



SOUTH FORK KINGS
GROUNDWATER SUSTAINABILITY AGENCY

NOTICE OF SPECIAL MEETING

Members

January 18, 2021

Director Frank Gornick
City of Lemoore

Director Joe Neves
County of Kings

Director Ceil Howe, Jr.
Empire West Side Irrigation District

Director Michael Newton
Stratford Irrigation District

Director Scott Mercer
Stratford Public Utility District

Joe Neves, Chair
Ceil Howe, Jr. Vice Chair
John Plourde, Secretary

4886 E. Jensen Ave
Fresno, CA 93725
Telephone: 559.242.6118

www.SouthForkKings.org

Board of Directors

of the

South Fork Kings Groundwater Sustainability Agency

This is to inform you a South Fork Kings Groundwater Sustainability Agency (SFKGSA) Board of Directors Meeting will be held on Thursday, January 21, 2021 **via ZOOM Web/Teleconference**. The web link and call-in information are on the Agenda The meeting will convene at 5:30 pm.

As a result of the COVID-19 emergency and the Governor's Executive Orders N-29-20 and N-33-20, this meeting will occur solely via remote presence by video and teleconference. There will not be a physical public access location. The Board is conducting the meeting in this manner to protect public health by avoiding public gatherings and requiring social distancing. At the same time, the Board remains committed to transparency. Members of the public will be able to listen to and watch the meeting, and comment if desired.

The patience and cooperation of all participants is appreciated. While every effort has been made to streamline the experience and conduct meetings in the manner to which our stakeholders have grown accustomed, there may be technical issues and human error. We will attempt to promptly correct any issues that arise.

Individuals who require special accommodations are requested to contact Corey McLaughlin by phone at: (559) 237-5567 or by email at: cmclaughlin@krcd.org.

Board of Directors Regular Meeting South Fork Kings Groundwater Sustainability Agency (SFKGSA)

January 21, 2021; Meeting Convenes at 5:30 p.m.

Remote Only Via Zoom

Link: <https://us02web.zoom.us/j/84177525108?pwd=R2dZOFJ2RFR6UnRXbHpWaFRKTjgxUT09>

Call-In: +1 669 900 6833 ; **Meeting ID:** 841 7752 5108 ; **Password:** 761325

One-tap Mobile: +16699006833,,84177525108#,,, *761325#

All items on this agenda, whether or not expressly listed for action, may be deliberated upon and may be subject to action by the Board of Directors. The Board of Directors may consider agenda items in any order. Materials related to an item on this agenda submitted to the Board of Directors after distribution of the agenda packet are available for public inspection at the Kings River Conservation District, 4886 E. Jensen Ave., Fresno 93725 during normal business hours.

MEETING AGENDA

- 1. CALL TO ORDER**
- 2. PLEDGE OF ALLEGIANCE**
- 3. ADDITIONS TO OR DELETIONS FROM THE AGENDA**
- 4. PUBLIC COMMENT**

The public may address the Board of Directors on any item relevant to the GSA Authority. *This is the only portion of the meeting where the public can comment.* If you know in advance that you will want to comment, it will be helpful to email the Technical Moderator at cmclaughlin@krcd.org, in advance of the meeting, to make this known. Comments by individuals and entities will be limited to three minutes or as may be reasonable as determined by the conducting officer.

5. CONSIDER APPROVAL OF MINUTES

The Board will consider approval of the December 3, 2020 minutes.

Requires simple majority approval

6. DIRECTOR REPORTS

Each Director will have the opportunity to report on meetings and other events attended during the prior month on behalf of the SFKGSA.

No action will be taken.

7. APPOINTMENTS

- a. The Board will nominate and appoint a Secretary for the Board. *Requires 4/5 majority approval*
- b. The Board will nominate and appoint a member to the Finance Committee. *Requires simple majority approval*
- c. The Board may nominate and appoint a member to the Policy Committee. *Requires simple majority approval*

8. STAFF REPORT

Staff will report on meetings and other events attended during the prior month on behalf of the SFKGSA.

No action will be taken.

9. STAKEHOLDER OUTREACH AND COMMUNICATIONS

The Board will receive a report and may take action on stakeholder outreach and communications activities, needs, and correspondence approval.

Action may be taken.

10. SGMA IMPLEMENTATION UPDATE

The Board will receive a report from consultants on the status of and progress on GSP implementation, and may take action to approve Task Orders, Change Orders, and/or support letters.

Action may be taken.

11. FINANCE

The Treasurer will provide a financial update as of December 31, 2020 for the Board to receive.

Requires simple majority approval.

12. AUDIT REPORT

The Treasurer will present the audit report to the Board for the Fiscal Year 2019 – 2020. The Board will be asked to accept the report.

Requires simple majority approval.

13. TOLLING AGREEMENT EXTENSION

The Board will consider approval for extending a tolling agreement with Westlands Water District.

Requires simple majority approval.

14. CLOSED SESSION

Government Code Section 54956.9(d)(2) To confer with its Legal Counsel regarding exposure to one matter of potential litigation.

15. RECONVENE TO OPEN SESSION

The Board will reconvene to open session and will report any action taken in Closed Session.

16. NEXT MEETING DATE AND AGENDA ITEMS

17. ADJOURNMENT

A person with a qualifying disability under the Americans with Disabilities Act of 1990 may request the SFKGSA to provide a disability-related modification or accommodation in order to participate in any public meeting of the SFKGSA. Such assistance includes appropriate alternative formats for the agendas and agenda packets used for any public meetings of the GSA. Requests for such assistance and for agendas and agenda packets shall be made in person, by telephone, facsimile, or written correspondence to the Kings River Conservation District, 4886 E. Jensen Ave, Fresno, CA 93725, telephone 559.237.5567, fax 559.237.5560 at least 48 hours before a public GSA meeting.

