



NOTICE OF REGULAR MEETING

OCEANO COMMUNITY SERVICES DISTRICT – BOARD OF DIRECTORS

WEDNESDAY, JUNE 10, 2026, AT 6:00 PM

1655 FRONT STREET, OCEANO, CA

Board meetings may be viewed remotely at slo-span.org during or after the meeting. All items on the agenda, including information items, may be deliberated. Any member of the public with an interest in one of these items should review the background material.

The Oceano Community Services District encourages your active participation in the public process. All persons desiring to speak during any public comment period are asked to fill out a “Board Appearance Form” to submit to the Board Secretary prior to the start of the meeting. If you wish to speak to an item NOT on the agenda, you may do so during the “Public Comment On Matters Not on the Agenda” period. Each individual speaker is limited to a presentation time of THREE (3) minutes per item. The time limits allocated to speakers are subject to change. Time limits may not be yielded to or shared with other speakers.

The purpose of the Board meeting is to conduct the business of the community in an effective and efficient manner. For the benefit of the community, the Oceano Community Services District asks that you follow the Board meeting guidelines while attending Board meetings and treat everyone with respect and dignity.

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. FLAG SALUTE**
- 4. AGENDA REVIEW**
- 5. CLOSED SESSION REPORT FROM THE SPECIAL MEETING OF JUNE 10, 2026**
- 6. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA**

This public comment period provides an opportunity for members of the public to address the Board on matters of interest within the jurisdiction of the District that are not listed on the agenda.

7. SPECIAL PRESENTATIONS AND REPORTS:

A. STAFF REPORTS

- i. Sheriff’s South Station – Commander John McDaniel
- ii. FCFA Operations – Fire Chief Scott Hallett
- iii. OCSD Operations – Utilities Systems Manager Tony Marraccino
- iv. OCSD Administration – Interim General Manager Will Clemens

B. BOARD OF DIRECTORS AND OUTSIDE COMMITTEE REPORTS:

- i. Board President Shirley Gibson (Zone 3 and RWQCB)
- ii. Vice President Kim Rose (RWMG, State Water Contractors, and Airport Land Use)
- iii. Director Linda Austin (SSLOCS, OCIP, and Zone 1/1A)
- iv. Director Allene Villa (WRAC and OPARC)
- v. Director Beverly Joyce-Suneson (CSDA, OCIP, and OPARC)

C. PUBLIC COMMENT ON SPECIAL PRESENTATIONS AND REPORTS:

This public comment period provides an opportunity for members of the public to address the Board on matters discussed during Special Presentations and Reports. If a member of the public wishes to speak, Public comment is limited to three (3) minutes.

8. CONSENT AGENDA ITEMS:

Consent Items are considered routine and may be approved by one motion. Any member of the Board or staff may request that an item be removed from the Consent Calendar. If an item is pulled, the President of the Board may consider hearing the item separately from the rest of the consent items. Members of the public wishing to speak on consent items may do so when recognized by the Presiding Officer.

Page 4 **A.** Action: Review and Approve the Minutes for the Regular Board Meeting held on May 13, 2026

Page 7 **B.** Information: Cash Disbursements

Page 29 **C.** Action: Approval of a Resolution Consolidating the District’s Biennial Election with the November 3, 2026, Consolidated General Election and the attached Notice to the County Elections Official on the Elective Offices to be Filled, Map of District Boundaries, and Payment of Candidate Statement of Qualifications

9. BUSINESS ITEMS:

Page 44 **A.** Action: Consideration of a Recommendation approving Nigro & Nigro as the District Auditors for Fiscal Year 2025-26 through 2027-28 in an amount not to exceed \$24,000

10. HEARING ITEMS:

- Page 224 A. Action: Adopt resolutions approving the Fiscal Year 2026-27 Preliminary Budget and the Fiscal Year 2026-27 Appropriation Limitation and to set August 12, 2026, as the date of the public hearing to consider the adoption of the 2026-27 Final Budget
- Page 277 B. Action: Hold a Public Hearing for consideration of approving a resolution to collect delinquent customer accounts on the 2026-27 property tax bills
- Page 286 C. Action: District Vacancies Report Pursuant to Assembly Bill 2561

11. RECEIVED WRITTEN COMMUNICATIONS:

12. FUTURE AGENDA ITEMS:

13. CLOSED SESSION:

14. ADJOURNMENT:

This agenda was prepared and posted pursuant to Government Code Section 54954.2. The agenda is posted at the Oceano Community Services District, 1655 Front Street, Oceano, CA. Agenda and reports can be accessed and downloaded from the Oceano Community Services District website at www.oceanocsd.org

ASSISTANCE FOR THE DISABLED If you are disabled in any way and need accommodation to participate in the Board meeting, please call the Clerk of the Board at (805) 481-6730 for assistance at least three (3) working days prior to the meeting so necessary arrangements can be made.



Oceano Community Services District
Summary Minutes – Regular Board Meeting
Wednesday, May 13, 2026, 6:00 P.M.
OCSD BOARD ROOM

1. **CALL TO ORDER:** The meeting was called to order at approximately 6:05 p.m. by President Gibson
2. **ROLL CALL:** Board members present: Director Joyce-Suneson, Vice President Rose, and President Gibson. Absent: Director Austin
Staff present: Carey Casciola, Business & Accounting Manager, Rob Schultz, Legal Counsel.
3. **FLAG SALUTE:** Led by President Gibson
4. **AGENDA REVIEW:** Agenda accepted as presented.
5. **PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA:** None
6. **SPECIAL PRESENTATIONS & REPORTS**
 - A. **STAFF REPORTS:**
 - i. **Sheriff's South Station** – Sgt. Hernandez
April 2026
242 calls for service (376 in 2025)
28 Disturbances / 2 misdemeanor assaults / 1 grand theft / 2 petty thefts / 1 mail theft
2 vandalisms / 1 suspicious search / 27 arrests
 - ii. **Five Cities Fire Authority** – Chief Hallett - Absent
 - iii. **Operations** – Utility Systems Manager, Tony Marraccino
Lopez is 86.9% Full (42.979 AF) / State 49 AF / Pumped 1 AF
1 SSO in April 2026 – 1600 block of 13th St., City of Pismo Beach, assisted with their vector.
Daily rounds, weekly, and monthly samples
7 Work Orders / 12 USAs / 6 Customer Service Calls / 2 After-Hours Call-outs
Changed out 90 meters over the last two months
First of the month equipment runs and alarm function checks
The Pier Avenue overlay project is nearly completed. All the District's utilities have been completed and inspected.
Annual fire extinguisher inspection is completed.
Continuing to do fire hydrant maintenance.
Service line break on Scott Lee. AG assisted with a vector.
Demolished the old generator at Well 8. Generated 5 trips to recycling (metal).
3 Ready311 Tickets
Completed lateral hot spots
 - iv. **General Manager Report** – Carey Casciola, Business & Accounting Manager
Posted the General Manager brochure for recruitment. Completed the Draft FY 2026-27 budget item, the investment report and tax roll list/ process.
 - B. **BOARD OF DIRECTORS AND OUTSIDE COMMITTEE REPORTS:**
 - i. **President Gibson** (Zone 3 and RWQCB) – No reports
 - ii. **Vice President Rose** (RWMG, State Water Contractors, and Airport Land Use) – No reports
 - iii. **Director Austin** (SSLOCSD and Zone 1/1A) – Absent
 - iv. **Director Villa** (WRAC and Finance & Budget Committee) – Reported on 5/5/2026 OPARC
 - v. **Director Joyce-Suneson** (OPARC and CSDA) – No reports

PUBLIC COMMENT ON SPECIAL PRESENTATIONS AND REPORTS:

Julie Tacker	Provided comment on conflicts of interest at OPARC. Asked for agenda space for legal counsel to provide a report.
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7. CONSENT AGENDA:	ACTION:
<p>A. Action: Review and Approve the Minutes for the Regular Board Meeting held on April 8, 2026.</p> <p>B. Action: Review and Approve the Minutes for the Special Board Meeting held on April 8, 2026.</p> <p>C. Action: Review and Approve the Minutes for the Special Board Meeting held on April 29, 2026.</p> <p>D. Information: Cash Disbursements</p> <p>E. Information: Submittal of the District's Fiscal Year 2025-26 Quarter 3 Investment Report ending March 31, 2026</p> <p>F. Action: Consideration of a recommendation to receive and file a report on charges and delinquencies and to set a public hearing for June 10, 2026, to authorize collection on 2026-27 property tax bills</p>	<p>After an opportunity for public comment and Board and staff discussion, Director Villa moved to approve consent agenda items as presented, with a second from Vice President Rose; the motion carried on a 4-0 roll call vote.</p> <p>Absent: Director Austin</p> <p>Public Comment: Julie Tacker – Provided comment regarding the banner item at the 4/29/2026 special meeting.</p>

8A. BUSINESS ITEMS:	ACTION:
<p>Action: Consideration of recommendations to authorize the General Manager to solicit bids to replace two valves on Railroad in accordance with District Ordinance 2016-01 contract documents, and to file a Notice of Exemption pursuant to the California Environmental Quality Act with the San Luis Obispo County Recorder</p>	<p>After an opportunity for public comment and Board and staff discussion, Director Villa moved to approve staff recommendations, with a second from President Gibson; the motion carried on a 4-0 roll call vote.</p> <p>Absent: Director Austin</p> <p>Public Comment: None</p>

8B. BUSINESS ITEMS:	ACTION:
<p>Information: Review of the District's Budget Status as of March 31, 2026</p>	<p>After an opportunity for public comment and Board and staff discussion agenda item 8B was received and filed by the Board of Directors.</p> <p>Absent: Director Austin</p> <p>Public Comment: None</p>

8C. BUSINESS ITEMS:	ACTION:
<p>Action: Workshop on the 2026-27 Budget with Board direction as deemed appropriate and set June 10, 2026, as the date of a public hearing for the Board to consider adoption of the FY 2026-27 Preliminary Budget</p>	<p>After an opportunity for public comment and Board and staff discussion the Board gave direction to move forward with the Draft FY 2026-27 Budget as presented at the June 10, 2026 public hearing.</p> <p>Absent: Director Austin</p> <p>Public Comment: Julie Tacker – Clarified the date of the next Board Meeting.</p>

9A. HEARING ITEMS:	ACTION:
<p>Action: Consideration of an "Relief on Application" Pursuant to District Ordinance 6.06.030 Submitted by Paul Bischoff Regarding Multiple Utility Bills for the Wilmar Glen Project Located on Ronald Way</p>	<p>After a presentation by Rob Schultz, District Legal Counsel, information provided Mr. Bishoff, an opportunity for public comment and Board and staff discussion, Director Villa moved to deny the appeal, with a second from Vice President Gibson; the motion carried on a 4-0 roll call vote. Absent: Director Austin</p> <p>Public Comment: Pual Bishoff – In support of approving the appeal. Julie Tacker – In support of denying the appeal. Kerry Langford – In support of denying the appeal.</p>

- 10. RECEIVED WRITTEN COMMUNICATIONS:** Received Communication from Alyssa Sparling regarding the April 8, 2026, Meeting
- 11. FUTURE AGENDA ITEMS:** None
- 12. CLOSED SESSION:** None
- 13. ADJOURNMENT:** President Gibson adjourned the meeting at approximately 7:33 PM.



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

PHONE(805) 481-6730 FAX (805) 481-6836

Date: June 10, 2026
To: Board of Directors
From: Carey Casciola, Business and Accounting Manager
Subject: **Agenda Item #8(B): Recommendation to Review Cash Disbursements**

Recommendation

It is recommended that the board review the attached cash disbursements:

Discussion

The following is a summary of the attached cash disbursements. The table captures the payments from last meeting to this meeting.

