

# FORESTHILL PUBLIC UTILITY DISTRICT

## AGENDA

Regular Business Meeting of the  
FORESTHILL PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS  
Foresthill Elementary School, 24750 Main Street, Foresthill, CA 95631  
[www.foresthillpud.com](http://www.foresthillpud.com)

Wednesday	July 8, 2026	6:00 P.M.
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Any person may access and comment during the meeting by doing the following:

Join Zoom Meeting: <https://us06web.zoom.us/j/82837681166> Meeting ID: 828 3768 1166

**1. OPEN SESSION - CALL TO ORDER 6:00 PM**

**2. PLEDGE OF ALLEGIANCE**

**3. ROLL CALL**

\_\_\_\_\_ President Chase Dowling  
\_\_\_\_\_ Vice President Mark Bell  
\_\_\_\_\_ Treasurer Ron Thompson  
\_\_\_\_\_ Director Roger Pruett  
\_\_\_\_\_ Director Dianne Foster

**4. ADJUSTMENTS TO THE AGENDA WITHIN CATEGORIES**

**5. PUBLIC COMMENT:**

- Members of the public may provide comments to the Board on items that are not on the agenda. We welcome and encourage your comments as the Board takes them into consideration in our deliberations.
- Speakers are limited to a maximum of three minutes.
- The Board may not respond to, discuss, or engage in any type of dialog regarding any public comment; however, the President may direct questions to staff for a later response or future consideration by the Board.
- Appropriate and respectful language and behavior is vital to the functioning of a public meeting. We ask the Board, staff, and members of the public to speak courteously and respectfully. Therefore, the Board prohibits disruptive behavior.

**6. CONSENT AGENDA:** All items listed under the Consent Agenda are routine in nature and may be approved by one motion

- 6.1. Approval of April 8, May 13, and June 10, 2026 Regular Board Meeting minutes
- 6.2. Receive and file combined financial reports for May 2026

**7. OPERATIONS ACTION ITEMS: None**

**8. BOARD MEMBER ACTION ITEMS:**

- 8.1. **Title:** Board to vote to waive privilege for the Best, Best & Krieger law firm memorandum concerning the negotiation and approval of the General Manager employment agreement.
- 8.1.1. **Description:** During the April 2026 Regular Board Meeting, the board voted to retain the Best, Best & Krieger law firm (BB&K) to conduct an independent review of the process surrounding the negotiation and approval of the General Manager employment agreement. BB&K completed their investigation and provided their analysis and conclusions to the board on June 26, 2026. The memorandum is protected by the attorney-client privilege. The board must waive that privilege in order to make the findings and conclusions contained in the memorandum available for public review.
- 8.1.2. **Requested Outcome:** 1.) Publicly vote to waive the attorney-client privilege applicable to the BB&K memorandum; 2.) Vote to authorize release of the memorandum for public review; and 3.) Receive and file the memorandum as part of the District's official records.
- 8.1.3. **Supporting Documentation:** The BB&K memorandum will be made available to the public upon the board's approval of a waiver of the attorney-client privilege.
- 8.1.4. **Submitted by:** Chase Dowling
- 8.2. **Title:** Presentation of the 2025/2026 Placer County Grand Jury Final Report
- 8.2.1. **Description:** The Placer County Civil Grand Jury periodically evaluates local government agencies and issues reports containing findings and recommendations intended to improve government operations, accountability, and effectiveness. The District has received the applicable section of the 2025–2026 Placer County Grand Jury Final Report for review and consideration by the Board of Directors.
- 8.2.2. **Requested Outcome:** 1.) Receive and file the applicable section of the 2025–2026 Placer County Grand Jury Final Report; and 2.) Discuss the report and provide direction regarding the District's response to the findings and recommendations, as appropriate.
- 8.2.3. **Supporting Documentation:** A copy of the applicable section of the 2025–2026 Placer County Grand Jury Final Report is included in the Board packet.
- 8.2.4. **Submitted by:** Chase Dowling
- 8.3. **Title:** Review of the Board's Response to the 2024–2025 Placer County Grand Jury Final Report
- 8.3.1. **Description:** The 2024–2025 Placer County Civil Grand Jury issued its Final Report in June 2025, which included findings and recommendations pertaining to the Foresthill Public Utility District. The Foresthill Public Utility District Board of Directors adopted and submitted its official response to the Grand Jury on August 18, 2025. The Board will review its prior response in conjunction with consideration of the 2025–2026 Grand Jury Final Report.
- 8.3.2. **Requested Outcome:** That the Board review the District's August 18, 2025 response to the 2024–2025 Placer County Civil Grand Jury Final Report and discuss whether any additional action or direction is warranted.
- 8.3.3. **Supporting Documentation:** A copy of the District's August 18, 2025 response to the 2024–2025 Placer County Civil Grand Jury Final Report is included in the Board packet.

8.3.4. **Submitted by:** Chase Dowling

8.4. **Title:** "Director Foster requests the Board hire an in-house Finance Manger as 2025-26 Grand Jury Final Report recommends in R-4."

8.4.1. **Description:** "The Grand Jury states in its report that "The FPUD is exposed to preventable financial risk due to governance failure and inadequate oversight." Specifically Recommendation #4 & #5 explain. "The FPUD should exercise financial oversight ...in alignment with Generally Accepted Accounting Principles (GAAP) as directed by an in-house finance manager..." & "The FPUD should hire an in-house finance manager, as directed in the FPUD Handbook no later than Oct. 30, 2026."

8.4.2. **Recommended Action:** "The Board instruct the staff to post an RFP for an in-house finance manager position (no remote) at the CSDA, Indeed, Placer Job Network, Gold Country Media as well as other suggested area within a week of this meeting."

8.4.3. **Supporting Documentation:** "Attachments provided."

8.4.4. **Submitted by:** Dianne Foster

**9. BOARD MEMBER POLICY ACTION ITEMS: None**

**10. DISCUSSION ITEMS: None**

**11. FUTURE AGENDA ITEMS -** Future agenda items are to help the General Manager and Board President craft the next month's agenda. Unless otherwise voted upon, the future agenda will comprise of no more than one new board member action item and no more than one new policy action item. Now is the time to discuss which items the board would like to see first to help prioritize efficiency.

11.1. **FUTURE BOARD MEMBER ACTION ITEMS - None**

11.2. **FUTURE POLICY ACTION ITEMS - None**

11.3. **FUTURE DISCUSSION ITEMS - None**

**12. GENERAL MANAGER'S REPORT**

**13. DIRECTORS' ITEMS/INFORMATION ONLY**

**14. CLOSED SESSION -**

14.1. Conference with real property negotiators (Gov't Code Section 54956.8).  
Property: Up to 2,000 acre feet of stored Sugar Pine Reservoir water; District Negotiators: Chase Dowling and Henry N. White; Negotiating Parties: Prospective water users in the American River Basin, Central Valley or elsewhere in the federal Central Valley Project or State Water Project service areas, including but not limited to; U.S. Bureau of Reclamation, City of Folsom, City of Sacramento, Carmichael Water District, San Juan Water District, Sacramento Suburban Water District, San Luis and Delta-Mendota Water Authority and member agencies (e.g. Westlands Water District), State Water Contractors and member agencies (e.g. Santa Clara Valley Water District); Under Negotiation: Price and terms of payment for the sale of surplus stored water from Sugar Pine Reservoir.

**15. REPORT OUT OF CLOSED SESSION -**

## 16. ADJOURNMENT

In accordance with Government Code Section 54954.2(a) this notice and agenda were posted in the district's front window at the Foresthill Public Utility District office, 24540 Main Street, Foresthill, CA 95631 on or before 4:30 PM., July 1, 2026.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the General Manager at (530)367-2511. Notification 48 hours prior to the meeting will enable the district to make reasonable arrangements to ensure accessibility to this meeting.

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Henry N. White, General Manager

# FORESTHILL PUBLIC UTILITY DISTRICT MINUTES

Item 6.1

## Regular Business Meeting of the FORESTHILL PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS

Foresthill Elementary School, 24750 Main Street, Foresthill, CA 95631

[www.foresthillpud.com](http://www.foresthillpud.com)

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Wednesday April 8, 2026 6:00 P.M.

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Any person may access and comment during the meeting by doing the following:

Join Zoom Meeting: <https://us06web.zoom.us/j/82837681166> Meeting ID: 828 3768 1166

1. CALL TO ORDER: 6 P.M. by President Dowling

### 2. ROLL CALL

_____	President Chase Dowling	Present
_____	Vice President Mark Bell	Present
_____	Treasurer Ron Thompson	Present
_____	Director Roger Pruet	Present
_____	Director Dianne Foster	Present

*General Manager White was in attendance. Attorney Eric Robinson in attendance.*

3. PLEDGE OF ALLEGIANCE *President Dowling led the Pledge of Allegiance.*

### 4. ADJUSTMENTS TO THE AGENDA WITHIN CATEGORIES:

*Director Foster request to comment: She questioned why her agenda items were left off the agenda. President Dowling suggested we wait until #13 on the agenda under DIRECTORS ITEMS/INFORMATIONAL ONLY. Director Foster would like to state board policy #5025 is convoluted. She interprets the policy as not having the ability to place something on the current agenda and pushing it to the following month, and she objects. Chase stated the Board Policies are a living document and can be addressed and changed.*

### 5. PUBLIC COMMENT:

- Members of the public may provide comments to the Board on items that are not on the agenda. We welcome and encourage your comments as the Board takes them into consideration in our deliberations.
- Speakers are limited to a maximum of three minutes.
- The Board may not respond to, discuss, or engage in any type of dialog regarding any public comment; however, the President may direct questions to staff for a later response or future consideration by the Board.

- Appropriate and respectful language and behavior is vital to the functioning of a public meeting. We ask the Board, staff, and members of the public to speak courteously and respectfully. Therefore, the Board prohibits disruptive behavior.

*Public Comment: None given*

**6. CONSENT AGENDA:** All items listed under the Consent Agenda are routine in nature and may be approved in one motion:

- 6.1 Approval of March 11, 2026, Regular Board Meeting minute.
- 6.2 Receive and file combined financial reports for February 2026.

Board Action: Vice President Bell made a motion to approve the agenda. The motion was seconded by Director Roger Pruett. The motion passed unanimously (5-0).

## **7. OPERATIONS ACTION ITEMS:**

7.1. Approve Resolution 2026-02 – Declaring an election be held in Foresthill Public Utility District’s jurisdiction, requesting the Board of Supervisors to consolidate this election with any other elections conducted on said date, and requesting election services by the County Clerk.

Recommended Action: Approve Resolution 2026-02.

*Discussion: GM White stated there’s an election coming up in November. Placer County has offered to add us to their ballots. The district has always consolidated their elections with the County. They require some documents and it would cost \$5-\$6,000.*

*Public Comment: None given.*

Board Action: V.P. Bell made a motion to approve Resolution 2026-02. Director Pruitt seconded the motion. The motion passed unanimously (5-0).

7.2. Local Agency Formation Commission Special District Board Member ballot.

Recommended Action: Cast ballot for one candidate and direct President to sign and submit.

*Discussion: GM White explained that LAFCO is seeking members for their commission. The Board has the option to nominate one candidate. Judy Friedman is already on the Board and works for the Tahoe Public Utility District. The other option is not to vote.*

*Public Comment: None Given.*

Board Action: V.P. Bell made a motion to cast a ballot for Judy Freidman. President Dowling seconded the motion. The motion passed unanimously (5-0).

## 8. BOARD MEMBER ACTIONS ITEMS:

8.1. Submitted by Chase Dowling.

8.1.1 Category: Board member action item.

8.1.2 Title: Consider Selection of Independent Legal Counsel for Review of General Manager 2024 Employment Agreement Process.

8.1.3 A three to five sentence description: Pursuant to prior Board direction, the ad hoc committee has identified and evaluated qualified independent legal counsel to perform a process-based assessment of the negotiation and implementation of the General Manager's 2014 employment agreement. The committee will present its recommendations for Board consideration, including proposed scope of work and cost.

8.1.4 Requested outcome: Approve selection of independent legal counsel, authorize execution of an agreement for services, and approve a non-to-exceed amount for the engagement.

8.1.5 Supporting documentation: Enclosed.

*Discussion: Director Foster liked Attorney Kyler Rayden. He has a background in open government ethics among other areas of expertise. Chase thought Attorney's Gary Bell or Colantuono from Highsmith & Whatley were also very qualified. Director Pruett felt the assessment a waste of time.*

*Public Comment: Patty Wade asked the cost of the assessment, and herself, as well as others think it a waste of time.*

Board Action: Director Foster made a motion to hire Attorney Kyler Rayden from BBK to provide an assessment on legitimacy of negotiation committee and to interpret AB 2449 & CA code #5490 for an assessment regarding the GM's contract. Second my President Dowling. Motion carries (3-2) with Directors Pruett and Bell voting no.

Board Action: President Dowling made a motion to have Director Foster contact legal counsel Kyler Rayden to notify him the Board has requested his services and to write up a contract for the Board to go over at next general meeting. Treasurer Thompson second the motion. *Motion* passed (3-2) with Directors Pruett and V.P. Bell voting no.

Board Action: President Dowling made a motion "for the Board to approve the scope of work for independent legal counsel conduct a process-based assessment of the negotiation of the GM's 2024 employment agreement. The scope shall include evaluation of whether the process followed and were consistent with the applicable law, including the Ralph M. Brown Act, State Code 54950-54963, AB 2302 & 2449, District policies, and accepted public agency government practices, and to provide recommendations for future compliance, transparency. Independent counsel is authorized to request information from individuals, staff and counsel as needed to complete this assessment. All communications and materials provided to counsel shall be documented and preserved as part of an official record of the engagement. Directors shall limit communication with counsel to factual information and documentation relevant to the scope of work and shall not engage in deliberation outside of the duly noticed

public meeting consistent with the Brown Act.” Director Foster seconded the motion, *Motion* passed (3-2) with Directors Pruett and V.P. Bell voting no.

Board Action: President Dowling made a motion for review by independent counsel not to exceed \$5,000. Director Foster seconded the motion. Motion carries (3-2) with Directors Pruett and Bell voting no.

Board Action: President Dowling make a motion for Director Foster to contact Attorney Rayden to notify him the Board has requested his services and to write up a contract the Board can see at the next Board meeting. Seconded by Treasurer Thompson. *Motion* passed (3-2) with Directors Pruett and V.P. Bell voting no.

8.2. Submitted by Dianne Foster

8.2.1 Category: Not Provided

8.2.2 Title: Not Provided

8.2.3 A three to five sentence description: Hire an in-house Finance Manager – FPUD has been without an in-house Finance Manager for three years this April. Board Policies 2300 and 2305 was written specifically to apply for a finance manager who is physically working in the office. The current remote finance company charges nearly \$100,000 more than an in-house contracted manager would cost per year. The Board must continue posting the position as long as it takes to hire a qualified person to fill the Finance Manager position.

8.2.4 Requested Outcome: I am requesting the Board vote to continue posting an RF for an in-house finance manager position at the CSDA, Indeed, Placer Job Network, Gold Country Media as well as other suggested areas.

8.2.5. Supporting documentation: Not Provided.

Recommended Action: Publish a RFP (aka Request For Proposal) in search of a new Attorney firm to represent the FPUD.

Supporting documentation: Attached.

*Discussion: Director Foster feels there is a need for an in-house accountant. If her proposal doesn't pass, she will propose a reduction in ratepayers bills, if there is a perception that the FPUD is so wealthy. Board policies (i.e. Finance Manager job description) infer there should be an in-house finance manager. LSL is not a finance manager. LSL takes twice as long to manage FPUD finances than did our part time Finance Manager Roger Carroll (CPA). Kelly Teleford, representing LSL, admits that her company does not verify charges internally. Kelly also admits the auditing firm only does random checks on the internal process. Dianne states currently a clerk with no financial background manages some of the FPUD finances.*

*Director Pruett and V.P. Bell suggest we stay with the firm. And V.P Bell sees no benefits in having an in-house finance manager.*

*V.P. Bell -- states LSL has proved themselves. He disagrees that our Board Policies support the position that an in-house Finance Manager is a requirement to the FPUD. He provided a chart describing LSL's costs per month, and states yearly costs are reduced. He sees no advantage to an in-house finance manager. He has had no problem receiving financial data he requests and has received it in one day.*

Treasurer Thompson sees value in having an in-house accountant. He says the accountant LSL can't verify anything. They can only verify what is given to them. He has seen only a couple of bank statements in the 3 years he has been here. He has requested credit card statements and bank statements and has received them very small and hard to read. These things lead to not being forthcoming. He believes we need an in-house finance manager. Lori Stringer was qualified, and let's hire her and give 6 months to try her out—give her a chance.

