

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

Pursuant to Government Code section 54953(b), Director Peter Kappelhof will be participating in the meeting remotely. The teleconference location is Rosedale on Robinson 838 Hamilton Street, Vancouver, BC V6B 6A2, Canada. Director Kappelhof will participate in the meeting via telephone or Zoom Meeting (depending on internet availability).

Thursday	November 9, 2023	3:00 P.M.
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A. CALL TO ORDER: 3:00 PM

B. OPEN SESSION - ROLL CALL:

- _____ President Jane Stahler
- _____ Vice President Mark Bell
- _____ Treasurer Ron Thompson
- _____ Director Roger Pruett
- _____ Director Peter Kappelhof

C. PLEDGE OF ALLEGIANCE

D. PUBLIC COMMENT:

- Members of the public may provide comments to the Board on items 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 Board, staff, and members of the public to speak courteously and respectfully. Therefore, the Board prohibits disruptive behavior.

E. CLOSED SESSION:

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: Jane Stahler 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

2. Public employee performance evaluation, Government Code Section 54957(b), Title: General Manager

F. OPEN SESSION - ROLL CALL (Starting at 6:00 PM):

_____ President Jane Stahler
_____ Vice President Mark Bell
_____ Treasurer Ron Thompson
_____ Director Roger Pruett
_____ Director Peter Kappelhof

G. ANNOUNCEMENT FROM CLOSED SESSION:

H. PUBLIC COMMENT:

- Members of the public may provide comments to the Board on items 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 Board, staff, and members of the public to speak courteously and respectfully. Therefore, the Board prohibits disruptive behavior.

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

1. Approval of October 12, 2023 Regular Board Meeting minutes
2. Receive and file combined financial report for August 2023

J. ACTION ITEMS:

1. Consider Auditor's request for an additional \$1,000 to complete the 2022-2023 Audit
Recommended Action: Authorize the General Manager to execute an engagement letter with Fechter & Company to complete an audit for Fiscal Year Ending June 30, 2023 for an amount not to exceed \$16,000.
Public comment:

K. DISCUSSION ITEMS:

1. General Manager Report
2. Remarks/reports by Directors

L. 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., November 2, 2023.

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.

Henry N. White, Board Clerk & Ex-Officio Secretary

FORESTHILL PUBLIC UTILITY DISTRICT

MINUTES

Regular Business Meeting of the
FORESTHILL PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS
Foresthill Elementary School, 24750 Main Street, Foresthill, CA 95631
www.foresthillpud.com

Thursday	October 12, 2023	3:00 P.M.
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A. CALL TO ORDER: 3:00 PM *President Stahler called the meeting to order at 3:00 PM.*

B. OPEN SESSION - ROLL CALL:

_____ President Jane Stahler	<i>Present</i>
_____ Vice President Mark Bell	<i>Absent</i>
_____ Treasurer Ron Thompson	<i>Present</i>
_____ Director Roger Pruett	<i>Present</i>
_____ Director Peter Kappelhof	<i>Present</i>

C. PLEDGE OF ALLEGIANCE *President Stahler led the Pledge of Allegiance*

D. PUBLIC COMMENT:

- Members of the public may provide comments to the Board on items 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 Board, staff, and members of the public to speak courteously and respectfully. Therefore, the Board prohibits disruptive behavior.

Public comment period made available, but no comments were offered. No public in attendance.

E. CLOSED SESSION:

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: Jane Stahler 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

- Public employee performance evaluation, Government Code Section 54957(b), Title: General Manager

F. OPEN SESSION - ROLL CALL (Starting at 6:00 PM): *President Stahler called the meeting to order at 6:00 PM*

_____ President Jane Stahler	<i>Present</i>
_____ Vice President Mark Bell	<i>Absent</i>
_____ Treasurer Ron Thompson	<i>Present</i>
_____ Director Roger Pruett	<i>Present</i>
_____ Director Peter Kappelhof	<i>Present</i>

G. ANNOUNCEMENT FROM CLOSED SESSION: *President Stahler announced that no reportable action was taken during closed session.*

H. PUBLIC COMMENT:

- Members of the public may provide comments to the Board on items 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 Board, staff, and members of the public to speak courteously and respectfully. Therefore, the Board prohibits disruptive behavior.

Public comment period made available, but no comments were offered. No public in attendance.

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

- Approval of August 10, 2023 Regular Board Meeting minutes and August 17, 2023 Special Board Meeting minutes
- Receive and file combined financial report for June and July 2023

Board Action: *Director Kappelhof made a motion to approve the consent agenda. The motion was seconded by Treasurer Thompson and after a roll call vote, the motion carried unanimously (4 - 0).*

J. ACTION ITEMS:

- Authorize the Clerk to the Board to file a Notice of Completion for the 2019 Foresthill Road Pipeline Replacement Project with Flowline Construction, Inc.
Recommended Action: Authorize Clerk to file Notice of Completion
Public comment:

Board Action: *Treasurer Thompson made a motion to authorize the Clerk of the Board to record a Notice of Completion with Placer County for the 2019 Foresthill Road Pipeline*

Replacement Project (Mosquito Ridge Road to Thompson Street). The motion was seconded by Director Kappelhof and carried unanimously (4-0).

K. DISCUSSION ITEMS:

1. General Manager Report - *Received*
2. Remarks/reports by Directors - *Received*

L. ADJOURNMENT - *At 7:25 PM, Director Kappelhof made a motion to adjourn the meeting. The motion was seconded by Director Pruett and carried unanimously (4-0).*

Submitted by:

Attest:

Jane Stahler, Board President

Henry N. White, Clerk and Ex-Officio Secretary

Foresthill Public Utility District
Statement of Net Position
As of August 31, 2023

Item 1 2

	Aug 31, 2023
ASSETS	
Current Assets	
Checking/Savings	
10110 · Cash on Hand	250
10120 · Wells Fargo Checking	475,145
10510 · Local Agency Investment Fund	309,642
10512 · Umpqua Savings account	7,025
10519 · Wells Fargo Adv - Money Mrkt	3,178
10520 · Wells Fargo Adv - Face Value	5,314,000
	6,109,240
Accounts Receivable	292,856
Other Current Assets	79,857
	6,481,953
Fixed Assets	11,045,160
Other Assets	443,735
	17,970,847
	17,970,847
LIABILITIES & NET POSITION	
Liabilities	
Current Liabilities	
Other Current Liabilities	242,839
	242,839
Long Term Liabilities	691,524
	934,363
Total Liabilities	934,363
Net Position	17,036,485
	17,970,847
	17,970,847

Foresthill Public Utility District
Profit & Loss Budget vs. Actual
 July through August 2023

	<u>Jul - Aug 23</u>	<u>Budget</u>	<u>\$ Over Budget</u>
Ordinary Income/Expense			
Income			
41100 · Consumption Billed	161,109	83,333	77,776
41105 · Residential Overage Charge	(1,030)		
41150 · Base rate - Residential	343,068	300,000	43,068
41200 · Base rate - Commercial	36,960	33,333	3,627
42300 · Meter Installation	-	1,000	(1,000)
49210 · Interest - Taxes	2,412		
49220 · Portfolio Income	48,954	8,333	40,621
49251 · Interest - Umpqua Bank	-		
49300 · Property Tax Revenues	-	19,667	(19,667)
49510 · Water Charges Penalties	-	1,667	(1,667)
49520 · Service Charges & Reconnect	1,563	2,500	(937)
49930 · Grant Income	-	250,000	(250,000)
Total Income	<u>593,036</u>	<u>699,833</u>	<u>(106,797)</u>
Expense			
51000 · Wages & Salaries	92,505	141,606	(49,101)
52000 · Taxes & Benefits	64,434	103,938	(39,504)
53000 · Materials & Supplies	20,853	18,117	2,736
54000 · Equipment costs	6,459	9,084	(2,625)
55000 · Contracted services	39,198	22,933	16,265
55001 · Professional Fees	18,233	12,500	5,733
56000 · Resource development	3,499	19,621	(16,122)
57000 · Utilities	5,643	10,667	(5,024)
58000 · Regulatory and General	28,871	20,591	8,280
61000 · Capital Activities	12,656	250,000	(237,344)
62400 · Depreciation Expense	64,540		(64,540)
66000 · Payroll Expense	12		
Total Expense	<u>356,903</u>	<u>609,057</u>	<u>(252,154)</u>
Net Ordinary Income	<u>236,133</u>	<u>90,776</u>	<u>145,357</u>
Net Income	<u><u>236,133</u></u>	<u><u>90,776</u></u>	<u><u>145,357</u></u>

* Uses FY 22/23 budget

Foresthill Public Utility District
Profit & Loss Budget vs. Actual
 July through August 2023

	<u>Jul - Aug 23</u>	<u>Budget</u>	<u>\$ Over Budget</u>
Management and Administration	86,239	53,832	32,407
Capital Activities	12,656	250,000	(237,344)
Customer Service	40,305	84,032	(43,727)
Distribution	68,060	61,066	6,994
Pumping	1,199	7,348	(6,149)
Regulatory Compliance	18,280	51,373	(33,093)
Revenue	593,034	0	593,034
Source of Supply	9,759	7,619	2,140
Treatment	68,449	65,785	2,664
Depreciation	64,540	0	64,540
TOTAL	<u>962,521</u>	<u>581,055</u>	<u>381,466</u>

* Uses FY 22/23 budget

Fund Balances

	<u>7/1/2023</u>	<u>Received</u>	<u>Paid Out</u>	<u>Transfers</u>	<u>Balance</u>
General Fund - unspendable	13,463,278			77,196	13,540,474
General Fund - unrestricted	1,209,132	593,036	344,247	(89,852)	1,368,069
Operating reserves	1,150,830				1,150,830
Debt service reserves	204,676				204,676
Capital reserves	172,435		12,656	12,656	172,435
Emergency reserves	600,000				600,000
Total Fund balances	<u>16,800,351</u>	<u>593,036</u>	<u>356,903</u>	<u>0</u>	<u>17,036,484</u>