Description	Check Sequence		Amounts
	62246	62307	
Disbursements:			
Regular Payable Register - paid 05/13/2026	62246	62261	\$ 55,639.30
Regular Payable Register - paid 06/04/2026	62271	62292	\$ 180,911.69
Utility Billing Account - Final Bill, Refund Due (4)*	62302	62307	\$ 860.00
Subtotal:			\$ 237,410.99
Reoccurring Payments for Board Review (authorized by Resolution 2020-06):			
Payroll Disbursements - PPE 05/16/2026		N/A	\$ 38,286.36
Payroll Disbursements - PPE 05/16/2026 GM Payout			\$ 9,394.88
Payroll Disbursements - PPE 05/30/2026		N/A	\$ 40,293.33
Payroll Disbursements - PPE 05/30/2026 GM Payout		N/A	\$ 9,394.88
Board Member Stipends - 05/31/2026		N/A	\$ 322.95
Five Star Bank Mastercard Online Payment - paid 05/04/2026		N/A	\$ 1,053.61
Reoccurring Utility Disbursements - paid 05/13/2026	62262	62270	\$ 8,063.67
Reoccurring Health Disbursements - paid 06/04/2026	62298	62301	\$ 7,155.24
Reoccurring Utility Disbursements - paid 06/04/2026	62293	62297	\$ 6,186.90
Subtotal:			\$ 120,151.82
Grand Total:			\$ 357,562.81

* Void check number 62302 & 62303- refund amount applied to account.

Other Agency Involvement

N/A

Other Financial Considerations

Amounts are within the authorized Fund level budgets.

- MICHAEL K. NUNLEY, \$18,247.93, WASTEWATER CIP
- SAN LUIS OBISPO COUNTY FIRE, \$9,678.92, OFFICE LEASE - MAY 2026
- V. LOPEZ JR. & SONS, \$18,750.00, PIER AVE OVERLAY
- GROUNDWATER SOLUTIONS INC, \$9,071.65, NCMA TEC
- ROBERT SCHULTZ, \$18,564.00, LEGAL SERVICES JAN-MAR 2026
- SLO CO PUBLIC WORKS, \$136,593.64, CCWA STATE WATER

Results

The Board's review of cash disbursements is an integral component of the District's system of internal controls and promotes a well governed community.

VENDOR SET: 01 Oceano CSD, CA
 BANK: AP ACCOUNTS PAYABLE
 DATE RANGE: 0/00/0000 THRU 99/99/9999

VENDOR I.D.	NAME	STATUS	CHECK DATE	AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
0016	R&R ROLL-OFF LLC							
I-67361	R&R ROLL-OFF LLC	R	5/13/2026			062246		
06 5-4900-220	PROFESSIONAL SERV	R&R ROLL-OFF LLC		816.45				816.45
0159	ICONIX WATERWORKS (US) INC.							
I-U2616011735	ICONIX WATERWORKS (US) INC.	R	5/13/2026			062247		
03 5-4500-175	SYSTEM PARTS/OPERATING SUPP.	ICONIX WATERWORKS (U		68.52				
I-U2616014683	ICONIX WATERWORKS (US) INC.	R	5/13/2026			062247		
02 5-4400-175	SYSTEM PARTS/OPERATING SUPP	ICONIX WATERWORKS (U		357.26				425.78
0196	SWRCB/ DRINKING WATER OP CERT							
I-AMM T2 RE-EXAM 3	SWRCB/ DRINKING WATER OP CERT	R	5/13/2026			062248		
02 5-4400-285	CLASSES/SEMINARS/TRAINING FEE	SWRCB/ DRINKING WATE		45.00				45.00
0196	SWRCB/ DRINKING WATER OP CERT							
I-CLOMELI T2	SWRCB/ DRINKING WATER OP CERT	R	5/13/2026			062249		
02 5-4400-285	CLASSES/SEMINARS/TRAINING FEE	SWRCB/ DRINKING WATE		65.00				65.00
0263	GROUNDWATER SOLUTIONS INC, DBA							
I-0672.012-7	GROUNDWATER SOLUTIONS INC, DBA	R	5/13/2026			062250		
02 5-4400-380	NCMA TEC	GROUNDWATER SOLUTION		9,071.65				9,071.65
0300	TROESH RECYCLING INC. DBA ROXS							
I-55216	TROESH RECYCLING INC. DBA ROXS	R	5/13/2026			062251		
06 5-4900-173	MAINT: SHARED STRUCTURE/IMPRV	TROESH RECYCLING INC		25.00				25.00
0311	CIVICPLUS, LLC							
I-370038	CIVICPLUS, LLC	R	5/13/2026			062252		
01 5-4100-248	PERMITS, FEES LICENSES	CIVICPLUS, LLC		3,608.01				3,608.01
0314	BRENT SARKISON DBA CALTEC COMP							
I-10530	BRENT SARKISON DBA CALTEC COMP	R	5/13/2026			062253		
01 5-4100-221	INFORMATION TECHNOLOGY	BRENT SARKISON DBA C		315.00				
01 5-4100-221	INFORMATION TECHNOLOGY	BRENT SARKISON DBA C		179.44				494.44
0370	OPTIMIZED INVESTMENT PARTNERS,							
I-1684	OPTIMIZED INVESTMENT PARTNERS,	R	5/13/2026			062254		
01 5-4100-220	PROFESSIONAL SERVICES	OPTIMIZED INVESTMENT		659.53				659.53
0397	MARTIN MARIETTA MATERIALS, INC							
I-49121155	MARTIN MARIETTA MATERIALS, INC	R	5/13/2026			062255		
02 5-4400-163	MAINT: STRUCTURES/IMPRVS	MARTIN MARIETTA MATE		247.37				247.37

VENDOR SET: 01 Oceano CSD, CA
BANK: AP ACCOUNTS PAYABLE
DATE RANGE: 0/00/0000 THRU 99/99/9999

VENDOR I.D.	NAME	STATUS	CHECK DATE	AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
0399	MICHAEL K. NUNLEY & ASSOCIATES							
I-3156	MICHAEL K. NUNLEY & ASSOCIATES	R	5/13/2026			062256		
03 5-4500-448	CIP - WASTEWATER		MICHAEL K. NUNLEY &	18,247.93				18,247.93
0416	MIDWEST MOTOR SUPPLY CO, DBA K							
I-104425388	MIDWEST MOTOR SUPPLY CO, DBA K	R	5/13/2026			062257		
03 5-4500-175	SYSTEM PARTS/OPERATING SUPP.		MIDWEST MOTOR SUPPLY	370.72				370.72
0428	V. LOPEZ JR. AND SONS G.E.C.,							
I-15419-REV	V. LOPEZ JR. AND SONS G.E.C.,	R	5/13/2026			062258		
02 5-4400-320	FIXED ASSETS: EQUIPMENT		V. LOPEZ JR. AND SON	15,750.00				
03 5-4500-163	MAINT: SEWER STRUCTURES/IMPRV		V. LOPEZ JR. AND SON	3,000.00				18,750.00
1136	J.B. DEWAR, INC.							
I-467156	J.B. DEWAR, INC.	R	5/13/2026			062259		
12 5-4350-172	FUEL		J.B. DEWAR, INC.	236.60				
I-469056	J.B. DEWAR, INC.	R	5/13/2026			062259		
12 5-4350-172	FUEL		J.B. DEWAR, INC.	117.08				353.68
1292	MINER'S ACE HARDWARE, INC.							
I-584094	MINER'S ACE HARDWARE, INC.	R	5/13/2026			062260		
01 5-4100-173	MAINT:STRUCTURES/IMPROVEMENTS		MINER'S ACE HARDWARE	6.51				
I-584652	MINER'S ACE HARDWARE, INC.	R	5/13/2026			062260		
02 5-4400-163	MAINT: STRUCTURES/IMPRVS		MINER'S ACE HARDWARE	26.08				
I-585307	MINER'S ACE HARDWARE, INC.	R	5/13/2026			062260		
02 5-4400-163	MAINT: STRUCTURES/IMPRVS		MINER'S ACE HARDWARE	28.24				
I-645334	MINER'S ACE HARDWARE, INC.	R	5/13/2026			062260		
02 5-4400-164	Paving		MINER'S ACE HARDWARE	52.11				
I-645375	MINER'S ACE HARDWARE, INC.	R	5/13/2026			062260		
02 5-4400-163	MAINT: STRUCTURES/IMPRVS		MINER'S ACE HARDWARE	330.43				443.37
1814	WATER SYSTEMS CONSULTING, INC.							
I-12465-OCSD-R	WATER SYSTEMS CONSULTING, INC.	R	5/13/2026			062261		
02 5-4400-380	NCMA TEC		WATER SYSTEMS CONSUL	1,033.04				
I-12593-OCSD	WATER SYSTEMS CONSULTING, INC.	R	5/13/2026			062261		
02 5-4400-380	NCMA TEC		WATER SYSTEMS CONSUL	982.33				2,015.37

* * T O T A L S * *	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
REGULAR CHECKS:	16	55,639.30	0.00	55,639.30
HAND CHECKS:	0	0.00	0.00	0.00
DRAFTS:	0	0.00	0.00	0.00
EFT:	0	0.00	0.00	0.00
NON CHECKS:	0	0.00	0.00	0.00
VOID CHECKS:	0	VOID DEBITS 0.00		
		VOID CREDITS 0.00	0.00	

TOTAL ERRORS: 0

VENDOR SET: 01 Oceano CSD, CA
 BANK: AP ACCOUNTS PAYABLE
 DATE RANGE: 0/00/0000 THRU 99/99/9999

** G/L ACCOUNT TOTALS **

G/L ACCOUNT	NAME	AMOUNT
01 5-4100-173	MAINT:STRUCTURES/IMPROVEMENTS	6.51
01 5-4100-220	PROFESSIONAL SERVICES	659.53
01 5-4100-221	INFORMATION TECHNOLOGY	494.44
01 5-4100-248	PERMITS, FEES LICENSES	3,608.01
	*** FUND TOTAL ***	4,768.49
02 5-4400-163	MAINT: STRUCTURES/IMPRVS	632.12
02 5-4400-164	Paving	52.11
02 5-4400-175	SYSTEM PARTS/OPERATING SUPP	357.26
02 5-4400-285	CLASSES/SEMINARS/TRAINING FEE	110.00
02 5-4400-320	FIXED ASSETS: EQUIPMENT	15,750.00
02 5-4400-380	NCMA TEC	11,087.02
	*** FUND TOTAL ***	27,988.51
03 5-4500-163	MAINT: SEWER STRUCTURES/IMPRV	3,000.00
03 5-4500-175	SYSTEM PARTS/OPERATING SUPP.	439.24
03 5-4500-448	CIP - WASTEWATER	18,247.93
	*** FUND TOTAL ***	21,687.17
06 5-4900-173	MAINT: SHARED STRUCTURE/IMPRV	25.00
06 5-4900-220	PROFESSIONAL SERV	816.45
	*** FUND TOTAL ***	841.45
12 5-4350-172	FUEL	353.68
	*** FUND TOTAL ***	353.68

VENDOR SET: 01	BANK: AP	TOTALS:	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
			16	55,639.30	0.00	55,639.30
BANK: AP	TOTALS:		16	55,639.30	0.00	55,639.30
REPORT TOTALS:			16	55,639.30	0.00	55,639.30