President Dowling-- There are sequences of events that must happen before invoices or anything are paid. There are multiple steps in verification. We can go to the office and overlook checks and other finances.

General Manager White-- An Audit is done every year. They look at everything we process. Based on audit information, it shows our system is solid, it's working. Independent audit says we are doing great; books are great and they have no suggestions.

Public Comment: Patty Wade wants to know the background on the statement made by Ron "money is flowing out of this place!" She believes the public utility is a good company and any figures anybody needs to know can come in the office and look at. She supports LSL CPA for Finance Manager.

Public Comment from Owl: Sue Kiesling would like to remind everyone that you have to abide by GAAP rules and rules of separation. LSL goes by information Hank gives them. Hank has a degree in Agriculture. Hank is in charge of vendors, paying them, approving credit cards, signing of coding. We need a Finance Manager...who is educated in these things. LSL and auditor have a disclaimer for working off information Hank gives them. Everything is under control of one person...danger to have one sole person in charge of absolutely everything – going against GAAP...

**Board Action:** V.P. Bell made a motion to suspend all further discussion by Board of Directors for hiring a finance manager for the next three years. Seconded by Director Pruett. Motion failed (3-2) with Directors Dowling, Foster and Thompson voting no.

**Board Action:** President Dowling made a motion to suspend all further discussion of hiring finance manager by Board of Directors for next 6 months. V.P Bell seconded the motion. Motion passed (3-2) with Treasurer Thompson and Director Foster voting no.

## 9. BOARD MEMBER POLICY ACTIONS ITEMS:

9.1 Consider revised job description for the Treatment Plant/Distribution Operator III position.

Recommended action: Approve revised job description.

Discussion: Director Foster asks how many treatment operators are employed now? GM responded 4.

Public Comment: None Given.

Board Action: V.P. Bell made a motion to approve the revised job description for Operator III. President Dowling seconded the motion. The motion passed unanimously (5-0).

## 10: DISCUSSION ITEMS: NONE.

**11.1 FUTURE AGENDA ITEMS** – Future agenda items are to help the General Manager and Board President craft the next month’s agenda. Unless otherwise voted upon, the future agenda will comprise of no more than one new board member action item and no more than one new policy action item. Now is the time to discuss which items the board would like to see first to help prioritize efficiency.

11.1.1 Submitted by: Dianne Foster

11.1.1.1 Category: Future Board Member Action Items

11.1.1.2 Title: Not provided

11.1.1.3 A three to five sentence description: The Board Explore hiring another Attorney Firm. The time has come to consider hiring a different Attorney firm to represent the FPUD. The current firm has been the FPUD counsel for approximately 15 years. During this time, there have been some costly decisions made which was against the financial well-being of the FPUD and the ratepayers. The District would benefit in seeking another attorney firm with a new and fresh perspective on legal matters and advice.

11.1.1.4 Requested outcome: I am requesting that the Board vote to initiate an RFP to replace the current firm with a new Attorney firm.

11.1.1.5 Supporting documentation: Not provided

Board Action: President Dowling motioned to move to next month’s agenda. Director Foster seconded the motion. The motion passed (3-2) with Directors Pruettt and Bell voting no.

## 11.2 FUTURE POLICY ACTION ITEMS: None

## 11.3 FUTURE DISCUSSION ITEMS: None

## 12. GENERAL MANAGERS REPORT:

GM White gave a report on 1) Safety meeting update, 2) SCADA update, 3) Vehicle #7 back into service, 4) Finance Manager Report – Feb. 2026 (LSL, CPA ). Details can be found in the April Agenda packet found at website.

Director Foster asked if SCADA phase 6 has been implemented? GM reported, “we pay as work is completed.”

Director Foster asked if we have bought a generator? GM reported, “yes, in Dec. 2025”

Director Foster asked who is installing the generator? GM reported, “Bids will go out in next 6 months. Advertised in Sacramento Builders Exchange. We select lowest responsible bid. Board authorized \$140,000 to purchase generator.”

## 13. DIRECTOR’S ITEMS/INFORMATION ONLY

THE MEETING MET ITS 2 HOUR LIMIT, AND PRESIDENT DOWLING MADE A MOTION TO CONTINUE THE MEETING WITH A 5 MINUTE RECESS. SECONDED BY V.P. BELL AND MOTION PASSED UNANIMOUSLY (5-0).

DIRECTOR THOMPSON LEFT THE MEETING OVER PROTEST THAT A VOTE WAS TAKEN TO ACCEPT OR REMOVE DIRECTOR FOSTER'S 'FUTURE AGENDA' ITEM TO BE HEARD IN MAY BOARD MEETING.

#### 14. CLOSED SESSION

Conference with real property negotiators (Gov't Code Section 54956.8). Property: Up to 2,000 acre feet of stored Sugar Pine Reservoir water; District Negotiators: Chase Dowling and Henry N. White; Negotiating Parties: Prospective water users in the American River Basin, Central Valley or elsewhere in the federal Central Valley Project or State Water Project service areas, including but not limited to; U.S. Bureau of Reclamation, City of Folsom, City of Sacramento Suburban Water District, San Luis and Delta-Mendota Water Authority and member agencies (e.g. Westlands Water District), State Water Contractors and member agencies (e.g. Santa Clara Valley Water District); Under Negotiation: Price and terms of payment for the sale of surplus stored water from Sugar Pine Reservoir.

**15. REPORT OUT OF CLOSED SESSION** – Attorney Eric Robinson reporting out of closed session.

Board Action: The board has decided to let negotiators pursue the transfer of 2000 acre-feet of water on 2026.

Public Comment: None Given.

**16. ADJOURNMENT: Motion to adjourn by President Chase Dowling at 8:47 p.m.**

In accordance with Government Code Section 54954.2(a) this notice and agenda were posted in the district front window at the Foresthill Public Utility District office, 24540 Main Street, Foresthill, CA 95631 on or before 4:30 PM, April 2, 2026.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the General Manager at (530) 367-2511. Notification 48 hours prior to the meeting will enable the district to make reasonable arrangements to insure accessibility to the meeting.

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Minutes submitted by Board Secretary Sally Hicks

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Henry N. White, General Manager

Board President Chase Dowling

# FORESTHILL PUBLIC UTILITY DISTRICT MINUTES

Item 6.1

## Regular Business Meeting of the FORESTHILL PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS

Foresthill Elementary School, 24750 Main Street, Foresthill, CA 95631

[www.foresthillpud.com](http://www.foresthillpud.com)

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Wednesday May 13, 2026 6:00 P.M.

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Join Zoom Meeting: <https://us06web.zoom.us/j/82837681166> Meeting ID: 828 3768 1166

1. CALL TO ORDER: 6 P.M. by President Dowling

### 2. ROLL CALL

_____	President Chase Dowling	Present
_____	Vice President Mark Bell	Present
_____	Treasurer Ron Thompson	Present
_____	Director Roger Pruett	Present
_____	Director Dianne Foster	Present

*General Manager White was in attendance.*

3. PLEDGE OF ALLEGIANCE *President Dowling led the Pledge of Allegiance.*

### 4. PUBLIC COMMENT:

- Members of the public may provide comments to the Board on items that are not on the agenda. We welcome and encourage your comments as the Board takes them into consideration in our deliberations.
- Speakers are limited to a maximum of three minutes.
- The Board may not respond to, discuss, or engage in any type of dialog regarding any public comment; however, the President may direct questions to staff for a later response or future consideration by the Board.
- Appropriate and respectful language and behavior is vital to the functioning of a public meeting. We ask the Board, staff, and members of the public to speak courteously and respectfully. Therefore, the Board prohibits disruptive behavior.

*Public Comment: None given*

5. CONSENT AGENDA: All items listed under the Consent Agenda are routine in nature and may be approved in one motion:

1. Approval of Agenda.

2. Approval of April 8, 2026, Regular Board Meeting minute.
3. Receive and file combined financial reports for March 2026.

Board Action: Minutes were pulled until next meeting when corrections can be made. "Agenda" should be changed to "Minutes." President Dowling made a motion to approve without minutes. Mark Bell second motion. Passed unanimously (5-0).

## 6. OPERATIONS ACTION ITEMS:

1. Consideration of Resolution Authorizing Submission of Assessment District No. 2 Charges to Placer County for Collection on the 2026/27 Property Tax Rolls.

Recommended Action: Adopt the attached resolution authorizing the placement of Assessment District No. 2 charges on the 2026/27 Placer County property tax rolls and authorize the General Manager to submit all required documentation to Placer County for collection.

Discussion: *The District approved a \$46 annual charge on property tax which went into affect in 1997 to fund water system improvements via a 30-year loan.*

Public Comment: *None given.*

Board Action: President Dowling made a motion to authorize the GM to submit the required documentation to Placer County for inclusion of Assessment District No. 2 charges in the 2026/27 tax rolls. Director Pruett second the motion. The motion passed unanimously (5-0).

2. Consideration of Resolution Authorizing Submission of Delinquency Utility Accounts to Placer County for Collection on the 2026/27 Property Rolls.

Recommended Action: Adopt the attached resolution authorizing the placement of delinquent utility account charges on the 2026/27 Placer County property tax rolls and authorize the General Manager to submit all required documentation to Placer County for collection.

Discussion: *Currently there are 182 delinquent accounts totaling \$172,851, an 8% increase from last year. Accounts must be over 90 days delinquent; customers receive 12 notices and a final warning before being placed on the tax roll. Director Foster had concerns over placing these liens without knowing individual circumstances.*

Public Comment: *None Given.*

Board Action: Director Bell made a motion to adopt the attached resolution authorizing 2026/27 property tax of delinquent accounts. Director Pruett second the motion. The motion carried (4-1) with Director Foster voting no.

3. Adopt CEQA Categorical Exemption for Generator Replacement Project (Water Treatment Plant and Pumping Plant)

Recommended Action: Adopt categorical exemption.

*Discussion:* GM White wants to request the State accept an exemption regarding CEQA (California Environmental Quality Act) when replacing a generator at the water treatment plant. The project qualifies for exemption (Class 1 and 2) as it is an in-kind replacement in an already developed industrial area. The exemption protects the district if challenged on environmental compliance.

Public comment: None given.

Board Action: A motion was adopted to approve a CEQA categorical exemption for replacing a generator at the water treatment plant. The motion passed unanimously (5-0).

4. Adopt Plans and Specifications for Generator Replacement Project and authorize staff to proceed with Public Bidding.

Recommended Action: Adopt plans and specifications and authorize public bidding.

*Discussion:* The 275 kW generator was purchased from Cummins via Peters Engineering for \$132,788, plus \$4,300 for ATS; a \$140,000 payment was confirmed. Peters Engineering Inc. conducted a feasibility study (\$3,500) and prepared plans/specs (14,000). The bid process will follow California public works law (not RFP); advertising will occur via Sacramento Builders Exchange and a newspaper of general circulation. Peters Engineering will assist in bid review, but will not manage the process. Concerns were raised about whether or not the generator was new or rebuilt. GM White confirmed it is a newly built generator.

Public Comment: None Given.

Board Action: President Dowling made a motion to approve Generator Replacement Project –Adoption of Plans and Specifications and authorize to proceed with public bid. Director Foster second the motion. The motion passed unanimously (5-0).

5. Approval of Conflict Waiver for potential 2026 Foresthill Public Utility District water transfer to Westlands Water District.

Recommended Action: Approve Conflict Waiver and authorize General Manager to sign the waiver letter.

*Discussion:* GM White recommends approval of conflict waiver for Attorney Eric Robinson, whose firm (KRONIC) represents Westlands Water District, to legally represent Foresthill PUD in a potential water sale of up to 2,000 acre-feet. Attorney Robinson clarified that he will represent only Foresthill, not Westlands. Past waivers were referenced (most recent from 2024).

Public Comment: None Given.

Board Action: Vice President Mark Bell made a motion to approve a conflict waiver for potential 2026 FPUD water transfer to Westlands Water District. President Chase second the motion. The motion passed (3-2) with Director's Foster and Thompson voting no.

## 7. BOARD MEMBER ACTIONS ITEMS:

1. Title: "Board approval of Attorney Kyler Rayden's employment contract to perform an assessment of the GM's contract."

At April's board meeting the board decided to use BBK as special council for the Review process surrounding the negotiation and approval of the GM's contract in 2024. The Board also decided to bring back the contract from BBK for approval. This is the Contract." (Submitted by Chase Dowling).

"The Board is divided as to the existence of a "negotiation team" appointed in 2024 to bargain the GM's five-year contract. They are divided on the legitimacy of one Board member voting via zoom on the contract while on vacation based as defined Gov. Code 54953 & AB 2449. Therefore, there is a need for outside counsel to restore the conflict." (Submitted by Dianne Foster.)

Recommended Action: Approve BBK Contract.

Supporting documentation: Contract with BBK in packet.

*Discussion: Discussion on limiting the assessment to no more than \$5,000, defining the scope of work, and conflict waiver. It was agreed that the contract should be amended with 1) the assessment not to exceed the \$5,000 limit, and with 2) (the language in the April minutes) --"The scope shall include evaluation of whether the process followed and were consistent with the applicable law, including the Ralph M. Brown Act, 54950-54963, AB 2302 and AB 2449, District policies, and accepted public agency governance practices, and to provide recommendations for future compliance transparency.*

*Director Foster pointed out that "...to provide recommendations for future compliance transparency." was never discussed or approved in April meeting, and should be deleted in motion. She also emphasized the need for all people interviewed as part of the assessment to be concise in their responses so not to extend the billing hours.*

Public Comment: None given.

Board Action: President Dowling made a motion to amend the contract with independent counsel not to exceed \$5,000 and to limit the scope of evaluation to whether the process followed was consistent with the applicable law, including the Ralph M. Brown Act, 54950-54963, AB 2302 and AB 2449, District policies, and accepted public agency governance practices and delete "provide recommendations for future compliance transparency." Director Dianne Foster seconded the motion. Motion carries (3-2) with Directors Pruett and Bell voting no.

President Dowling made a motion that he be appointed to negotiate with BBK, and sign a contract once amended to include scope of work approved at April 8, 2026 Board Meeting minus quote for further “transparency and compliance”, and not to exceed five thousand dollars. Director Bell second the motion. Motion passed (3-2) with Directors Pruett and Bell voting no.

2. Title: The Board explore hiring another Attorney Firm.

The time has come to consider hiring a different Attorney firm to represent the FPUD. The current firm has been the FPUD counsel for approximately 15 years. During this time, there has been costly decisions made which was against the financial well-being of the FPUD and the ratepayers. The District would benefit in seeking another attorney firm with a new and fresh perspective on legal matters and advice.

Recommended Action: Publish a RFP (aka Request For Proposal) in search of a new Attorney firm to represent the FPUD.

Supporting documentation: Attached.

Discussion: *Director Foster sited several reasons why she supported hiring a new Attorney firm to represent the FPUD which included the expensive six-year, half a million dollar lawsuit with Miners Camp, and over a million dollars cost to support a 49 year extension to raise Sugar Pine dam all under the leadership of the current legal firm. Although billing cost were kept at a minimum, the extensive billing hours made up for the lower rates at an advantage to the firm. Director Bell provided an extensive rebuttal, siting a new firm would need to bill us more to be familiar with the FPUD operation, and he providing details on the Miners Camp costs.*

Public Comment: None Given.

Board Action:

Director Bell motioned to confirm the current attorney firm (KRONIC) for the next two years, citing their strong financial performance. Director Pruett seconded it. Motion failed (3-2) with Directors Bell and Pruett voting yes.

Director Foster proposed issuing a Request For Proposal (RFP) to find a new attorney firm, but later withdrew the motion, agreeing to delay any decision until BBK completes an assessment of the current legal representation.

President Dowling made a motion to not see this agenda item for new legal counsel for at least four months or until the BBK assessment is complete. V.P. Bell second the motion. *Motion* passed (3-2) with Directors Foster and Thompson voting no.

**8. BOARD MEMBER POLICY ACTION ITEMS:**

1. Consider revised job description for the Treatment Plant/Distribution Operator IV position.

Recommended Action: Approve revised job description.