South Fork Kings Groundwater Sustainability Agency Special Meeting Minutes

December 3, 2020 at 5:30 PM
Remote via Zoom

Members Present (All via Zoom):

Joe Neves, County of Kings (Chair)
John Plourde, City of Lemoore
Scott Mercer, Stratford Public Utility District
Michael Newton, Stratford Irrigation District

Members Absent:

Ceil Howe, Jr., Empire West Side Irrigation District
(Vice Chair)

Others Present:

Charlotte Gallock, Kings River Conservation District
Corey McLaughlin, Kings River Conservation District
Brian Trevarrow, Kings River Conservation District (Treasurer)
Cristel Tufenkjian, Kings River Conservation District
Amer Hussain, Geosyntec (Technical Consultant)
Ken Richardson (Legal Counsel)
Karen Ormsby

Regular Meeting

Item 1:	<u>CALL TO ORDER</u>	Presenter:	Chair Neves
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The meeting was called to order at 5:31 PM, and the Roll was called to establish a quorum.

Roll Call:

Director Neves: Present
Director Plourde: Present
Director Newton: Present
Director Mercer: Present
Director Howe: Absent

Time was taken to introduce Director Michael Newton, who replaced Charles Mercer as representative for Stratford Irrigation District.

Item 2:	<u>PLEDGE OF ALLEGIANCE [DISPENSED WITH]</u>	Presenter:	Chair Neves
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Item 3:	<u>ADDITIONS TO OR DELETIONS FROM THE AGENDA</u>	Presenter:	Chair Neves
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Discussion:

None.

Actions:

None.

Item 4:	<u>PUBLIC COMMENT</u>	Presenter:	Chair Neves
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Discussion:

None.

Actions:

None

Item 5: CONSIDER APPROVAL OF THE MINUTES

Presenter: Chair Neves

Discussion:

None

Actions:

It was moved by Director Plourde, seconded by Director Mercer, and unanimously carried by Roll Call vote, to approve the minutes of the October 15, 2020 meeting.

Roll Call Vote:

Director Neves: Aye
Director Plourde: Aye
Director Newton: Aye
Director Mercer: Aye

Item 6: DIRECTOR REPORTS

Presenter: Chair Neves

Discussion:

Director Plourde noted that his position on the Policy and Finance Committees will need to be filled in January 2021 with his retirement from the Board.

Actions:

None

Item 7: STAFF REPORT

Presenter: Charlotte Gallock

Discussion:

Ms. Gallock reported on items of interest to the Board from her attendance at various workshops and meetings; as well as other staff activities relevant to the Board.

Actions:

None

Item 8: STAKEHOLDER OUTREACH AND COMMUNICATIONS

Presenter: Cristel Tufenkjian

Discussion:

No Report. Activity is expected in the near future regarding the Resiliency Grant.

Actions:

None.

Item 9: SGMA IMPLEMENTATION UPDATE

Presenter: Technical Consultants

Discussion:

Amer Hussain reported to the Board regarding the status of, and progress on, GSP implementation. Mr. Hussain also reported on grant application opportunities being pursued on behalf of the basin.

Actions:

It was moved by Director Plourde, seconded by Director Mercer, and unanimously carried by Roll Call vote, to approve staff and/or consultants – working with the Chair – sending a letter of support regarding a Proposition 68 SGMA Implementation Grant application for the basin.

Roll Call Vote:

Director Neves: Aye
Director Plourde: Aye
Director Newton: Aye
Director Mercer: Aye

Item 10: RESOLUTION 2020-04 REGARDING PROPOSITION 68 **Presenter:** Amer Hussein
 SGMA IMPLEMENTAT GRANT

Discussion:

This item was subsumed under Item 9 during the meeting; no Resolution was passed, and a staff development of a letter of support was approved.

Actions:

None.

Item 11: SFKGSA FINANCE COMMITTEE REPORT **Presenter:** Corey McLaughlin

Discussion:

Mr. McLaughlin reported that the Committee met November 20, 2020 and discussed and recommends the Budget Amendment being presented under Item 12 of the Agenda.

Actions:

None.

Item 12: APPROVAL OF BUDGET AMENDMENT **Presenter:** Brian Trevarrow

Discussion:

The Board received a presentation regarding a proposed amendment to the SFKGS Budget, reflecting the current year's \$100,000 portion of the grant award from the California Resilience Challenge for the Aquifer Storage and Recovery project feasibility study.

Actions:

It was moved by Director Plourde, seconded by Director Mercer, and unanimously carried by Roll Call vote of 4/5 of the Directors to approve a Budget Amendment, as presented, reflecting the grant award from the California Resilience Challenge.

Roll Call Vote:

Director Neves: Aye
Director Plourde: Aye
Director Newton: Aye
Director Mercer: Aye

Item 13: SFKGSA POLICYCOMMITTEE REPORT **Presenter:** Corey McLaughlin

Discussion:

Mr. McLaughlin reported that the Committee met on November 20, 2020 to discuss the policy being presented under Item 14 of the Agenda, which the Committee recommends for approval.

Actions:

None.

Item 14: ADOPTION OF GROUNDWATER DATA PROTECTION **Presenter:** Chair Neves
 POLICY

Discussion:

The Board received a presentation on the Draft Groundwater Data Protection Policy, as well as a report on comments received and changes made from the previous version shown to the Board.