VENDOR SET: 01 Oceano CSD, CA
 BANK: AP ACCOUNTS PAYABLE
 DATE RANGE: 0/00/0000 THRU 99/99/9999

VENDOR I.D.	NAME	STATUS	CHECK DATE	AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
0027	PETTY CASH							
I-202605282585	PETTY CASH	R	6/04/2026			062271		
01 5-4100-210	POSTAGE	PETTY CASH		1.90				
I-202605282586	PETTY CASH	R	6/04/2026			062271		
02 5-4400-210	POSTAGE	PETTY CASH		40.63				
03 5-4500-210	POSTAGE	PETTY CASH		40.63				
06 5-4900-210	POSTAGE	PETTY CASH		40.64				123.80
0147	DIVERSIFIED PROJECT SERVICES I							
I-9576544	DIVERSIFIED PROJECT SERVICES I	R	6/04/2026			062272		
02 5-4400-222	CONTRACTED ENGINEERING	DIVERSIFIED PROJECT		239.55				
02 5-4400-226	ENGINEERING & OTHER REIMBURS	DIVERSIFIED PROJECT		500.00				
I-9577069	DIVERSIFIED PROJECT SERVICES I	R	6/04/2026			062272		
02 5-4400-226	ENGINEERING & OTHER REIMBURS	DIVERSIFIED PROJECT		1,505.00				2,244.55
0153	BURDINE PRINTING							
I-54145	BURDINE PRINTING	R	6/04/2026			062273		
02 5-4400-205	OUTSIDE UB MAIL SERVICE	BURDINE PRINTING		202.94				
03 5-4500-205	OUTSIDE UB MAIL SERVICE	BURDINE PRINTING		202.94				
I-54303	BURDINE PRINTING	R	6/04/2026			062273		
01 5-4100-200	OFFICE EXPENSE	BURDINE PRINTING		16.31				422.19
0159	ICONIX WATERWORKS (US) INC.							
I-U2616015580	ICONIX WATERWORKS (US) INC.	R	6/04/2026			062274		
02 5-4400-175	SYSTEM PARTS/OPERATING SUPP	ICONIX WATERWORKS (U		136.10				136.10
0180	VESTIS GROUP, INC. DBA VESTIS							
I-5021024788	VESTIS GROUP, INC. DBA VESTIS	R	6/04/2026			062275		
01 5-4100-100	CLOTHING	VESTIS GROUP, INC. D		208.71				
I-5021028846	VESTIS GROUP, INC. DBA VESTIS	R	6/04/2026			062275		
01 5-4100-100	CLOTHING	VESTIS GROUP, INC. D		151.28				
I-5021032874	VESTIS GROUP, INC. DBA VESTIS	R	6/04/2026			062275		
01 5-4100-100	CLOTHING	VESTIS GROUP, INC. D		151.28				
I-5021041813	VESTIS GROUP, INC. DBA VESTIS	R	6/04/2026			062275		
01 5-4100-100	CLOTHING	VESTIS GROUP, INC. D		152.68				663.95
0253	CASCIOLA, CAREY							
I-CEQA FILING 2026	CASCIOLA, CAREY	R	6/04/2026			062276		
02 5-4400-448	WRRP PROJECTS	CASCIOLA, CAREY		82.49				82.49
0259	ZENITH INSURANCE COMPANY							
I-DP137727206001	ZENITH INSURANCE COMPANY	R	6/04/2026			062277		
01 5-4100-075	COMPENSATION INSURANCE	ZENITH INSURANCE COM		2,831.00				2,831.00

VENDOR SET: 01 Oceano CSD, CA
 BANK: AP ACCOUNTS PAYABLE
 DATE RANGE: 0/00/0000 THRU 99/99/9999

VENDOR I.D.	NAME	STATUS	CHECK DATE	AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
0299	FAMCON PIPE & SUPPLY, INC.							
I-S100182124.001	FAMCON PIPE & SUPPLY, INC.	R	6/04/2026			062278		
02 5-4400-175	SYSTEM PARTS/OPERATING SUPP	FAMCON PIPE & SUPPLY		315.38				315.38
0314	BRENT SARKISON DBA CALTEC COMP							
I-10785	BRENT SARKISON DBA CALTEC COMP	R	6/04/2026			062279		
01 5-4100-221	INFORMATION TECHNOLOGY	BRENT SARKISON DBA C		480.00				480.00
0333	MCCLATCHY COMPANY LLC							
I-125885	MCCLATCHY COMPANY LLC	R	6/04/2026			062280		
01 5-4100-230	REQUIRED LEGAL NOTICES	MCCLATCHY COMPANY LL		111.74				
02 5-4400-230	LEGAL NOTICES	MCCLATCHY COMPANY LL		90.31				
03 5-4500-230	LEGAL NOTICES	MCCLATCHY COMPANY LL		90.32				292.37
0388	ROBERT SCHULTZ							
I-25004	ROBERT SCHULTZ	R	6/04/2026			062281		
01 5-4100-223	LEGAL SERVICES	ROBERT SCHULTZ		18,564.00				18,564.00
0415	SAN LUIS OBISPO COUNTY FIRE							
I-1655FROBT-JUNE2026	SAN LUIS OBISPO COUNTY FIRE	R	6/04/2026			062282		
01 5-4100-202	OFFICE LEASE	SAN LUIS OBISPO COUN		9,678.92				9,678.92
0421	BENJAMIN FERGUSON, DBA FERGUSO							
I-1406	BENJAMIN FERGUSON, DBA FERGUSO	R	6/04/2026			062283		
02 5-4400-170	MAINTENANCE: EQUIPMENT	BENJAMIN FERGUSON, D		250.00				250.00
0431	PROJECT ENERGY SAVERS, LLC							
I-26-517	PROJECT ENERGY SAVERS, LLC	R	6/04/2026			062284		
02 5-4400-200	OFFICE EXPENSE	PROJECT ENERGY SAVER		546.10				546.10
1032	CITY OF ARROYO GRANDE							
I-2026-736	CITY OF ARROYO GRANDE	R	6/04/2026			062285		
02 5-4400-297	PASS-THRU: CREST/CHRISTIE/AG	CANYON CREST-0100100		3,236.04				
02 5-4400-297	PASS-THRU: CREST/CHRISTIE/AG	CHRISTIE FAMILY - 01		272.77				
02 5-4400-297	PASS-THRU: CREST/CHRISTIE/AG	GRANDE MOBILE MANOR-		484.80				
02 5-4400-297	PASS-THRU: CREST/CHRISTIE/AG	HALCYON ESTATES- 010		439.35				4,432.96
1094	CLINICAL LAB OF SAN BERNARDINO							
I-1023325	CLINICAL LAB OF SAN BERNARDINO	R	6/04/2026			062286		
02 5-4400-220	PROFESSIONAL/SPECIAL SERVICES	CLINICAL LAB OF SAN		920.00				920.00
1136	J.B. DEWAR, INC.							
I-471200	J.B. DEWAR, INC.	R	6/04/2026			062287		
12 5-4350-172	FUEL	J.B. DEWAR, INC.		170.58				
I-473153	J.B. DEWAR, INC.	R	6/04/2026			062287		
12 5-4350-172	FUEL	J.B. DEWAR, INC.		589.26				759.84

VENDOR SET: 01 Oceano CSD, CA
 BANK: AP ACCOUNTS PAYABLE
 DATE RANGE: 0/00/0000 THRU 99/99/9999

VENDOR I.D.	NAME	STATUS	CHECK DATE	AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
1292	MINER'S ACE HARDWARE, INC.							
I-585465	MINER'S ACE HARDWARE, INC.	R	6/04/2026			062288		
02 5-4400-175	SYSTEM PARTS/OPERATING SUPP	MINER'S ACE HARDWARE		8.69				
I-585693	MINER'S ACE HARDWARE, INC.	R	6/04/2026			062288		
03 5-4500-175	SYSTEM PARTS/OPERATING SUPP.	MINER'S ACE HARDWARE		39.11				
I-586906	MINER'S ACE HARDWARE, INC.	R	6/04/2026			062288		
03 5-4500-175	SYSTEM PARTS/OPERATING SUPP.	MINER'S ACE HARDWARE		15.20				
I-587050	MINER'S ACE HARDWARE, INC.	R	6/04/2026			062288		
02 5-4400-171	MAINTENANCE: VEHICLES	MINER'S ACE HARDWARE		46.18				
03 5-4500-171	MAINTENANCE: VEHICLES	MINER'S ACE HARDWARE		46.19				
I-5877869	MINER'S ACE HARDWARE, INC.	R	6/04/2026			062288		
02 5-4400-164	Paving	MINER'S ACE HARDWARE		2.57				157.94
1318	NOBLE SAW, INC							
I-686205	NOBLE SAW, INC	R	6/04/2026			062289		
02 5-4400-170	MAINTENANCE: EQUIPMENT	NOBLE SAW, INC		102.90				102.90
1426	SLO CO DEPT OF PUBLIC WORKS							
I-2970	SLO CO DEPT OF PUBLIC WORKS	R	6/04/2026			062290		
02 5-4400-262	WATER SUPPLY - STATE WATER	SLO CO DEPT OF PUBLI		136,593.64				136,593.64
1432	SLO CO TAX COLLECTOR							
I-25/26 062-271-024	SLO CO TAX COLLECTOR	R	6/04/2026			062291		
01 5-4100-290	UTILITIES	SLO CO TAX COLLECTO		184.66				184.66
1444	SLO CO PUBLIC HEALTH DEPT.							
I-IN164829	SLO CO PUBLIC HEALTH DEPT.	R	6/04/2026			062292		
02 5-4400-226	ENGINEERING & OTHER REIMBURS	SLO CO PUBLIC HEALTH		310.00				
02 5-4400-220	PROFESSIONAL/SPECIAL SERVICES	SLO CO PUBLIC HEALTH		818.90				1,128.90

* * T O T A L S * *	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
REGULAR CHECKS:	22	180,911.69	0.00	180,911.69
HAND CHECKS:	0	0.00	0.00	0.00
DRAFTS:	0	0.00	0.00	0.00
EFT:	0	0.00	0.00	0.00
NON CHECKS:	0	0.00	0.00	0.00
VOID CHECKS:	0 VOID DEBITS	0.00		
	VOID CREDITS	0.00	0.00	0.00

TOTAL ERRORS: 0

VENDOR SET: 01 Oceano CSD, CA
 BANK: AP ACCOUNTS PAYABLE
 DATE RANGE: 0/00/0000 THRU 99/99/9999

** G/L ACCOUNT TOTALS **

G/L ACCOUNT	NAME	AMOUNT
01 5-4100-075	COMPENSATION INSURANCE	2,831.00
01 5-4100-100	CLOTHING	663.95
01 5-4100-200	OFFICE EXPENSE	16.31
01 5-4100-202	OFFICE LEASE	9,678.92
01 5-4100-210	POSTAGE	1.90
01 5-4100-221	INFORMATION TECHNOLOGY	480.00
01 5-4100-223	LEGAL SERVICES	18,564.00
01 5-4100-230	REQUIRED LEGAL NOTICES	111.74
01 5-4100-290	UTILITIES	184.66
	*** FUND TOTAL ***	32,532.48
02 5-4400-164	Paving	2.57
02 5-4400-170	MAINTENANCE: EQUIPMENT	352.90
02 5-4400-171	MAINTENANCE: VEHICLES	46.18
02 5-4400-175	SYSTEM PARTS/OPERATING SUPP	460.17
02 5-4400-200	OFFICE EXPENSE	546.10
02 5-4400-205	OUTSIDE UB MAIL SERVICE	202.94
02 5-4400-210	POSTAGE	40.63
02 5-4400-220	PROFESSIONAL/SPECIAL SERVICES	1,738.90
02 5-4400-222	CONTRACTED ENGINEERING	239.55
02 5-4400-226	ENGINEERING & OTHER REIMBURS	2,315.00
02 5-4400-230	LEGAL NOTICES	90.31
02 5-4400-262	WATER SUPPLY - STATE WATER	136,593.64
02 5-4400-297	PASS-THRU: CREST/CHRISTIE/AG	4,432.96
02 5-4400-448	WRRP PROJECTS	82.49
	*** FUND TOTAL ***	147,144.34
03 5-4500-171	MAINTENANCE: VEHICLES	46.19
03 5-4500-175	SYSTEM PARTS/OPERATING SUPP.	54.31
03 5-4500-205	OUTSIDE UB MAIL SERVICE	202.94
03 5-4500-210	POSTAGE	40.63
03 5-4500-230	LEGAL NOTICES	90.32
	*** FUND TOTAL ***	434.39
06 5-4900-210	POSTAGE	40.64
	*** FUND TOTAL ***	40.64
12 5-4350-172	FUEL	759.84
	*** FUND TOTAL ***	759.84