Discussion: GM White presented a revised job description for the Treatment Plan Distribution Operator IV position. The rewrite was done from scratch to improve clarity and reflect operational needs, moving closer to a journey-level operator role. The previous version was criticized as overly wordy. Four operators are now employed at the treatment plant. The newest hire is classified as an Operator II and is described as extremely skilled. A new full-time Customer Service Representative (position II) has been hired.

Public Comment: None Given.

Board Action: President Dowling made a motion to approve revision of Operator 4 position. The motion passed unanimously (5-0).

2. Title: Revise Policy #5025. I am submitting Revisions to Policy 5025 because after a few months of its implementation I have found that it needs some adjustment for better understanding and work flow. I am submitting revisions to 5025.22, 5025.23, 5025.24.1, 5025.24.2, 5025.25.

Recommended Action: Approve revisions.

Supporting documentation: A copy of the existing Policy 5025 and the proposed revisions in ~~strikeout~~.

Submitted by Chase Dowling.

Discussion: Key changes include limiting agenda items to two per category (previously three) to prevent overload. It is suggested that future revisions include clear labels such as Strike-through version to improve transparency. Restrict 2 hour limit on meetings unless a vote of the Board to continue with 5 minute break. Director's Thompson and Foster oppose Policy 5025 entirely, arguing it censors board members by restricting their agenda items thereby slowing progress and undermining fiduciary responsibilities.

Public Comment: None Given.

Board Action: President Dowling made a motion to approve revised agenda with edits to 5025.6.1 striking clean version of submittal requirements for policy action items. Correct 5025 4.1 (1A max of 3—should be 2). Director Pruett second the motion. Motion carried (4-0), with Director Foster abstaining.

**9. DISCUSSION ITEMS:** None.

**10. FUTURE AGENDA ITEMS** – Future agenda items are to help the General Manager and Board President craft the next month's agenda. Unless otherwise voted upon, the future agenda will comprise of no more than one new board member action item and no more than

one new policy action item. Now is the time to discuss which items the board would like to see first to help prioritize efficiency.

**1. FUTURE BOARD MEMBER ACTIONS ITEMS -- None.**

**2. FUTURE POLICY ACTION ITEMS – None.**

**3. FUTURE DISCUSSION ITEMS – None.**

## **11. GENERAL MANAGER REPORT**

GM White gave a report on 1) Safety meeting update, 2) 2025 Consumer Confidence Report (CCR) – reliability of District drinking water supply, and 3) Finance Manager Report to be found in the June Agenda Packet.

Questions arise about the status of SCADA Program Phase 6. GM White clarifies that Phase 6 —related to the pump house—is complete and operational, despite earlier uncertainty expressed in a memo by Nathan Longly, who had questioned whether the implementation should wait for a new generator. GM confirms no connection between Phase 6 and the generator.

Public Comment: Sue Kiesling had a concern that the OWL video recorder was not working properly as it failed to focus on each Director when they spoke. She suggested an adjustment.

## **12. DIRECTOR ITEMS/INFORMATION ONLY**

Director Bell presented a year-long financial analysis of accounting services, show costs consistently below 100D annually and account hours generally below the historical benchmark.

Director Foster made a complaint that at the April Board meeting a vote was taken to cancel her future agenda item with two Board members voting to cancel. President Dowling admitted this was a mistake, and assured it will not happen again, clarifying that the B.P. 5025 does not authorize such suppression.

## **13. CLOSED SESSION**

Conference with real property negotiators (Gov't Code Section 54956.8). Property: Up to 2,000 acre feet of stored Sugar Pine Reservoir water; District Negotiators: Chase Dowling and Henry N. White; Negotiating Parties: Prospective water users in the American River Basin, Central Valley or elsewhere in the federal Central Valley Project or State Water Project service areas, including but not limited to; U.S. Bureau of Reclamation, City of Folsom, City of

Sacramento Suburban Water District, San Luis and Delta-Mendota Water Authority and member agencies (e.g. Westlands Water District), State Water Contractors and member agencies (e.g. Santa Clara Valley Water District); Under Negotiation: Price and terms of payment for the sale of surplus stored water from Sugar Pine Reservoir.

**14. REPORT OUT OF CLOSED SESSION** – Attorney Eric Robinson reporting out of closed session.

The meeting concludes with a motion to enter closed session under Government Code Section 54956.8 to discuss negotiations over the sale of up to 2,000 acre-feet of stored water from Sugar Pine Reservoir. Negotiations include President Chase Dowling and GM White, with multiple water agencies involved. The discussion covers price and payment terms. Recording is stopped.

**15. ADJOURNMENT: Motion to adjourn by President Chase Dowling at 9:30 p.m.**

In accordance with Government Code Section 54954.2(a) this notice and agenda were posted in the district front window at the Foresthill Public Utility District office, 24540 Main Street, Foresthill, CA 95631 on or before 4:30 PM, Date

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Minutes submitted by Board Secretary Sally Hicks

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Henry N. White, General Manager

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Board President Chase Dowling

# FORESTHILL PUBLIC UTILITY DISTRICT

## Minutes

Item 6.1

Regular Business Meeting of the  
**FORESTHILL PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS**  
Foresthill Elementary School, 24750 Main Street, Foresthill, CA 95631  
[www.foresthillpud.com](http://www.foresthillpud.com)

Wednesday	June 10, 2026	6:00 P.M.
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Any person may access and comment during the meeting by doing the following:

Join Zoom Meeting: <https://us06web.zoom.us/j/82837681166> Meeting ID: 828 3768 1166

1. **OPEN SESSION - CALL TO ORDER 6:05 PM**

2. **PLEDGE OF ALLEGIANCE-** Led by Chase Dowling

3. **ROLL CALL**

Present President Chase Dowling

Present Vice President Mark Bell

Present Treasurer Ron Thompson

Present Director Roger Pruett

Present Director Dianne Foster

4. **ADJUSTMENTS TO THE AGENDA WITHIN CATEGORIES**

5. **PUBLIC COMMENT:**

- Members of the public may provide comments to the Board on items that are not on the agenda. We welcome and encourage your comments as the Board takes them into consideration in our deliberations.
- Speakers are limited to a maximum of three minutes.
- The Board may not respond to, discuss, or engage in any type of dialog regarding any public comment; however, the President may direct questions to staff for a later response or future consideration by the Board.
- Appropriate and respectful language and behavior is vital to the functioning of a public meeting. We ask the Board, staff, and members of the public to speak courteously and respectfully. Therefore, the Board prohibits disruptive behavior.

No Public Comment

6. **CONSENT AGENDA:** All items listed under the Consent Agenda are routine in nature and may be approved by one motion

6.1. Approval of April 8, 2026, and May 13, 2026, Regular Board Meeting minutes

Mark Bell commented on April 8, 2026 none of his comments have been made. Board actions and names need to be corrected. May 13, 2026 doesn't like short comments & 5 or more mis quotes. Dianne re-did May 13, 2026 and put it in the correct format.

Concerns about the format of the minutes. They were changed to numbers instead of letters.

Policy 5025 states to use numbers instead of letter.

Mark motioned to put off approval of minutes to provide comments and suggestions to Sally and bring back for approval at the next board meeting or advance.

Chase second the motion.

Motion carries 5-0

## 6.2. Receive and file combined financial reports for April 2026

Chase Dowling made a motion to receive and file financial reports for April 2026.

Mark Bell second motion.

Motion carries 5-0

## **7. OPERATIONS ACTION ITEMS:**

### 7.1. Adoption of California Environmental Quality Act (CEQA) Notice of Exemption for Temporary Water Transfer

Recommended action: Staff recommends the Board adopt the attached CEQA Notice of Exemption for the temporary transfer of up to 2,000 acre-feet (AF) of stored water from Sugar Pine Reservoir to Central Valley Project (CVP) and/or State Water Project (SWP) contractors located south of the Sacramento-San Joaquin Delta pursuant to CCR Section 15282(u) and California Water Code Section 1729.

Public Comment: no comment

Per Hank the district has been investigating and pursuing the sale of 2000 acre feet of water. CEQA (notice of exemption) is required for this sale. Documents have been prepared and will be filed at the Office of Planning and Research and each county at the clerk's office. Counties include: El Dorado, Kings, Alameda, Santa Clara, San Joaquin, Fresno, Kern, Merced and Stanislaus.

Paperwork is necessary to complete CEQA process.

Chase motion to approve CEQA- Notice of Exemption for temporary water transfer.

Dianne second the motion.

Passed unanimously 5-0

### 7.2. Approve Resolution 2026-05- Adopting Fiscal Year 2026/2027 Operating Budget.

Recommended action: Approve Resolution 2026-05

Public Comment: no comment

The finance committee met on 06/03/2026 and went over the budget Hank created. Designed to maintain operations stability, long term obligations, work force retention and reserve requirements. Their suggestion was to have the board approve the budget. The budget was built from profit and loss reports provided by LSL. Dianne and Ron were concerned about the budget not being created with a finance manager. Policy 3020.10 states the finance manager and general manager creates budgets. Concerned its violating board policy not having a finance manager involved in creating budget.

LSL provides the information and Hank creates the budget. A line item was added showing long term debt, this is used to project the budget also. LSL provides the base. GM uses that information to create a budget. In-house finance managers would be helpful to create a budget. The cost of LSL to come and create a budget would be extremely high and not a good use of public funds.

Chase motioned to approve resolution 2026-05 adopting the operating budget for Fiscal year 2026/2027

Roger seconded the motion.

Motion carries 3-2 (Thompson & Foster: dissenting)

## **8. BOARD MEMBER ACTION ITEMS: None**

## **9. BOARD MEMBER POLICY ACTION ITEMS:**

**9.1.** Consider revised job description for the Treatment Plant/Distribution Operator V position.

Recommended action: Approve revised job description

Public comment: No Comment

Per Hank this is the final in the series of operator positions. The existing position description is included in the packet on pg 52. The new revised version is on pg 54. Mark states the new description is very clear.

Concerns that there is not a qualified operator to run the plant since retirement of an operator.

Chase made a motion to approve revised job description for the treatment plant/distribution Operator V position.

Dianne second the motion.

Motion carries 4-1 (Thompson-dissenting)

## **10. DISCUSSION ITEMS: None**

**11. FUTURE AGENDA ITEMS** - Future agenda items are to help the General Manager and Board President craft the next month's agenda. Unless otherwise voted upon, the future agenda will comprise of no more than one new board member action item and no more than one new policy action item. Now is the time to discuss which items the board would like to see first to help prioritize efficiency.

**11.1.FUTURE BOARD MEMBER ACTION ITEMS - None**

**11.2.FUTURE POLICY ACTION ITEMS - None**

**11.3.FUTURE DISCUSSION ITEMS - None**

## **12. GENERAL MANAGER'S REPORT**

Per Hank there is no written report this month. The purchase agreement with Westland Water District for water transfer is finalized. Some delinquent accounts have been paid, approximately 30K has been received on past due accounts. There's approximately 148K in

delinquent accounts remaining. These will go to the country for a lean on property taxes. The deadline to pay a delinquent account before moving forward with lean is 6/30/2026.

There will be an internal recruitment for the operating supervisor. This should be completed by July. Possibly one of the plant operators will apply. Concerns about not having enough employees to operate the plant. If no one gets moved to supervisor, a job recruitment will be made.

Concerns about who's entering data in quickbooks. Memo last May about having an inhouse person input data in quickbooks. Angela is handling accounts payable. LSL was doing this, having Angela do it is saving the district funds. Disbursements are done in-house, and by LSL. General ledger controlled by LSL.

### 13. DIRECTORS' ITEMS/INFORMATION ONLY

Mark mentioned the State has requirements for training for board of directors. Ethics training and fiscal matters are required. There is an online upcoming ethics training he will be completing.

Diane stated the SCADA project went approximately 6K over budget. Concerns about a part that is 15 years old.

Concerns about LSL cost, currently \$112,723.00 and there's 3 more months and an audit.

Concerned about LSL costing \$150-160K

In 4-½ years Roger Carrol and LSL had 2 voided checks.. When the office took over there were 45 checks missing in 11 months.

Adds to the concern of having an in-house finance manager.

Chase paid the retainer to BBK, the firm the board approved in March.

Per Hank, he has nothing to report, there's no additional information. Closed session cancelled.

Ron has been getting a lot of calls about the FPUD website. No one can download or print the board policy.

Board policies have not been updated on the website.

### 14. CLOSED SESSION -

**14.1.** Conference with real property negotiators (Gov't Code Section 54956.8). Property: Up to 2,000 acre feet of stored Sugar Pine Reservoir water; District Negotiators: Chase Dowling and Henry N. White; Negotiating Parties: Prospective water users in the American River Basin, Central Valley or elsewhere in the federal Central Valley Project or State Water Project service areas, including but not limited to; U.S. Bureau of Reclamation, City of Folsom, City of Sacramento, Carmichael Water District, San Juan Water District, Sacramento Suburban Water District, San Luis and Delta-Mendota Water Authority and member agencies (e.g. Westlands Water District), State Water Contractors and member agencies (e.g. Santa Clara Valley Water District); Under Negotiation: Price and terms of payment for the sale of surplus stored water from Sugar Pine Reservoir.

**15. REPORT OUT OF CLOSED SESSION -**

**16. ADJOURNMENT 6:51p.m.**

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Minutes submitted by Sally Hicks, Secretary

**FORESTHILL PUBLIC UTILITY DISTRICT**  
**Statement of Net Position**  
**As of May 31, 2026**

	<b>May 31, 2026</b>
<b>ASSETS</b>	
Current Assets	
Bank Accounts	
10110 Cash on Hand	250
10120 Wells Fargo Checking	676,380
10510 Local Agency Investment Fund	6,668,233
10512 Umpqua/Columbia Savings account	7,027
<b>Total Checking/Savings</b>	<b>7,351,890</b>
Accounts Receivable	384,994
Other Current Assets	175,292
<b>Total Current Assets</b>	<b>7,912,176</b>
Fixed Assets	10,635,120
Other Assets	323,861
<b>TOTAL ASSETS</b>	<b>\$18,871,157</b>
<b>LIABILITIES AND NET POSITION</b>	
Liabilities	
Current Liabilities	200,049
Long-term Liabilities	1,363,426
<b>Total Liabilities</b>	<b>1,563,475</b>
Net Position	17,307,681
<b>TOTAL LIABILITIES AND NET POSITION</b>	<b>\$18,871,157</b>

**FORESTHILL PUBLIC UTILITY DISTRICT**  
**Profit & Loss Budget vs. Actuals**  
**July 2025 - May 2026**

	<b>Jul'25 - May'26</b>	<b>Budget</b>	<b>\$ over Budget</b>
<b>Income</b>			
41100 Consumption Billed	546,909	594,000	(47,091)
41150 Base rate - Residential	1,858,446	1,831,500	26,946
41200 Base rate - Commercial	210,009	207,167	2,843
42300 Meter Installation	4,500	1,833	2,667
42330 Line Tap	1,650	-	1,650
49200 Interest - LAIF	204,414	67,650	136,764
49210 Interest - Taxes <sup>1</sup>	1,150	1,100	50
49251 Interest - Umpqua/Columbia Bank	1	-	1
49300 Property Tax Revenues <sup>1</sup>	127,045	114,583	12,462
49310 Home Owner Prop Tax exemption	513	-	513
49520 Service Charges & Reconnect	71,349	18,333	53,016
49910 Miscellaneous Income	11	-	11
49930 Grant Income	82,641	41,250	41,391
<b>Total Income</b>	<b>\$ 3,108,638</b>	<b>\$ 2,877,417</b>	<b>\$ 231,221</b>
<b>Expenses</b>			
51000 Wages & Salaries	756,029	836,000	(79,971)
52000 Taxes & Benefits	468,505	412,500	56,005
53000 Materials & Supplies	128,807	119,167	9,641
54000 Equipment costs	27,857	47,667	(19,809)
55000 Contracted services	181,013	155,833	25,180
55001 Professional Fees	180,222	226,417	(46,195)
56000 Resource development	67,311	75,167	(7,856)
57000 Utilities	62,042	71,500	(9,458)
58000 Regulatory and General	174,029	176,917	(2,887)
61000 Capital Activities	315,618	391,417	(75,799)
62400 Depreciation Expense	381,706	-	381,706
<b>Total Expenses</b>	<b>\$ 2,743,140</b>	<b>\$ 2,512,583</b>	<b>\$ 230,557</b>
<b>Net Income</b>	<b>\$ 365,498</b>	<b>\$ 364,834</b>	<b>\$ 664</b>