Actions:

It was moved by Director Plourde, seconded by Director Mercer, and unanimously carried by Roll Cal vote to adopt the Groundwater Data Protection Policy as presented.

Roll Call Vote:

Director Neves: Aye
Director Plourde: Aye

Director Newton: Aye
Director Mercer: Aye

Item 15: NOMINATION AND APPOINTMENT OF POLICY COMMITTEE MEMBERS

Presenter: Chair Neves

Discussion:

Steve Jackson, a stakeholder under the GSA's jurisdiction, volunteered to serve on the Policy Committee.

Actions:

It was moved by Director Plourde, seconded by Director Mercer, and unanimously carried by Roll Call vote, to nominate and appoint Steve Jackson to the SFKGSA Policy Committee.

Roll Call Vote:

Director Neves: Aye
Director Plourde: Aye
Director Newton: Aye
Director Mercer: Aye

Item 16: NEXT MEETING DATE AND AGENDA ITEMS

Presenter: Chair Neves

Discussion:

Item moved up in the Agenda; previously was Item 18. The next meeting will be on January 21, 2021, at 5:30 p.m.

Actions:

The Chair adjourned the Board from Open Session at 6:23 p.m.

Item 17: CLOSED SESSION

Presenter: Kenneth Richardson

Discussion:

The Board entered closed session at 6:10 p.m., pursuant to Government Code Section 54956.9(d)(2), to confer with its Legal Counsel regarding exposure to one matter of potential litigation.

Actions:

None.

Item 18: END OF CLOSED SESSION (PREVIOUSLY RECONVENE TO OPEN SESSION)

Presenter: Chair Neves

Discussion:

There were no reportable actions taken during Closed Session, which adjourned at 6:26 p.m.

Actions:

It was noted during Closed Session that, at the next meeting, the Board would report that there were no actions taken.

Item 19: ADJOURNMENT

Adjourned to
Closed Session at: 6:10 p.m.
Adjourned Fully at: 6:26 p.m.

Respectfully submitted,

Board Secretary

approved on _____

Joe Neves, Board Chair



Stakeholder Outreach Report

January 21, 2021

Stakeholder Communication

INTERESTED PERSONS EMAIL LIST – as of December 2020

- 230 interested persons

EMAIL CORRESPONDANCE- 2020 in Review

- 20 emails sent to Interested Persons
- 34% average open rate (15-25% is average)
- 18% average click rate (2.5% is average)

EMAIL UPDATES TO INTERESTED PERSONS: QUARTER 4				
Date	Email Topic	# of recipients	Open Rate	Click-thru Rate
10/2/20	Policy Committee Agenda	232	34%	22%
10/12/2020	Board Meeting Agenda	232	29%	24%
10/19/20	Policy Outreach E-Update	232	30%	25%
11/18/20	Policy Committee Agenda	230	29%	18%
12/16/2020	SFKGSA E-Update	230	37%	18%
		2020 Average	34%	18%



Tulare Lake Subbasin will submit grant application for recharge projects in the region

Preparations are being made to apply for round one of the CA Department of Water Resources (DWR) [SGMA Implementation Grant](#), available to critically overdrafted subbasins. South Fork Kings GSA will work to submit a letter of support on the Tulare Lake Subbasin's grant funding application for recharge projects that bring basin-wide benefits.

Click below to read more...

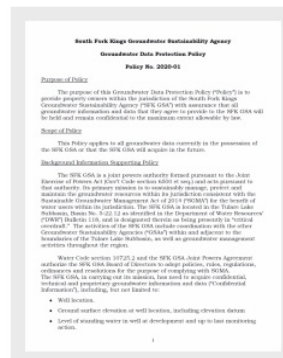
[Read More](#)

Groundwater Data Protection Policy adopted unanimously following committee and public review process

The [Groundwater Data Protection Policy](#) was adopted unanimously by the South Fork Kings GSA Board at their December 3, 2020 meeting. The draft was available for a 30-day public comment period beginning October 19 and ending November 18, and was revised under the direction of the Policy Committee after receiving one comment.

Click below to read more...

[Read More](#)



Steve Jackson appointed to Policy Committee

The South Fork Kings GSA Board approved the appointment of Steve Jackson to the Policy Committee at its December 3rd meeting. Jackson is involved in ongoing SGMA efforts in the South Fork Kings GSA and serves on the Board of two Tulare Lake Subbasin GSAs, Tri-County Water Authority and Southwest Kings.

Click below to read more...

[Read More](#)

Questions on the Groundwater Sustainability Plan?

Check out our FAQ resource for the answers:

[GSP FAQs](#)