VENDOR SET: 01	BANK: AP	TOTALS:	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
			22	180,911.69	0.00	180,911.69
BANK: AP	TOTALS:		22	180,911.69	0.00	180,911.69
REPORT TOTALS:			22	180,911.69	0.00	180,911.69

VENDOR SET: 01 Oceano CSD, CA

BANK: * ALL BANKS

DATE RANGE: 0/00/0000 THRU 99/99/9999

VENDOR I.D.	NAME	STATUS	CHECK DATE	AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
1	KISSINGER, TERRA	VOIDED						
	C-CHECK	KISSINGER, TERRA	VOIDED V	6/04/2026		062302		120.00CR
1	BURK, ISAIAH J	VOIDED						
	C-CHECK	BURK, ISAIAH J	VOIDED V	6/04/2026		062303		120.00CR

* * T O T A L S * *

	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
REGULAR CHECKS:	0	0.00	0.00	0.00
HAND CHECKS:	0	0.00	0.00	0.00
DRAFTS:	0	0.00	0.00	0.00
EFT:	0	0.00	0.00	0.00
NON CHECKS:	0	0.00	0.00	0.00
VOID CHECKS:	2	VOID DEBITS 0.00		
		VOID CREDITS 240.00CR	240.00CR	0.00

TOTAL ERRORS: 0

	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
VENDOR SET: 01 BANK: * TOTALS:	2	240.00CR	0.00	0.00
BANK: * TOTALS:	2	240.00CR	0.00	0.00

VENDOR SET: 01 Oceano CSD, CA
 BANK: AP ACCOUNTS PAYABLE
 DATE RANGE: 0/00/0000 THRU 99/99/9999

VENDOR I.D.	NAME	STATUS	CHECK DATE	AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
1	KISSINGER, TERRA							
I-000202605202583	US REFUND	V	6/04/2026			062302		120.00
1	KISSINGER, TERRA	VOIDED						
M-CHECK	KISSINGER, TERRA	VOIDED V	6/04/2026			062302		120.00CR
1	BURK, ISAIAH J							
I-000202605202584	US REFUND	V	6/04/2026			062303		120.00
1	BURK, ISAIAH J	VOIDED						
M-CHECK	BURK, ISAIAH J	VOIDED V	6/04/2026			062303		120.00CR
1	EDEN, TRICIA							
I-000202606022587	US REFUND	R	6/04/2026			062304		
02 1-1102-000	A/R - REFUNDS	02-03886-03		120.00				120.00
1	MORALES, ELISE							
I-000202606022588	US REFUND	R	6/04/2026			062305		
02 1-1102-000	A/R - REFUNDS	02-04248-05		120.00				120.00
1	FASH, ALEXANDER R							
I-000202606022589	US REFUND	R	6/04/2026			062306		
02 1-1102-000	A/R - REFUNDS	04-55350-05		120.00				120.00
1	JUBELT, LANCE							
I-000202606022590	US REFUND	R	6/04/2026			062307		
02 1-1102-000	A/R - REFUNDS	96-90003-00		500.00				500.00

* * T O T A L S * *	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
REGULAR CHECKS:	4	1,100.00	0.00	860.00
HAND CHECKS:	0	0.00	0.00	0.00
DRAFTS:	0	0.00	0.00	0.00
EFT:	0	0.00	0.00	0.00
NON CHECKS:	0	0.00	0.00	0.00
VOID CHECKS:	2	VOID DEBITS 0.00		
		VOID CREDITS 240.00CR	240.00CR	0.00

TOTAL ERRORS: 0

VENDOR SET: 01 Oceano CSD, CA
BANK: AP ACCOUNTS PAYABLE
DATE RANGE: 0/00/0000 THRU 99/99/9999

** G/L ACCOUNT TOTALS **

G/L ACCOUNT	NAME	AMOUNT
02 1-1102-000	A/R - REFUNDS	860.00
	*** FUND TOTAL ***	860.00

VENDOR SET: 01	BANK: AP	TOTALS:	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
			6	860.00	0.00	860.00
BANK: AP	TOTALS:		6	860.00	0.00	860.00
REPORT TOTALS:			6	860.00	0.00	860.00

Payroll Summary Report
Board of Directors - Agenda Date June 10, 2026

	(*)		(**)		(**)
	5/2/2026	5/16/2026	5/16/2026	5/30/2026	5/30/2026
<u>Gross Wages</u>					
Regular	\$36,929.17	\$31,909.53	\$9,260.60	\$33,329.98	\$9,260.60
Overtime Wages	\$368.15	\$797.75	\$0.00	\$1,355.59	\$0.00
Stand By	\$840.00	\$840.00	\$0.00	\$840.00	\$0.00
Gross Wages	<u>\$38,137.32</u>	<u>\$33,547.28</u>	<u>\$9,260.60</u>	<u>\$35,525.57</u>	<u>\$9,260.60</u>
Cell Phone Allowance	\$62.50	\$62.50	\$0.00	\$62.50	\$0.00
Health Pay-Out	\$272.50	\$272.50	\$0.00	\$272.50	\$0.00
Total Wages	<u>\$38,472.32</u>	<u>\$33,882.28</u>	<u>\$9,260.60</u>	<u>\$35,860.57</u>	<u>\$9,260.60</u>
<u>Disbursements</u>					
Net Wages	\$27,257.88	\$23,694.97	\$6,492.38	\$25,269.92	\$6,492.38
State and Federal Agencies	\$6,053.03	\$5,165.37	\$2,902.50	\$5,597.39	\$2,902.50
CalPERS	\$9,638.51	\$9,282.45	\$0.00	\$9,282.45	\$0.00
SEIU - Union Fees	\$175.30	\$143.57	\$0.00	\$143.57	\$0.00
Total Disbursements processed with Payroll	<u>\$43,124.72</u>	<u>\$38,286.36</u>	<u>\$9,394.88</u>	<u>\$40,293.33</u>	<u>\$9,394.88</u>
Health (Disbursed with reoccurring bills)	\$4,765.29	\$4,215.28	\$0.00	\$4,215.28	\$0.00
Total District Payroll Related Costs	<u>\$47,890.01</u>	<u>\$42,501.64</u>	<u>\$9,394.88</u>	<u>\$44,508.61</u>	<u>\$9,394.88</u>

(*) Previously reported in prior Board Meeting packet - provided for comparison.

(**) General Manager Leave Payout - Section 5.D. Employment Contract.

**Board Member Stipend Summary Report
Board of Directors - Agenda Date June 10, 2026**

	(*)	
Gross Stipends	4/30/2026	5/31/2026
Board Member Stipen`	\$700.00	\$300.00
Gross Stipends	\$700.00	\$300.00
Disbursements		
Net Stipends	\$646.45	\$277.05
State and Federal Agencies	\$107.10	\$45.90
Total Disbursements processed with Stipends	\$753.55	\$322.95

(*) Previously reported in prior Board Meeting packet - provided for comparison.

BOARD OF DIRECTOR'S
REGULAR & SPECIAL MEETING COMPENSATION FORM

BOARD MEETING: May 13, 2026



RECEIVED
MAY 14 2026

DIRECTORS	SIGNATURE	DATE	ELIGIBLE/TAKEN COMPENSATION
PRESIDENT <u>GIBSON</u>		5-13-2026	\$ 0.00
VICE PRESIDENT <u>ROSE</u>		5-13-2026	\$100.00
DIRECTOR <u>AUSTIN</u>	ABSENT		\$100.00
DIRECTOR <u>JOYCE-SUNESON</u>		5/13	\$100.00
DIRECTOR <u>VILLA</u>			\$100.00

Oceano Community Services District - BYLAW'S

Section 8.1: Each Director is authorized to receive one hundred dollars (\$100.00) as compensation for each Regular or Special Meeting.

Section 8.2: In no event shall Director compensation exceed one hundred dollars (\$100.00) per day.

Section 8.3: Director compensation shall not exceed six hundred (\$600.00) in any one (1) calendar month.

Oceano Community Services District
Five Star Bank Mastercard

A/P Mastercard Credit Card Disbursement

Date	Name	Amount	Description	GL Account #
4/29/2026	ASSOCIATIO* CSDA CAREE HUNT VALLEY MD	\$420.00	JOB ADVERTISING EXPENSE	01-5-4100-283
4/29/2026	NEOGOV EL SEGUNDO CA	\$199.00	JOB ADVERTISING EXPENSE	01-5-4100-283
4/27/2026	JUNIPER SYSTEMS LOGAN UT	\$155.00	OFFICE EXPENSE	02-5-4400-200
4/25/2026	ADOBE SAN JOSE CA	\$47.98	PERMITS, FEES LICENSES	01-5-4100-248
4/21/2026	SLOCSDA.SPECIALDISTRIC PASO ROBLES CA	\$41.92	CLASSES/SEMIARS/ TRAINING	01-5-4100-285
4/17/2026	INTUIT *QBOOKS ONLINE SAN DIEGO CA	\$75.00	PERMITS, FEES LICENSES	01-5-4100-248
4/15/2026	SP CHECKDEPOT SPRING HILL TN	\$59.47	UB MAIL SEVICE	01-5-4100-205
4/2/2026	ZOOM.COM 888-799-9666 SAN JOSE CA	\$55.24	OFFICE EXPENSE	01-5-4100-200

Total ACH - 05/04/2026 \$1,053.61

06/10/2026 Board Meeting - Five Star Bank Mastercard	\$1,053.61
Online Payment - paid 05/04/2026	

VENDOR I.D.	NAME	STATUS	CHECK DATE	AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
0280	DE LAGE LANDEN FINANCIAL SERVI							
I-597088133	DE LAGE LANDEN FINANCIAL SERVI	R	5/13/2026			062262		
01 5-4100-220	PROFESSIONAL SERVICES	DE LAGE LANDEN FINAN		213.43				213.43
1010	LIVE, LLC DBA ADVANTAGE ANSWER							
I-000040-043-291	LIVE, LLC DBA ADVANTAGE ANSWER	R	5/13/2026			062263		
01 5-4100-110	COMMUNICATIONS	LIVE, LLC DBA ADVANT		539.25				539.25
1012	AGP VIDEO INC.							
I-9974	AGP VIDEO INC.	R	5/13/2026			062264		
01 5-4100-220	PROFESSIONAL SERVICES	AGP VIDEO INC.		785.00				785.00
1090	CHARTER COMMUNICATIONS							
I-170594401042126	CHARTER COMMUNICATIONS	R	5/13/2026			062265		
01 5-4100-110	COMMUNICATIONS	CHARTER COMMUNICATIO		170.00				170.00
1138	ASTOUND BUSINESS SOLUTIONS							
I-200.69	ASTOUND BUSINESS SOLUTIONS	R	5/13/2026			062266		
01 5-4100-110	COMMUNICATIONS	ASTOUND BUSINESS SOL		200.69				200.69
1206	VERIZON WIRELESS							
I-6141738687	VERIZON WIRELESS	R	5/13/2026			062267		
02 5-4400-110	COMMUNICATIONS	VERIZON WIRELESS - W		178.84				
03 5-4500-110	COMMUNICATIONS	VERIZON WIRELESS - S		29.06				
06 5-4900-110	COMMUNICATIONS	VERIZON WIRELESS - G		13.41				
10 5-4300-110	COMMUNICATIONS	VERIZON - FACILITIES		2.24				223.55
1340	PACIFIC GAS & ELECTRIC							
I-04232026	PACIFIC GAS & ELECTRIC	R	5/13/2026			062268		
01 5-4195-295	STREET LIGHTING	STREET LIGHTS		3,061.65				
02 5-4400-290	UTILITIES	WATER		1,225.62				
03 5-4500-290	UTILITIES	SEWER		93.33				
01 5-4100-290	UTILITIES	1689 FRONT, VILLAGE		52.95				
01 5-4100-290	UTILITIES	MODULAR		26.65CR				
01 5-4100-290	UTILITIES	1655 FRONT - ADM		475.88				
01 5-4100-200	OFFICE EXPENSE	1655 FRONT - ADM RET		166.67				5,049.45
1484	SO CAL GAS							
I-APR1655-2026	SO CAL GAS	R	5/13/2026			062269		
01 5-4100-290	UTILITIES	SO CAL GAS		30.14				
I-APR1689-2026	SO CAL GAS	R	5/13/2026			062269		
01 5-4100-290	UTILITIES	SO CAL GAS		44.00				
I-APR1935-2026	SO CAL GAS	R	5/13/2026			062269		
01 5-4100-290	UTILITIES	SO CAL GAS		15.39				
I-MAR1935-2026	SO CAL GAS	R	5/13/2026			062269		
01 5-4100-290	UTILITIES	SO CAL GAS		14.30				103.83