<sup>1</sup>Pending receipt of May property tax revenues from Placer County

**FORESTHILL PUBLIC UTILITY DISTRICT**  
**Profit & Loss: Budget vs. Actuals**  
**July 2025 - May 2026**

	<u>Jul'25 - May'26</u>	<u>Budget</u>	<u>\$ over Budget</u>
<b>Administration</b>	505,936	482,167	23,769
<b>Capital Expenditures</b>	315,618	391,417	(75,799)
<b>Customer Service</b>	367,251	374,917	(7,666)
<b>Distribution</b>	430,748	473,000	(42,252)
<b>Pumping</b>	20,532	23,833	(3,302)
<b>Regulatory Compliance</b>	268,806	303,417	(34,610)
<b>Source of Supply</b>	21,641	24,750	(3,109)
<b>Treatment</b>	430,903	439,083	(8,181)
<b>Depreciation</b>	381,706	0	381,706
<b>TOTAL</b>	<u><u>\$ 2,743,140</u></u>	<u><u>\$ 2,512,583</u></u>	<u><u>\$ 230,557</u></u>

**FORESTHILL PUBLIC UTILITY DISTRICT**  
**Fund Balances**  
**July 2025 - May 2026**

	<u>7/1/2025**</u>	<u>Received</u>	<u>Paid Out</u>	<u>Transfers</u>	<u>Balance</u>
General Fund - unspendable	11,109,706			(66,088)	11,043,618
General Fund - unrestricted	3,074,463	3,025,997	2,260,283	(334,129)	3,506,048
Operating reserves	1,139,985	-	-		1,139,985
Debt service reserves*	164,030	-	167,239	167,239	164,030
Capital reserves	854,000	82,641	315,618	232,977	854,000
Emergency reserves	600,000	-	-	-	600,000
Total Fund balances	<u>\$ 16,942,184</u>	<u>\$ 3,108,638</u>	<u>\$ 2,743,140</u>	<u>\$ (0)</u>	<u>\$ 17,307,681</u>

\* This budget includes Debt Service

\*\*Adjusted at FYE25 per Board Resolution 2021-07

**FORESTHILL PUBLIC UTILITY DISTRICT  
Cash Disbursement Register**

May 2026

	<b>Date</b>	<b>Num</b>	<b>Name</b>	<b>Memo</b>	<b>Amount</b>
<b>May 26</b>					
	05/01/2026	1058	Wilson Ranch Energy	Fuel	-717.71
	05/01/2026	30918561	Kronick, Moskovitz, et al	Legal Fees	-4,114.69
	05/01/2026	5836 042126	Home Depot Credit Services	Supplies	-39.95
	05/01/2026	719421467	ADP	ADP PAYROLL FEES 042426	-168.14
	05/04/2026	3001 0526	Humana Insurance Co	Retiree Health Insurance - May	-399.88
	05/04/2026	5001 0526	Humana Insurance Co	Retiree Health Insurance - May	-411.83
	05/04/2026	6071 0526	United Healthcare	Retiree medical care - May	-153.40
	05/04/2026	9761 0526	United Healthcare	Retiree Medical Care - May	-153.40
	05/04/2026	ACH 050426	Wells Fargo Bank	AUTHNET GATEWAY BILLING	-118.95
	05/05/2026	34718	Anderson's Sierra Pipe Co. Inc.	supplies	-30.91
	05/05/2026	34719	Foresthill Garage, Inc.	vehicle maintenance, boat trailer tires, vac unit tires	-1,128.24
	05/05/2026	34720	Grant Hardware, Inc.	supplies	-376.56
	05/05/2026	34721	Hach Company	supplies	-273.24
	05/05/2026	34722	Peters Engineering	WTP Bid Documents	-14,850.00
	05/05/2026	34723	Sierra Mini Mart, Inc.	fuel	-1,191.29
	05/05/2026	34724	Sierra Safety Sales & Rentals	supplies	-146.72
	05/05/2026	34725	USA Blue Book	supplies	-134.06
	05/05/2026	34726	Webb Electrical Service, Inc.	electrical work at dam, generator at HQ	-720.00
	05/05/2026	34727	Worton's Foresthill Grocery	supplies	-37.14
	05/05/2026	34728	Wright Heating & Air Conditioning	HQ heater repair	-95.00
	05/06/2026	739A02BF-0024	Streamline	DocAccess (monthly ADA compliance program)	-250.00
	05/07/2026	0001 0426	Columbia Bank Visa	subscriptions, supplies, fuel, trailer & mini-ex repair, pre-employment physical	-2,014.59
	05/07/2026	1MMJ-DWJG-3PWJ	Amazon Business	Supplies	-395.74
	05/07/2026	257299	Placer County Air Pollution Control Dist	Authority to construct fee for generator	-894.68
	05/07/2026	257299	Placer County Air Pollution Control Dist	Authority to construct fee for generator	-0.75
	05/07/2026	3684R 0426	Bureau of Reclamation	USBR Sugar Pine fee - April	-987.62
	05/07/2026	74526	LSL CPAs & Assoc.	Accounting assistance - April	-7,914.75
	05/07/2026	PR 050826	ADP	ADP WAGE 05082026	-20,276.69
	05/07/2026	PR 050826	ADP	ADP Tax ADP PR 050826	-10,102.28
	05/08/2026	PR 050826	CalPERS	CalPERS PEPRA PR 050826	-2,393.33

05/08/2026	PR 050826	CalPERS	CALPERS 457b PR 050826	-500.00
05/08/2026	PR 050826	CalPERS	CalPERS Classic PR 050826	-1,896.56
05/11/2026	0112 042126	Pacific Gas & Electric	HQ Power	-234.06
05/11/2026	ACH 051126	Wells Fargo Bank	CLIENT ANALYSIS SRVC CHRG	-151.98
05/12/2026	2267 042226	Pacific Gas & Electric	Todd Valley Well	-13.92
05/14/2026	128230	Vision Quest Information Solutions, Inc.	IT support	-1,832.35
05/15/2026	337744	J.S. West	Propane tank repair	-125.00
05/15/2026	579046	Economy Pest Control	HQ pest control	-84.00
05/15/2026	602227	Wizix Technology Group	Copier costs	-37.04
05/15/2026	720459790	ADP	ADP PAYROLL FEES PR 050826	-168.14
05/15/2026	SW030142525	Holt of California	Generator repair	-1,969.18
05/18/2026	ACH 051826	American Messaging	AMERICANMESSAGIN PAGING	-12.94
05/18/2026	G55821-042526	Auburn Area Answering Service	Answering Service	-221.56
05/19/2026	34729	Cranmer Engineering, Inc.	Water quality	-497.50
05/19/2026	34730	CSI Metrics	SCADA system, dam monitoring tasks	-5,400.00
05/19/2026	34731	Foresthill Garage, Inc.	vehicle maintenance	-81.16
05/19/2026	34732	Freedom Landscaping	park landscape maintenance	-250.00
05/19/2026	34733	Infosend	customer invoices April 2026	-1,361.24
05/19/2026	34734	Keenan & Associates	EE medical insurance May 2026	-24,286.93
05/19/2026	34735	Placer County , Personnel	Dental insurance	-618.11
05/19/2026	34736	USA Blue Book	supplies	-108.66
05/19/2026	5893 042926	Pacific Gas & Electric	Streetlight	-10.98
05/19/2026	79709788	Recology Auburn Placer	HQ Refuse	-40.38
05/19/2026	79720256	Recology Auburn Placer	WTP refuse	-40.38
05/20/2026	20477450	Sebastian	phone	-557.33
05/20/2026	34737	Kurt Reed	Health Insurance March, April, May 2026	-1,019.30
05/21/2026	696421	Napa Auto Parts	Dump truck, vac unit, mini ex, boat, vehicle maintenance	-1,400.75
05/21/2026	G000AYSM 0626	Mutual of Omaha	AD&D, LTD	-562.98
05/21/2026	PR 052226	ADP	ADP Tax PR 052226	-9,925.93
05/21/2026	PR 052226	ADP	ADP WAGE PAY PR 052226	-20,220.44
05/22/2026	PR 052226	CalPERS	CALPERS 457b PR 052226	-500.00
05/22/2026	PR 052226	CalPERS	CalPERS PEPRA PR 052226	-2,645.87
05/22/2026	PR 052226	CalPERS	CalPERS Classic PR 052226	-1,896.56
05/26/2026	6142874791	Verizon Wireless	phone/maps	-52.46
05/26/2026	BDA1779819176747	MidAmerica Admin & Ret Solutions, Inc.	retiree health insurance	-2,000.00
05/27/2026	0658 050826	Pacific Gas & Electric	WTP Power	-2,018.29
05/27/2026	7297 050826	Pacific Gas & Electric	Power	-1,171.46

	05/27/2026	825256391	Vision Service Plan - (CA)	EE vision insurance	-106.72
	05/29/2026	3001 0626	Humana Insurance Co	Retiree Health Insurance - June	-399.88
	05/29/2026	5001 0626	Humana Insurance Co	Retiree Health Insurance - June	-411.83
	05/29/2026	6071 0626	United Healthcare	Retiree health insurance - June	-153.40
	05/29/2026	721794111	ADP	ADP PAYROLL FEES PR 052226	-172.85
	05/29/2026	9761 0626	United Healthcare	Retiree health insurance - June	-153.40
<b>TOTAL</b>					<b><u><u>-\$155,803.06</u></u></b>

# PLACER COUNTY GRAND JURY FINAL REPORT 2025-2026



**STATE OF CALIFORNIA**  
**June 30, 2026**



# Placer County Grand Jury 2025-2026



**Robert Angelastro**

**Candy Bryant**

**Dina Burns**

**Krista Fenske**

**Marie Fleischhacker**

**Gail Graybeal & future  
service dog Radish**

**Gerry Hartmann**

**Lori Hull**

**Chris Leffel**

**Ryan Meyer**

**Lee Pentek**

**Robert Schuett**

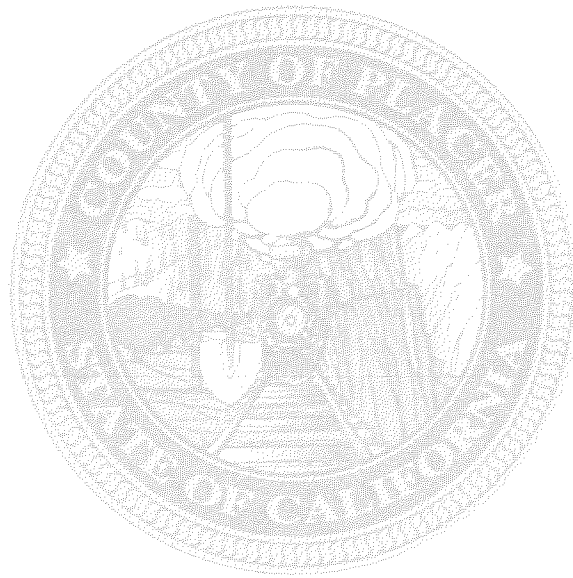
**Janet Tolander**

**Rebecca Troxell**

**Don Whiting**

**Norma Worley, Foreperson**

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# INTRODUCTION TO THE GRAND JURY

## What is a Grand Jury?

The grand jury is an investigatory body with the authority to act as a watchdog over local government, to investigate citizen complaints, and to assist in criminal matters at the request of the district attorney.

The grand jury is part of the county judicial system as authorized by the California State Constitution. It is advised by the Placer County Superior Court and is not accountable to elected officials or government employees. Its findings and recommendations are unbiased and impartial. Grand jurors are sworn to secrecy and, other than final reports, their work is kept strictly confidential.

## History

The jury system is rooted in English common law and dates to the eleventh century. In 1635, the Massachusetts Bay Colony impaneled the first grand jury in North America to consider cases of murder, robbery, and wife beating. The U.S. Constitution's Fifth Amendment and the California Constitution Article 1 call for grand juries. Grand juries were established throughout California during the early years of statehood. As constituted today, criminal and civil grand juries are a part of the judicial branch of government and function as arms of the court system.

The grand jury is an investigatory body created for the protection of society and the enforcement of the law. The grand jury in California is unusual because its duties include investigation of local and county governments as provided by statutes passed in 1880.

## Investigations

The primary duty of the grand jury is to evaluate local government entities through a systematic fact-finding process. The objective of the investigations is to produce beneficial reports that persuade local officials to run agencies more effectively and efficiently. The final report of the grand jury is the result of investigative efforts and is a public record of their endeavor.

Anyone may ask a grand jury to investigate a civil issue that falls within the grand jury's jurisdiction. Whether it chooses to investigate such a complaint is entirely in the jury's discretion and may be affected by workload, resource limitations, or jurisdiction.

By law, all proceedings of a grand jury are confidential. Findings and recommendations are published in its final report. Per California law, elected officials must respond within sixty days. Governing bodies of public agencies must respond within ninety days. The following year's grand jury publishes the responses to the final report.

Upon occasion, the district attorney can ask a grand jury to hold hearings in criminal investigations to determine whether evidence presented by the district attorney is sufficient to indict an individual, who would then stand trial in court. A minimum of twelve grand jurors must vote for an indictment in any criminal proceeding.

## **Placer County Grand Jury Committees**

The 2025-26 Placer County Grand Jury served a one-year term from July 11, 2025, through June 30, 2026. In performing its duties, the grand jury examined county government, special districts, and city governments, and inspected jails, holding facilities, and the juvenile detention facility.

Grand jury reports are done by committees. A juror typically serves on three committees and may be an officer on two of those committees. Committees meet at least twice each month.

### **Audit and Finance**

This committee may audit Placer County Government offices, departments, agencies, and districts.

### **Cities**

This committee may investigate incorporated cities and towns within Placer County. The committee investigates the operations or functions of one or more city departments or functions. The six cities and towns are Auburn, Colfax, Lincoln, Loomis, Rocklin, and Roseville.

### **Continuity and Editorial**

This committee is responsible for ensuring the written reports of the grand jury are factual, clear, concise, and readable. Editing includes proper punctuation, spelling, grammar, and formatting. This committee also leads the ongoing task of updating the Placer County Grand Jury Handbook so subsequent grand juries may make a smooth transition into a new term.

### **County Administration**

This committee concerns itself with the investigation of the offices, departments, and functions of county government. It includes, but is not limited to, all appointed boards and commissions not under the purview of the Special Districts Committee.

### **Criminal Justice**

This committee is mandated to inspect jails and holding facilities in Placer County each year. It also may investigate matters concerning criminal justice. This committee also considers matters concerning law enforcement and public safety.

### **Health and Welfare**

This committee investigates issues related to the social services of Placer County. In addition, it is responsible for the annual Juvenile Detention Facility inspection.

### **Schools and Libraries**

This committee investigates public educational institutions and public libraries. It has no jurisdiction over school policies or personnel.

### **Special Districts**

This committee investigates special districts, agencies, boards, commissions, and joint powers agencies serving Placer County. Examples of these special districts include water agencies, hospitals, cemetery, utility, airport, and fire districts.

### **Jurisdiction**

The areas within the investigatory jurisdiction of the Placer County Grand Jury include:

- Persons imprisoned in the county jail on a criminal charge and not indicted,
- The condition and management of the public jails within the county,
- Willful or corrupt misconduct in office of public officers of every description within the county,
- County government, city government, special districts, school districts, agencies, and authorities, and
- Criminal hearings upon request of the district attorney.

The areas which are not within Placer County Grand Jury jurisdiction include:

- Federal agencies,
- State agencies,
- Superior court system, and
- School district personnel records, curriculum, and policy.

## **Grand Juror Qualifications**

Prospective grand jurors must possess the following qualifications per California Penal Code § 893:

- Applicant is a citizen of the United States, 18 years or older, who has been a resident of Placer County for one year immediately before being selected and sworn in,
- Applicant is in possession of his or her natural faculties, of ordinary intelligence, of sound judgment, and of fair character, and
- Applicant possesses sufficient knowledge of the English language.

A person is not allowed to serve as a grand juror if:

- Serving as a trial juror in any California court,
- Discharged as a grand juror in any court of this state within one year,
- Convicted of malfeasance in office, any felony, or other high crime, or
- Serving as an elected public officer.

Desirable qualifications for a grand juror include:

- Computer and internet communication skills,

- Good health,
- Open-minded with concern for the views of others,
- Ability to work with others,
- Genuine interest in community affairs,
- Investigative skills, and
- Ability to write reports.

## **Juror Selection**

In the spring of each year, the Placer County Superior Court solicits applications from citizens of the county. Applicants should expect that a criminal records check will be conducted.