* This budget includes Debt Service

Foresthill Public Utility District
Cash Disbursements Register
August 2023

Date	Num	Name	Memo	Paid Amount
Aug 23				
08/01/2023	33497	Bureau of Reclamation	July 2023 restoration charges	-3,439.15
08/01/2023	33498	Ferguson Enterprises Inc.	supplies	-1,044.66
08/01/2023	33499	Howard E Hutching Co, Inc.	Chlorine room supplies	-204.31
08/01/2023	33500	Sierra Saw	repair cut off saw	-179.58
08/01/2023	33501	Thatcher Company, Inc.	chlorine	-6,199.89
08/01/2023	33502	Underground Service Alert	USA membership (required)	-824.95
08/01/2023	33503	United Healthcare	CL & PL Aug Health Ins	-245.00
08/01/2023	33504	USA Blue Book	cust #70441. Cl2 system	-2,749.47
08/01/2023	33505	waterTALENT, LLC	temp labor week end 07-23-2023	-5,200.00
08/01/2023	33506	Wright Heating & Air Conditioning	repair HQ AC	-90.00
08/08/2023	33507	Auburn Area Answering Service	Answering service Monthly serv ch...	-142.40
08/08/2023	33508	Clark Pest Control	WTP Pests & weeds	-843.00
08/08/2023	33509	Ferguson Enterprises Inc.	Cust #414764. New Hydrant Oak R...	-4,369.29
08/08/2023	33510	Howard E Hutching Co, Inc.	New Cl2 system	-107.25
08/08/2023	33511	NTU Technologies, Inc.	Polymer	-2,172.80
08/08/2023	33512	Pacific Gas & Electric	July- HQ power, Indian Lane & Tod...	-433.95
08/08/2023	33513	Picovale, Inc.	Sugar Pine Dam Telemetry Improv...	-5,466.06
08/08/2023	33514	Progressive Print Solutions	check stock	-273.81
08/08/2023	33515	Sebastian	Aug 23 phone & internet	-528.12
08/08/2023	33516	USA Blue Book	CL2 room	-698.04
08/08/2023	33517	Vision Quest Information Solutions, Inc.	IT Service Sept 2023	-1,309.00
08/08/2023	33518	waterTALENT, LLC	temp labor week end 07-30-2023	-5,200.00
08/08/2023	33519	West Landscape Maintenance	July 23 Park landscape maintenance	-120.00
08/08/2023	33520	Vision Service Plan - (CA)	Aug 23 vision- remaining balance. ...	-46.02
08/15/2023	33521	Brandi L. Petterle	Refund 6184 Green Ridge Dr	-11.90
08/15/2023	33522	Cindy Ceasar Rohweder	Refund 6359 Green Leaf Ln	-181.15
08/15/2023	33523	Denise L Jacks	Refund 5967 Silverleaf Dr	-10.12
08/15/2023	33524	Donald Riley	Refund 6279 Green Leaf Ln	-100.73
08/15/2023	33525	Duane Long	Refund 24582 Harrison St	-106.25
08/15/2023	33526	Dylan Dorris	Refund 5995 Happy Pines Dr	-67.58
08/15/2023	33527	Ferguson Enterprises Inc.	Cust #414764. Fittings	-115.41
08/15/2023	33528	Fred L. Petersen	Refund 20360 Cedar View Ct	-48.95
08/15/2023	33529	George McCafferty Foothill Industrial	Refund Sunset Dr Hydrant	-1,043.44
08/15/2023	33530	Jim & Cheryl Bender	Refund 6177 Silverleaf Dr	-57.17
08/15/2023	33531	LSL CPAs & Assoc.	Accounting Assistance July 2023. ...	-15,536.25
08/15/2023	33532	Placer County Engineering and Surveying	Inspections- Foresthill Rd Pipeline	-71.34
08/15/2023	33533	Rachel Carnes	Refund 5120 McKeon Ponderosa ...	-4.97
08/15/2023	33534	Recology Auburn Placer	July refuse- WTP & HQ	-75.50
08/15/2023	33535	Resource Environmental Inc	Refund 24750 Main St Hydrant	-461.52
08/15/2023	33536	Thomas & Linda Stevens	Refund 5050 Bella Vista Cr	-8.60
08/15/2023	33537	Thomas Prosper	Refund 6282 Green Ridge Dr	-121.93
08/15/2023	33538	Umpqua Bank	Water bond principal and interest p...	-67,674.20
08/15/2023	33539	USA Blue Book	Customer #70441. Cl2 supplies	-126.56
08/15/2023	33540	waterTALENT, LLC	Temp labor week end 8-6-2023	-5,200.00
08/15/2023	33541	Worton's Forsethill Grocery	Employee water	-48.54
08/22/2023	33542	Anderson's Sierra Pipe Co. Inc.	supplies	-40.06
08/22/2023	33543	Casey White	6162 Green Ridge Rd emergency ...	-533.52
08/22/2023	33544	Cranmer Engineering, Inc.	water quality	-1,825.00
08/22/2023	33545	Ferguson Enterprises Inc.	cust #414764. supplies	-1,206.56
08/22/2023	33546	Foresthill Valero	july fuel	-1,416.50
08/22/2023	33547	Grant Hardware, Inc.	Acct #3672511 July 2023 stateme...	-238.71
08/22/2023	33548	Home Depot Credit Services	Saw rental/paving 6035322540185...	-478.00
08/22/2023	33549	Humana Insurance Co		-641.59
08/22/2023	33550	Infosend	Utility Billing July 2023 w/postage i...	-1,436.93
08/22/2023	33551	Keenan & Associates	EE medical insurance Sept 2023	-13,240.50
08/22/2023	33552	Kronick, Moskovitz, et al	Client #012257. legal fees	-2,697.00
08/22/2023	33553	Lorang Brothers Construction, Inc	6162 Green Ridge Dr Emergency ...	-1,170.07
08/22/2023	33554	MidAmerica Admin & Ret Solutions, Inc.	Q2 admin fee, retiree health	-213.00
08/22/2023	33555	Napa Auto Parts	supplies	-123.70
08/22/2023	33556	Pacific Gas & Electric	Power- Sugar Pine, Pumping, WTP	-2,975.18
08/22/2023	33557	Robert Middleton	T2 Certification	-60.00
08/22/2023	33558	Robinson Sand & Gravel	AB Gravel	-949.01
08/22/2023	33559	Sierra Mini Mart, Inc.	fuel	-288.49
08/22/2023	33560	Sierra Saw	supplies	-209.11
08/22/2023	33561	Tree MD	remove storm damaged tree from ...	-1,400.00
08/22/2023	33562	United Healthcare	Sept CL & PL Health care	-245.00
08/22/2023	33563	USA Blue Book	supplies	-262.75

**Foresthill Public Utility District
Cash Disbursements Register
August 2023**

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Paid Amount</u>
08/22/2023	33564	Verizon Wireless	cell phone 07/07- 08/06/2023	-49.82
08/22/2023	33565	Vision Service Plan - (CA)	Sept 2023 vision - client #30064591	-165.10
08/22/2023	33566	waterTALENT, LLC	Temp labor- weeks end 8/13 & 8/2...	-10,400.00
08/22/2023	33567	Wells Fargo Bank	supplies	-298.61
08/29/2023	33568	Mutual of Omaha	Sept 2023 employee Life/AD&D	-97.11
08/29/2023	33569	Placer County , Personnel	Sept employee dental insurance	-494.65
Aug 23				-176,114.83

Foresthill Public Utility District
Investment Policy Compliance
with Government Code Standards, and the Foresthill PUD Investment Plan Standards
As of August 31, 2023

Current Portfolio Balance: \$ 6,101,254

Ca Government Code Section 53601	Govt Code Maximum %	District Maximum %	District Actual %	Complies
Bonds issued by the District		100.00%	0.00%	Yes
Federal Treasury notes, bonds, bills	100.00%	100.00%	0.00%	Yes
State/local agency bonds, etc	100.00%	100.00%	50.66%	Yes
Federal Agency Bonds	100.00%	100.00%	2.09%	Yes
Negotiable certificates of Deposit	30.00%	30.00%	27.04%	Yes
Local Agencies Investment Fund	100.00%	100.00%	5.08%	Yes
Medium Term Corporate Notes	30.00%	30.00%	6.65%	Yes
Money Market Funds	15.00%	15.00%	0.05%	Yes
Collateralized bank deposits	100.00%	100.00%	8.43%	Yes
Shares of Beneficial Interest	20.00%	15.00%	0.00%	Yes
Mortgage pass through security bonds	20.00%	20.00%	0.00%	Yes
Total			100.00%	

Balance by Maturity	Actual %	Actual \$
Range		
1 to 7 days	13%	791,812
8 to 360 days	15%	890,507
1 to 2 years	19%	1,175,221
2 to 3 years	33%	2,037,797
3 to 4 years	7%	415,078
4 to 5 years	13%	790,839
Over 5 years	0%	-
		6,101,254