VENDOR SET: 01 Oceano CSD, CA
BANK: AP ACCOUNTS PAYABLE
DATE RANGE: 0/00/0000 THRU 99/99/9999

VENDOR I.D.	NAME	STATUS	CHECK DATE	AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
1845	COASTAL COPY, INC.							
I-1186049	COASTAL COPY, INC.	R	5/13/2026			062270		
01 5-4100-220	PROFESSIONAL SERVICES		COASTAL COPY, INC.	311.61				
I-1189270	COASTAL COPY, INC.	R	5/13/2026			062270		
01 5-4100-220	PROFESSIONAL SERVICES		COASTAL COPY, INC.	298.00				
02 5-4400-205	OUTSIDE UB MAIL SERVICE		COASTAL COPY, INC.	84.43				
03 5-4500-205	OUTSIDE UB MAIL SERVICE		COASTAL COPY, INC.	84.43				778.47

* * T O T A L S * *	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
REGULAR CHECKS:	9	8,063.67	0.00	8,063.67
HAND CHECKS:	0	0.00	0.00	0.00
DRAFTS:	0	0.00	0.00	0.00
EFT:	0	0.00	0.00	0.00
NON CHECKS:	0	0.00	0.00	0.00
VOID CHECKS:	0 VOID DEBITS	0.00		
	VOID CREDITS	0.00	0.00	0.00

TOTAL ERRORS: 0

** G/L ACCOUNT TOTALS **

G/L ACCOUNT	NAME	AMOUNT
01 5-4100-110	COMMUNICATIONS	909.94
01 5-4100-200	OFFICE EXPENSE	166.67
01 5-4100-220	PROFESSIONAL SERVICES	1,608.04
01 5-4100-290	UTILITIES	606.01
01 5-4195-295	STREET LIGHTING	3,061.65
	*** FUND TOTAL ***	6,352.31
02 5-4400-110	COMMUNICATIONS	178.84
02 5-4400-205	OUTSIDE UB MAIL SERVICE	84.43
02 5-4400-290	UTILITIES	1,225.62
	*** FUND TOTAL ***	1,488.89
03 5-4500-110	COMMUNICATIONS	29.06
03 5-4500-205	OUTSIDE UB MAIL SERVICE	84.43
03 5-4500-290	UTILITIES	93.33
	*** FUND TOTAL ***	206.82
06 5-4900-110	COMMUNICATIONS	13.41
	*** FUND TOTAL ***	13.41
10 5-4300-110	COMMUNICATIONS	2.24
	*** FUND TOTAL ***	2.24

VENDOR SET: 01 Oceano CSD, CA
 BANK: AP ACCOUNTS PAYABLE
 DATE RANGE: 0/00/0000 THRU 99/99/9999

VENDOR I.D.	NAME	STATUS	CHECK DATE	AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
0059	BLUE SHIELD OF CALIFORNIA							
I-HEA202605052579	HEALTH INSURANCE	R	6/04/2026			062298		
01 5-4100-090	INS: GROUP HEALTH/LIFE	HEALTH INSURANCE		1,023.30				
01 5-4100-603	UTILITY CREW - EMPLOYEE INSUR	HEALTH INSURANCE		2,151.81				
I-HEA202605182581	HEALTH INSURANCE	R	6/04/2026			062298		
01 5-4100-090	INS: GROUP HEALTH/LIFE	HEALTH INSURANCE		891.16				
01 5-4100-603	UTILITY CREW - EMPLOYEE INSUR	HEALTH INSURANCE		1,916.95				5,983.22
0192	TASC -CLIENT INVOICES							
I-IN3740479	TASC -CLIENT INVOICES	R	6/04/2026			062299		
01 5-4100-090	INS: GROUP HEALTH/LIFE	TASC -CLIENT INVOICE		56.21				
I-IN3761192	TASC -CLIENT INVOICES	R	6/04/2026			062299		
01 5-4100-090	INS: GROUP HEALTH/LIFE	TASC -CLIENT INVOICE		56.21				112.42
0301	PRINCIPAL LIFE INSURANCE COMPA							
I-INS202605052579	LONG TERM DISABILITY	R	6/04/2026			062300		
01 5-4100-090	INS: GROUP HEALTH/LIFE	LONG TERM DISABILITY		59.35				
01 5-4100-603	UTILITY CREW - EMPLOYEE INSUR	LONG TERM DISABILITY		54.39				
I-INS202605182581	LONG TERM DISABILITY	R	6/04/2026			062300		
01 5-4100-090	INS: GROUP HEALTH/LIFE	LONG TERM DISABILITY		57.02				
01 5-4100-603	UTILITY CREW - EMPLOYEE INSUR	LONG TERM DISABILITY		44.93				
I-LIF202605052579	LIFE INS.	R	6/04/2026			062300		
01 5-4100-090	INS: GROUP HEALTH/LIFE	LIFE INS.		36.53				
01 5-4100-603	UTILITY CREW - EMPLOYEE INSUR	LIFE INS.		35.29				
I-LIF202605182581	LIFE INS.	R	6/04/2026			062300		
01 5-4100-090	INS: GROUP HEALTH/LIFE	LIFE INS.		34.57				
01 5-4100-603	UTILITY CREW - EMPLOYEE INSUR	LIFE INS.		31.01				353.09
0379	HUMANA INSURANCE CO.							
I-DNT202605052579	DENTAL	R	6/04/2026			062301		
01 5-4100-090	INS: GROUP HEALTH/LIFE	DENTAL		153.90				
01 5-4100-603	UTILITY CREW - EMPLOYEE INSUR	DENTAL		176.45				
I-DNT202605182581	DENTAL	R	6/04/2026			062301		
01 5-4100-090	INS: GROUP HEALTH/LIFE	DENTAL		146.17				
01 5-4100-603	UTILITY CREW - EMPLOYEE INSUR	DENTAL		161.63				
I-VIS202605052579	VISION INS.	R	6/04/2026			062301		
01 5-4100-090	INS: GROUP HEALTH/LIFE	VISION INS.		11.14				
01 5-4100-603	UTILITY CREW - EMPLOYEE INSUR	VISION INS.		24.78				
I-VIS202605182581	VISION INS.	R	6/04/2026			062301		
01 5-4100-090	INS: GROUP HEALTH/LIFE	VISION INS.		9.92				
01 5-4100-603	UTILITY CREW - EMPLOYEE INSUR	VISION INS.		22.52				706.51

VENDOR SET: 01 Oceano CSD, CA
BANK: AP ACCOUNTS PAYABLE
DATE RANGE: 0/00/0000 THRU 99/99/9999

VENDOR I.D.	NAME	STATUS	CHECK DATE	AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
-------------	------	--------	------------	--------	----------	----------	--------------	--------------

* * T O T A L S * *	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
REGULAR CHECKS:	4	7,155.24	0.00	7,155.24
HAND CHECKS:	0	0.00	0.00	0.00
DRAFTS:	0	0.00	0.00	0.00
EFT:	0	0.00	0.00	0.00
NON CHECKS:	0	0.00	0.00	0.00
VOID CHECKS:	0	VOID DEBITS 0.00		
		VOID CREDITS 0.00	0.00	0.00

TOTAL ERRORS: 0

** G/L ACCOUNT TOTALS **

G/L ACCOUNT	NAME	AMOUNT
01 5-4100-090	INS: GROUP HEALTH/LIFE	2,535.48
01 5-4100-603	UTILITY CREW - EMPLOYEE INSUR	4,619.76
	*** FUND TOTAL ***	7,155.24

VENDOR SET: 01	BANK: AP	TOTALS:	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
			4	7,155.24	0.00	7,155.24
BANK: AP	TOTALS:		4	7,155.24	0.00	7,155.24
REPORT TOTALS:			4	7,155.24	0.00	7,155.24

VENDOR SET: 01 Oceano CSD, CA
 BANK: AP ACCOUNTS PAYABLE
 DATE RANGE: 0/00/0000 THRU 99/99/9999

VENDOR I.D.	NAME	STATUS	CHECK DATE	AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
1010	LIVE, LLC DBA ADVANTAGE ANSWER							
I-000040-354-761	LIVE, LLC DBA ADVANTAGE ANSWER	R	6/04/2026			062293		
01 5-4100-110	COMMUNICATIONS	LIVE, LLC DBA ADVANT		372.30				372.30
1090	CHARTER COMMUNICATIONS							
I-170594401052126	CHARTER COMMUNICATIONS	R	6/04/2026			062294		
01 5-4100-110	COMMUNICATIONS	CHARTER COMMUNICATIO		170.00				170.00
1206	VERIZON WIRELESS							
I-6144255836	VERIZON WIRELESS	R	6/04/2026			062295		
02 5-4400-110	COMMUNICATIONS	VERIZON WIRELESS - W		178.88				
03 5-4500-110	COMMUNICATIONS	VERIZON WIRELESS - S		29.07				
06 5-4900-110	COMMUNICATIONS	VERIZON WIRELESS - G		13.42				
10 5-4300-110	COMMUNICATIONS	VERIZON - FACILITIES		2.23				223.60
1340	PACIFIC GAS & ELECTRIC							
I-05222026	PACIFIC GAS & ELECTRIC	R	6/04/2026			062296		
01 5-4195-295	STREET LIGHTING	STREET LIGHTS		3,071.29				
02 5-4400-290	UTILITIES	WATER		1,152.01				
03 5-4500-290	UTILITIES	SEWER		123.58				
01 5-4100-290	UTILITIES	1689 FRONT, VILLAGE		92.25				
01 5-4100-290	UTILITIES	MODULAR		10.18				
01 5-4100-290	UTILITIES	1655 FRONT - ADM		493.41				
01 5-4100-200	OFFICE EXPENSE	1655 FRONT - ADM RET		166.67				5,109.39
1845	COASTAL COPY, INC.							
I-1192454	COASTAL COPY, INC.	R	6/04/2026			062297		
01 5-4100-220	PROFESSIONAL SERVICES	COASTAL COPY, INC.		311.61				311.61

* * T O T A L S * *	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
REGULAR CHECKS:	5	6,186.90	0.00	6,186.90
HAND CHECKS:	0	0.00	0.00	0.00
DRAFTS:	0	0.00	0.00	0.00
EFT:	0	0.00	0.00	0.00
NON CHECKS:	0	0.00	0.00	0.00
VOID CHECKS:	0	VOID DEBITS 0.00		
		VOID CREDITS 0.00	0.00	0.00

TOTAL ERRORS: 0

VENDOR SET: 01 Oceano CSD, CA
BANK: AP ACCOUNTS PAYABLE
DATE RANGE: 0/00/0000 THRU 99/99/9999

** G/L ACCOUNT TOTALS **

G/L ACCOUNT	NAME	AMOUNT
01 5-4100-110	COMMUNICATIONS	542.30
01 5-4100-200	OFFICE EXPENSE	166.67
01 5-4100-220	PROFESSIONAL SERVICES	311.61
01 5-4100-290	UTILITIES	595.84
01 5-4195-295	STREET LIGHTING	3,071.29
	*** FUND TOTAL ***	4,687.71
02 5-4400-110	COMMUNICATIONS	178.88
02 5-4400-290	UTILITIES	1,152.01
	*** FUND TOTAL ***	1,330.89
03 5-4500-110	COMMUNICATIONS	29.07
03 5-4500-290	UTILITIES	123.58
	*** FUND TOTAL ***	152.65
06 5-4900-110	COMMUNICATIONS	13.42
	*** FUND TOTAL ***	13.42
10 5-4300-110	COMMUNICATIONS	2.23
	*** FUND TOTAL ***	2.23

VENDOR SET: 01	BANK: AP	TOTALS:	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
			5	6,186.90	0.00	6,186.90
BANK: AP	TOTALS:		5	6,186.90	0.00	6,186.90
REPORT TOTALS:			5	6,186.90	0.00	6,186.90



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

Date: June 10, 2026

To: Board of Directors

From: Carey Casciola, Business and Accounting Manager

Subject: **Agenda Item 8(C): Approval of a Resolution Consolidating the District's Biennial Election with the November 3, 2026, Consolidated General Election and the attached Notice to the County Elections Official on the Elective Offices to be Filled, Map of District Boundaries, and Payment of Candidate Statement of Qualifications**

Recommendation

It is recommended that the Board:

1. Approve a Resolution Consolidating the District's Biennial Election with the November 3, 2026, Consolidated General Election and direct the President to Execute.
2. Approve the attached Notice to County Elections Official on the Elective Offices to be Filled, Map of District Boundaries, and Payment of Candidate Statement of Qualifications and direct the General Manager to execute and submit to the County Elections Official with the attached executed Resolution.