Applications are reviewed and an interview is scheduled with the presiding and advising judges as well as the foreperson of the outgoing grand jury.

After the interview process, prospective applicants are required to appear for the final selection which is held in a Placer County Superior Court courtroom. With outgoing grand jurors in attendance, the court clerk draws nineteen names at random. A minimum of ten names are drawn to form a list of alternate jurors. The presiding judge swears in the new nineteen grand jury members and gives the jurors a description of their duties and responsibilities.

## **Commitment**

Persons selected for grand jury service can expect to serve forty or more hours per month for a period of one year, generally from July 1 through June 30. Jurors may opt to serve a second consecutive year, if approved by the court.

## **Remuneration**

Grand jurors receive a nominal payment for meetings they attend and are reimbursed for mileage to attend meetings and training.

## **Orientation**

Jurors attend a two-day orientation program provided by the Civil Grand Jury Association about grand jury functions, duties, and responsibilities. The jurors also receive onboarding training from the IT department.

## **Why Become a Grand Juror?**

Those who volunteer and are accepted for grand jury service should feel privileged to be selected. They enter this service with interest and curiosity to learn more about the administration and operation of Placer County government. Serving as a grand juror requires many hours and serious effort and reflects a generous commitment to public service.

## **How to Apply to Serve as a Grand Juror**

Apply to be a grand juror online at: [www.placercourts.org/grand\\_jury/general-grandjury-application-form.html](http://www.placercourts.org/grand_jury/general-grandjury-application-form.html).

## **Grand Jury Reports**

The Placer County Superior Court maintains webpages for the grand jury on its website. Past and present final reports, and responses to those final reports, may be found at: [www.placer.courts.ca.gov/general-information/grand-jury/grand-jury-reports-resolutions/archive](http://www.placer.courts.ca.gov/general-information/grand-jury/grand-jury-reports-resolutions/archive)

## **How to Submit a Confidential Citizen Complaint**

All complaints must be submitted in writing. A confidential citizen complaint form is available online at: [www.placer.courts.ca.gov/general-information/grand-jury/grand-jury-confidential-citizen-complaint-form](http://www.placer.courts.ca.gov/general-information/grand-jury/grand-jury-confidential-citizen-complaint-form) and may be submitted electronically. The form may also be mailed, faxed, or hand-delivered to the grand jury office at the address below. The citizen will receive a letter acknowledging receipt of the complaint.

All grand jury documents, including citizen complaints, are secret and cannot be subpoenaed in court or revealed to the public. Complainants' names are held in strictest confidence.

## How to Contact the Grand Jury

**By Mail:** Placer County Grand Jury  
11532 B Ave  
Auburn, CA 95603

**In Person:** Materials can be placed in a drop box located by the entrance door at the above address.

**Online:** [info@placergrandjury.org](mailto:info@placergrandjury.org) **OR** [forepersonprotem@placergrandjury.org](mailto:forepersonprotem@placergrandjury.org)

**By Phone:** (530) 886-5200

**By Fax:** (530) 886-5201



## INSTRUCTIONS FOR RESPONDENTS

The legal requirements affecting respondents and responses to Grand Jury findings and recommendations are contained in California Penal Code § 933.05. The full text of the law is provided at the end of this document.

Two different time periods for responses, and to whom you must respond, are defined in California Penal Code § 933(c). They are as follows:

Type of Agency	Time Frame	To Whom
Government Boards	Ninety (90) Days	<ul style="list-style-type: none"><li>• Presiding Judge of the Superior Court</li></ul>
Elective Office or Agency Head	Sixty (60) Days	<ul style="list-style-type: none"><li>• Presiding Judge of the Superior Court</li><li>• Information copy to Board of Supervisors</li></ul>

An original signed copy of the response must be provided to both of the following:

1. Presiding Judge of the Placer County Superior Court at the address listed below:

The Honorable Jeffrey Penney  
Presiding Judge of the Superior Court  
County of Placer  
PO Box 619072  
Roseville, CA 95661-9072

2. Placer County Grand Jury at the address listed below:

Placer County Grand Jury  
11532 B Ave  
Auburn, CA 95603  
Attention: Foreperson

When responding to more than one report, respondents must respond to each report separately.

Respondents are encouraged to use the Response to Grand Jury Report Form, included in this report, to help format and organize your response. An electronic version of the form is available upon request from the Grand Jury.

# RESPONSE TO PLACER COUNTY GRAND JURY REPORT FORM

Report Title: \_\_\_\_\_

Response Provided by: \_\_\_\_\_

## What is a Compliant Response?

Penal Code § 933.05 is very specific in what is required in a response. First, a respondent must address the findings listed in the report. There are only two responses allowed by the penal code. However, additional information is required if the respondent disagrees with a finding. If a report only lists findings and there are no recommendations, a response agreeing or disagreeing with each finding is not necessary.

## FINDINGS

For purposes of subdivision (b) of Penal Code § 933.05, the respondent shall report one of the following two actions regarding each finding.

The respondent <u>agrees</u> with the finding.
The respondent <b>disagrees</b> wholly or partially with the finding; in which case the <i>response shall specify the portion of the finding that is disputed and shall include an explanation of the reason(s) therefore.</i>

- I (we) agree with the finding(s) numbered: \_\_\_\_\_.
- I (we) disagree wholly or partially with the finding(s) numbered: \_\_\_\_\_.  
*Describe any portions of the finding(s) that are disputed or not applicable; include an explanation of the reason(s).*

# RECOMMENDATIONS

For purposes of subdivision (b) of Penal Code § 933.05, the respondent shall report one of the following four actions regarding each recommendation.

The recommendation <b>has been implemented</b> with a summary regarding the implemented action.
The recommendation <b>has not yet been implemented</b> , but will be implemented in the future, <i>with a timeframe for the implementation</i> .
The recommendation <b>requires further analysis</b> , <i>with an explanation and the scope and parameters of an analysis or study, and a timeframe</i> for the matter to be prepared for discussion. <i>This timeframe shall not exceed six months from the date of publication of the grand jury's report.</i>
The recommendation <b>will not be implemented</b> because it is not warranted or is not reasonable, <i>with an explanation</i> , therefore.

- Recommendations numbered \_\_\_\_\_ **have been** implemented.  
*(Describe the implemented actions.)*
- Recommendations numbered \_\_\_\_\_ **have not yet been** implemented but will be implemented in the future, with a targeted completion date of \_\_\_\_\_.  
*Per Penal Code § 933.05(b)(2), a time frame for implementation must be included.*
- Recommendations numbered \_\_\_\_\_ **require further analysis**. The further analysis will be completed by \_\_\_\_\_.  
*Describe the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or director of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six (6) months from the date of publication of the grand jury report.*
- Recommendations numbered \_\_\_\_\_ **will not be** implemented because they are not warranted or are not reasonable.  
*Provide an explanation.*

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Number of pages attached \_\_\_\_\_.

# CALIFORNIA PENAL CODE

## Section 933.05

- (a) For purposes of subdivision (b) of Section 933, as to each grand jury finding, the responding person or entity shall indicate one of the following:
- (1) The respondent agrees with the finding.
  - (2) The respondent disagrees wholly or partially with the finding, in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons therefore.
- (b) For purposes of subdivision (b) of Section 933, as to each grand jury recommendation, the responding person or entity shall report one of the following actions:
- (1) The recommendation has been implemented, with a summary regarding the implemented action.
  - (2) The recommendation has not yet been implemented, but will be implemented in the future, with a timeframe for implementation.
  - (3) The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the grand jury report.
  - (4) The recommendation will not be implemented because it is not warranted or is not reasonable, with an explanation, therefore.
- (c) However, if a finding or recommendation of the grand jury addresses budgetary or personnel matters of a county agency or department headed by an elected officer, both the agency or department head and the board of supervisors shall respond if requested by the grand jury, but the response of the board of supervisors shall address only those budgetary or personnel matters over which it has some decision-making authority. The response of the elected agency or department head shall address all aspects of the findings or recommendations affecting his or her agency or department.
- (d) A grand jury may request a subject person or entity to come before the grand jury for the purpose of reading and discussing the findings of the grand jury report that relates to that person or entity in order to verify the accuracy of the findings prior to their release.
- (e) During an investigation, the grand jury shall meet with the subject of that investigation regarding the investigation, unless the court, either on its own determination or upon request of the foreperson of the grand jury, determines that such a meeting would be detrimental.
- (f) A grand jury shall provide to the affected agency a copy of the portion of the grand jury report relating to that person or entity two working days prior to its public release and after the approval of the presiding judge. No officer, agency, department, or governing body of the public agency shall disclose any contents of the report prior to the public release of the final report.

# **THE FORESTHILL PUBLIC UTILITY DISTRICT**

## **Leadership Discordance**

# THE FORESTHILL PUBLIC UTILITY DISTRICT

## LEADERSHIP DISCORDANCE

### SUMMARY

The Foresthill Public Utility District operates a water system in the unincorporated community of Foresthill for approximately 6,000 residents. The Foresthill Public Utility District is governed by a five-member elected board of directors, which is responsible for overseeing strategic direction, public services, and financial operations to meet community needs and ensure long-term solvency. A general manager and seven employees are responsible for ongoing management and operations of the utility.

The 2025-26 Placer County Grand Jury investigation sought to identify areas in which the Foresthill Public Utility District can achieve the highest level of functioning between board and staff while fulfilling fiduciary and management responsibilities to the public. Our investigation found the Foresthill Public Utility District would benefit from:

- Robust enforcement of decorum policies between board members, and the public, at board meetings;
- Application of sound principles of accounting, particularly segregation of duties;
- Mandatory onboarding and ongoing training for board members;
- Adherence to correct policies regarding regular attendance and remote participation;
- Services of a management consultant to improve board/staff effectiveness;
- Regular oversight from Placer Local Agency Formation Commission to help the Foresthill Public Utility District continue to provide reliable, cost-effective, and efficient services to the community.

During the course of its investigation, the grand jury learned that some witnesses breached their confidential signed admonition, which impacted the grand jury's ability to conduct its investigation. A violation of the admonition is punishable as contempt of court.

## GLOSSARY

**Admonition:** A formal instruction or warning given by a grand jury to a witness, commanding them to keep the proceedings, questions, and answers confidential. Witnesses are admonished not to reveal to any person, except as directed by the court, any matters concerning the nature or subject of the grand jury's investigation.

**Code of Conduct:** An agreed-upon document clarifying an organization's ethics and acceptable behavior.

**Brown Act:** California state law establishing rules for public access and participation in local government meetings, requiring open meetings, advance notice, and public comment for legislative bodies.

**GAAP:** Generally Accepted Accounting Principles. A set of accounting rules, standards and procedures entities are required to follow when preparing financial statements.

**LAFCO:** Local Agency Formation Commission. A LAFCO is an independent regulatory agency authorized by California state law, controlling the boundaries and service areas of cities and special districts to encourage orderly development, discourage urban sprawl, and preserve agricultural and open space land.

**Jurassic Parliament:** Online portal offering resources and training on parliamentary procedures for public meetings.

**Municipal Service Review:** A comprehensive study conducted by local LAFCOs of the level, range, and performance of governmental services provided within defined geographic areas.

**SOI:** Sphere of Influence, defined in California state law as "a plan for the probable physical boundaries and service area of a local agency, as determined by the Commission."<sup>22</sup>

## BACKGROUND

In 1950, the Foresthill Public Utility District (FPUD) was formed to operate a public water system in the unincorporated community of Foresthill, located in Placer County. The FPUD provides potable water to approximately 6,000 residents in Foresthill. The geographic area of

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<sup>22</sup> 2025 California Code Government Code – Gov Title 5 - Local Agencies Division 3 - Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 Part 1 – General Chapter 2 – Definitions Section 56076. Accessed February 23, 2026. <https://law.justia.com/codes/california/code-gov/title-5/division-3/part-1/chapter-2/section-56076/>.

the FPUD spans approximately 13,000 acres which primarily contain residential development. The FPUD's primary source of water is from the Sugar Pine Reservoir. The FPUD owns and operates the Sugar Pine Dam and its conveyance system.

The FPUD's stated mission is "[t]o provide the Community of Foresthill with the highest quality drinking water at affordable rates with courteous and professional service; [t]o manage District resources responsibly for future generations."<sup>23</sup> According to the FPUD's 2024 Consumer Confidence Report,<sup>24</sup> the drinking water meets or exceeds state and federal health and safety standards.

The California Special Districts Association (CSDA) defines a special district as "a local form of government that is created, funded, and overseen by a community's residents to provide a new or enhanced level of service and infrastructure to a community. Like counties and cities, special districts are an independent form of local government."<sup>25</sup> The FPUD is a special district.

The FPUD is governed by a five-member board of directors (board). The board's purpose is to ensure effective management of the water utility. The CSDA notes that, "These are the core components of effective special district governance: a competency-based group of individual citizens coming together as an effective team to accomplish the specific responsibilities that only governing boards can do on behalf of their community."<sup>26</sup> The board of directors oversees approximately \$3,000,000 in annual revenue and \$6,000,000 in cash and investments at nearly any given time, and oversees one of California's most precious resources.<sup>27</sup>

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<sup>23</sup> "Our Mission," Foresthill Public Utility District website. Accessed February 6, 2026.  
<https://www.foresthillpud.com/>.

<sup>24</sup> 2024 Consumer Confidence Report, May 1, 2025, Foresthill Public Utility District website. Accessed January 21, 2026. <https://www.foresthillpud.com/consumer-confidence-report#docaccess-27983a910eab2340718cc5ba271271227b69f2b20dd8c2ffcf6a3200a4079564>.

<sup>25</sup> California Special Districts Association Board Member Handbook, a CSDA Publication, 2023. Accessed January 20, 2026.  
<https://www.rrfc.net/files/e46432dea/2024+CSDA+Special+District+Board+Member+Handbook.pdf#:~:text=A%20California%20Special%20Districts%20Association,Special%20District%20Board%20Member%20Handbook>.

<sup>26</sup> CSDA Handbook. Accessed January 20, 2026.

<sup>27</sup> <https://www.foresthillpud.com/files/b796d0b20/2025+08+28+FY+2025-2026+FPUD+Budget+FINAL+ADOPTED+2025+08+13+R15.pdf>. Accessed March 31, 2026.

The FPUD's daily operations are managed by the general manager (GM). The duties of the GM are defined under Section 16114 of the Public Utility Code<sup>28</sup> (which requires the GM to report to the board regarding these duties) as well as the GM's employment contract. Specific duties are described in the Foresthill Public Utility District Policy Handbook, which explicitly states that, "The incumbent has broad management authority for implementing the policies of the Board of Directors."<sup>29</sup>

In the prior year, the 2024-25 Placer County Grand Jury conducted an investigation of the FPUD, including staffing and outsourcing concerns and alleged unprofessional conduct in board meetings. The 2024-25 grand jury issued a report with a series of findings and recommendations. While the grand jury acknowledged positive improvements, the report noted, "While these changes are encouraging for the community, the Board should address staffing, governance, span of control and strategic issues to create a foundation for the future."<sup>30</sup> However, the Foresthill Public Utility District failed to properly respond to the 2024-25 grand jury report in the manner prescribed by Section 933/933.05 of the California Penal Code.

The 2025-26 Placer County Grand Jury did not seek to replicate the investigation that was conducted by the previous grand jury. Rather, the current grand jury sought to follow-up on the previous investigation to determine how the board had addressed the issues noted.

## METHODOLOGY

To examine the FPUD, information was obtained through a series of interviews, examination of the FPUD website, review of and attendance at board of directors public meetings, and thorough review of the FPUD agendas and minutes. In addition, the Foresthill Public Utility

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<sup>28</sup> [https://leginfo.legislature.ca.gov/faces/codes\\_displaySection.xhtml?sectionNum=16114.&lawCode=PUC](https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?sectionNum=16114.&lawCode=PUC). Accessed April 27, 2026.

<sup>29</sup> Foresthill Public Utility District Policy Handbook, 2025 10 08, Policy Number 2301. Accessed January 21, 2026. <https://www.foresthillpud.com/foresthill-public-utility-district-policy-handbook#docaccess-513fcb4d58d74ab718d527db17328afdcfda8cf68fa8093aff1684cb706dcb4>.

<sup>30</sup> Placer County 2024-2025 Grand Jury Report, Superior Court of Placer County. Accessed February 4, 2026. <https://www.placer.courts.ca.gov/general-information/grand-jury/grand-jury-reports-resolutions/grand-jury-reports-2024-2025>.