Foresthill PUD
Quality Analysis Report
8/31/2023

Cusip	Rating	NAME	RATE	Trade Date	Settlement Date	Next Coupon	Maturity Date	Units	Discount or Premium	Book Value	Market Value	Unrealized Market Gain/Loss
Cash Accounts												
N/R		Wells Fargo Checking	0.100%					475,145.46		475,145.46	475,145.46	-
N/R		Umpqua Bank Savings	0.350%					7,024.91		7,024.91	7,024.91	-
N/R		Local Agency Investment Fund	0.800%					309,641.65		309,641.65	309,641.65	-
Government Bonds												
2546732B1	CD	Discover Bank	4.900%	11/17/2022	11/30/2022	5/30/2023	11/30/2027	250,000.00		250,000.00	247,197.50	(2,802.50)
38149MXU2	CD	Goldman Sachs Bank	1.000%	7/27/2021	8/4/2021	3/4/2023	8/4/2026	250,000.00		250,000.00	220,810.00	(29,190.00)
61690U3L2	CD	Morgan Stanley Bank	4.900%	3/17/2023	3/23/2023	9/23/2023	3/23/2028	250,000.00		250,000.00	246,717.50	(3,282.50)
61768EAQ6	CD	Morgan Stanley Pvt Bank	1.800%	2/13/2020	2/20/2020	2/20/2023	2/20/2025	50,000.00		50,000.00	47,380.50	(2,619.50)
61768ERA3	CD	Morgan Stanley Pvt Bank	4.900%	3/17/2023	3/23/2023	9/23/2023	3/23/2028	200,000.00		200,000.00	197,374.00	(2,626.00)
795451AB9	CD	Sallie Mae Bank	1.000%	7/19/2021	7/21/2021	2/21/2023	7/21/2026	200,000.00		200,000.00	176,908.00	(23,092.00)
856285SK8	CD	State Bank of India	2.000%	1/14/2020	1/22/2020	1/22/2023	1/22/2025	50,000.00		50,000.00	47,643.50	(2,356.50)
856285VE8	CD	State Bank of India	0.900%	3/23/2021	3/25/2021	3/25/2023	3/25/2026	100,007.00		100,007.00	89,344.00	(10,663.00)
90348JN48	CD	UBS Bank	0.750%	6/16/2021	6/23/2021	9/23/2023	6/23/2026	100,000.00		100,000.00	87,972.00	(12,028.00)
Corporate Securities												
037833BY5	AA1	Apple Inc	3.250%	3/23/2021	3/25/2021	2/23/2023	2/23/2026	100,000.00	4,728.00	104,728.00	96,152.00	(8,576.00)
166764BW9	AA-	Chevron Corp	1.554%	3/4/2021	3/8/2021	11/11/2022	5/11/2025	100,000.00	1,310.00	101,310.00	94,066.00	(7,244.00)
48128G3G3	A-	JP Morgan Chase	1.200%	4/28/2021	4/30/2021	4/30/2023	4/30/2026	100,000.00	-	100,000.00	89,320.00	(10,680.00)
63743FN28	A-	National Rural Utilities	1.000%	6/21/2021	6/24/2021	9/15/2023	9/15/2025	50,000.00		50,000.00	45,309.50	(4,690.50)
89236THP3	AA-	Toyota Motor Credit	8.000%	3/4/2021	3/8/2021	11/16/2022	10/16/2025	50,000.00		50,000.00	45,606.00	(4,394.00)
N/R		Wells Fargo Advisors Money Market	0.100%					3,178.39		3,178.39	3,178.39	-
Total Portfolio								5,317,185.39	(39,500.00)	5,277,435.72	4,998,425.77	(279,009.95)
Accrued Portfolio Interest								32,005.87		32,005.87	32,005.87	
Portfolio and Cash Accounts									(39,500.00)	6,101,253.61	5,822,243.66	(279,009.95)

Foresthill PUD
Activity Detail
1/01/2023 to 8/31/2023

<u>Transaction Date</u>	<u>Quantity</u>	<u>Description</u>	<u>Price</u>	<u>Amount</u> <u>Int Purch/Sold</u>	<u>Premium/Gain</u> <u>(Discount)/(Loss)</u>
Investment Portfolio - Wells Fargo Advisors					
1/3/2023	375.00	Burbank Airport	1.000	375.00	
Interest Received		5.0% due 7/01/2024			
1/3/2023	273.83	Rosedale Rio Bravo CA Water Dist	1.000	273.83	
Interest Received		1.217% due 1/01/2025			
1/3/2023	426.25	Florida State Board	1.000	426.25	
Interest Received		1.705% due 7/01/2027			
1/3/2023	30,000.00	Industry CA	1.000	30,000.00	
Bond matured		3.25% due 1/01/2023		487.50	
1/3/2023	256.88	Missouri State Env	1.000	256.88	
Interest Received		1.349% due 7/01/2026			
1/3/2023	607.20	San Francisco Bart Dist	1.000	607.20	
Interest Received		2.208% due 7/01/2025			
1/3/2023	831.78	Sallie Mae Bank	1.000	831.78	
Interest Received		3.30% % due 7/03/2023			
1/3/2023	192.00	West Stanislaus CA Irr Dist	1.000	192.00	
Interest Received		1.28% due 1/01/2026			
1/5/2023	40,000.00	San Diego CA	0.892	35,668.80	
Bond purchased		1.812% due 10/15/2026		162.12	
1/9/2023	2,350.00	From Wells Fargo Checking	1.000	2,350.00	

Transfer		to Wells Fargo Advisors money market		
1/13/2023	252.05	BMO Harris Bank	1.000	252.05
Interest Received		1.0% due 4/13/2026		
1/17/2023	41.67	National Rural Utilities	1.000	41.67
Interest Received		1.823% due 9/15/2025		
1/17/2023	227.88	Carson CA	1.000	227.88
Interest Received		1.823% due 1/15/2025		
1/20/2023	160,000.00	First Chicago Bank	0.9997	159,953.60
CD purchased		3.850% due 2/23/2023		
1/20/2023	250,000.00	Key Bank	1.000	250,000.00
CD purchased		4.40% due 5/01/2023		
1/20/2023	250,000.00	Ally Bank	1.000	250,000.00
CD purchased		4.20% due 3/27/2023		
1/23/2023	161,000.00	From Wells Fargo Checking	1.000	161,000.00
Transfer		to Wells Fargo Advisors money market		
1/23/2023	504.11	State Bank of India	1.000	504.11
Interest Received		2.0% due 1/22/2025		
1/23/2023	63.70	UBS Bank	1.000	63.70
Interest Received		0.75% due 6/23/2026		
1/23/2023	1,008.22	Sallie Mae Bank	1.000	1,008.22
Interest Received		1.0% due 7/21/2026		
1/24/2023	498,400.00	From Wells Fargo Checking	1.000	498,400.00
Transfer		to Wells Fargo Advisors money market		
1/31/2023	80.68	BankUnited	1.000	80.68
Interest Received		0.95% due 3/31/2026		

1/31/2023 Interest Received	58.00	Wells Fargo Advisors Monthly Interest	1.000	58.00
2/1/2023 Interest Received	337.50	Orcutt CA USD 1.35% due 2/01/2027	1.000	337.50
2/1/2023 Interest Received	42.45	Atascadero CA USD 0.849% due 8/01/2025	1.000	42.45
2/1/2023 Interest Received	415.63	Chaffey CA USD 2.375% due 8/01/2025	1.000	415.63
2/1/2023 Interest Received	280.00	Contra Costa CA CCD 0.80% due 8/01/2024	1.000	280.00
2/1/2023 Interest Received	356.25	Folsom CA 2.375% due 8/01/2023	1.000	356.25
2/1/2023 Interest Received	262.25	Conejo Vallye CA USD 1.049% due 8/01/2024	1.000	262.25
2/1/2023 Interest Received	243.75	Hawthorne CA 3.25% % due 8/01/2025	1.000	243.75
2/1/2023 Interest Received	157.50	Hawthorne CA 3.150% due 8/01/2024	1.000	157.50
2/1/2023 Interest Received	137.50	Loma Linda CA 2.75% due 8/01/2025	1.000	137.50
2/1/2023 Interest Received	190.00	Long Beach CA 3.8% due 8/01/2024	1.000	190.00
2/1/2023 Interest Received	985.15	West Covina CA 2.318% due 8/01/2025	1.000	985.15

2/1/2023 Interest Received	213.50	Palm Springs CA 0.854% due 8/01/2024	1.000	213.50
2/1/2023 Interest Received	98.75	Ohlone CA CCD 1.975% due 8/01/2025	1.000	98.75
2/1/2023 Interest Received	345.45	Peralta CA CCD 6.909% due 8/01/2025	1.000	345.45
2/1/2023 Interest Received	276.08	Pixley CA USD 1.227% due 8/01/2026	1.000	276.08
2/1/2023 Interest Received	328.25	Palomar CCD 1.313% due 8/01/2027	1.000	328.25
2/1/2023 Interest Received	194.43	Roseville, CA Electric Sys 1.111% due 2/01/2026	1.000	194.43
2/1/2023 Interest Received	662.50	Sacrameneto County 6.625% due 8/01/2024	1.000	662.50
2/1/2023 Interest Received	250.00	San Francisco City/County 2.5% due 8/01/2023	1.000	250.00
2/1/2023 Interest Received	507.80	Sonoma County Jr Coll Dist 2.539% due 8/01/2027	1.000	507.80
2/1/2023 Interest Received	336.75	Southwestern CCD 1.347% due 8/01/2027	1.000	336.75
2/1/2023 Interest Received	2,300.00	Santa Clara County 2.0% due 8/01/2024	1.000	2,300.00
2/1/2023 Interest Received	168.00	Somis CA USD 1.344% due 8/01/2025	1.000	168.00
2/6/2023	1,260.27	Goldman Sachs Ba nk	1.000	1,260.27

Interest Received		1.00% due 8/04/2026		
2/15/2023	556.25	Orange County Water dist	1.000	556.25
Interest Received		2.225% due 8/15/2026		
2/15/2023	41.67	National Rural Utilities	1.000	41.67
Interest Received		1.823% due 9/15/2025		
2/21/2023	453.70	Morgan Stanley Pvt Bank	1.000	453.70
Interest Received		1.8% due 2/20/2025		
2/22/2023	170,000.00	US Treasury Bill	0.986	167,542.48
Bond purchased		0% due 6/13/2023		
2/23/2023	1,625.00	Apple Inc	1.000	1,625.00
Interest Received		3.25% due 2/23/2026		
2/23/2023	160,000.00	First Bank Chicago	1.000	160,000.00
CD matured		3.85% due 2/23/2023		1,552.66
2/23/2023	63.70	UBS Bank	1.000	63.70
Interest Received		0.75% due 6/23/2026		
2/23/2023	5.35	Wells Fargo Advisors	1.000	5.35
Interest Received		Monthly Interest		
2/24/2023	950.00	E*Trade	1.000	950.00
Interest Received		3.8% due 8/24/2027		
2/28/2023	72.88	BankUnited	1.000	72.88
Interest Received		0.95% due 3/31/2026		
2/28/2023	0.94	Wells Fargo Advisors	1.000	0.94
Interest Received		Monthly Interest		
3/1/2023	591.25	Idaho St Building Authority	1.000	591.25
Interest Received		2.365% due 9/01/2025		

3/1/2023	793.38	Jarupa CA CSD	1.000	793.38	
Interest Received		6.347% due 9/01/2025			
3/1/2023	156.25	Los Angeles County CA	1.000	156.25	
Interest Received		3.125% due 9/01/2024			
3/1/2023	672.70	Morgan Hill CA	1.000	672.70	
Interest Received		0.961% due 9/01/2025			
3/1/2023	262.00	Roseville, CA	1.000	262.00	
Interest Received		2.62% due 9/01/2025			
3/1/2023	339.75	San Jose CA Airport	1.000	339.75	
Interest Received		1.359% due 3/01/2026			
3/1/2023	302.25	San Jose CA Airport	1.000	302.25	
Interest Received		1.209% due 3/01/2025			
3/1/2023	146.80	Rancho Santiago CCD	1.000	146.80	
Interest Received		0.734% due 9/01/2025			
3/1/2023	221.70	Vacaville CA	1.000	221.70	
Interest Received		2.956% due 9/01/2026			
2/6/2023	1,260.27	Goldman Sachs Ba nk	1.000	1,260.27	
Interest Received		1.00% due 8/04/2026			
3/15/2023	41.67	National Rural Utilities	1.000	41.67	
Interest Received		1.823% due 9/15/2025			
3/21/2023	190,000.00	Key Bank	0.999	189,810.00	978.11
CD Sold		4.4% due 5/01/2023		1,168.11	
3/21/2023	250,000.00	Ally Bnk	1.000	250,000.00	1,610.96
CD Sold		4.2% due 3/27/2023		1,610.96	