Discussion

Attached is correspondence from the Office of the County Clerk Recorder, Elaina Cano, which provides instructions for the District to consolidate its biennial election with the election to be held on Tuesday November 3, 2026. The attached District map will be submitted. The notice also provides that candidates will need to pay for the printing and handling of their Statement of Qualifications pursuant to Elections Code 10509.

Other Agency Involvement

County of San Luis Obispo Clerk-Recorder.

Other Financial Considerations

The County will charge the District a share of the elections cost, which is included in the Preliminary Budget for Fiscal Year 2026/27 in the estimated amount of \$10,000.



Oceano Community Services District

Board of Directors Meeting

Results

Consolidating the District's election with the County election will save District ratepayers and promote a well-governed community.

Attachments:

1. Resolution Consolidating the District's Biennial Election with the November 3, 2026, Consolidated General Election
2. Resolution Adopting Regulations for Candidates for Elective Office Pertaining to Costs of Statements
3. Correspondence from the Office of the County Clerk & Notice to County Elections Official
4. District Boundary Map

OCEANO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2026-___

REQUESTING CONSOLIDATION OF THEIR BIENNIAL
ELECTION WITH THE NOVEMBER 3, 2026,
CONSOLIDATED GENERAL ELECTION

WHEREAS, the Oceano Community Services District (hereinafter "District") is governed by a Board of Directors committed to effectively representing the interests of the district's beneficiaries; and

WHEREAS, the regular election of the members of the Board of Directors is scheduled to occur on November 3, 2026; and

WHEREAS, the consolidation of the District governing board election with the County of San Luis Obispo's general election is in the public interest as it promotes greater voter participation and reduces the overall cost of the election; and

WHEREAS, pursuant to California Elections Code Section 10404, the District is permitted to request the consolidation of its regular election with the statewide General Election; and

WHEREAS, pursuant to California Elections Code Section 10400, upon approval of such consolidation by the County, the District is obliged to reimburse the County for all costs incurred in conducting the consolidated election, thereby assuming financial responsibility for the related expenditures.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Oceano Community Services District, County of San Luis Obispo, as follows:

1. **Election Consolidation:** The Board hereby requests the consolidation of its upcoming governing board election with the general election conducted by the County of San Luis Obispo on November 3, 2026, pursuant to California Elections Code Section 10404 and California Elections Code Section 10400.

2. **Reimbursement of Costs:** The District commits to reimburse the County fully for all services provided and costs incurred in the conduct of the consolidated election, as mandated by California Elections Code Section 10400. This includes, but is not limited to, all direct and indirect expenses such as staffing, equipment, materials, and overhead costs.

PASSED AND ADOPTED by the Board of Directors of the Oceano Community Services District, County of San Luis Obispo, State of California, at a regular meeting thereof held on the 10th day of June 2026, by the following vote:

Upon motion of _____,
seconded by _____, and on the following roll call vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAINING:

the foregoing Resolution is hereby adopted this 10th day of June 2026.

President of the Board of Directors

ATTEST:

Secretary for the Board of Directors

(SEAL)

APPROVED AS TO FORM AND LEGAL EFFECT:

Robert Schultz
District Counsel

By: _____

**OCEANO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2026-___**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
OCEANO COMMUNITY SERVICES DISTRICT,
COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA,
ADOPTING REGULATIONS FOR CANDIDATES FOR ELECTIVE OFFICE
PERTAINING TO, AND COSTS OF CANDIDATE STATEMENTS
SUBMITTED TO THE VOTERS AT THE
NOVEMBER 3, 2026, PRESIDENTIAL GENERAL ELECTION**

WHEREAS, Section 13307 of the Election Code of the State of California requires this Board to adopt certain policies regarding statements of candidates who run for office as members of the governing Board of Directors.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Oceano Community Services District, County of San Luis Obispo hereby determine:

1. That the costs of printing, handling, and mailing candidates' statements of qualifications shall be charged to the candidates.
2. That the candidates' statement of qualifications shall not exceed 400 words.
3. The statement shall be filed with the County of San Luis Obispo Registrar of Voters at the time the candidate's nomination papers are filed.
4. The statement may be withdrawn, but not changed, during the period for filing nomination papers and until 5:00pm of the next working day after the close of the nomination paper.
5. That the candidates are not permitted to submit additional materials to be sent to the voter with the County Voter Information Guide.
6. That the County of SanLuis Obispo Registrar of Voters be directed to give a copy of these regulations to each candidate, or their representative, at the time that nomination documents are received.

Upon motion of _____,
seconded by _____, and on the following roll call vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAINING:

the foregoing Resolution is hereby adopted this 10TH day of June 2024.

President of the Board of Directors

ATTEST:

Secretary for the Board of Directors

(SEAL)

APPROVED AS TO FORM AND LEGAL EFFECT:

Robert Schultz
District Counsel

By: _____



November 3, 2026, General Election
 County of San Luis Obispo Elections Division
DISTRICT AND ELECTED OFFICIALS' INFORMATION

1. DISTRICT CONTACT INFORMATION

DISTRICT NAME: _____

STREET ADDRESS: _____

MAILING ADDRESS: (If different than above): _____

TELEPHONE NUMBER: _____

FAX NUMBER: _____

EMAIL: _____

2. DISTRICT SECRETARY

NAME: _____

3. DISTRICT SUPERINTENDENT/MANAGER

NAME: _____

TITLE: _____

4. DISTRICT CONTACT FOR THIS ELECTION

NAME: _____

TITLE: _____

TELEPHONE NUMBER: _____

EMAIL: _____

5. ELECTED OFFICIAL'S SALARY REPORT

(Please Check One)

Elected officials of this district receive a salary of **less than \$200.00 per month** and therefore are not required to file semi-annual campaign disclosure reports, unless they receive or make any contributions, or make any expenditures pursuant to Government Code Section 84200(a)(2).

Elected officials of this district receive a salary of **\$200.00 or more per month** and therefore must file semi-annual campaign expenditure reports in compliance with the reporting requirements of Government Code Section 84200(a).

6. CURRENT OFFICEHOLDERS AND TERMS OF OFFICE

(Please attach a sheet if more space is needed):

If applicable, District, Division, or Trustee Area number (Ex. Dist. 1; Div. 1; TA 1; Area 1)	Officeholder's Name	Residence Address (No PO Boxes)	Term Ending (Year)	Elected/Appointed in Lieu of Election/Appointed to Vacancy
				<input type="checkbox"/> Elected <input type="checkbox"/> Appt. in Lieu <input type="checkbox"/> Appt. to Vacancy
				<input type="checkbox"/> Elected <input type="checkbox"/> Appt. in Lieu <input type="checkbox"/> Appt. to Vacancy
				<input type="checkbox"/> Elected <input type="checkbox"/> Appt. in Lieu <input type="checkbox"/> Appt. to Vacancy
				<input type="checkbox"/> Elected <input type="checkbox"/> Appt. in Lieu <input type="checkbox"/> Appt. to Vacancy
				<input type="checkbox"/> Elected <input type="checkbox"/> Appt. in Lieu <input type="checkbox"/> Appt. to Vacancy
				<input type="checkbox"/> Elected <input type="checkbox"/> Appt. in Lieu <input type="checkbox"/> Appt. to Vacancy
				<input type="checkbox"/> Elected <input type="checkbox"/> Appt. in Lieu <input type="checkbox"/> Appt. to Vacancy



November 3, 2026, General Election
 County of San Luis Obispo Elections Division
NOTICE OF ELECTIVE OFFICES TO BE FILLED

DISTRICT NAME: _____

You are hereby notified that at the **General Election** to be held for the above district on **November 3, 2026**, the elective office(s) listed below are to be filled. If there are none, please put "N/A".

4. NUMBER OF FULL-TERM OFFICES TO BE FILLED AND HOW ELECTED

Number of Full-Term offices up for election? _____

Office, and if applicable, District, Division, or Trustee Area number (Ex. Mayor, City Council, Dist. 1; Div. 1; TA 1; Area 1) or At-Large	Officeholder's Name	Residence Address (No PO Boxes)	Elected/Appointed in Lieu of Election/Appointed to Vacancy
			<input type="checkbox"/> Elected <input type="checkbox"/> Appt. in Lieu <input type="checkbox"/> Appt. to Vacancy
			<input type="checkbox"/> Elected <input type="checkbox"/> Appt. in Lieu <input type="checkbox"/> Appt. to Vacancy
			<input type="checkbox"/> Elected <input type="checkbox"/> Appt. in Lieu <input type="checkbox"/> Appt. to Vacancy
			<input type="checkbox"/> Elected <input type="checkbox"/> Appt. in Lieu <input type="checkbox"/> Appt. to Vacancy



November 3, 2026, General Election
 County of San Luis Obispo Elections Division
NOTICE OF ELECTIVE OFFICES TO BE FILLED

5. NUMBER OF SHORT-TERM OFFICES TO BE FILLED AND HOW ELECTED

Number of Short-Term offices up for election? _____

Office, and if applicable, District, Division, or Trustee Area number (Ex. Mayor, City Council, Dist. 1; Div. 1; TA 1; Area 1) or At-Large	Officeholder's Name	Residence Address (No PO Boxes)	Elected/Appointed in Lieu of Election/Appointed to Vacancy
			<input type="checkbox"/> Elected <input type="checkbox"/> Appt. in Lieu <input type="checkbox"/> Appt. to Vacancy
			<input type="checkbox"/> Elected <input type="checkbox"/> Appt. in Lieu <input type="checkbox"/> Appt. to Vacancy
			<input type="checkbox"/> Elected <input type="checkbox"/> Appt. in Lieu <input type="checkbox"/> Appt. to Vacancy
			<input type="checkbox"/> Elected <input type="checkbox"/> Appt. in Lieu <input type="checkbox"/> Appt. to Vacancy



November 3, 2026, General Election
 County of San Luis Obispo Elections Division
QUALIFICATIONS TO RUN AND HOLD OFFICE

DISTRICT NAME: _____

GENERAL QUALIFICATIONS E.C. §§ 20, 201; G.C. §§ 1020, 1021, 24001, 36502:

- Must be at least 18 years old and a citizen of the state at the time of their election; and
- Must be a registered voter of the district in which the duties of the office are to be exercised at the time that nomination papers are issued to the person or at the time of the appointment of the person; and
- Cannot be convicted of designated crimes as specified in the Constitution and laws of the State; and,
- Cannot be convicted of a felony involving accepting or giving, or offering to give, any bribe, the embezzlement of public money, extortion or theft of public money, perjury or conspiracy to commit any of these crimes.

In addition to the general qualifications outlined above, candidates for the district must also meet the qualifications to run and hold office identified in the ADDITIONAL QUALIFICATIONS section below.