District Policy Handbook was inspected along with bank records and financial statements. Recent amendments to the Brown Act were reviewed. Relevant sections of the California Government Code, as well as minutes and agendas from Placer LAFCO meetings, were examined. The grand jury also viewed trade association, governmental, and other water agency-related websites.

## DISCUSSION

The 2025-26 Placer County Grand Jury identified strengths at the FPUD. As a result of careful planning and refinanced debt, the FPUD is financially stable with a robust economic reserve.<sup>31</sup> The FPUD owns and operates its own water supply. Even with millions of dollars invested in capital improvement projects such as the water distribution network, the FPUD has maintained a year-over-year positive cash flow with no new debt. The FPUD also boasts an impressive safety record, according to the Special District Risk Management Authority.<sup>32</sup>

The board and staff have also made measurable efforts to improve transparency, including revising some outdated policies at board meetings. At the time of this report, the FPUD was in the process of contracting to fulfill the responsibilities of a finance manager, although not hiring for an in-house position, as well as a part-time board secretary to take minutes at board meetings.

However, our investigation revealed continuing problematic issues at the FPUD. Primary concerns include:

- Unprofessional interaction between the GM and directors;
- A distrustful board and contentious, unproductive board meetings;
- Lack of participation in training essential for proper governance;

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<sup>31</sup> Foresthill Public Utility District Adopted Operating Budget For the Year Ending June 30, 2026. Accessed January 21, 2026. <https://www.foresthillpud.com/budgets#docaccess-1bad4e8faacb790c173dc869e85f152450acbc15762ad7742f85dbd25a1c401>.

<sup>32</sup> Foresthill Public Utility District website. Accessed January 22, 2026. <http://www.foresthillpud.com/files/df4783442/2024+09+23+FINAL.pdf>.

- A lack of checks and balances governing day-to-day fiscal operations and lack of clarity regarding board management and fiduciary responsibility and associated legal risk;
- Inconsistent application of policies and statutory requirements for public board meetings.

### **Board Member Communication Remains Contentious**

The Foresthill Public Utility District Policy Handbook describes the need to present a professional face to the community. The handbook section 4010.11 states, “The dignity, style, values and opinions of each Director shall be respected.” Section 4010.12 states, “Responsiveness and attentive listening in communication is encouraged.” Section 4010.15 – 4010.17 states, “Directors should commit themselves to the highest form of professionalism. They should emphasize the positive and avoid negative forms of interaction...Directors should commit themselves to focusing on issues. The presentation of the opinions of others should be encouraged. Cliques and voting blocks [*sic*] based on personalities rather than issues should be avoided. Differing viewpoints are healthy in the decision-making process. Individuals have the right to disagree with ideas and opinions, but without being disagreeable.”<sup>33</sup>

Despite these policies, the board meetings continue to be contentious. The grand jury reviewed recordings of 2025 and early 2026 board meetings, attended remotely, and attended in person. Although numerous directors acknowledge the contention during public meetings, directors often speak to colleagues in a confrontational tone, interrupt and talk over each other, or decline to take actions with the intent to shut down dialogue and defeat issues. At several meetings, agenda items died for lack of a second to a motion, or no actions were taken. Numerous items were carried forward for future consideration instead of being voted upon. Individual directors left meetings in protest. Grand jurors also observed numerous instances where directors rolled their eyes or turned their backs on other directors. Directors made allegations in board meetings about actions being “illegal.” Staff appear to be openly condescending to the board. At the January 2026 board meeting, office personnel and field

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<sup>33</sup> Foresthill Public Utility District Policy Handbook, 2025 10 08, Foresthill Public Utility District website. Accessed January 21, 2026. <https://www.foresthillpud.com>.

technicians were in attendance. A comment was made by the GM that the staff have a difficult time concentrating on their jobs when the board is so fractured.

Good governance starts with a respectful culture. This culture builds the trust necessary to address difficult issues, make effective decisions, and uphold responsibilities as an elected official, while mistrust leads to organizational dysfunction. While policy disagreement can be healthy and even productive, respectful communication recognizes the greater goals of an organization and conveys the competence required of a director.

The PCGJ recommends professional management facilitation to achieve this goal (see Appendix 1). As per the policy handbook, an agreement to abide by the code of conduct will raise the professional standards in the FPUD while mitigating legal risks and promoting public trust. It would be more effective for directors to conduct themselves in a respectful manner worthy of elected officials.

#### **More Training Necessary for Better Operations and Alignment between Directors and Staff**

Those who choose to serve on the board should have a breadth of knowledge or avail themselves of training that encompasses the complexity of their fiduciary and oversight responsibilities. The FPUD does not provide adequate onboarding for new directors. Directors are offered access to online training specific to special district boards through the CSDA and Jurassic Parliament. The grand jury examined the FPUD's records for participation in mandated ethics and sexual harassment training. Most, **but not all**, directors participated in legally mandated trainings.

The grand jury's observance of board meetings and minutes indicates additional training for directors is necessary, both for newly elected board members and on an annual basis. In 2025, challenges during meetings were repeatedly raised between directors about parliamentary procedure, the Brown Act, remote participation, and issues such as public contract law relevant to special districts and processes for adding items to the agenda. These publicly conducted skirmishes reflected poorly on the directors and took valuable time from financial and management decision-making.

Trade associations such as the CSDA, of which the FPUD is a dues-paying member, offer numerous cost effective training courses and webinars, including those related to board and staff interface such as, "Mastering Difficult Conversations at Work."<sup>34</sup> The FPUD's own law firm offers free in-person training opportunities on issues such as:

- AB 1234: Ethics Training for Local Officials.
- Brown Act and Conflicts.
- California Public Records Act.
- California Environmental Quality Act (CEQA) 101.
- Mandatory Sexual Harassment Prevention Training for Supervisors/Non-Supervisors.
- Social Media in the Workplace: How Prepared Are You?

Additionally, a new state law requires California special district officials to take mandatory training that covers fiduciary responsibilities. As of January 1, 2026, Senate Bill 827 (SB 827) mandates that covered local agency officials complete biennial fiscal and financial training. While the grand jury believes membership in the Association of California Water Agencies (ACWA) may offer the FPUD more opportunity to evolve organizationally on water-related issues, the FPUD should minimally ensure it is taking advantage of every training opportunity offered by the CSDA.

### **Administrative Segregation of Duties Governing Fiscal Operations**

The financial management of the FPUD has several mechanisms under the sole direction of the GM and in accordance with the California Government Code. Section 61053 (c)(3) requires the FPUD to adopt a system of accounting that adheres to Generally Accepted Accounting Principles (GAAP). It is crucial for organizations to have effective internal controls to maintain integrity of financial data and comply with these principles. One key component of internal control is segregation of duties.

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<sup>34</sup> California Special Districts Association website. Accessed February 26, 2026. [https://www.csdanet/events/event-description?CalendarEventKey=17633eac-f154-47aa-b6ca-019a9faf211b&hlmlt=ED#:~:text=Webinar:%20Mastering%20Difficult%20Conversations%20at,Risk%20Management%20Authority%20\(SDRMA\).](https://www.csdanet/events/event-description?CalendarEventKey=17633eac-f154-47aa-b6ca-019a9faf211b&hlmlt=ED#:~:text=Webinar:%20Mastering%20Difficult%20Conversations%20at,Risk%20Management%20Authority%20(SDRMA).)

Financial segregation of duties divides financial tasks among different people to prevent fraud, minimize errors, and ensure accuracy with no single individual controlling all parts of a financial operation. The FPUD has certain internal controls in place. For example, checks require two signatures. The grand jury learned that neither the treasurer nor someone from the finance committee were consistent signatories on checks.

Day-to-day duties fall primarily on the GM. The current system lacks the necessary checks and balances; the GM and in-house administrative staff are responsible for receiving and processing invoices and bills and handling banking on behalf of the FPUD, without the fiscal experience and oversight that should be provided by an in-house finance manager. The FPUD's policy reflects a need for checks and balances, but the FPUD lacks an in-house finance manager to fulfill these duties:

3032.7 The Finance Manager shall review and approve credit-card transactions by the General Manager. The General Manager shall review and approve credit-card transactions by the Finance Manager.<sup>35</sup>

The policy, as well as the FPUD organizational chart, implies this is an individual and not an outside accounting firm. Since there is not currently an individual serving in this capacity, an additional layer of safeguard is warranted, such as an in-house finance manager who reports to the board.

Additionally, while the board has historically reviewed financial records at board meetings, the GM indicated at the January 2026 board meeting that he would not be providing bank statements in the future. The GM stated this action is prompted by the directors' ability to access the GM's monthly financial reports, in which information is self-reported without corroboration provided by institutional bank statements. The refusal to provide bank statements to back up the financial reports provided to the board as part of their monthly meeting packets reflects a lack of transparency and is a matter of grave concern to the

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<sup>35</sup> Foresthill Public Utility District Policy Handbook. Accessed February 1, 2026.  
<https://www.foresthillpud.com/foresthill-public-utility-district-policy-handbook>

community given the board's fiduciary duty. **The board of directors, not only the GM, is legally responsible to ensure the proper financial protection is in place.**

Many organizations find that due to a small number of personnel and cost, segregation of duties is difficult to attain. There are mitigating controls a small organization can employ to reduce the risk associated with the inability to segregate financial duties.

Financial duties should be bifurcated to help mitigate risk. Past practice at the FPUD shows that a part-time in-house finance manager handled these duties. The GM should maintain authorization for approving transactions under direct supervision of the board; the in-house finance manager should handle record-keeping, reconciliation, and check disbursement.

At the February 2026 board meeting, the board of directors voted three-to-two to extend the services of the current contract accounting firm to handle the responsibilities of an in-house finance manager. When discussing the pool of applicants, the board allowed the current contracted firm four-and-a-half minutes in the public comment period to speak to the firm's billings and the benefits of a "fractional model." The speaker noted, however, that the firm was not "auditing" credit card transactions but was "touching them" for appropriateness. This is in violation of the FPUD's own written policy 3032.7, as noted above, requiring double-reviews of credit card transactions by both the Finance Manager and General Manager.<sup>36</sup>

Given the board's recent vote, the board should, at the minimum, implement additional mitigating internal controls due to the lack of segregation of duties. These mitigating controls should include board members receiving a copy of monthly bank statements directly or obtaining 'view access' to bank activity and utilizing the finance committee to consistently provide the second signature on checks.

### **Requirements for Board Meetings**

In 2025, the FPUD board held regular business meetings every month for a total of twelve meetings as well as several special meetings. An analysis of board meeting minutes for that

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<sup>36</sup> Ibid. Accessed April 27, 2026. <https://www.foresthillpud.com/foresthill-public-utility-district-policy-handbook>

calendar year showed that one director was absent for the majority of the regular meetings during a health event.

FPUD Board member participation is addressed in Policy 4020, which states:

4020.10 Members of the Board of Directors shall attend all regular and special meetings of the Board unless there is good cause for absence and they must contact the general manager stating reason for non-attendance within twenty-four (24) hours of meeting.

The director's absence was allowable, but significant given his role as treasurer and one of two members of the finance committee. In unique situations such as this, the board might have considered how a prolonged absence could affect the FPUD operations and made necessary officer and committee changes to ensure continuity.

Another director provided notice to participate remotely in board meetings for two consecutive meetings. After a director objected to waiving policy for the second notification of remote participation, the board voted appropriately to not waive the teleconference policy and the director was not permitted to participate in an official capacity as a director during the meeting.

The FPUD tele-conference policy is spelled out in Policy 4020.30, which states:

4020.30 Directors are limited to participating in regular meetings via tele-conference to one regular meeting every three (3) months. Directors are limited to participating in special meetings of the full Board via tele-conference to two (2) meetings in three (3) consecutive months.

It is important to note that FPUD policy does not align with legal requirements for public meetings for governmental bodies, known as the Brown Act.<sup>37</sup> The FPUD policy neither details the limited allowable reasons for teleconferencing nor correctly reflects the limitations on remote participation in Board meetings.

Recent amendments to the Brown Act allow a member of a legislative body to participate in a public meeting remotely only to accommodate a disability or if "just cause," including

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<sup>37</sup> California Government Code Sections 54950–54963. Accessed March 4, 2026.  
[https://leginfo.legislature.ca.gov/faces/codes\\_displayText.xhtml?division=2.&chapter=9.&part=1.&lawCode=GOV&title=5](https://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?division=2.&chapter=9.&part=1.&lawCode=GOV&title=5).

emergency circumstances, exists. Allowable reasons are defined as any one of the following circumstances: childcare or caregiving of a child, parent, grandparent, grandchild, sibling, spouse, or domestic partner that requires them to participate remotely; a contagious illness that prevents a member from attending in person; a need related to a physical or mental disability; travel while on business of the legislative body or another state or local agency; an immunocompromised relative that requires the member to participate remotely; or military service obligations.

Those reasons do not include personal out-of-state travel.

Even under an allowable “just cause” event, members of a legislative body are capped at the number of times they may participate remotely. California Government Code §54953.8.3(a)(3) limits remote participation to:

- (i) Two meetings per year, if the legislative body regularly meets once per month or less.
- (ii) Five meetings per year, if the legislative body regularly meets twice per month.
- (iii) Seven meetings per year, if the legislative body regularly meets three or more times per month.

The board should follow both state law and the FPUD written policies for all operations.

Unlawful or excessive requests for remote participation could be prevented through updated policies and more training on current law.

### **Oversight Needed by Placer County Local Agency Formation Commission**

The Placer County LAFCO, which operates under a statutory mandate for analyzing operational effectiveness, is charged with oversight of every public entity in the county, including special districts. Part of this oversight is a sphere of influence (SOI) review, a planning roadmap designating physical boundaries and service areas for districts. California State law governing LAFCOs states, “On or before January 1, 2008, and every five years thereafter, the commission shall, as necessary, review and update each sphere of influence.” (Gov. Code Section 56425 [g]). This language encourages, if not mandates, that sphere of influence (SOI) reviews occur every five years.

The Municipal Service Review (service review) examines providers' governance structures and efficiencies. Service reviews help identify opportunities for greater coordination and cooperation, including review and analysis of:

- Current service area and services provided;
- Probable future service needs based on growth;
- Infrastructure capabilities and deficiencies;
- Financial ability to provide services;
- Adjacent disadvantaged communities and service needs;
- Effectiveness of governmental structure and alternatives;
- Any other matter related to effective or efficient service delivery as required by Commission policy.<sup>38</sup>

The Placer County LAFCO operations are overseen by a commission with members from cities and towns, the county, special districts, and the public. As of the writing of this report, Supervisors Cindy Gustafson and Anthony DeMattei serve as the county government representatives on the commission; Shanti Landon is an alternate.

Local LAFCOs such as Placer LAFCO offer many benefits for local entities. Municipal service reviews may contain recommendations for change. A presentation to the California State Assembly Local Government Committee noted that LAFCOs are a resource with "Training and educational resources for compliance with State laws and best practices."<sup>39</sup>

Although SOI and service reviews are intended to occur by LAFCO every five years, the FPUD has not been reviewed since 2006.

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<sup>38</sup> Placer County Local Agency Formation Commission (Placer LAFCO) Policy Manual Policies, Standards, and Procedures, November 5, 2025. Accessed January 22, 2026.  
<https://www.placerlafcoca.gov/files/3341732a5/Placer+LAFCO+Policy+Manual+Adopted+November+5%2C+2025.pdf>.

<sup>39</sup> An Introduction to Local Agency Formation Commissions (LAFCOs), March 9, 2023. Accessed January 22, 2026.  
<https://alcl.assembly.ca.gov/sites/alcl.assembly.ca.gov/files/CALAFCO%20ALGC%20Local%20Gov%20101%20PDF%20March%209%2C%202023.pdf>.

Placer LAFCO's Five-Year Workplan indicates that the FPUD is scheduled for review in the 2025-26 calendar year,<sup>40</sup> but as of the writing of this report, the most recently available Multi-Year Work Program (Service Reviews) did not show a specific starting date for the FPUD.<sup>41</sup> Changes in LAFCO leadership staff and more pressing priorities likely play a role in schedule delays. However, the FPUD would benefit from an accelerated review in 2026 and regular reviews in the future, to gain robust and constructive insights into avenues for improved organizational function at FPUD.

### **Conclusion**

It is possible managerial accomplishments and financial and operational stability have led to a sense of complacency by some directors regarding their oversight responsibility. It is also possible that a pervasive sense that "we've always done it this way" dictates board and staff public actions. Regardless of the financial and operational status of public entities, policies and procedures must be of the highest standard and consistently followed to ensure the public interest is always represented.