3/22/2023	50,000.00	Marin CA CCD	0.976	48,798.00
Bond purchased		3.045% due 8/01/2024		224.15
3/23/2023	200,000.00	Morgan Stanley Private Bank	1.000	200,000.00
CD Purchased		4.9% due 3/23/2028		
3/23/2023	250,000.00	Morgan Stanley Bank	1.000	250,000.00
CD Purchased		4.9% due 3/23/2028		
3/23/2023	57.53	UBS Bank	1.000	57.53
Interest Received		0.75% due 6/23/2026		
3/24/2023	44,150.00	From Wells Fargo checking	1.000	44,150.00
Transfer		to Wells Fargo Advisors money market		
3/27/2023	446.30	State Bank of India	1.000	446.30
Interest Received		0.9% due 3/25/2026		
3/31/2023	80.68	BankUnited	1.000	80.68
Interest Received		0.95% due 3/31/2026		
3/31/2023	9.44	Wells Fargo Advisors	1.000	9.44
Interest Received		Monthly Interest		
4/3/2023	215.63	Anaheim CA HSG	1.000	215.63
Interest Received		1.725% due 10/1/2025		
4/3/2023	268.65	Anaheim CA HSG	1.000	268.65
Interest Received		1.791% due 10/1/2024		
4/3/2023	132.50	State of CA General Obligation Bond	1.000	132.50
Interest Received		2.650% due 4/1/2026		
4/3/2023	537.00	California Muni Finance Authority San Diego	1.000	537.00
Interest Received		2.148% due 10/1/2025		
4/3/2023	256.88	California Muni Finance Authority	1.000	256.88

Interest Received		2.055% due 10/1/2024		
4/3/2023	193.15	California EFA	1.000	193.15
Interest Received		3.863% DUE 4/1/2025		
4/3/2023	651.50	Covina CA Wastewater Dist	1.000	651.50
Interest Received		2.606% DUE 10/1/2027		
4/3/2023	217.25	Manteca, CA	1.000	217.25
Interest Received		1.738% due 10/1/2023		
4/3/2023	275.00	Los Altos CA USD	1.000	275.00
Interest Received		1.000% due 10/1/2024		
4/3/2023	510.00	Monterey CA Reg Waste	1.000	510.00
Interest Received		1.360% due 4/1/2025		
4/3/2023	1,638.00	Perris, CA Redev	1.000	1,638.00
Interest Received		2.340% due 10/1/2024		
4/3/2023	966.50	San Marcos, CA	1.000	966.50
Interest Received		3.866% due 10/1/2024		
4/3/2023	675.00	Shasta CA JPA	1.000	675.00
Interest Received		3.000% due 4/1/2024		
4/3/2023	225.00	West Hollywood Pub fin Auth	1.000	225.00
Interest Received		1.800% due 4/1/2026		
4/13/2023	246.58	BMO Harris Bank	1.000	246.58
Interest Received		1.000% due 4/13/2026		
4/17/2023	200.00	Toyota Motor Credit	1.000	200.00
Interest Received		0.800% due 10/16/2025		
4/17/2023	41.67	National Rural Utilities	1.000	41.67
Interest Received		1.000% due 9/15/2025		

4/17/2023 Interest Received	362.40	San Diego CA Pub Fac Fing 1.812% due 10/15/2026	1.000	362.40
4/17/2023 Interest Received	335.40	San Diego CA Convenion Cent 1.677% due 4/15/2025	1.000	335.40
4/17/2023 Interest Received	749.48	San Diego CA Pub Fac Fing 3.331% at 10/15/2023	1.000	749.48
4/24/2023 Interest Received	63.70	UBS Bank 0.750% due 6/23/2026	1.000	63.70
4/28/2023 Interest Received	78.08	BankUnited 0.950% due 3/31/2026	1.000	78.08
4/28/2023 Interest Received	600.00	JP Morgan Chase 1.200%DUE 4/30/2026	1.000	600.00
4/28/2023 Interest Received	5.27	Wells Fargo Advisors Monthly Interest	1.000	5.27
5/1/2023 Interest Received	401.25	California Muni Finance Authority 1.605% due 11/1/2023	1.000	401.25
5/1/2023 Interest Received	500.25	California State University 2.001% due 11/1/2027	1.000	500.25
5/1/2023 Interest Received	175.30	California State University 3.0506% due 11/1/2025	1.000	175.30
5/1/2023 Interest Received	251.25	Indio, CA 3.350% due 11/1/2024	1.000	251.25
5/1/2023 Interest Received	650.96	Key Bank 4.400% due 5/1/2023	1.000	650.96

5/1/2023 Interest Received	325.00	Los Angeles CA 0.650% due 11/1/2023	1.000	325.00
5/1/2023 Interest Received	391.80	West Covina CA 3.918% due 5/1/2023	1.000	391.80
5/1/2023 Interest Received	187.50	Monrovia CA 3.750% due 5/1/2025	1.000	187.50
5/1/2023 Interest Received	105.38	San Francisco CA PUC 0.843% due 11/1/2025	1.000	105.38
5/1/2023 Interest Received	406.25	Shafter, CA 3.250% due 11/1/2024	1.000	406.25
5/1/2023 Interest Received	421.88	Shafter, CA 3.375% due 11/1/2025	1.000	421.88
5/3/2023 Interest Received	2.42	Wells Fargo Advisors Interest	1.000	2.42
5/11/2023 Interest Received	777.00	Chevron Corp 1.554% due 5/11/2025	1.000	777.00
5/15/2023 Interest Received	360.00	Connecticut Housing finance 2.400% due 5/15/2024	1.000	360.00
5/15/2023 Interest Received	41.67	National Rural Utilities 1.000% due 6/15/2025	1.000	41.67
5/15/2023 Interest Received	298.63	Maine State Housing Fin 2.389% due 11/15/2024	1.000	298.63
5/15/2023 Interest Received	217.35	Ontario CA Airport 2.898% due 5/15/2025	1.000	217.35
5/15/2023	186.60	University of CA	1.000	186.60

Interest Received		0.933% due 5/15/2025		
5/15/2023	315.90	University of CA	1.000	315.90
Interest Received		3.159% due 5/15/2025		
5/15/2023	517.40	University of CA	1.000	517.40
Interest Received		2.587% due 5/15/2026		
5/15/2023	251.93	University of CA	1.000	251.93
Interest Received		3.359% due 5/15/2025		
5/23/2023	61.64	UBS Bank	1.000	61.64
Interest Received		0.750% due 6/23/2026		
5/30/2023	6,074.66	Discover Bank	1.000	6,074.66
Interest Received		4.9000% due 11/30/2027		
5/31/2023	80.68	BankUnited	1.000	80.68
Interest Received		0.950 due 3/31/2026		
5/31/2023	1.33	Wells Fargo Advisors	1.000	1.33
Interest Received		Monthly Interest		
5/1/2023	60,000.00	Key Bank	1.000	60,000.00
CD Sold		4.400% due 5/1/2023		
5/1/2023	20,000.00	West Covina CA	1.000	20,000.00
Muni Bond Sold		3.918% due 5/1/2023		
5/2/2023	93,835.20	From Wells Fargo Mony Market	1.000	93,835.20
Transfer (Withdrawl)		to Wells Fargo Checking		
6/1/2023	544.83	Beverly Hills CA Pub Fin Auth	1.000	544.83
Interest Received		1.147% due 6/1/2023		
6/1/2023	138.25	California State DWR	1.000	138.25
Interest Received		0.790% due 12/1/2025		

6/1/2023	187.50	Capistrano CA USD	1.000	187.50
Interest Received		2.500% due 12/1/2024		
6/1/2023	260.15	Mass Trans Housing	1.000	260.15
Interest Received		5.203% due 6/1/2025		
6/1/2023	216.45	Walnut valley CA	1.000	216.45
Interest Received		0.962% due 6/1/2026		
6/14/2023	3.16	Wells Fargo Advisors	1.000	3.16
Interest Received		Interest		
6/15/2023	41.67	National Rural Utilities	1.000	41.67
Interest Received		1.000% due 9/15/2025		
6/23/2023	63.70	UBS Bank	1.000	63.70
Interest Received		0.750% due 6/23/2026		
6/30/2023	78.08	BankUnited	1.000	78.08
Interest Received		0.0950% due 3/31/2026		
6/30/2023	0.02	Wells Fargo Advisors	1.000	0.02
Interest Received		Monthly Interest		
6/13/2023				
Bill Matured	170,000.00	US Treasury Bill	1.000	170,000.00
		0.000% due 6/13/2023		
6/12/2023	10,000.00	Somis, CA USD	0.000	-
Exchange		1.344% due 8/1/2023		
		Partial call of 835376AR5/exchange for 83537915		
6/13/2023	180,537.07	From Wells Fargo Mony Market	1.000	180,537.07
Transfer (Withdrawl)		to Wells Fargo Checking		
7/3/2023	375.00	Bur Glen Pas Arpt Auth	1.000	375.00