ADDITIONAL QUALIFICATIONS (Please include reference to, or attach copies of, the applicable legal code section(s) and/or principal act. If there are no additional qualifications, please print "N/A" in the space provided below and date and sign below):

Executed on: _____, 2026

District Seal

 SIGNATURE OF DISTRICT SECRETARY



November 3, 2026, General Election
County of San Luis Obispo Elections Division
DISTRICT BOUNDARY MAP

Pursuant to Elections Code § 21600 - 21606, 22000 – 22001, please attach a map showing the boundaries of the district.

Have the boundaries changed since 2024?

Yes _____

No _____

SAMPLE RESOLUTION – CONSOLIDATION REQUEST
RESOLUTION NO. [XXXX]

**A RESOLUTION OF THE BOARD OF DIRECTORS OF [SPECIAL DISTRICT NAME], COUNTY OF SAN LUIS OBISPO,
STATE OF CALIFORNIA, REQUESTING THE CONSOLIDATION OF THE [SPECIAL DISTRICT NAME] GOVERNING
BOARD ELECTION WITH THE
NOVEMBER 3, 2026, GENERAL ELECTION**

WHEREAS, the [Special District Name] (hereinafter "District") is governed by a Board of Directors committed to effectively representing the interests of the district's beneficiaries; and

WHEREAS, the regular election of the members of the Board of Directors is scheduled to occur on November 3, 2026; and

WHEREAS, the consolidation of the District governing board election with the County of San Luis Obispo's general election is in the public interest as it promotes greater voter participation and reduces the overall cost of the election; and

WHEREAS, pursuant to California Elections Code Section 10404, the District is permitted to request the consolidation of its regular election with the statewide General Election; and

WHEREAS, pursuant to California Elections Code Section 10400, upon approval of such consolidation by the County, the District is obliged to reimburse the County for all costs incurred in conducting the consolidated election, thereby assuming financial responsibility for the related expenditures.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the [Special District Name], County of San Luis Obispo, as follows:

1. **Election Consolidation:** The Board hereby requests the consolidation of its upcoming governing board election with the general election conducted by the County of San Luis Obispo on November 3, 2026, pursuant to California Elections Code Section 10404 and California Elections Code Section 10400.
2. **Reimbursement of Costs:** The District commits to reimburse the County fully for all services provided and costs incurred in the conduct of the consolidated election, as mandated by California Elections Code Section 10400. This includes, but is not limited to, all direct and indirect expenses such as staffing, equipment, materials, and overhead costs.

PASSED AND ADOPTED by the Board of Directors of the [Special District Name], County of San Luis Obispo, State of California, at a regular meeting thereof held on the [day] day of [month], 2026, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

SIGNATURE OF DISTRICT SECRETARY

CERTIFICATE OF SECRETARY

I, [Secretary's Name], Secretary of the Board of Directors of [Special District Name], hereby certify that the above is a true and correct copy of Resolution No. [XXXX] passed and adopted by the Board at a meeting held on [date].

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of [Special District Name] on this [day] day of [month], [year].

SAMPLE RESOLUTION – CANDIDATE STATEMENT

A RESOLUTION OF THE BOARD OF DIRECTORS OF [SPECIAL DISTRICT NAME], COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, ADOPTING REGULATIONS FOR CANDIDATES FOR ELECTIVE OFFICE PERTAINING TO, AND COSTS OF, CANDIDATE STATEMENTS SUBMITTED TO THE VOTERS AT THE NOVEMBER 3, 2026, GENERAL ELECTION

RESOLUTION NO. _____

WHEREAS, Section 13307 of the Elections Code of the State of California requires this board to adopt certain policies in regard to statements of candidates who run for office as members of the governing board of the district.

NOW, THEREFORE, BE IT RESOLVED that this governing board does hereby determine:

- 1. That the cost of printing, handling, and mailing candidates' statements of qualifications shall be charged to the:

CANDIDATE OR DISTRICT

- 2. That the candidates' statement of qualifications shall not exceed:

"200" OR "400" WORDS

- 3. The statement shall be filed with the County of San Luis Obispo Registrar of Voters at the time the candidate's nomination papers are filed.
- 4. The statement may be withdrawn, but not changed, during the period for filing nomination papers and until 5:00pm of the next working day after the close of the nomination paper.
- 5. That the candidates are not permitted to submit additional materials to be sent to the voter with the County Voter Information Guide.
- 6. That the County of San Luis Obispo Registrar of Voters be directed to give a copy of these regulations to each candidate, or their representative, at the time that nomination documents are received.

PASSED AND ADOPTED by the Governing Board of the _____
DISTRICT NAME

this _____ day of _____, 2026.

AYES:
NOES:
ABSENT:
ABSTAIN:

SIGNATURE OF DISTRICT SECRETARY

CERTIFICATE OF SECRETARY

I, [Secretary's Name], Secretary of the Board of Directors of [Special District Name], hereby certify that the above is a true and correct copy of Resolution No. [XXXX] passed and adopted by the Board at a meeting held on [date].

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of [Special District Name] on this [day] day of [month], [year].

Plan 202

Oceano Community Services District 2021/22 Transition to Division-Based Elections

Total Population Deviation: 8.7%

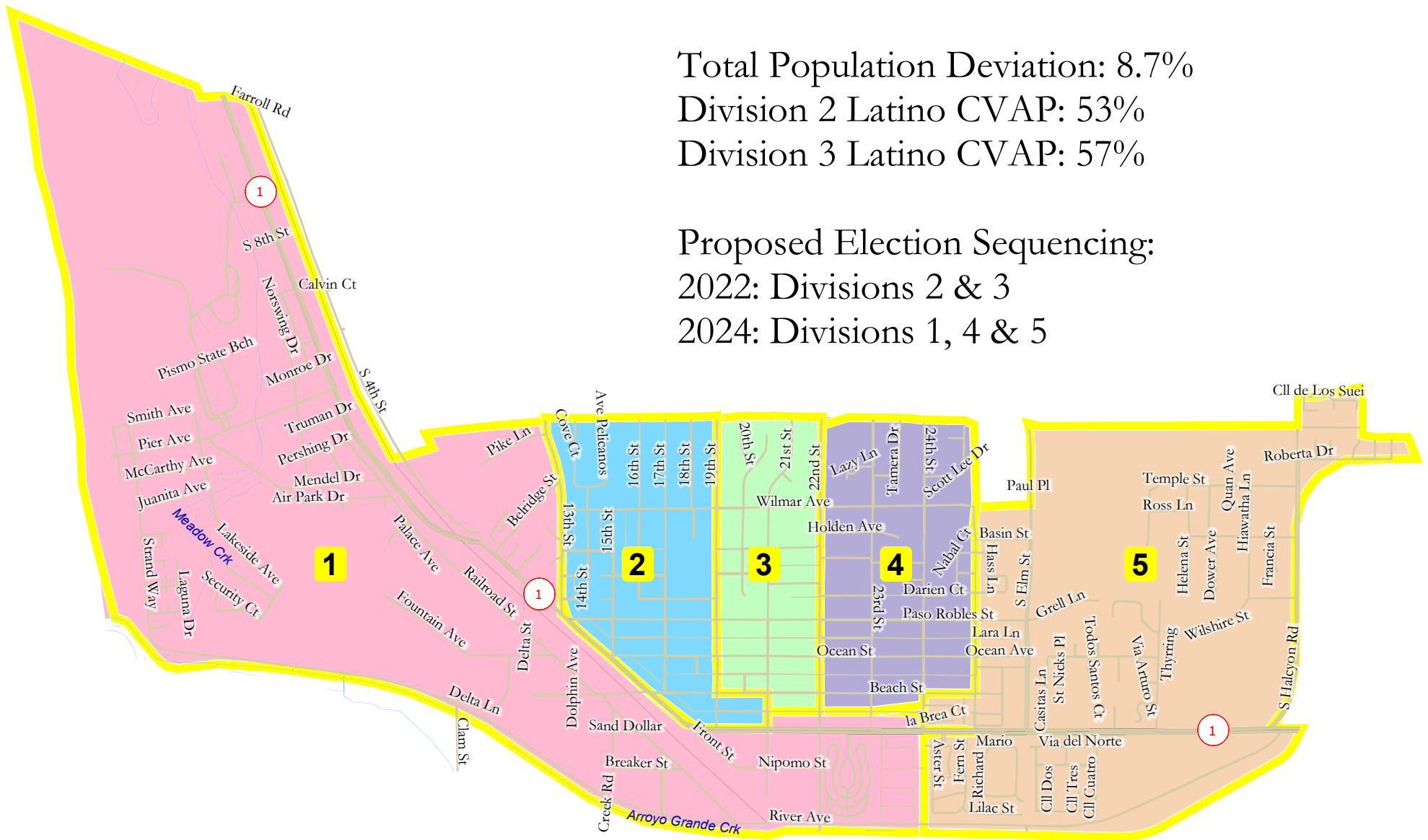
Division 2 Latino CVAP: 53%

Division 3 Latino CVAP: 57%

Proposed Election Sequencing:

2022: Divisions 2 & 3

2024: Divisions 1, 4 & 5





Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

Date: June 10, 2026
To: Board of Directors
From: Carey Casciola, Business and Accounting Manager
Subject: **Agenda Item #9(A) : Consideration of a Recommendation approving Nigro & Nigro as the District Auditors for Fiscal Year 2025-26 through 2027-28 in an amount not to exceed \$24,000.**

Recommendation

It is recommended that your Board Authorize the Board President to approve a professional services agreement to Nigro & Nigro in an amount not to exceed \$24,000 for Fiscal Year 2025-26, 2026-27, and 2027-28.

Discussion

Pursuant to Special District Law the Board of Directors shall provide regular audits of the District's accounts and records. An audit is performed on the accounts and records of Oceano CSD every year by an independent Certified Public Accountant. On December 13, 2023, your Board selected Moss, Levy and Hartzheim, LLP as the District Auditors for Fiscal Year 2022-23 through 2024-25. The audit fees from Moss, Levy, and Hartzheim for the past three years are summarized below:

Firm	Fiscal Year	Audit Fees
Moss, Levy & Hartzheim	FY 2022-23	\$21,500
	FY 2023-24	\$22,000
	FY 2024-25	\$22,550

On March 11, 2026, the Board approved a [Request for Proposal](#) for independent audit services. The District received seven proposals for the next three fiscal years. The audit fees are summarized below:



Oceano Community Services District

Board of Directors Meeting

<u>Firm</u>	<u>Fiscal Year</u>	<u>Proposed Fees</u>	<u>Total costs</u>
Harshwal & Company	FY 2025-26	\$16,950.00	
	FY 2026-27	\$17,800.00	
	FY 2027-28	\$18,685.00	\$53,435.00
Nigro & Nigro	FY 2025-26	\$24,000.00	
	FY 2026-27	\$24,000.00	
	FY 2027-28	\$24,000.00	\$72,000.00
Moss, Levy & Hartzheim	FY 2025-26	\$24,660.00	
	FY 2026-27	\$25,895.00	
	FY 2027-28	\$27,185.00	\$77,740.00
Brown Armstrong Accountancy Corporation	FY 2025-26	\$26,800.00	
	FY 2026-27	\$26,800.00	
	FY 2027-28	\$26,800.00	\$80,400.00
Rogers Anderson Malody & Scott	FY 2025-26	\$28,210.00	
	FY 2026-27	\$29,060.00	
	FY 2027-28	\$29,940.00	\$87,210.00
Price Page & Company	FY 2025-26	\$31,000.00	
	FY 2026-27	\$32,387.00	
	FY 2027-28	\$32,387.00	\$95,774.00
Eadie Payne	FY 2025-26	\$35,635.00	
	FY 2026-27	\$36,870.00	
	FY 2027-28	\$38,190.00	\$110,695.00

Since FY 2016-17 the District engaged with Moss, Levy and Hartzheim (MLH) and changed lead partners twice during the 8-year period since California Government Code Section 12410.6 requires an agency who submits their audits to the State Controller to change lead auditors every six years.