Upcoming Board Meeting

Thursday, January 21, 2021
5:30 PM

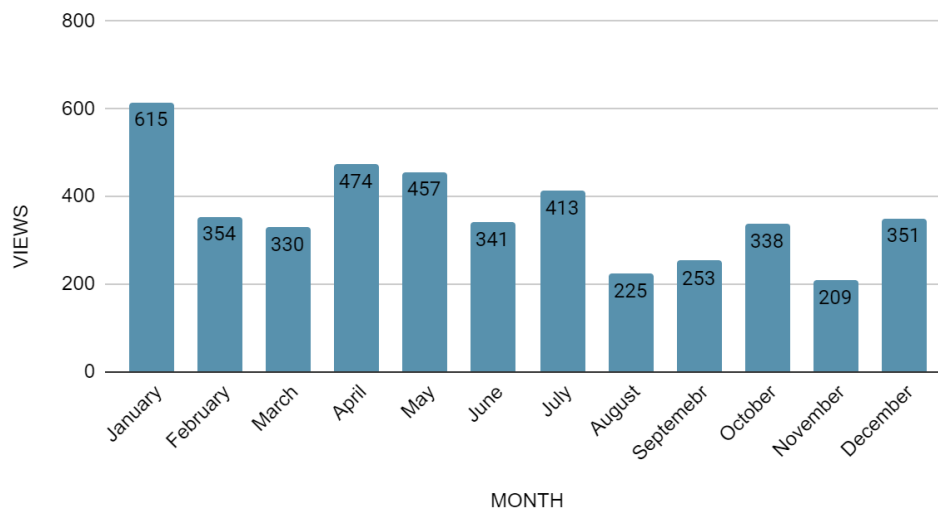
Zoom web/teleconference details will be shared closer to the meeting
Please check the website regularly for updates



Digital/Online

2020 WEBSITE VIEWS		
MONTH	VIEWS	Top Page *
January	615	GSP Portal
February	354	GSP Portal
March	330	GSP Portal
April	474	GSP Portal
May	457	GSP Portal
June	341	June 18, 2020 Board Agenda
July	413	GSP Download
August	225	GSP Download
September	253	GSP Portal
October	338	October 7, 2020 Policy Committee Agenda
November	209	November 20, 2020 Policy Committee Agenda
December	351	GSP Portal
	4360	

2020 Website Views



WEBSITE ARTICLES: QUARTER 4		
Date	Title	Views
12/16/2020	Steve Jackson appointed to Policy Committee	27
12/16/2020	Groundwater Data Protection Policy adopted unanimously	8
12/16/2020	Tulare Lake Subbasin will submit grant application	10
	2020 Total Article Views	250

South Fork Kings GSA (SFKGSA)
Balance Sheet Prev Year Comparison **AGENDA ITEM 11**
As of December 31, 2020

	<u>Dec 31, 20</u>	<u>Dec 31, 19</u>	<u>\$ Change</u>	<u>% Change</u>
ASSETS				
Current Assets				
Checking/Savings				
10000 · JPMorgan Chase	210,444.13	46,543.60	163,900.53	352.14%
Total Checking/Savings	210,444.13	46,543.60	163,900.53	352.14%
Accounts Receivable				
11000 · Accounts Receivable	20,029.54	11,492.95	8,536.59	74.28%
Total Accounts Receivable	20,029.54	11,492.95	8,536.59	74.28%
Other Current Assets				
13000 · Interest Receivable	0.00	270.35	-270.35	-100.0%
Total Other Current Assets	0.00	270.35	-270.35	-100.0%
Total Current Assets	230,473.67	58,306.90	172,166.77	295.28%
Other Assets				
18700 · Deposits	70,444.07	83,260.00	-12,815.93	-15.39%
Total Other Assets	70,444.07	83,260.00	-12,815.93	-15.39%
TOTAL ASSETS	<u>300,917.74</u>	<u>141,566.90</u>	<u>159,350.84</u>	<u>112.56%</u>
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
20000 · Accounts Payable	12,421.27	17,207.34	-4,786.07	-27.81%
Total Accounts Payable	12,421.27	17,207.34	-4,786.07	-27.81%
Other Current Liabilities				
25000 · Deferred Revenue	83,936.00	0.00	83,936.00	100.0%
Total Other Current Liabilities	83,936.00	0.00	83,936.00	100.0%
Total Current Liabilities	96,357.27	17,207.34	79,149.93	459.98%
Total Liabilities	96,357.27	17,207.34	79,149.93	459.98%
Equity				
32000 · Unrestricted Net Assets	235,328.63	193,712.62	41,616.01	21.48%
Net Income	-30,768.16	-69,353.06	38,584.90	55.64%
Total Equity	204,560.47	124,359.56	80,200.91	64.49%
TOTAL LIABILITIES & EQUITY	<u>300,917.74</u>	<u>141,566.90</u>	<u>159,350.84</u>	<u>112.56%</u>

South Fork Kings GSA (SFKGSA)
Profit & Loss Budget vs. Actual
October through December 2020