Interest Received		5.000% due 7/1/2024		
7/3/2023	273.83	Rosedale Rio Bravo CA	1.000	273.83
Interest Received		1.217% due 1/1/2025		
7/3/2023	426.25	Florida State Board	1.000	426.25
Interest Received		1.705% due 7/1/2027		
7/3/2023	168.63	Missouri Env Impt Res Auth	1.000	168.63
Interest Received		1.349% due 7/1/2026		
7/3/2023	607.20	San Francisco CA BART Dist	1.000	607.20
Interest Received		2.208% due 7/1/2025		
7/3/2023	818.22	Sallie Mae Bank	1.000	818.22
Interest Received		3.300% due 7/3/23		
7/3/2023	192.00	West Stanislaus CA IRR	1.000	192.00
Interest Received		1.280% due 1/1/2026		
7/13/2023	249.32	BMO Harris Bank	1.000	249.32
Interest Received		1.000% due 4/13/2026		
7/17/2023	227.88	Carson CA	1.000	227.88
Interest Received		1.823% due 1/15/2025		
7/17/2023	41.67	National Rural Utilities	1.000	41.67
Interest Received		1.000% due 9/15/2025		
7/21/2023	991.78	Sallie Mae Bank	1.000	991.78
Interest Received		1.000% due 7/21/2026		
7/24/2023	495.89	State Bank of India	1.000	495.89
Interest Received		2.000% due 1/22/2025		
7/28/2023	812.78	E*Trade	1.000	812.78
Interest Received		3.800% due 8/24/2027		

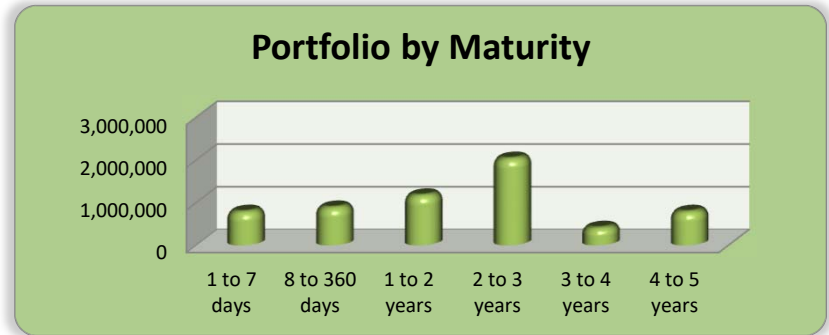
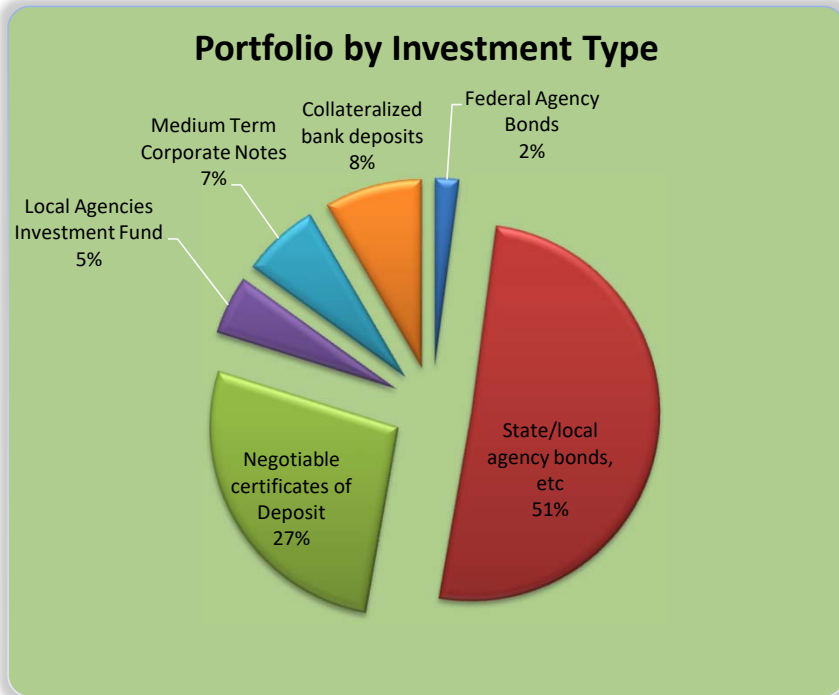
7/31/2023	80.68	BankUnited	1.000	80.68
Interest Received		0.950% due 3/31/2026		
7/31/2023	8.60	Wells Fargo Advisors	1.000	8.60
Interest Received		Monthly Interest		
7/3/2023	50,000.00	Sallie Mae Bank	1.000	50,000.00
CD Sold		3.300% due 7/3/23		
7/28/2023	50,000.00	E*Trade	1.000	50,000.00
Securities bond sold		3.800% due 8/24/2027		
7/6/2023	55,000.00	San Mateo Foster City	0.888	48,855.95
Muni bond purchased		1.919% due 8/1/2027		466.16
7/31/2023	100,000.00	Fed Home Loan Bank	0.989	98,859.10
Gov bond purchased				404.72
8/1/2023	337.50	Orcutt CA USD	1.000	337.50
Interest Received		1.350% due 2/1/2027		
8/1/2023	42.45	Atascadero CA USD	1.000	42.45
Interest Received		0.849% due 8/1/2025		
8/1/2023	415.63	Chaffey CA USD	1.000	415.63
Interest Received		2.375% due 8/1/2025		
8/1/2023	280.00	Contra Costa CA CCD	1.000	280.00
Interest Received		.8% due 8/1/2024		
8/1/2023	356.25	Folsom, CA Redevelopment	1.000	356.25
Interest Received		2.375% due 8/1/2023		
8/1/2023	262.25	Conejo Vly CA USD	1.000	262.25
Interest Received		1.049% due 8/1/2024		

8/1/2023 Interest Received	243.75	Hawthorne, CA 3.250% due 8/1/2025	1.000	243.75
8/1/2023 Interest Received	157.50	Hawthorne, CA 3.150% due 8/1/2024	1.000	157.50
8/1/2023 Interest Received	137.50	Loma Linda CA 2.750% due 8/1/2025	1.000	137.50
8/1/2023 Interest Received	190.00	Long Beach CA 3.8% due 8/1/2024	1.000	190.00
8/1/2023 Interest Received	985.15	West Covina CA 2.318% due 8/1/2025	1.000	985.15
8/1/2023 Interest Received	761.25	Marin CA CCD 3.045% due 8/1/2024	1.000	761.25
8/1/2023 Interest Received	213.50	Palm Springs CA 0.854% due 8/1/2024	1.000	213.50
8/1/2023 Interest Received	98.75	Ohlone CA Cmty Coll 1.975% due 8/1/2025	1.000	98.75
8/1/2023 Interest Received	345.45	Peralta Comm Coll Dist 6.909% due 8/1/2025	1.000	345.45
8/1/2023 Interest Received	276.08	Pixley, CA USD 1.227% due 8/1/2026	1.000	276.08
8/1/2023 Interest Received	328.25	Palomar CA CCD 1.313% due 8/1/2027	1.000	328.25
8/1/2023 Interest Received	194.43	Roseville, CA Elec Sys 1.111% due 2/1/2026	1.000	194.43

8/1/2023 Interest Received	662.50	Sacramento Cnty, CA Pen Ob 6.625% due 8/1/2024	1.000	662.50
8/1/2023 Interest Received	527.73	San Mateo Foster City 1.919% due 8/1/2027	1.000	527.73
8/1/2023 Interest Received	250.00	San Francisco CA Red 2.500% due 8/1/2023	1.000	250.00
8/1/2023 Interest Received	507.80	Sonoma County CA 2.539% due 8/1/2027	1.000	507.80
8/1/2023 Interest Received	336.75	Southwestern CCD 1.347% due 8/1/2027	1.000	336.75
8/1/2023 Interest Received	2,300.00	Santa Clara County CA 2.000% due 8/1/2024	1.000	2,300.00
8/1/2023 Interest Received	168.00	Somis, CA USD 1.344% due 8/1/2025	1.000	168.00
8/4/2023 Interest Received	1,239.73	Goldman Sachs Bank 1.000% due 8/4/2026	1.000	1,239.73
8/15/2023 Interest Received	41.67	National Rural Utilities 1.000% due 9/15/2025	1.000	41.67
8/15/2023 Interest Received	556.25	Orange Cnty CA Water Dist 2.225% due 8/15/2026	1.000	556.25
8/21/2023 Interest Received	446.30	Morgan Stanley Pvt Bank 1.800% due 2/20/2025	1.000	446.30
8/23/2023 Interest Received	1,625.00	Apple Inc 3.250% due 2/23/2026	1.000	1,625.00
8/23/2023	63.70	UBS Bank	1.000	63.70

Interest Received		0.750% due 6/23/2026		
8/31/2023	80.68	BankUnited	1.000	80.68
Interest Received		0.950% due 3/31/2026		
8/31/2023	4.79	Wells Fargo Advisors	1.000	4.79
Interest Received		Monthly Interest		
8/1/2023	30,000.00	Folsom, CA Redevelopment	1.000	30,000.00
Gov bond sold		2.375% due 8/1/2023		
8/1/2023	20,000.00	San Francisco CA Red	1.000	20,000.00
Gov bond sold		2.500% due 8/1/2023		
8/1/2023	10,000.00	Somis, CA USD	1.000	10,000.00
Gov bond sold		1.344% due 8/1/2023		
8/7/2023	25,000.00	San Marcos, CA	1.000	-
Gov bond exchange		3.866% due 10/1/2023		
8/7/2023	25,000.00	San Francisco CA PUC	1.000	-
Gov bond exchange		0.843% due 11/1/2025		
8/8/2023	29,000.00	Fed Home Ln Mtg Corp	0.988	28,647.56
Securities Purchased		0.250 due 11/6/2023		18.73
8/7/2023	(25,000.00)	San Marcos, CA	1.000	-
Gov bond exchange		3.886% due 10/1/2024		
8/25/2023	(25,000.00)	San Francisco CA PUC	1.000	-
Gov bond exchange		0.843% due 11/1/2025		
Local Agency Investment Fund				
1/13/2023	4,419.14	Local Agency Investment Fund	1.000	4,419.14
Interest received		Quarterly Interest		

1/23/2023 Transfer	365,000.00	From Local Agency Investment Fund to Wells Fargo checking	1.000	365,000.00
4/14/2023 Interest received	2,652.02	Local Agency Investment Fund Quarterly Interest	1.000	2,652.02
7/14/2023 Interest received	2,411.52	Local Agency Investment Fund Quarterly Interest	1.000	2,411.52



To: Board of Directors
From: Henry N. White
Date: November 2, 2023
Subject: Staff report for executing an engagement letter with Fechter & Company to complete an audit for Fiscal Year Ending June 30, 2023 for an amount not to exceed \$16,000

Recommendation: Authorize the General Manager to execute an engagement letter with Fechter & Company to complete an audit for Fiscal Year Ending June 30, 2023 for an amount not to exceed \$16,000.