The Foresthill Public Utility District is exposed to preventable financial risk due to governance failure and inadequate oversight. Public funds require protection through professional management, internal controls, and a board that understands and fulfills its fiduciary duty. As noted above, the board of directors is ultimately responsible for ensuring the proper financial protection is in place.

Corrective action is urgent and necessary to restore accountability and public confidence. The residents served by the FPUD deserve no less.

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<sup>40</sup> Placer LAFCO Multi-Year Work Program (Service Reviews). Accessed January 22, 2026.

<https://www.placerlafcocogov/files/deb416b6a/Placer+LAFCO+Service+Review+List%2C+2025.pdf>.

<sup>41</sup> Agenda from Placer LAFCO meeting April 8, 2026. Accessed April 10, 2026. <https://www.placerlafcocogov/lafco-meetings#docaccess-d6d5f9545caead410cea31787d42daf225192099638ce234682524cb074947b1>.

## **FINDINGS**

- F1.** The Foresthill Public Utility District failed to properly follow statutory requirements in its response to the 2024-25 Placer County Grand Jury report and recommendations demonstrating a pattern of inconsistent adherence to established policies, rules and regulations.
- F2.** Poor communication and mistrust among directors and staff have affected collaborative and timely decision-making at the Foresthill Public Utility District.
- F3.** The lack of onboarding and annual training has resulted in conflict between directors and operational misalignment with the general manager.
- F4.** The Foresthill Public Utility District does not follow Generally Accepted Accounting Principles in all aspects of financial operations.
- F5.** Directors fail to ensure adherence to segregation of duties in the financial management of the Foresthill Public Utility District.
- F6.** The general manager effectively controls access to institutional bank records, transmittal of financial data to outside financial contractors, and preparation of the annual budget with minimal board analysis, modification, or independent review.
- F7.** Although written policies and procedures governing the Foresthill Public Utility District operations exist, some policies are followed inconsistently, conflict with state law, or are ignored.
- F8.** A lack of timely review from Placer County Local Agency Formation Commission, as required under its mandate, has resulted in a void of independent insights into efficient functioning and operations.

## RECOMMENDATIONS

- R1.** The Foresthill Public Utility District Board of Directors should amend its response to the 2024-25 Placer County Grand Jury final report, to clearly align responses to the specific recommendations and provide implementation timelines to recommendations, by October 30, 2026.
- R2.** The Foresthill Public Utility District Board of Directors should engage the services of a professional management consultant, such as those services offered through the California Special Districts Association on leadership/board development, board planning/facilitation, and organizational assessment, no later than October 30, 2026.
- R3.** Directors should all follow the Foresthill Public Utility District Policy Handbook and state law and complete mandatory legal and fiduciary training, and maintain records of completion as mandated by state law, no later than October 30, 2026.
- R4.** The Foresthill Public Utility District should hire an in-house finance manager, as directed in the Foresthill Public Utility District Policy Handbook, who reports directly to the board as well as the general manager, no later than October 30, 2026.
- R5.** The Foresthill Public Utility District board should exercise financial oversight to ensure segregation of duties and appropriate checks and balances, in alignment with Generally Accepted Accounting Principles as directed by an in-house finance manager, by December 31, 2026.
- R6.** The Foresthill Public Utility District board should direct the in-house finance manager to provide direct financial reporting on a monthly basis, by December 31, 2026.
- R7.** The Foresthill Public Utility District board chair and general manager should follow policies regarding parliamentary procedures, remote participation, adherence to the Brown Act provisions, and decorum for public meetings, no later than the October 2026 board of directors meeting.

**R8.** Given the twenty-year gap from the last Placer Local Agency Formation Commission review, the Placer Local Agency Formation Commission should conduct a service review of the Foresthill Public Utility District as part of the “Placer LAFCO Final Workplan and Budget for Fiscal Year 2025-26,” with the review scheduled no later than August 30, 2026, and exercise ongoing individual oversight as determined by that review.

**REQUIRED RESPONSES**

Pursuant to Penal Code § 933 and 933.05, the Placer County Grand Jury requires a response from the following:

	<b>Findings and Recommendations Requiring Response</b>	<b>Response Due Date</b>
<b>Foresthill Public Utility District Board of Directors</b> 25540 Main Street Foresthill, CA 95631	<b>F1, F2, F3, F4, F5, F6, F7 and R1, R2, R3, R4, R5, R6, R7</b>	September 28, 2026
<b>Placer County Board of Supervisors</b> 175 Fulweiler Avenue Auburn, CA 95603	<b>F8 and R8</b>	September 28, 2026
<b>Placer County Local Agency Formation Commission</b> 110 Maple Street Auburn, CA 95603	<b>F8 and R8</b>	September 28, 2026

*This report was issued by the Placer County Grand Jury with the exception of one juror who recused due to the perception of a conflict. This grand juror did not participate in any aspect of the investigation, including interviews and deliberations, or in the writing or approval of this report.*

Reports issued by the Grand Jury do not identify individuals interviewed. Penal Code section 929 requires that reports of the Grand Jury not contain the name of any person or facts leading to the identity of any person who provides information to the Grand Jury.

# APPENDIX 1



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# FORESTHILL PUBLIC UTILITY DISTRICT

**BOARD OF DIRECTORS**  
Chase Dowling, President  
Mark Bell, Vice President  
Roger Pruett, Treasurer  
Ron Thompson, Director  
Dianne Foster, Director

Henry N. White, General Manager  
Eric N. Robinson, District Counsel  
Kronick, Moskovitz, Tiedemann & Girard

August 18, 2025

Item 8.3

The Honorable Alan V. Pineschi  
Presiding Judge of the Superior Court  
County of Placer  
P.O. Box 619072  
Roseville, CA 95661-9072

Placer County Grand Jury  
11532 B Avenue  
Auburn, CA 95603

**Re: 2024-2025 Grand Jury Final Report: Foresthill Public Utility District**

Dear Grand Jury:

The Foresthill Public Utility District respectfully submits the following responses to the Placer County Grand Jury's 2024-2025 Final Report. We acknowledge and appreciate the Grand Jury's important role in promoting transparency, accountability, and good governance in local public agencies. After careful review of the findings and recommendations presented, we are pleased to provide the following responses on behalf of the District.

### RESPONSES TO GRAND JURY FINDINGS

We agree with the findings numbered: F2, F3, F5, F6, F7, F8, F9, F10, and F11

We partially disagree with the finding numbered: F4

We disagree wholly with the finding numbered: F1

**Finding No. 1: The Foresthill Public Utility District Finance Manager position has been vacant since April 2023.**

We respectfully disagree with this finding. From August 2011 through April 10, 2023, Roger Carroll, CPA, fulfilled the duties of Finance Manager for the Foresthill Public Utility District under a Proposal to Provide Accounting Services. Following Mr. Carroll's passing in April 2023, Lance, Soll & Lunghard, LLP (LSL) assumed responsibility for Finance Manager duties under a Letter of Engagement executed on

P.O. Box 266, 24540 Main Street, Foresthill, CA 95631 (530) 367-2511  
[www.foreshillpud.com](http://www.foreshillpud.com)

May 31, 2023. Therefore, while there was a brief transition period, the Finance Manager responsibilities have not been vacant since April 2023.

**Finding No. 4: The Foresthill Public Utility District does not have a comprehensive strategic plan outlining future years including risks and opportunities.**

We partially disagree with this finding. The Foresthill Public Utility District developed a Water Master Plan in 1992. The Plan served as a strategic guide to maintain and enhance water service for the community. This Plan was updated in 2008 and includes long-term improvements and planning initiatives. This updated plan is a comprehensive strategic plan, and it continues to provide valuable guidance on infrastructure and water service issues the District may face for decades into the future.

### **RESPONSES TO RECOMMENDATIONS**

**Recommendation No. 1: The Foresthill Public Utility District Board of Directors should evaluate the benefits of staffing the vacant Finance (or Business) Manager position in-house or execute and engagement letter with an accounting services provider no later than September 30, 2025.**

*Recommendation No. 1 has not yet been implemented.*

The Board agreed during the August 13<sup>th</sup> board meeting to evaluate, through a Request For Proposal, the benefits of staffing the Finance Manager position in-house or with an accounting service provider.

This process will continue during the next board meeting and will likely continue beyond that.

One Board member has a differing opinion: "At the Aug. 13<sup>th</sup> Board meeting, the Board passed a motion to hire a Finance Manager, but Directors continue to disagree on hiring a Finance Manager to work in-house. The process of posting, interviewing, and hiring methods are scheduled for discussion on Sept. 10, at the FPUD's next Board meeting."

**Recommendation No. 2: The Foresthill Public Utility District Board of Directors should prepare and approve a strategic plan at the next fiscal planning cycle (2025-2026) and update annually.**

*Recommendation No. 2 has been implemented.*

The Foresthill Public Utility District developed a comprehensive Water Master Plan in 1992, which has served as a strategic framework for maintaining and enhancing water

service to the community. This plan was updated in 2008 to reflect changing needs and priorities and continues to guide the District in long-term infrastructure investment and water resource management. The 2008 update remains relevant and applicable to the District's ongoing operations and strategic decisions.

While the District supports the intent behind regular review of strategic goals, updating the Water Master Plan on an annual basis is neither typical for long-range planning documents nor financially prudent. Strategic planning at this scale is traditionally conducted on a multi-year cycle to ensure effective use of public resources. However, the District remains committed to reviewing its operational priorities annually as part of its fiscal planning process and will incorporate strategic considerations into that cycle as appropriate.

**Recommendation No. 3: Foresthill Public Utility District job descriptions should be updated and approved by the Board of Directors no later than September 30, 2025.**

*Recommendation No. 3 has not yet been implemented.*

The Foresthill Public Utility District acknowledges that routine updates to job descriptions (Policies) are a best practice and appreciates the Grand Jury's recommendation.

The District's current job descriptions were developed using widely accepted industry standards. These documents remain functional for the purposes of compliance, supervision, and operational consistency.

Timing of the implementation of this recommendation will depend on future Board discussions and priorities. Updating the Job Descriptions will be an Action Item at the September Board Meeting.

Director Foster believes revising Job Descriptions should be the next priority for the board.

**Recommendation No. 4: The Foresthill Public Utility District Board of Directors should develop a plan (timeline and milestones) to update its Policy Handbook no later than September 30, 2025.**

*Recommendation No. 4 has not yet been implemented.*

The Foresthill Public Utility District Board of Directors are currently reviewing about one policy per month, allowing for focused discussion and thoughtful deliberation on each item. Due to the collaborative nature of this process, and the time required to obtain full Board consensus, each policy revision may take several months to complete.

While this ongoing approach ensures that policies are carefully evaluated and reflect the Board's collective judgment, it does not currently follow a formal timeline with defined milestones. As such, the District cannot commit to a fixed plan for updating the entire Policy Handbook by the specified date. The pace and sequence of updates will continue to be shaped by Board priorities and available resources.

The District remains committed to ensuring its policies are clear, current, and aligned with best practices, and will continue to assess progress during regular Board meetings.

**Recommendation No. 5: Placer County Grand Jury 2024-2025 Final Report The Foresthill Public Utility District General Manager responsibilities should be decoupled from minute taking no later than September 30, 2025.**

*Recommendation No. 5 has not yet been implemented.*

The Board of Directors has already discussed the possibility of transitioning away from action-style minutes – recommended by District counsel – to a more narrative or detailed format. Such a transition would require additional staff resources. The Board is currently deliberating whether to approve an additional staff position to support this potential change in minute-taking style. Until such a decision is made and resources are allocated, the current system will remain in place.

**Recommendation No. 6: The Foresthill Public Utility District Enterprise System(s) disclosure on the District website should be updated for current business systems no later than September 30, 2025.**

*Recommendation No. 6 has been implemented.*

The Foresthill Public Utility District updated its disclosure of enterprise system information in compliance with the requirements of Senate Bill 272 on July 14, 2025. The updated disclosure is available on the District's website and reflects the District's current business systems.

**Recommendation No. 7: The Foresthill Public Utility District should provide the Local Agency Formation Commission with updated information no later than September 30, 2025.**

*Recommendation No. 7 has been implemented.*

On July 14, 2025, the Foresthill Public Utility District provided updated information to the Placer County Local Agency Formation Commission (LAFCO), including the name of the current Board Chair and the District's regular meeting time.

**Recommendation No. 8: Foresthill Public Utility District expenditure approvals should adhere to stated amounts in the Policy Handbook immediately, with acknowledgement to the Placer County Grand Jury no later than September 1, 2025.**

*Recommendation No. 8 has been implemented.*

The Foresthill Public Utility District follows a standard procurement policy which requires pre-authorization by the Board of Directors for expenditures exceeding \$15,000 per month. This policy ensures appropriate oversight of significant financial commitments.

Occasionally, operational necessity may require the General Manager to authorize purchases that exceed this threshold prior to formal Board approval. In such cases, the expenditures are to be promptly presented to the Board for ratification. This ratification process ensures compliance with District policy, maintains transparency, and safeguards public resources through full Board accountability.

The District acknowledges the importance of adhering to its Policy Handbook and remains committed to transparent and responsible financial management.

Director Foster and President Dowling thinks the board should revise policy 3082 to address violations.

**Recommendation No. 9: The Foresthill Public Utility District should review its investment strategy and realized asset returns at the next review cycle or no later than December 31, 2025.**

*Recommendation No. 9 has been implemented.*

The Foresthill Public Utility District reviews its investment strategy annually, or more frequently if necessary, to ensure compliance with Government Code Section 53600. The District's current investment policy is consistent with statutory requirements and provides clear, industry-standard guidance for staff and investment professionals. This policy supports the transparent and responsible management of public funds and ensures alignment with the District's financial goals and fiduciary duties.

**Recommendation No. 10: The Foresthill Public Utility District Board of Directors should update the status of securing its water right permit expired in 2011 no later than September 30, 2025.**

*Recommendation No. 10 has not yet been implemented.*

The Foresthill Public Utility District is actively working to update the status of Water Right Permit No. 15375. The District anticipates providing an updated status regarding the extension request by September 30, 2025, in accordance with the recommendation. The Foresthill Public Utility District remains committed to preserving this critical resource for the benefit of the community and ensuring continued compliance with applicable state regulations.

**Recommendation No. 11: The Foresthill Public Utility District Board of Directors should review Form 700 filing requirements for district and board individuals no later than September 30, 2025, and review annually thereafter.**

*Recommendation No. 11 has been implemented.*

Information outlining Form 700 filing requirements was distributed to the Board of Directors and staff on **July 15, 2025**. In addition, the Fair Political Practices Commission (FPPC) regularly issues reminders to all mandatory filers to ensure ongoing compliance. The District will continue to review these requirements on an annual basis moving forward.

**Recommendation No. 12: The Foresthill Public Utility District Board of Directors should schedule a meeting to establish performance goals and objectives for the General Manager no later than September 30, 2025, and for each fiscal year thereafter.**

*Recommendation No. 12 has not yet been implemented.*

The Foresthill Public Utility District Board of Directors conducts an annual review of the General Manager's performance and establishes goals during its regularly scheduled August board meeting. The Board is scheduled to initiate this task at the upcoming meeting on August 13, 2025.

The Foresthill Public Utility District appreciates the efforts of the Placer County Grand Jury in reviewing local governance practices. We remain committed to transparency, accountability, and continuous improvement in our operations. Should the Grand Jury require any additional information or clarification regarding these responses, please do not hesitate to contact us.

Sincerely,



Chase Dowling, President of the Board,  
On behalf of the  
Board of Directors, Foresthill Public Utility District

**Hank White**

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**From:** Dianne Foster  
**Sent:** Sunday, June 28, 2026 11:22 AM  
**To:** Hank White; Chase Dowling  
**Cc:** Dianne Foster; Chase  
**Subject:** Agenda item for July agenda  
**Attachments:** FPUD organizational chart.pdf; 2305 p1.pdf; 2305 p2.pdf; 2305 p3.pdf

Board Member Action Item

Director Foster requests the Board hire an in-house Finance Manger as 2025-26 Grand Jury Final Report recommends in R-4.

The Grand Jury states in its report that “The FPUD is exposed to preventable financial risk due to governance failure and inadequate oversight.” Specifically Recommendation #4 & #5 explain. “The FPUD should exercise financial oversight ...in alignment with Generally Accepted Accounting Principles (GAAP) as directed by an in-house finance manager...” & “The FPUD should hire an in-house finance manager, as directed in the FPUD Handbook no later than Oct. 30, 2026.