AGENDA ITEM 11

	<u>Oct - Dec 20</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
47200 · Program Income				
47220 · Property Tax Assessments	51,190.59	310,415.00	-259,224.41	16.49%
47221 · Property Tax Interest	0.00	0.00	0.00	0.0%
Total 47200 · Program Income	<u>51,190.59</u>	<u>310,415.00</u>	<u>-259,224.41</u>	<u>16.49%</u>
48000 · Grant Revenue				
48010 · CA Resilience Challenge Grant	16,064.00	16,000.00	64.00	100.4%
Total 48000 · Grant Revenue	<u>16,064.00</u>	<u>16,000.00</u>	<u>64.00</u>	<u>100.4%</u>
Total Income	<u>67,254.59</u>	<u>326,415.00</u>	<u>-259,160.41</u>	<u>20.6%</u>
Gross Profit	67,254.59	326,415.00	-259,160.41	20.6%
Expense				
60400 · Bank Service Charges	150.00	150.00	0.00	100.0%
62100 · Contract Services				
62120 · Outreach Services	1,087.50	4,000.00	-2,912.50	27.19%
62140 · Legal Fees	4,837.50	11,500.00	-6,662.50	42.07%
62150 · Outside Services - Tech Assess	9,750.00	10,000.00	-250.00	97.5%
62160 · Program Services	11,313.75	10,248.00	1,065.75	110.4%
62190 · GSP Preparation	0.00	0.00	0.00	0.0%
62195 · GSP Implementation	24,532.47	63,023.00	-38,490.53	38.93%
Total 62100 · Contract Services	<u>51,521.22</u>	<u>98,771.00</u>	<u>-47,249.78</u>	<u>52.16%</u>
65000 · Operations				
65020 · Postage, Mailing Service	1.50	376.00	-374.50	0.4%
65030 · Printing and Copying	18.52	376.00	-357.48	4.93%
65040 · Supplies	0.00	376.00	-376.00	0.0%
65045 · Outreach Costs	0.00	1,000.00	-1,000.00	0.0%
65050 · Telephone, Telecommunications	0.00	0.00	0.00	0.0%
Total 65000 · Operations	<u>20.02</u>	<u>2,128.00</u>	<u>-2,107.98</u>	<u>0.94%</u>
65100 · Other Types of Expenses				
65120 · Insurance, Liability, D and O	0.00	0.00	0.00	0.0%
65125 · Audit Fees	0.00	6,000.00	-6,000.00	0.0%
65160 · Other Costs	0.00	209.00	-209.00	0.0%
65170 · Contingency	0.00	8,883.00	-8,883.00	0.0%
Total 65100 · Other Types of Expenses	<u>0.00</u>	<u>15,092.00</u>	<u>-15,092.00</u>	<u>0.0%</u>
67000 · Grant Expenditure				
67010 · CA Resilience Challenge Grant	16,064.00	16,000.00	64.00	100.4%
Total 67000 · Grant Expenditure	<u>16,064.00</u>	<u>16,000.00</u>	<u>64.00</u>	<u>100.4%</u>
Total Expense	<u>67,755.24</u>	<u>132,141.00</u>	<u>-64,385.76</u>	<u>51.28%</u>
Net Ordinary Income	<u>-500.65</u>	<u>194,274.00</u>	<u>-194,774.65</u>	<u>-0.26%</u>
Net Income	<u><u>-500.65</u></u>	<u><u>194,274.00</u></u>	<u><u>-194,774.65</u></u>	<u><u>-0.26%</u></u>

South Fork Kings GSA (SFKGSA)
Profit & Loss Budget vs. Actual
July 2020 through June 2021
As of December 31, 2020

AGENDA ITEM 11

	<u>Jul '20 - Jun 21</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
47200 · Program Income				
47220 · Property Tax Assessments	51,190.59	620,828.00	-569,637.41	8.25%
47221 · Property Tax Interest	0.00	0.00	0.00	0.0%
Total 47200 · Program Income	<u>51,190.59</u>	<u>620,828.00</u>	<u>-569,637.41</u>	<u>8.25%</u>
48000 · Grant Revenue				
48010 · CA Resilience Challenge Grant	16,064.00	100,000.00	-83,936.00	16.06%
Total 48000 · Grant Revenue	<u>16,064.00</u>	<u>100,000.00</u>	<u>-83,936.00</u>	<u>16.06%</u>
Total Income	<u>67,254.59</u>	<u>720,828.00</u>	<u>-653,573.41</u>	<u>9.33%</u>
Gross Profit	<u>67,254.59</u>	<u>720,828.00</u>	<u>-653,573.41</u>	<u>9.33%</u>
Expense				
60400 · Bank Service Charges	300.00	600.00	-300.00	50.0%
62100 · Contract Services				
62120 · Outreach Services	4,500.00	16,000.00	-11,500.00	28.13%
62140 · Legal Fees	6,468.75	46,000.00	-39,531.25	14.06%
62150 · Outside Services - Tech Assess	10,674.50	30,000.00	-19,325.50	35.58%
62160 · Program Services	23,756.25	40,990.00	-17,233.75	57.96%
62190 · GSP Preparation	3,079.25	0.00	3,079.25	100.0%
62195 · GSP Implementation	32,909.22	262,092.00	-229,182.78	12.56%
Total 62100 · Contract Services	<u>81,387.97</u>	<u>395,082.00</u>	<u>-313,694.03</u>	<u>20.6%</u>
65000 · Operations				
65020 · Postage, Mailing Service	241.50	1,504.00	-1,262.50	16.06%
65030 · Printing and Copying	29.28	1,504.00	-1,474.72	1.95%
65040 · Supplies	0.00	1,502.00	-1,502.00	0.0%
65045 · Outreach Costs	0.00	4,000.00	-4,000.00	0.0%
65050 · Telephone, Telecommunications	0.00	0.00	0.00	0.0%
Total 65000 · Operations	<u>270.78</u>	<u>8,510.00</u>	<u>-8,239.22</u>	<u>3.18%</u>
65100 · Other Types of Expenses				
65120 · Insurance, Liability, D and O	0.00	2,390.00	-2,390.00	0.0%
65125 · Audit Fees	0.00	6,000.00	-6,000.00	0.0%
65160 · Other Costs	0.00	834.00	-834.00	0.0%
65170 · Contingency	0.00	35,532.00	-35,532.00	0.0%
Total 65100 · Other Types of Expenses	<u>0.00</u>	<u>44,756.00</u>	<u>-44,756.00</u>	<u>0.0%</u>
67000 · Grant Expenditure				
67010 · CA Resilience Challenge Grant	16,064.00	100,000.00	-83,936.00	16.06%
Total 67000 · Grant Expenditure	<u>16,064.00</u>	<u>100,000.00</u>	<u>-83,936.00</u>	<u>16.06%</u>
Total Expense	<u>98,022.75</u>	<u>548,948.00</u>	<u>-450,925.25</u>	<u>17.86%</u>
Net Ordinary Income	<u>-30,768.16</u>	<u>171,880.00</u>	<u>-202,648.16</u>	<u>-17.9%</u>
Net Income	<u><u>-30,768.16</u></u>	<u><u>171,880.00</u></u>	<u><u>-202,648.16</u></u>	<u><u>-17.9%</u></u>