Background: Foresthill Public Utility District released a request for proposals for audit services on April 1, 2019. Staff circulated the request to 40 accounting firms and received six qualified responses. The Foresthill Public Utility District Finance Committee met to review the proposals and selected Fechter & Company to recommend to the Board of Directors. On June 12, 2019 the Board of Directors unanimously approved the Fechter & Company proposal to provide annual audits through fiscal year ending June 30, 2023.

The agreement executed by the district included a price for the June 30, 2023 audit of \$15,241. Fechter & Company requested an increase in the amount to \$16,000 citing additional effort necessary due to the loss of Finance Manager Roger Carroll in April 2023.

The request is minimal an long-term impact to district finances is not expected.



Fechter & Company
Certified Public Accountants

3445 American River Drive, Suite A
Sacramento, Ca 95864
(T) 916.333.5360 (F) 916.333-5370

cfechter@gmail.com
www.fechtercpa.com

Company Representative: Craig R. Fechter, CPA MST

Foresthill Public Utility District

May 24, 2019

Proposal for Fiscal Auditing Services

For the Years Ending
June 30, 2019, 2020, and 2021, with
the option to extend for two, one-
year periods.

Statement of Confidentiality

This proposal and supporting materials contain confidential and proprietary business information of Fechter & Company. These materials may be printed or photocopied for use in evaluating the proposed project but are not to be shared with other parties.

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May 24, 2019

Roger Carroll
Finance Manager

Foresthill Public
24540 Main Street
Foresthill, CA 95631
530.367.2511

Dear Mr. Carroll:

Fechter & Company, Certified Public Accountants, is pleased to present our proposal to provide audit services to Foresthill Public Utility District (the District). We are a local Sacramento firm. The credentials listed in the resumes of our team will demonstrate our qualifications, competence, and capacity to perform the audit services requested within the time frame required by the District.

We believe we are best qualified to perform this engagement because we maintain a small staff of experienced auditors and accountants. We are able to promise the staff on your engagement will have experience that is directly applicable to your entity.

We commit to completing the audit within the time frame requested by the district and have included a timeline on page 21.

This proposal is an irrevocable offer valid for 60 days after the date of the proposal. I am authorized to represent and to obligate the firm contractually to the District. I am located at 3445 American River Drive, Suite A, Sacramento, CA 95864, and you can contact me by telephone at (916) 333-5360.

Thank you for considering our proposal. We look forward to a long and successful working relationship with you and your management team.

Very Truly Yours,



Craig R. Fechter, CPA, President
Fechter & Company, Certified Public Accountants
3445 American River Drive, Suite A
Sacramento, CA 95864
(T) 916.333.5360 (F) 916.333.5370
cfechter@gmail.com

Licensing, Independence, and Insurance

LICENSING

- Since 2005, our firm has been licensed as a certified public accounting firm by the California State Board of Accountancy.
- All key professional staff are properly licensed in California.
- Our firm has had no disciplinary action taken or pending since its inception in 2005.
- We have no prior substandard audit work or unsatisfactory performance pending with the State board of Accountancy or other related professional organizations.
- We received an unmodified opinion in our 2017 peer review which has been submitted to the state society of CPAs for approval.

INDEPENDENCE

- Our firm is independent of the Foresthill Public Utility District as defined by generally accepted auditing standards and the US General Accounting Office's Government Auditing Standards.
- All professional staff in our firm meet the independence requirements of the American Institute of Certified Public Accountants and the Government Auditing Standards, 2003 revision, published by the U.S. General Accounting Office.
- Our firm has no history or professional relationships with the District or its personnel.

INSURANCE

- We carry the insurance coverage required by the District.
- A copy of our current Liability Insurance Certificate is included as Attachment A.

CONTINUING EDUCATION

All of our staff are required to maintain their continuing education at levels necessary to provide services to government clients.

Firm Qualifications and Experience

Fechter & Company, Certified Public Accountants is a professional corporation based in Sacramento, California. We are a local firm who completes our work at our Sacramento office. Since April 2005 we have built a practice providing audit, tax, and business consulting to government agencies, non-profit organizations, and small business with annual budgets of less than \$25 million.



EXPERIENCED AUDITORS

From our staff of 4 CPA's and 5 seasoned staff, 3-4 will be assigned to perform all audit procedures. From initial planning through fieldwork to financial statement preparation, our depth of experience will be evident.



PERSONAL SERVICE

You receive a high level of personal service with easy access to professionals who can answer your questions and facilitate the audit process.



STEADFAST TURNAROUND

The professional staff is highly focused on assuring that all financial statements are issued as soon as the audit is complete. Our standard issue time is 10 days from the date we receive the final information from our clients.



EFFICIENT PROCESSES

Our staff turnover is very low. As a result, you will have the same staff from year to year, resulting in a more efficient and effective use of your staff.

Firm Qualifications and Experience, continued

TECHNOLOGY AND SECURITY

- Microsoft Office: Since most of our clients use Microsoft applications, we likewise use the programs, which enable us to collaborate on projects.
- Engagement Processing: We use Thomson Reuter’s Engagement CS paperless auditing software to provide for an efficient audit process. Your staff will not be required to provide mass amounts of copies, only access to the document and we will scan what we need.
- All laptop computers are secured with passwords, changed frequently.
- Our firm subscribes to approximately a dozen industry periodicals and newsletters to help us proactively inform our clients about potential changes in accounting legislation and standards
- We offer an annual Government Accounting Standards Board (GASB) and Financial Accounting Standards Board (FASB) update course to our clients at no additional charge.

OTHER AFFIRMATIONS

- We know of no conflicts of interest with the District or any of its personnel.
- We will notify you with any changes that occur with our peer review or license status.

ENGAGEMENT PARTNER AND STAFF FOR THIS ASSIGNMENT

Mr. Craig Fechter will lead the audit while Ms. Sandy Sup and Ms. Joanne Berry will assist with the fieldwork. Complete resumes are attached to this proposal.

We have recognized the District’s need for staff consistency. You will deal with the same principal each year on the audit – Mr. Craig Fechter, CPA.

Mr. Craig Fechter, CPA is authorized to answer questions and to bind our firm.

Craig R. Fechter, CPA, President
3445 American River Drive, Suite A
Sacramento, CA 95864
(T) 916.333.5360
(F) 916.333.5370
cfechter@gmail.com

Quality Control

Our peer review, including a review of a specific governmental engagement, is provided below. Fechter & Company has never failed a peer review and has fully implemented all required quality control procedures, our next peer review is due in 2020.

Contact information:

Grant Bennett Associates
David C. Wilson, CPA, CVA
1375 Exposition Boulevard
Suite 230
Sacramento, California
95815

916-922-5109

Grant Bennett Associates

A PROFESSIONAL CORPORATION

Report on the Firm's System of Quality Control

September 27, 2018

To the Owner of Fechter & Company and the Peer Review Committee of the California Society of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Fechter & Company (the firm) in effect for the year ended March 31, 2017. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included an engagement performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act; and an audit of an employee benefit plan.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Fechter & Company in effect for the year ended March 31, 2017, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Fechter & Company has received a peer review rating of *pass*.

Grant Bennett Associates

GRANT BENNETT ASSOCIATES
A PROFESSIONAL CORPORATION
Certified Public Accountants



1375 Exposition Boulevard, Suite 230
Sacramento, CA 95815
916/922-5109 FAX 916/641-5200

P.O. Box 223096
Princeville, HI 96722
888/769-7323



References



THERMALITO WATER & SEWER DISTRICT
Oroville, CA

Contact information:
Jayme Boucher,
General Manager
530-533-0740
jbourcher@twsd.info

Scope of audit work:
Audit of the GASB 34 financial statements, management letter and report on internal control structure.



NORTH COAST COUNTY WATER DISTRICT
Pacifica, CA

Contact information:
Connie Hsu,
Accountant
650-355-3462
chsu@nccwd.com

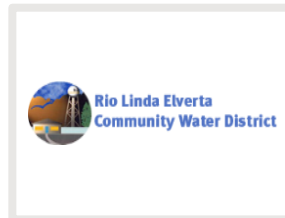
Scope of audit work:
Audit of the GASB 34 financial statements, management letter and report on internal control structure, and preparation of annual report of financial transactions of special districts.



EAST CONTRA COSTA IRRIGATION DISTRICT
Brentwood, CA

Contact information:
Pat Corey, District Manager
925-634-3544
patcorey@cwo.com

Scope of audit work:
Audit of the GASB 34 financial statements, management letter and report on internal control structure, and preparation of annual report of financial transactions of special districts.



RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT
Rio Linda, CA

Contact information:
Deborah Denning,
Bookkeeper
916-991-1000
ddenning@rlcwd.com

Scope of audit work:
Audit of the GASB 34 financial statements, single audit, management letter and report on internal control structure.

Extended List of Similar Auditing Services to Public Agencies

This is a comprehensive list representing California governmental agencies our firm has served by conducting audits over the last three (3) years. Contacts and email addresses will promptly be provided upon request. Approximately 50% of our audit clients are government entities.

SPECIAL DISTRICTS – FIRE PROTECTION

- Alpine Fire Protection District
- Bonita-Sunnyside Fire Protection District
- Borrego Springs Fire Protection District
- Bridgeport Fire Protection District
- Carpinteria Fire Protection District
- Courtland Fire Protection District
- El Dorado Fire Protection District
- Garden Valley Fire Protection District
- Greenfield Fire Protection District
- Julian-Cuyamaca Fire Protection District
- Kensington Fire Protection District
- Lakeside Fire Protection District
- Mokelumne Fire Protection District
- Montecito Fire Protection District
- North County Fire Protection District
- North County Fire Protection District
- North Tahoe Fire Protection District
- Pioneer Fire Protection District
- Pioneer Fire Protection District
- South Lake County Fire Protection District
- Springlake Fire Protection District
- Stanislaus Consolidated Fire
- Truckee Fire Protection District
- Woodland Avenue Fire Protection

SPECIAL DISTRICTS – RECREATION AND PARK

- Ambrose Recreation and Park District
- Arden Manor Recreation and Park District
- Boulder Creek Recreation and Park District
- Carmichael Recreation and Park District
- Fair Oaks Recreation and Park District
- Fulton El Camino Rec and Park District
- Greater Vallejo Recreation District
- Mission Oaks Recreation and Park District
- North County Recreation and Park District
- Pleasant Hill Recreation and Park District

Extended List of Similar Auditing Services to Public Agencies

This is a comprehensive list representing California governmental agencies our firm has served by conducting audits over the last three (3) years. Contacts and email addresses will promptly be provided upon request. Approximately 50% of our audit clients are government entities.

