April 2023	(\$ 225.00)	\$ 15,582.71
11/6/2023	Payment to Soluri Meserve for May 2023	(\$ 990.00)	\$ 14,592.71
11/6/2023	Payment to Soluri Meserve for June 2023	(\$ 1,860.49)	\$ 12,732.22
12/29/2023	Solano County Deposit	\$ 14,175.93	\$ 26,908.15
<b>Balance as of 12/31/2023</b>			<b>\$ 26,908.15</b>



# NORTHERN DELTA GROUNDWATER SUSTAINABILITY AGENCY

## 2023-24 Fiscal Year Budget Status

### 2023-24 FY Budget Projections & Actual Expenses

This table compares the 2022-23 FY budget adopted in June 2023 against the actual budget expenses incurred through December 2023.

GSA Annual Operating Budget	Adopted 2023-24 FY Budget	Expenses to Date July 2024 – Dec 2024
NDGSA Meetings	\$ 5,153	\$ 375.00
Agency Administration	\$ 17,311	\$ 5,987.90*
Grant Preparation	\$ 1,275	\$ 300.00
Prop 218 Preparation	\$ 14,100	\$ 4,798.24
NDGSA Coordination on GSP Development	\$ 18,220	\$ 3,146.25**
Legal Representation	\$ 8,000	\$ 990.00
Auditing	\$ 4,500	\$ 4,750.00
<b>Total w/ Reserve</b>	<b>\$ 75,415</b>	<b>\$ 20,347.39</b>

2023-24 Fiscal Year covers the period from July 1, 2023 through June 30, 2024.

\* Includes \$1,754.00 Board Liability Insurance Premium Payment & Other Direct Expenses

\*\* This **does not** include the payments for the NDGSA's cost share obligations: \$4,800 for the Solano Subbasin and \$13,050 for the South American Subbasin.

## 2023-2024 Fiscal Year Invoices

July 1, 2023 – December 31, 2023

These tables identify the invoiced amounts from The Freshwater Trust and Soluri Meserve for the 2023-24 FY

<b>The Freshwater Trust Invoices (2022-23 Fiscal Year)</b>					
Month	Personnel Costs	Direct Expenses	RD 38 – Staten Island	Total	Main Activities
July 2023	\$ 3,657.50	\$ 9.20	\$ 325.00	\$ 3,991.70	Fee Preparation & Submission, Accounting, Mailing
Aug. 2023	\$ 1,085.00	-	\$ 110.00	\$ 1,195.00	Fee Inquiry, Audit Preparation, Subbasin Coordination
Sept. 2023	\$ 1,232.50	\$ 2,685.74	\$ 150.00	\$ 4,068.24	Website Maintenance, GSA Collaboration, Funding Guidance
Oct. 2023	\$ 2,041.25	\$ 2.20	\$ 112.50	\$ 2,155.95	Agency Accounting, State Filing, GSA Collaboration & Meetings
Nov. 2023	\$ 940.00	-	\$ 232.50	\$ 1,172.50	Records Requests, GSA Collaboration
Dec. 2023	\$ 1,200.00	-	\$ 337.50	\$ 1,537.50	Agency Accounting, Annual Audit Preparation, GSA Collaboration
<b>Total</b>	<b>\$ 10,156.25</b>	<b>\$ 2,697.14</b>	<b>\$ 1,267.50</b>	<b>\$ 14,120.89</b>	

<b>Soluri Meserve Invoices (2023-24 Fiscal Year)</b>			
Month	NDGSA Invoices	RD 38 – Staten Island Invoices	Total
July 2023	\$ 67.50	\$ 715.00	\$ 782.50
August 2023	-	-	-
September 2023	-	-	-
October 2023	\$ 922.50	-	\$ 922.50
November 2023	-	-	-
December 2023	-	-	-
<b>Total</b>	<b>\$ 990.00</b>	<b>\$ 715.00</b>	<b>\$ 1,705.00</b>

**RESOLUTION 2024-001**

**A RESOLUTION OF THE  
NORTHERN DELTA GROUNDWATER SUSTAINABILITY AGENCY  
INITIATING INVESTIGATION & ASSOCIATED PROCEEDINGS  
FOR PROPOSITION 218 ELECTION PROCESS**