South Fork Kings GSA (SFKGSA)

Check Detail

October through December 2020

AGENDA ITEM 11

	Type	Num	Date	Name	Item	Account	Paid Amount	Original Amount
	Check		10/31/2020			10000 · JPMorgan Chase		-50.00
						60400 · Bank Service Charges	-50.00	50.00
TOTAL							-50.00	50.00
	Check		11/30/2020			10000 · JPMorgan Chase		-50.00
						60400 · Bank Service Charges	-50.00	50.00
TOTAL							-50.00	50.00
	Check		12/31/2020			10000 · JPMorgan Chase		-50.00
						60400 · Bank Service Charges	-50.00	50.00
TOTAL							-50.00	50.00
	Bill Pmt -Check	1104	10/09/2020	KRCD - V		10000 · JPMorgan Chase		-15,865.76
	Bill	4617	09/30/2020			62120 · Outreach Services	-3,412.50	3,412.50
						62160 · Program Services	-12,442.50	12,442.50
						65030 · Printing and Copying	-10.76	10.76
TOTAL							-15,865.76	15,865.76
	Bill Pmt -Check	1105	10/23/2020	Peltzer		10000 · JPMorgan Chase		-2,418.75
	Bill	7201	10/23/2020			62140 · Legal Fees	-2,418.75	2,418.75
TOTAL							-2,418.75	2,418.75
	Bill Pmt -Check	1106	11/20/2020	Peltzer		10000 · JPMorgan Chase		-1,912.50
	Bill	7268	11/20/2020			62140 · Legal Fees	-1,912.50	1,912.50
TOTAL							-1,912.50	1,912.50
	Bill Pmt -Check	1107	12/10/2020	Geosyntec		10000 · JPMorgan Chase		-9,067.75
	Bill	32415190	12/10/2020			62150 · Outside Services - Tech Assess	-965.00	965.00
						62195 · GSP Implementation	-2,370.25	2,370.25
						62195 · GSP Implementation	-5,732.50	5,732.50
TOTAL							-9,067.75	9,067.75
	Bill Pmt -Check	1108	12/18/2020	Peltzer		10000 · JPMorgan Chase		-506.25
	Bill	7315	12/18/2020			62140 · Legal Fees	-506.25	506.25
TOTAL							-506.25	506.25
	Bill Pmt -Check	1109	12/22/2020	Geosyntec		10000 · JPMorgan Chase		-27,419.93
	Bill	32418211	12/22/2020			67010 · CA Resilience Challenge Grant	-11,220.25	11,220.25
	Bill	82417942	12/22/2020			62150 · Outside Services - Tech Assess	-5,829.00	5,829.00
						62195 · GSP Implementation	-10,370.68	10,370.68
TOTAL							-27,419.93	27,419.93
	Bill Pmt -Check	1110	12/31/2020	Geosyntec		10000 · JPMorgan Chase		-13,858.79
	Bill	32421511	12/31/2020			62150 · Outside Services - Tech Assess	-2,206.00	2,206.00
	Bill	32421510	12/31/2020			67010 · CA Resilience Challenge Grant	-4,843.75	4,843.75
	Bill	32421506	12/31/2020			62150 · Outside Services - Tech Assess	-750.00	750.00
						62195 · GSP Implementation	-6,059.04	6,059.04
TOTAL							-13,858.79	13,858.79



December 22, 2020

South Fork Kings Groundwater Sustainability Agency Joint Powers Authority
4886 E. Jensen Ave
Fresno, CA 93725

We have audited the financial statements of the governmental activities of South Fork Kings Groundwater Sustainability Agency Joint Powers Authority for the year ended June 30, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted 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 3, 2020. 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 adopted and used by South Fork Kings Groundwater Sustainability Agency Joint Powers Authority are described in Note 1 to the financial statements. We noted no transactions entered into by South Fork Kings Groundwater Sustainability Agency Joint Powers Authority 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 financial statements was that no allowance for uncollectable receivables was needed.

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 clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

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 December 22, 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 South Fork Kings Groundwater Sustainability Agency Joint Powers Authority’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 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 information and use of the Board of Directors and management of South Fork Kings Groundwater Sustainability Agency Joint Powers Authority and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Cuttone & Mastro CPA’s

**SOUTH FORK KINGS GROUNDWATER
SUSTAINABILITY AGENCY
JOINT POWER AUTHORITY**

FINANCIAL STATEMENTS

June 30, 2020 and 2019

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
South Fork Kings Groundwater Sustainability Agency Joint Power Authority
Lemoore, California

We have audited the accompanying financial statements of South Fork Kings Groundwater Sustainability Agency Joint Power Authority (the Authority) as of and for the years ended June 30, 2020 and 2019, and the related notes to the financial statements, which collectively comprise the Authority'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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls 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 controls. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Authority as of June 30, 2020 and 2019 and the respective changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America, as well as accounting systems prescribed by the State Controller's Office and State regulations governing special districts.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 – 4 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 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.