MUNICIPAL UTILITY AGENCIES

- Banta-Carbona Irrigation District
- Bayshore Sanitary District proposal
- East Contra Costa Irrigation District
- Emerald Bay Services District
- Fox Canyon Groundwater Mgmt Agency
- Georgetown Divide Public Utility District
- Granada Community Services District
- Markleeville Public Utility District
- North Coast County Water District
- Olivehurst Public Utility District
- Rio Linda-Elverta Community Water District
- Sewerage Commission - Oroville Region
- Sites Project Authority
- Thermalito Water and Sewer District
- Washington County Water District

OTHER SPECIAL DISTRICTS AND AGENCIES

- Eastside Mosquito Abatement District
- Solano County Mosquito Abatement District
- Turlock Mosquito Abatement District
- E. Stanislaus Resource Conservation District
- W. Stanislaus Resource Conservation District
- Fair Oaks Cemetery District
- Roseville Cemetery District
- Sylvan Cemetery District
- Los Medanos Community Healthcare District
- Eastern Sierra Transit Authority
- Mono County Local Transportation District
- Dixon Public Library
- Nevada County LAFCo
- Colusa Basin Drainage District

Engagement Partner and Manager Experience

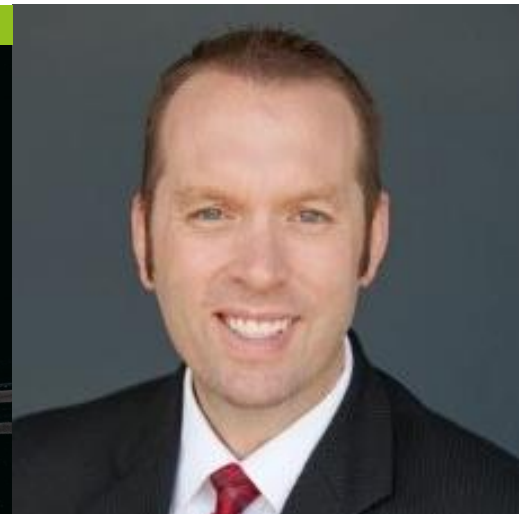
Craig Fechter, CPA

Classification: President

Years of Experience: 18

Master of Science in Taxation at Golden Gate University, 2012

BS in Business Administration, Accountancy at CSUS, 2001



PROFESSIONAL CERTIFICATIONS AND AFFILIATIONS

Certified Public Accountant
Member California Society of Certified Public Accountants
Member American Institute of Certified Public Accountants
Adjunct Professor of Accounting, University of California, Davis Extension
Executive Committee, Big Brothers Big Sisters of the Greater Sacramento Area
Scoutmaster, Boy Scouts of America, Troop 320
Facilities, Transportation & Finance Committee, San Juan Unified School District
Past Finance Committee Chair, San Juan Education Foundation

RELEVANT EXPERIENCE

During college, Mr. Fechter worked for a local sole practitioner. Following graduation from Sacramento State in 2001, he gained valuable experience at two regional CPA firms. In 2005, he struck out on his own and Fechter & Company was born.

Throughout his professional career, Mr. Fechter has performed financial statement audits of numerous counties, local government agencies, and non-profit agencies.

In 2012, Mr. Fechter earned his Masters of Science in Taxation from Golden Gate University.

Mr. Fechter oversees the Firms Tax and Audit practice, providing tax and business consulting to a wide range of professional corporations, not-for-profits, and small businesses.

Craig Fechter, CPA

Classification: President

Years of Experience: 18

Master of Science in Taxation at Golden Gate University, 2012

BS in Business Administration, Accountancy at CSUS, 2001



FINANCIAL STATEMENT AUDITS: **Participated as Engagement Partner**

California Society of Health System Pharmacists
Associated Building Materials of America (business association)
Lakeside Fire Protection District
Borrego Springs Fire Protection District
Bonita-Sunnyside Fire Protection District
Carpinteria-Summerland Fire Protection District
South Lake County Fire Protection District
Stanislaus Consolidated Fire Protection

CONTINUING PROFESSIONAL EDUCATION

Mr. Fechter takes annual courses on the Governmental Accounting & Audit Update. He has recently completed a course in the implementation of the new Auditing Standards (SAS 108-114). He also serves on the accounting advisory board for UC Davis Extension and teaches a course, which serves as a source of CPE for Mr. Fechter.

Mr. Fechter is an accomplished public speaker and published author. He has taught CPE courses for the American Society of Women Accountants (Sacramento chapter). He is also the author of accounting-related articles published by Comstock's Magazine and The Nugget, the journal of the Sacramento District Dental Society.

References for the above clients, who worked exclusively with Mr. Fechter, are available upon request.

FINANCIAL STATEMENT AUDITS: **Participated as Lead Auditor**

Marin County, MAAP, Inc., San Joaquin County, Stanislaus County, Sierra County, San Luis Obispo County, Lassen County

Scott German, CPA

Classification: Independent Reviewer
Years of Experience: 34
BS California State University,
Sacramento



RELEVANT EXPERIENCE

Following his graduation from California State University, Sacramento, Mr. German began his career at Main Hurdman, a predecessor form of KPMG. While there he was responsible for providing audit to large not-for-profit organizations, construction, auto dealers and healthcare.

Following KPMG, he moved into the private sector with a large trade association in Sacramento where he served as the Director of Finance for 5 years. He was responsible for managing the entities investment in a for profit subsidiary, information systems and budgeting.

Mr. German continued his career with the California subsidiary of the international drilling company, Major Drilling, Inc. In his capacity as controller he was responsible for cash management, insurance, bonding and financial reporting.

Volunteer

St Francis High School, Patron's of the Arts

Sacramento Theatre Company

Mr. German develops and oversees the Firm's Quality Control program acting as the Independent Review "Partner" on all engagement he does not manage. His extensive experience in the private sector is a great resource for our clients and allows us to focus appropriately on audit risk.

Scott German, CPA

Classification: Independent Reviewer
Years of Experience: 34
BS California State University,
Sacramento



FINANCIAL STATEMENT AUDITS:

Fechter & Company

E. Claire Raley Center for the Performing Arts	Marys Gone Crackers
EMSTA College	Creative Solutions 4 Autism.
Sylvan Cemetery District	North Coast County Water District
Fair Oaks Cemetery District	Sunrise Recreation & Park District
Syngen	Olivehurst Public Utility District

FINANCIAL STATEMENT AUDITS:

With former firms

California Dental Association	Teichert Construction
California Manufacturers Association	American Red Cross, Sacramento
United Way Sacramento	The Dentists Company, Insurance Services

INDUSTRY EXPERIENCE

California Optometric Association Director of Finance
PC Exploration, Inc. Controller

Sandy Sup, CPA, MBA

Classification: Audit Manager

Years of Experience: 25

BS University of New Hampshire

MBA at CSUS



RELEVANT EXPERIENCE

Sandy has been auditing government entities for more than 25 years. She has audited 28 of the 58 counties in California as well as numerous cities and districts in California and Nevada. This work included primary responsibility for the preparation of Comprehensive Annual Financial Reports as well as many other financial reports, including single audit reports. All the Comprehensive Annual Financial Reports for which Sandy served as the primary preparer were considered for, and awarded, the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association. Sandy served as a reviewer on the Special Review Committee of the Government Finance Officers Association that is responsible for awarding the Certificate of Achievement for Excellence in Financial Reporting for more than four years.

PROFESSIONAL ASSOCIATIONS

American Institute of Certified Public Accountants (AICPA)

California Society of Certified Public Accountants (CalCPA)

Government Finance Officers Association (GFOA)

Sandy meets the continuing professional education requirements for performing audits in accordance with Government Auditing Standards, which require that she receive 80 credit hours of continuing professional education every two years with at least 24 of those hours being specifically related to governmental accounting and auditing.

Sandy Sup, CPA, MBA

Classification: Audit Manager

Years of Experience: 25

BS University of New Hampshire

MBA at CSUS



FINANCIAL STATEMENT AUDITS:

With **Fechter & Company**

Granada Community Services District	East Stanislaus Resource Conservation District
Rio Linda/Elverta Water District	Amador Air District
East Stanislaus RCD	North Coast County Water District
Thermalito Water and Sewer District	Markleeville Public Utility District
Sewage Commission Oroville Region	Olivehurst Public Utility District
Banta-Carbona Irrigation District	Nevada LAFCO

FINANCIAL STATEMENT AUDITS:

With former firm

Amador County	Napa Sanitation District
Butte County	Nevada County
El Dorado County	City of Porterville, CA
Inyo County	Citrus Heights Water District
Lake County	Sierra County
Marin County	Siskiyou County
Mono County	Sutter County
Monterey County	City of Reno, Nevada

Joanne Berry, CPA

Classification: Audit Manager

Years of Experience: 16

BS in Business Administration, Accounting from California

Polytechnic Institution, 1997



RELEVANT EXPERIENCE

Mrs. Berry began working in public accounting in 1998 with the international accounting firm Ernst & Young, LLP. Mrs. Berry has held successful financial management positions with biotech and energy organizations. Her experience includes the following:

- Month end close and reporting
- Construction and development
- Compliance with regulatory requirements
- Project management of various accounting projects including software implementations and internal control rework

As Audit Manager at Fechter & Company, Joanne has conducted a variety of audits in accordance with the Yellow Book and governmental auditing standards.

FINANCIAL STATEMENT AUDITS: **With Fechter & Company**

Olivehurst Public Utility District
Rio Linda/Elverta Community Water District
Progressive Employment Concepts
Bradshaw Christian School
California Society of Health-System Pharmacists
Community Living Options
Sacramento Ballet
International Christian Adoptions
Greater Yosemite Council – Boy Scouts of America

Specific Audit Approach

We will perform an onsite interim audit, we use electronic paperless audit software, and will facilitate the collection of source documents through an electronic portal.

The District requests that the auditor express an opinion on the District presentation of its financial statements in accordance with accounting principles generally accepted in the United States of America.