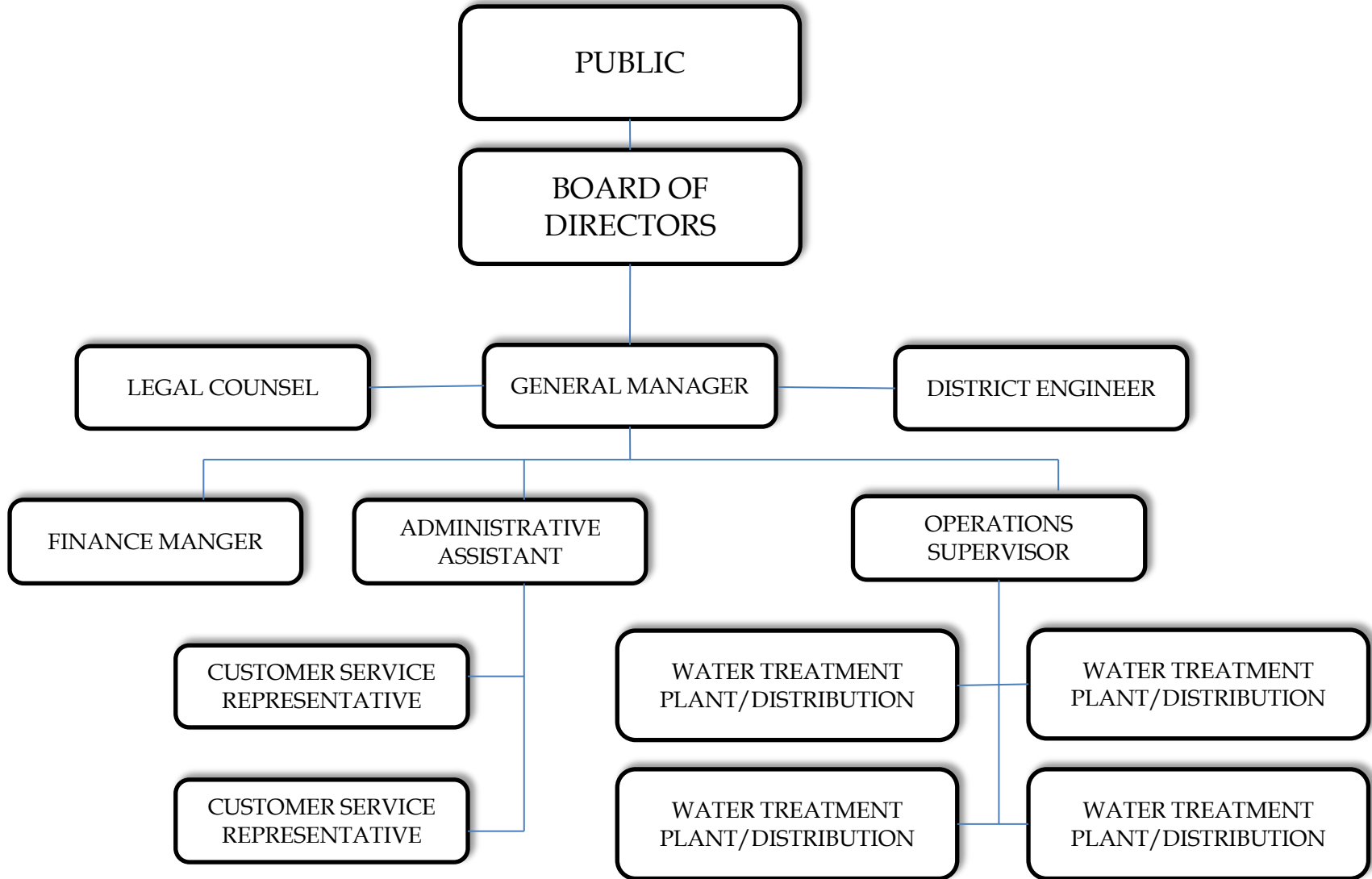
Recommended Action: The Board instruct the staff to post an RFP for an in-house finance manager position (no remote) at the *CSDA, Indeed, Placer Job Network, Gold Country Media* as well as other suggested area within a week of this meeting.

Attachments provided.

Foresthill Public Utility District  
POLICY HANDBOOK

Policy Title: Organizational Chart, November 2014

Policy Number: 2300



# FORESTHILL PUBLIC UTILITY DISTRICT

## POLICY HANDBOOK

**POLICY TITLE:** Job Description – Finance Manager  
**POLICY NUMBER:** 2305

### **SUMMARY DESCRIPTION**

To organize, direct and coordinate general accounting, budgeting, and the conduct of complex financial analysis; to coordinate financial analysis activities with other divisions and departments; and to provide highly complex staff assistance to the General Manager.

### **DISTINGUISHING CHARACTERISTICS**

The Financial Manager operates with a great deal of independence and discretion.

### **SUPERVISION RECEIVED AND EXERCISED**

Receive administrative direction from the General Manager.  
Exercises direct supervision over professional and technical personnel.

**EXAMPLES OF DUTIES** - *The following duties are typical for this classification. Incumbents may not perform all of the listed duties and/or may be required to perform additional or different duties from those set forth below to address business needs and changing business practices.*

- *Develop and implement division goals, objectives, policies and procedures.*
- *Plan, organize, and direct financial activities including financial analysis, budgeting, accounting, and related program support.*
- *Direct, oversee and participate in the development of the work plan related to financial analysis including the assignment, monitoring and review of work activities, projects and programs.*
- *Recommend the appointment of personnel and provide staff training, conduct performance evaluations and implement discipline procedures as required to maintain high standards necessary for the efficient and professional operations of the department.*
- *Participate in and implement various financial projects and programs, including but not limited to, administrative, financial, economic, systems and rate analysis.*
- *Create and analyze technical financial information.*
- *Perform professional accounting work in accordance with prescribed accounting standards (GASB, GAAP, Utility Accounting).*
- *Reconcile and analyze accounts.*
- *Perform cost-benefit analysis.*
- *Assist in the coordination, preparation and monitoring of the Agency budgets.*
- *Maintain statistical and economic data for estimates and forecasts.*
- *Review and/or perform overhead analysis for Capital Improvement Projects and other cost allocations.*

- *Manage and/or participate in the preparation of a wide variety of complex financial reports and analyses.*
- *Query accounting system database and develop custom reports.*
- *Prepare complex reports, manuals, memoranda, correspondence and other documents.*
- *Prepare and analyze historical, current and future revenue and expense trends and forecasts.*

- Coordinate and/or review grant details including the Agency's Financial Assistance Program and other grants awarded to the Agency.
- Perform internal audit functions.
- Conduct special projects.
- Make recommendations for improvements to efficiency, cost effectiveness and quality of operations.
- Represent the division and department to outside agencies and organizations and participate in outside community and professional groups and committees.
- Research and prepare technical and administrative reports and prepare written correspondence.
- Perform related duties as required.

## **QUALIFICATIONS**

### **KNOWLEDGE OF:**

- Principles and practices of complex financial analysis as it relates to a public utility.
- Federal, state and local laws, codes and regulations pertinent to accounting, budgeting and financial analysis at a public utility.
- Accounting principles and procedures applicable to utilities and government agencies.
- Principles and practices of local government budget preparation and administration.
- Finance and cost distribution systems.
- English usage, grammar and punctuation.
- Principles and practices of leadership, motivation, team building and conflict resolution.
- Pertinent local, state and federal rules, regulations and laws.
- Modern office equipment including use of word processing, database and spreadsheet applications.
- Principles and practices of organizational analysis and management.
- Principles and practices of supervision, training and personnel management.
- Principles and practices of customer service.

### **ABILITY TO:**

- Organize and direct complex financial operations.
- Understand and communicate to others the Agency's financial and budget systems.

- Interpret and apply principles, procedures, regulations and laws related to budget preparation and administration.
- Analyze data, draw appropriate conclusions and adopt appropriate courses of action.
- Work independently.
- Conduct feasibility studies, cost-benefit analyses, and the analysis of fiscal information.
- Read and understand technical information.
- Compile data and prepare technical and analytical reports.
- Develop forecasts and trend analyses.
- Estimate and project revenues, project costs and general expenditures.
- Query databases and develop reports using a variety of computer report-writing tools.
- Learn integrated computer budgeting and accounting systems.
- Analyze problems, identify alternative solutions, project consequences of proposed actions and implement recommendations in support of goals.
- Gain cooperation through discussion and persuasion.
- Interpret and apply Agency and department policies, procedures, rules and regulations.
- Communicate clearly and concisely, both orally and in writing.
- Supervise, train and evaluate personnel.
- Establish and maintain effective working relationships with those contacted in the course of work.

**WORKING CONDITIONS:**

- Work is generally carried out in an office setting.
- Frequently sit at a desk and in meetings for long periods of time.
- Frequently twist to reach office equipment and perform simple grasping and fine manipulation to write and use keyboard.
- Occasionally lift up to 35 pounds.

**Experience and Education** – *Any combination of education and experience that would likely provide the required knowledge and abilities is qualifying. A typical way to obtain the knowledge and abilities would be:*

**Experience:**

Six years of increasingly responsible public sector finance and budgeting experience, including two years of supervisory responsibility.

**Education:**

Equivalent to a Bachelor's degree from an accredited college or university in Business Administration, Accounting or a related field.

**License or Certificate:**

Possession and maintenance of a valid California driver's license and acceptable driving record.

*Class specifications are intended to present a descriptive list of the range of duties performed by employees in the class. Specifications are **not** intended to reflect all duties performed within the*

*job.*

## Hank White

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**From:** Dianne Foster  
**Sent:** Sunday, June 28, 2026 11:35 AM  
**To:** Hank White; Chase Dowling  
**Cc:** Dianne Foster  
**Subject:** Board Policies 4060 and 5040 attached  
**Attachments:** BP 4060.pdf; BP 5040 Actions and decisions.pdf

Please include these Board Policies to the July Board packet.

Dianne Foster

# FORESTHILL PUBLIC UTILITY DISTRICT POLICY HANDBOOK

**POLICY TITLE:** Committees of the Board of Directors  
**POLICY NUMBER:** 4060

**4060.10** The Board President shall appoint such ad hoc committees as may be deemed necessary or advisable by himself/herself and/or the Board. The duties of the ad hoc committees shall be outlined at the time of appointment, and the committee shall be considered dissolved when its final report has been made.

**4060.20** The following shall be standing committees of the Board:

**4060.21** Planning Committee;

**4060.22** Finance Committee;

**4060.30** The Board President shall appoint and publicly announce the members of the standing committees for the ensuing year no later than the Board's regular meeting in January.

**4060.40** The Board's standing committees may be assigned to review District functions, activities, and/or operations pertaining to their designated concerns, as specified below. Said assignment may be made by the Board President, a majority vote of the Board, or on their own initiative. Any recommendations resulting from said review should be submitted to the Board via a written or oral report.

**4060.41** All meetings of standing committees shall conform to all open meeting laws (e.g., Brown Act) that pertain to regular meetings of the Board of Directors.

**4060.50** The Board's standing Planning Committee shall be concerned with the formulation of plans for arranging, realizing, and/or achieving District goals.

**4060.60** The Board's standing Finance Committee shall be concerned with the financial management of the District, including the preparation of an annual budget and major expenditures.

# FORESTHILL PUBLIC UTILITY DISTRICT POLICY HANDBOOK

**POLICY TITLE:** Board Actions and Decisions  
**POLICY NUMBER:** 5040

**5040.10** Actions by the Board of Directors include but are not limited to the following:

**5040.11** Adoption or rejection of regulations or policies;

**5040.12** Adoption or rejection of a resolution;

**5040.13** Adoption or rejection of an ordinance;

**5040.14** Approval or rejection of any contract or expenditure;

**5040.15** Approval or rejection of any proposal which commits District funds or facilities, including employment and dismissal of personnel; and,

**5040.16** Approval or disapproval of matters that require or may require the District or its employees to take action and/or provide services.

**5040.20** Action can only be taken by the vote of the majority of the Board of Directors. Three (3) Directors represent a quorum for the conduct of business. Actions taken at a meeting where only a quorum is present, therefore, require all three (3) votes to be effective (unless a 4/5 vote is required by policy or other law).

**5040.21** A member abstaining in a vote is considered as absent for that vote. A member abstaining due to a conflict of interest does not count towards a quorum. Refer to Policy 4050 regarding when Directors should recuse themselves from participating in the discussion or vote.

**5040.22** Example: If three of five Directors are present at a meeting, a quorum exists and business can be conducted. However, if one of three Directors comprising the quorum abstains on a particular action and the other two cast "aye" votes, no action is taken because a "majority of the Board" did not vote in favor of the action.

**5040.23** Example: If an action is proposed requiring a two-thirds vote and two Directors abstain, the proposed action cannot be approved because four of the five Directors would have to vote in favor of the action.

**5040.24** Example: If a vacancy exists on the Board and a vote is taken to appoint an individual to fill said vacancy, three Directors must vote in favor of the appointment for it to be approved. If two of the four Directors present abstain, the appointment is not approved.

**5040.30** The Board may give directions that are not formal action. Such directions do not require formal procedural process. Such directions include the Board's directives and instructions to the General Manager.

**5040.31** The President shall determine by consensus a Board directive and shall state it for clarification. Should any two Directors challenge the statement of the President, a voice vote may be requested.

**5040.32** A formal motion may be made to place a disputed directive on a future agenda for Board consideration, or to take some other action (such as refer the matter to the General Manager for review and recommendation, etc.).

**5040.33** Informal action by the Board is still Board action and shall only occur regarding matters that appear on the agenda for the Board meeting during which said informal action is taken.

**To:** Board of Directors  
**From:** Henry N. White  
**Date:** July 1, 2026  
**Subject:** General Manager's Report

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Topics of General Interest:

- 1. Safety Meeting Update** - As part of Foresthill's ongoing commitment to employee safety and well-being, staff participate in regular safety meetings throughout the year. On May 14, 2026, the team reviewed Wildfire Smoke Training. On June 11, 2026, the team reviewed Hand and Power Tool Safety. These proactive sessions support a strong safety culture and help ensure that all employees are prepared for seasonal workplace challenges.
- 2. Electronic Annual Report approved by the Division of Drinking Water** - The California Division of Drinking Water approved Foresthill Public Utility District's 2025 Electronic Annual Report (EAR) for water system CA3110003 on April 14, 2026. The EAR is an important annual compliance report that documents system operations, water quality, and regulatory requirements for the District's drinking water system. Completing and receiving approval of the report well ahead of the deadline reflects positively on District staff's commitment to regulatory compliance, organization, and proactive management of our public water system. The District's Cross Connection Control Plan submission date of June 26, 2025 was also confirmed as part of this review.
- 3. Submitted Direct Charge Information to Placer County on 6/11/2026** - Submitted necessary documents to Placer County to place direct charges for Tax Code #70800 and #72700

4. **Completed California Environmental Quality Act Documentation for Temporary Water Transfer** – The Notice of Exemption for a temporary water transfer was completed on June 11, 2026 satisfying CEQA requirements for the discretionary project.
  
5. **Finance Manager Report -April 2026 (Lance, Soll & Lunghard, LLP) LSL**
  1. . Bookkeeping
    - Recorded daily transactions and maintained ledgers.
    - Reconciled bank accounts and customer credit card payments.
    - Managed property tax payments, savings account interest, and LAIF monthly entries.
    - Reconciled accounts receivable and delinquent accounts with monthly reports.
    - Allocated debt payments between FPUD and Tax Assessment District 708.
    - Recorded monthly revenue through Starnik and reconciled reports to the general ledger.
    - Processed prepaid insurance expenses, depreciation, and monthly expense allocations.
  2. Accounts Payable Processing
    - Processed invoices on April 14<sup>th</sup> and 21<sup>st</sup>.
  3. Payroll Processing
    - Reviewed timecards for accuracy and recorded payroll from ADP in QuickBooks.
    - Tracked employee benefits, including comp time and mileage, for future payout.
    - Distributed paystubs via email and allocated payroll costs by budget categories.
    - Recorded and paid CalPERS contributions; reconciled health insurance contributions.
  4. Financial Reporting
    - Prepared key financial statements: balance sheet, income statement, and cash flow statement, providing an overview of April’s financial performance.
    - Our intent is to implement FPUD’s new fund balance policy (May 2025) on subsequent monthly financial reporting, pending management review and adjustment authorization.