Cuttone & Mastro

Fresno, California
December 22, 2020

**SOUTH FORK KINGS GROUNDWATER SUSTAINABILITY AGENCY JPA
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2020**

This discussion and analysis of the South Fork Kings Groundwater Sustainability Authority's (the Authority) financial performance provides an overview of the Authority's financial activities as of June 30, 2020. This information is presented in conjunction with the audited financial statements that follow this section.

Financial Highlights

□ The Authority's total assets from Business-type Activities at June 30, 2020, was \$320,298. Assets consist of cash and cash equivalents, fee assessments receivable, interest receivable and an advance to South Fork Kings Groundwater Sustainability Agency. The Authority's cash and cash equivalents balance at June 30, 2020, was \$196,965.

□ Liabilities from Business-type Activities at June 30, 2020, were \$84,969 payable for engineering, legal and administrative costs.

Cash receipts for the year ended June 30, 2020, consisted of fee assessments of \$675,586.

Overview of the Financial Statements

The financial statements presented herein include all of the activities of the Authority using the approach prescribed by the Governmental Accounting Standards Board (GASB).

The Authority's basic financial statements comprise two components: (1) fund financial statements, and (2) notes to the basic financial statements.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority, like other special districts, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Proprietary Funds. The Authority maintains a single enterprise fund. Proprietary funds are reported using the accrual basis of accounting. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements but provide more detail and additional information. The Authority uses an enterprise fund to account for its activities.

Notes to the Basic Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 8 through 10 of this report.

**SOUTH FORK KINGS GROUNDWATER SUSTAINABILITY AGENCY JPA
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2020**

Financial Analysis of the Authority's Fund

Net position may serve over time as a useful indicator of a government's financial position. Total net position of the Authority as of June 30, 2020, was \$235,329.

Total liabilities of the Authority as of June 30, 2020 was \$84,969.

Authority expenses decreased by \$117,512 to \$458,054 for the year ended June 30, 2020 from \$575,566 at June 30, 2019.

Total revenues of the Authority increased by \$251 to \$671,550 for the year ended June 30, 2020 from \$671,299 at June 30, 2019. Total revenues consist of fee assessments and interest. For more details, please see page 6.

Requests for Information

This financial report is designed to provide citizens, taxpayers, customers, investors, and creditors with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the money it receives. If you have any questions about this report or need any additional information, contact the Treasurer of the South Fork Kings Groundwater Sustainability Agency at 4886 E. Jensen Avenue, Fresno, California 93725, or phone (559) 237-5567.

SOUTH FORK KINGS GROUNDWATER SUSTAINABILITY AGENCY JPA

Statements of Net Position

For the Years Ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 196,965	\$ 148,284
Fee assessments receivable	39,528	43,839
Interest receivable	<u>545</u>	<u>270</u>
Total current assets	237,038	192,393
Non-current assets:		
GSP Development Advance	<u>83,260</u>	<u>83,260</u>
Total assets	<u>320,298</u>	<u>275,653</u>
LIABILITIES		
Current liabilities:		
Accounts payable	<u>84,969</u>	<u>81,940</u>
Total liabilities	<u>84,969</u>	<u>81,940</u>
NET POSITION		
Net position:		
Unrestricted	<u>235,329</u>	<u>193,713</u>
Total net position	\$ <u>235,329</u>	\$ <u>193,713</u>

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

SOUTH FORK KINGS GROUNDWATER SUSTAINABILITY AGENCY JPA
Statements of Revenues, Expenses and Change in Net Position
For the Years Ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Revenues:		
Fee assessments	\$ 670,764	\$ 670,700
Interest	<u>786</u>	<u>599</u>
Total Revenues	<u>671,550</u>	<u>671,299</u>
 Operating Expenses:		
Program, Outreach, Regulatory	65,340	61,256
General Administrative and Office	14,449	11,961
Legal Costs	19,912	9,562
Engineering and Consultants	<u>358,353</u>	<u>492,787</u>
Total Expenses	<u>458,054</u>	<u>575,566</u>
 Operating Income	213,496	95,733
 Reimbursement to Members for start-up contributions	<u>171,880</u>	<u>-</u>
 Change in Net Position	41,616	95,733
 Net position, Beginning of year	<u>193,713</u>	<u>97,980</u>
 Net position, End of year	\$ <u>235,329</u>	\$ <u>193,713</u>

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

SOUTH FORK KINGS GROUNDWATER SUSTAINABILITY AGENCY JPA

**Statements of Cash Flows
For the Years Ended June 30, 2020 and 2019**

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:		
Cash received from fee assessments	\$ 675,586	\$ 627,190
Cash paid to suppliers for goods and services	<u>(455,025)</u>	<u>(582,075)</u>
Net cash provided by operating activities	<u>220,561</u>	<u>45,115</u>
Cash flows from noncapital financing activities:		
Cash paid to reimburse Members for start-up contributions	<u>(171,880)</u>	-
Net cash used in financing activities	<u>(171,880)</u>	-
Net increase in cash and cash equivalents	48,681	45,115
Cash and cash equivalents, beginning of year	<u>148,284</u>	<u>103,169</u>
Cash and cash equivalents, end of year	\$ <u>196,965</u>	\$ <u>148,284</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	<u>213,496</u>	<u>95,733</u>
Adjustments to reconcile operating income to net cash provided by operating activities:		
(Increase) Decrease in:		
Fee assessments receivable	4,311	(43,839)
Interest receivable	(275)	(270)
GSP Development Advance	-	(41,630)
Increase (Decrease) in:		
Accounts payable	<u>3,029</u>	<u>35,121</u>
Total adjustments	<u>7,065</u>	<u>(50,618)</u>
Net cash provided by operating activities	\$ <u>220,561</u>	\$ <u>45,115</u>