We propose that the engagement be divided into the following segments:

PHASE I
Initial planning and preparation
Preliminary analysis, report preparation, cash and other confirmation
Information gathering
Evaluating internal controls
PHASE II
Fieldwork
Post-field-work activities (e.g., follow-up on pending items, collection of confirmation letters, etc.)
PHASE III
Report finalization and final analysis
Report delivery and Board of Directors presentation

ESTIMATED STAFF HOURS BY PHASE	Phase I Hours	Phase II Hours	Phase III Hours	Total Hours
Partners	7	7	6	20
Managers	15	20	15	50
Professional Staff	15	30	15	60
Clerical/Support Staff	5	5	10	20
Total	42	62	46	150

Audit Approach

Phase I

INITIAL PLANNING AND PREPARATION

As the first step in our planning and preparation phase, we will meet with the staff of your company to establish a working relationship. We expect this meeting will involve the District's manager and its controller.

We will deliver a Prepared-by-Client list (PBC), which details the items we will need to perform the audit. We will resolve any ambiguities or questions we or the District might have about the services we are to perform. A sample PBC is included as an attachment to this proposal.

We will gather contact information for the District's bankers, attorneys, prior accountant, and other relevant parties, and make inquiries as required by Government Auditing Standards.

We will examine prior year's financial statements to develop audit plans for each significant balance sheet and income statement account.

PRELIMINARY ANALYSIS

The primary focus of an audit is to develop expectations and compare actual financial results against those expectations. We will compare the current year's results with budgetary expectations to identify any areas of material misstatement.

REPORT PREPARATION

Unlike other firms, we prepare financial statements prior to field work. Doing so allows us to focus on the overall financial position of the organization and limits our testing of clearly insignificant areas.

CASH AND OTHER CONFIRMATIONS

We will confirm cash with the bank, any material year-end accounts or grants receivable, grants or donations received during the year, debt outstanding at the end of the year, and any other financial transaction that we consider material to the financial statements as a whole. The decision to confirm a statement item depends on the materiality of the item, the susceptibility of the item to misstatement, or the likelihood of fraud.

Audit Approach

Phase I

INFORMATION GATHERING:

We will obtain the information requested in the PBC along with any associated report required.

1. Testing statistical samples

During sample selection we consider three questions: (1) purpose of the test—attribute or balance testing, (2) susceptibility of the population or process to fraud or misstatement, and (3) size of transactions—small and numerous, or large and infrequent.

2. Testing revenues and disbursements

In testing revenues and disbursements, we determine that the attribute being tested is applied to the transaction as approved by the District's Management and Board. We will select 20 to 30 items based on the results of a random number generator, and select another 20 to 30 items by scanning the detailed general ledger. The result is an overall sample of 40 to 60 invoices to confirm compliance with board-approved procedures. We determine sample sizes in accordance with the objective of the test, the population to be sampled, and the risk associated with that population. The sample size also depends on the size of the population and whether or not we will be able to properly stratify populations into individually significant and individually insignificant items.

3. Type and extent of analytical procedures

We will use analytical procedures in all areas of the audit. Initially, we will perform analytical procedures to assist us in identifying areas of risk for which substantive procedures will be performed. For certain areas, especially revenues and expenses, we will also utilize analytical procedures as part of our substantive testing. In the final stages of the audit, we will use analytical procedures as part of our final review of the audit.

Audit Approach

Phase I

INFORMATION GATHERING:

We will obtain the information requested in the PBC along with any associated report required.

4. Examining the District's internal control structure

Among the items included in the PBC is a questionnaire regarding internal controls. We will review the completed questionnaires and compare them with procedures the District has established for actions such as purchasing, cash and check collections, inventorying fixed assets, billing, payroll disbursement, and budgeting. We will then audit each area of internal control that will materially affect the audit.

5. Determining pertinent laws and regulations

We will examine items such as grant agreements to determine their effect on the District, and audit them if necessary. We will also examine pertinent ordinances to determine whether the District is complying.

6. Assessing risk

Generally accepted auditing standards require that we assess the risks of material misstatement and fraud. After analyzing internal controls and evaluating potential weaknesses, we will determine which areas of the audit carry the risk of material misstatement and take steps to mitigate that risk.

7. Testing for functionality of internal controls

We will conduct random tests on a year-to-year basis to determine the functionality of the District's internal controls. We will randomly select customers and trace each step of each payment into the system over the course of a year. We will audit any area of potential weakness with a specifically designed test.

Audit Approach

Phase 2

Phase 3

FIELDWORK

With the assistance of District personnel, we will test the balances resulting from the following procedures:

- Cash deposits
- Internal control of disbursements
- Payroll
- Revenues
- Inventory control
- Billing and collections
- Unrecorded liabilities

We will also discuss with the Board any specific concerns or procedures they want performed.

POST-FIELDWORK ACTIVITIES

Once we complete our fieldwork, we will resolve any pending items and ensure that all requested third-party confirmations have been received. After the District has reviewed the financial statements and any proposed adjusting journal entries, we will obtain signed representation letters from the District and from its counsel that confirm or explain any pending litigation against the District and its effect on the audited financial statements.

REPORT FINALIZATION AND FINAL ANALYSIS

Prior to finalizing the financial statements, we will perform a second comparison of current year results with prior year results, and budgetary expectations to actual results. Performing these tests subsequent to the audit work provides additional assurance that the financial statements are free of material misstatement.

REPORT DELIVERY AND BOARD OF DIRECTORS PRESENTATION

We will deliver our report in person to the Board of Directors. We will also attend a board meeting to answer questions that the Board may have. Our aim is to create an open line of communication between our firm and your organization so the Board feels comfortable asking for help with any questions or issues that may arise during the year.

Audit Timeline

Because the firm president performs and supervises on-site fieldwork, the turnaround time from the end of our fieldwork to the report draft is typically only 10 days. Completion of the final audit report depends on how promptly the District's staff is able to provide needed reports and confirmations. The typical turnaround is within 3 weeks. The following table shows our timeline for completing the major tasks of the audit.

Phase	Audit Task	Estimated Timeline
I	Entrance conference	August 2019
	Initial planning and audit planning: Prepared-by-Client list, Information from bankers, attorney's Prior year's statements	August 2019
	Preliminary analysis: Report preparation, Cash and other confirmations, Internal controls Information gathering: Statistical sampling and testing, Revenues and disbursements, Internal controls, Laws and regulations, Risk assessment, Functionality testing	August 2019
II	Fieldwork (3-4 days): Cash deposits, Internal control of disbursements, Payroll, Revenues, Inventory control, Billing and collections, Unrecorded liabilities, Progress Conference	September 2019
	Post-fieldwork activities: Third-party confirmations	September 2019
III	Report finalization and final analysis	October 2019
	Final analysis	October 2019
	Report draft delivery	October 2019
	Final report delivery, Exit Conference	November 2019

ANTICIPATED AUDIT PROBLEMS: We do not anticipate any audit problems. However, if problems do arise, we will discuss them with your management and work with your team to resolve the problems as effectively and efficiently as possible.

Dollar Cost Bid



PROPOSED FEE SCHEDULE

	Hours	Hourly Rate	Total FY 2019	Total FY 2020	Total FY 2021
Partner	20	\$225	\$4,500	\$4,635	\$4,774
Manager	50	150	\$7,500	\$7,725	\$7,957
Senior	60	75	\$4,500	\$4,635	\$4,774
Clerical/Support Staff	20	50	\$1,000	\$1,030	\$1,061
Sub-total	150		17,500	18,025	18,566
Less Professional discount			(5,000)	(5,000)	(5,000)
Discounted fee			12,500	13,025	13,566
Direct Expenses (travel, printing, etc.)			800	800	800
Total			\$13,300	\$13,825	\$14,366

We propose a fee increase of 3% for subsequent audits.

The above fee quote is a fixed price to be charged for all services rendered in connection with the audit. Our best understanding is that the following must be performed – performing auditing standards under GAAP standards, preparing the financial statements, and annual tax returns as requested.

**STANDARD BILLING RATES
FOR CLASSES OF
PROFESSIONAL PERSONNEL
EXPECTED TO WORK ON THE
ENGAGEMENT:**

	Hourly Rate FY 2019
Partner	\$225
Manager	150
Professional Staff	75
Clerical/Support Staff	50

Attachment A: Certificate of Liability Coverage

ACORD FECHT-1 OP ID: RG
CERTIFICATE OF LIABILITY INSURANCE DATE (MM/DD/YYYY)
10/09/2018

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

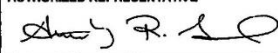
PRODUCER Coastal Valley Insurance Serv. Lic. OB84546 2440 Gold River Rd. Ste. 290 Gold River, CA 95670 Anthony R. Telford	CONTACT NAME: Anthony R. Telford PHONE (A/C, No. Ext): 916-436-2600 FAX (A/C, No): 916-436-2610 E-MAIL ADDRESS: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 70%;">INSURER(S) AFFORDING COVERAGE</th> <th style="width: 30%;">NAIC #</th> </tr> <tr> <td>INSURER A : Travelers Property Casualty</td> <td>25674</td> </tr> <tr> <td>INSURER B : Allied Insurance Company</td> <td>42579</td> </tr> <tr> <td>INSURER C : Indian Harbor Insurance Co.</td> <td></td> </tr> <tr> <td>INSURER D :</td> <td></td> </tr> <tr> <td>INSURER E :</td> <td></td> </tr> <tr> <td>INSURER F :</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A : Travelers Property Casualty	25674	INSURER B : Allied Insurance Company	42579	INSURER C : Indian Harbor Insurance Co.		INSURER D :		INSURER E :		INSURER F :	
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INSURER E :															
INSURER F :															
INSURED Fechter & Company Certified Public Accountants Craig Fechter 3445 American River Dr #A Sacramento, CA 95864															

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
B	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GENL AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			ACP7884583667	07/06/2018	07/06/2019	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 1,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMPIOP AGG \$ 2,000,000 \$
B	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			ACP7884583667	07/06/2018	07/06/2019	COMBINED SINGLE LIMIT (Ea accident) \$ Included BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y <input checked="" type="checkbox"/> N If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	UB3J0730801842G	07/10/2018	07/10/2019	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
C	Prof Liability			ACP9035110 01 2,000,000 AGG/1,000,000 O	05/24/2018	05/24/2019	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 30 days notice of cancellation. Cancellation exception: 10 days notice of cancellation for non payment of premiums.

CERTIFICATE HOLDER FORVE-1 For Verification Purposes Only	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
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