WHEREAS, the Sustainable Groundwater Management Act of 2014 (“SGMA”) requires groundwater basins classified as high-priority or medium-priority by the Department of Water Resources (“DWR”) to be sustainably managed by 2022;

WHEREAS, the Northern Delta Groundwater Sustainability Agency (“Agency”) is a Groundwater Sustainability Agency (“GSA”) that has been legally formed in order to achieve the mandates of SGMA within the groundwater basins that the Agency overlies, the South American Subbasin and the Solano Subbasin (the “Subbasins”);

WHEREAS, the Agency was formed as a separate public entity by individual local agencies through the execution of the Joint Powers Agreement Forming the Northern Delta Groundwater Sustainability (“JPA”) under the Joint Exercise of Powers Act (California Government Code section 6500 et seq.);

WHEREAS, to attain compliance with SGMA, the Agency must undertake administrative activities, scientific analyses, community outreach and other actions in order to develop and implement a groundwater sustainability plan (“GSP”) for each groundwater basin;

WHEREAS, the Agency collaborated with the other GSAs in the Subbasins to develop GSPs, which were submitted to the DWR in accordance with SGMA;

WHEREAS, the GSPs have received approval from the DWR and GSP implementation has begun in order to achieve sustainability as defined by SGMA;

WHEREAS, SGMA grants groundwater sustainability agencies the authority to collect fees in order to fund groundwater management and other associated activities, pursuant to the California Water Code section 10730 et seq.;

WHEREAS, Proposition 218 was adopted on November 6, 1996, adding Articles XIII C and XIII D to the California Constitution;

WHEREAS, Proposition 218 requires any fees raised from real property to be proportional to the benefits provided, as evidenced by a Cost of Service or Engineering Report (“Engineering Report”), and the affected members of the public must be notified of the proposed property-based fee and given the opportunity to publicly comment and submit a protest on the proposal before the fees can be adopted;

WHEREAS, the Agency prepared an Engineering Report and successfully completed a Proposition 218 election process following a public hearing in July 2018, and in the years since has collected property-based fees to support the Agency's SGMA actions;

WHEREAS, the 2018 Proposition 218 election process was completed to fund GSP development actions, which have now concluded;

WHEREAS, a new effort to fund GSP implementation actions is now appropriate;

WHEREAS, the Agency has previously taken action to plan and budget for anticipated costs associated with a new Proposition 218 election process; and,

WHEREAS, the Board of Directors of the Agency finds that investigating the viability of a Proposition 218 election process, including but not limited to preparation of an updated Engineering Report, is necessary as a potential means to fund these compliance activities.

NOW THEREFORE, the Board of Directors of the Northern Delta Groundwater Sustainability Agency hereby:

1. Finds that the above findings are facts that are true and correct and incorporated by this reference as though fully set forth herein.
2. Authorizes the completion of the analyses and documentation necessary for a Proposition 218 election process.
3. Directs Staff to undertake the analyses required to initiate a Proposition 218 election process, engage other professional organizations and incur expenses as necessary to advance such an election, keeping the Officers of the Board of Directors of the Northern Delta Groundwater Sustainability Agency regularly apprised of the progress, as appropriate.
4. Authorizes Staff to complete all acts necessary to carry out a Proposition 218 election process following the completion of the documentation required to support such an election.
5. Reserves the right to cancel such a Proposition 218 election process until such time that the election is completed and the results are communicated to the Counties for collection purposes.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Northern Delta Groundwater Sustainability Agency on February 13, 2024, by the following vote:

**AYES:**

**NOES:**

**ABSTAIN:**

**ABSENT:**

**DATED:**

I hereby certify that I am an Officer of the Northern Delta Groundwater Sustainability Agency and that the foregoing resolution was duly adopted by the Board of Directors of said Agency at a regular meeting thereof duly held on February 13, 2024, at which meeting a quorum of said Board of Directors was at all times present and acting.

---

**Officer of the Board of Directors**