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

SOUTH FORK KINGS GROUNDWATER SUSTAINABILITY AGENCY JPA

Notes to Financial Statements

June 30, 2020 and 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The South Fork Kings Groundwater Sustainability Agency Joint Powers Authority (the Authority) is a joint powers authority formed in March 2017. The Authority was formed with the purpose and intent of jointly forming a separate entity to fulfill the role of a Groundwater Sustainability Agency (GSA) consisting of the Members, so that the Members may collectively develop, adopt, and implement a Groundwater Sustainability Plan (GSP) for the sustainable management of groundwater for that portion of the Tulare Lake Subbasin underlying the jurisdictional boundaries of the Members, as those boundaries may be amended from time to time. The Authority is to provide for the conjunctive use of groundwater and surface water within its represented groundwater basin to ensure the reliability of a long-term water supply to meet current and future beneficial uses. A Prop 218 election was held on June 21, 2018 and an assessment of not-to-exceed \$9.80 per acre was approved to fund the Authority for the next five years.

Member Agencies – The Joint Powers Agreement was entered into as of March 8, 2017 between the City of Lemoore, Empire West Side Irrigation District, Stratford Irrigation District, Stratford Public Utilities District and the County of Kings.

The more significant accounting policies of the Authority are summarized as follows:

Measurement Focus, Basis of Accounting

The Authority 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.

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 Authority. The primary operations of the Authority are to facilitate compliance with Sustainable Groundwater Management Act (SGMA) by creating a Groundwater Sustainability Plan (GSP), and coordinating with the other five GSA’s to knit the GSP’s together to achieve sustainability goals, i.e. a stable groundwater basin that is not subject to critical overdraft or subject to a number of other results deemed “undesirable”. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the Authority. All other expenses are reported as non-operating expenses.

SOUTH FORK KINGS GROUNDWATER SUSTAINABILITY AGENCY JPA

Notes to Financial Statements

June 30, 2020 and 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Authority considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Net Position

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.

Restricted – This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments.

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

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

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.

Fee Assessments

Fee assessments are recorded on a full accrual basis.

Income Taxes

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

Start-Up Cost Reimbursements

Reimbursements of start-up costs to Member Agencies are recorded when they are paid since the Authority does not have an obligation to reimburse start-up costs. As such, a liability has not been established as of June 30, 2020 for start-up cost reimbursements.

Subsequent Events

Management has evaluated subsequent events through December 22, 2020, the date the financial statements were available to be issued, and has determined that no adjustments are necessary to the amounts reported in the accompanying financial statements.

Through the budget approved for the fiscal year 2021, the South Fork Kings GSA Board approved the reimbursement of start-up contributions to member agencies as well as other agencies that made contributions prior to the formation of the South Fork Kings GSA. The start-up contributions totaled \$343,760, of which 50% or \$171,880 was paid out in February 2020 and the remaining \$171,880 is to be paid out in fiscal year 2021.

SOUTH FORK KINGS GROUNDWATER SUSTAINABILITY AGENCY JPA
Notes to Financial Statements
June 30, 2020 and 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

Subsequent Events (continued)

In May 2020, the South Fork Kings GSA was awarded a \$200,000 grant by the California Resilience Challenge to conduct a feasibility pilot study of Aquifer Storage and Recovery as a method for achieving sustainable groundwater yield in the South Fork Kings GSA area. The South Fork Kings GSA received the first installment of \$100,000 in September 2020, and the second installment of \$100,000 is expected to be received in February 2021.

2. CASH

As of June 30, 2020 and 2019, the carrying amount of the Authority's bank deposits with JPMorgan Chase Bank, N.A. were \$196,965 and \$148,284, respectively. At June 30, 2020 and 2019, the respective bank balances were \$196,965 and \$149,127.

The California Government Code requires California banks and savings and loan associations to collateralize a governmental agencies deposits by pledging government securities. The market value of the pledged securities must equal at least 110 percent of a agencies' deposits. California law also allows financial institutions to collateralize a agencies' deposits by pledging first trust deed mortgage notes having a value of 150 percent of a agencies' total deposits. The agency may waive collateral requirements for deposits on accounts which are fully insured by The Federal Depository Insurance Company (FDIC) up to \$250,000.

The Authority had no amounts uninsured by the FDIC at June 30, 2020 and 2019. The Authority 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.

3. RELATED PARTY TRANSACTIONS

The Kings River Conservation District (the District) maintains the Authority's accounting records and incurs administrative and other expenses on behalf of the Authority. Such expenses reimbursed by the Authority to the District for the years ended June 30, 2020 and 2019 were \$67,434 and \$53,355, respectively. Accounts payable to the District as of June 30, 2020 and 2019 were \$19,443 and \$19,505, respectively.

4. GSP DEVELOPMENT ADVANCES

The Authority developed a Groundwater Sustainability Plan (GSP) with other Agencies in the Tulare Lake Subbasin, and the costs were shared among those Agencies with Mid-Kings River Groundwater Sustainability Agency as the lead Agency. As of June 30, 2020 and 2019, the costs advances paid by the Authority totaled \$83,260 (\$41,630 paid each year in fiscal years 2018 and 2019), and are reported on the statements of net position as GSP Development Advance. The Authority expects to receive reimbursement of all advances when the Mid-Kings River Groundwater Sustainability Agency receives reimbursement of the costs incurred through a grant received from the State of California.