The lowest cost proposal, Harshwal & Company, is \$18,565 lower than Nigro & Nigro’s proposal. However, based on the references provided by the firm, they do not have any similar Special District clients currently in San Luis Obispo County and they perform the internal testing primarily remotely. The District prefers in person testing. The District’s current auditor, MLH, has tested in person giving the auditors the ability to test the District’s software and inspect different documents. In addition, Nigro & Nigro will perform in person testing and have several highly satisfied clients on the central coast. For those and other reasons, staff is recommending awarding the contract to the second lowest cost proposal, Nigro & Nigro.



Other Agency Involvement

The State Controller, County Auditor and the Local Agency Formation Commission are provided with a copy of the audit and related communication letters.

Other Financial Considerations

Funding for audit services has been included in the budget 2026-27 at \$29,205 for the preparation of June 30, 2026, audit.

Results

Completion of the annual audit promotes independent evaluation of the District's accounting records and helps to ensure a well-governed community.

Attachment:

1. Proposal from Nigro & Nigro
2. Proposal from Harshwal & Company
3. Proposal from Moss, Levy & Hartzheim
4. Proposal from Brown Armstrong Accountancy Corporation
5. Proposal from Rogers Anderson Malody & Scott
6. Proposal from Price Prage & Company
7. Proposal from Eadie Payne

**TECHNICAL PROPOSAL
FOR
PROFESSIONAL AUDITING SERVICES**

Oceano Community Services District

**For the Fiscal Years Ending
June 30, 2026-2028
(With the Option for Fiscal Years 2029 to 2031)**



Respectfully Submitted on April 30, 2026 by:

Paul J. Kaymark, CPA
Nigro & Nigro, PC
pkaymark@nncpas.com
Federal Tax ID: 30-0636241
Nncpas.com

Murrieta Office: 25220 Hancock Ave. #400, Murrieta, CA 92562 • P: (951) 698-8783 • F: (951) 699-1064
Walnut Creek: 2121 N. California Blvd. #290, Walnut Creek, CA 94596 • P: (844) 557-3111 • F: (844) 557-3444

Let's Work Together!



*By applying our financial expertise,
we partner with our clients to build
valuable relationships that inspire success.*

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April 30, 2026

Carey Casciola – Business and Accounting Manager
Oceano Community Services District
1655 Front St
Oceano, CA 93445

Dear Ms. Casciola:

Thank you for the opportunity to submit this proposal to provide audit services for the Oceano Community Services District (District). Our understanding of the work to be done is: the annual audit of the District's financial statements for the fiscal years ending June 30, 2026-2028 with a three-year option. Based on our history with water agencies, we believe our firm would be a great fit, and we would develop a great working relationship. Our staff works hard to help ensure our audits are completed with the highest level of service and meet all deadlines.

Although many people think that all community services agencies function in the same manner, we know that's not the case. The audit leadership team we've assigned to your District, including myself, will take the time to learn the intricacies of your organization. We find that by delving deep into our client's structure and operations we are able to make recommendations that are not only useful, but also practical to implement.

At Nigro & Nigro, PC, our greatest strengths correspond to your most critical needs; we possess the full spectrum of resources needed to most effectively help the District's management team and Board members meet their goals – all at a very competitive rate. We believe we are your best choice.

- **Credibility, Reputation, and Resources of a Large Firm** without sacrificing the small-firm touch. Our CPAs and consultants can help you analyze and address financial, operational, and regulatory issues so you can focus attention on serving your citizens. We were originally formed in 1999, and now perform annual audits for approximately 100+ public agencies annually.
- **State-Wide Reach with Local Presence.** At Nigro & Nigro, we have the benefit of having the resources of a state-wide firm while serving you from our Murrieta (Headquarters) and Walnut Creek offices.
- **Dedicated IT Auditor.** Having a dedicated IT Auditor on the audit team provides critical value by ensuring that the agency's information systems and technology controls are thoroughly assessed by a specialist with focused expertise. This dedicated role enhances the depth and accuracy of the audit by identifying potential vulnerabilities, inefficiencies, or compliance issues that might otherwise go undetected. It also allows for more effective evaluation of cybersecurity, data integrity, access controls, and IT governance, ultimately strengthening the overall internal control environment and reducing risk. Furthermore, a dedicated IT Auditor can offer targeted recommendations tailored to the agency's technology landscape, supporting more informed decision-making and long-term operational resilience. **A Value-Added Service from our Firm.**

- **An Efficient and Effective Work Plan.** We currently serve over 100+ governmental entities statewide, which enables our staff to understand the scope of the audit. We also understand the District's complexities, not just from a compliance standpoint but also from an operational point of view. We have developed an effective work plan that takes into consideration your needs for high quality audit services, as well as timely deliverables. As a result of our efficient work plan, we commit to meeting your deadlines to complete our auditing services within the time-period you have specified.
- **Efficiency.** Our use of portal software allows you to upload audit documentation at any time, which will minimize disruption to your staff and enable timely completion of all deliverables.
- **Thought Leadership.** Members of our firm have been actively involved as presenters in numerous industry conferences and programs, including the GFOA, CSDA, and CSMFO. We have incorporated our experience with these committees into our audit framework.
- **Engagement Team.** We know that quality people drive quality results, which is why our commitment to you starts with the engagement team members who are selected based on their experience, focus on serving local government agencies, and who are the best fit for you. Each of the District's engagement team members have completed and exceeded the mandatory requirement for continuing professional education hours as requested in the RFP. Paul Kaymark, Partner, will be the main contact for the District regarding this project and as you can see from the Audit Teams resumes, in the following pages, they have many years of experience to make the audit a smooth process.
- **A Focus on Providing Consistent, Dependable Service to Government Entities.** Nigro & Nigro is organized by industry, affording our clients with industry-specific expertise supplemented by valuable local service and insight. Therefore, the District will enjoy the service of members of our Governmental Audit Services Team who have experience with similar governmental entities and understand the issues and environment critical to you. You will not have to train our auditors.

You may have many options in selecting a professional audit firm. By choosing Nigro & Nigro, you will gain value-added accounting and operational insights. We are the right fit for the District, as we have the expertise and depth of resources within our firm to offer you exceptional service while maintaining a sincere and honest relationship. We understand the work, we are committed to meeting your deadlines, and we would like the opportunity to continue to be your auditors. We also commit to meeting or exceeding your expectations.

Thank you once again for the opportunity to present our qualifications. If you have any questions about our offerings, please do not hesitate to contact me.

Sincerely,



Paul J. Kaymark, CPA
 Managing Partner
 Special District's Audit Services Partner



LICENSE TO PRACTICE IN CALIFORNIA

The Firm and its entire CPA staff hold licenses to practice in the State of California. The Firm's CPA's are all members in good standing with the California Society of CPA's and the AICPA. We will assign a California licensed CPA as the auditor in charge of the audit.

PROFILE OF THE FIRM

Statement of Independence

Our standards require that we be without bias with respect to your operations. The Firm is independent of all entities listed in the RFP, as defined by auditing standards generally accepted in the United States of America and the U.S. General Accounting Office's "Governmental Auditing Standards". In addition, the Firm shall give the District written notice of any relevant professional relationships entered into during the period of this agreement.

Experience

Nigro & Nigro team members are highly trained in governmental accounting and auditing, which sets us apart as being able to add value beyond the basic attest engagement. We are comfortable working with clients of various sizes. Within the past five years, we have worked with numerous governmental clients with revenues ranging from \$200,000 to over \$300 million.

Prior to any audit engagement, our engagement team leader will meet with the Board, Audit Committee and Management to gain a full understanding of the philosophy, objectives and policies for operating the organization, as well as to discuss significant business, regulatory and accounting matters that will affect the audit. At the conclusion of the audit, we will communicate the results of the audit with the Board, Audit Committee and Management.

Areas of specialization include:

- Audit and Review Services
- Government Auditing Standards & Single Audits
- Annual Report of Financial Transactions
- Agreed Upon Procedures Engagements
- Annual Comprehensive Financial Report (ACFR) development

PROFILE OF THE FIRM (CONTINUED)

Size of Our Firm

Firm-wide, we have the following staffing for our governmental audit services:

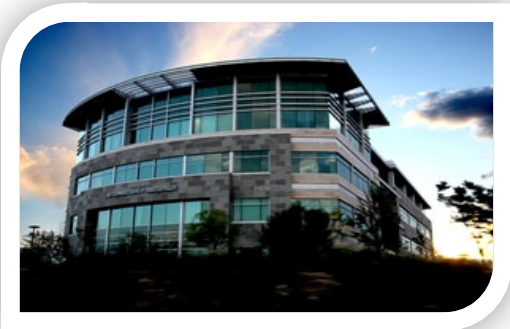
Position	Number of Employees	Number of Licensed CPA's
Partner*	9	9
Senior Manager	1	1
Manager	5	5
Supervisor	5	-
Senior	8	
Associates	9	-
Support Staff	3	-
Total	40	15

**Although the term "partner" is used throughout this proposal to avoid confusion, the firm is organized as a Professional Corporation, and the firm's owners are "shareholders."*

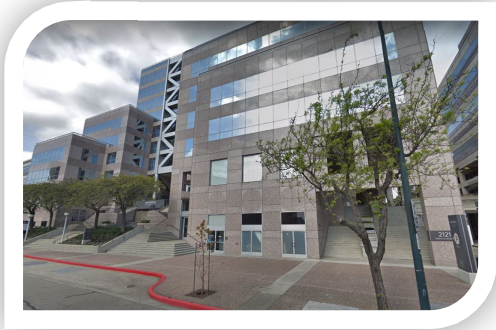
Size and Location of Offices

The firm was originally established in 1999. In 2013, we opened our second office in Northern California in order to better serve our growing client base of agencies in the San Francisco Bay Area. The Firm now has nine partners and a professional staff of 28 accountants along with 3 admin members and expects to add more in the coming years as we continue to grow. We are a full service firm, providing audit and review, tax, consulting, and accounting services to local government, non-profit organizations, charter schools, commercial businesses and homeowners' associations. The office serves clients of all sizes and industries, however, we focus on government agencies, just like yours.

We are prepared to do what it takes to provide the extra level of service required to maintain a long-term business relationship.



MURRIETA OFFICE



WALNUT CREEK OFFICE

Range of Activities Performed

- Consulting and other services for numerous other agencies and not-for-profits
- Tax services for individuals, corporations, and non-profit organizations

PROFILE OF THE FIRM (CONTINUED)

Peer Review

Our firm’s most recently issued peer review report can be found under the "Additional Documents" section of the proposal. A firm can receive a “Fail”, “Pass with Deficiencies”, or a “Pass” rating. The firm’s most recent peer review report rating was a Pass. This rating indicates that the firm’s system of quality control has been suitably designed and complied with to provide the audit organization with reasonable assurance of performing and reporting in conformity with professional standards and applicable legal and regulatory requirements in all material respects. As required by our membership in the Government Audit Quality Center (GAQC), the peer review included a selection of a sample of governmental audit engagements.

Meet Your Audit Leadership Team

Listed on the following pages are the resumes of the management team that will be assigned to your audit. As mentioned previously, our staff members have considerable governmental audit experience. This gives us a pool to draw on in addition to the group listed.

Name	Role	Years of Experience in Audits
Paul J. Kaymark, CPA	Lead/Review Partner	32
Jared Solmonsén, CPA	Engagement Audit Partner	8
Stacy Macias, CPA	Senior Audit Manager – Federal Compliance	8
Anabel Cruz, CPA	Audit Manager	7
Tyler Cook	Audit Supervisor	4
Angelina Paunkov	Audit Senior	3
Valeria Castaneda	Audit Staff	2
Alejandra Melero	Audit Staff	1

Paul J. Kaymark, CPA

Lead/Technical Review Audit Partner

Paul joined the firm in 2019 and has more than 32 years of public accounting and auditing governmental entities experience. Paul is our choice for new governmental audit clients, having extensive experience in the areas of governmental entities. His main responsibilities include assistance in the preliminary planning of audit work, review of assistants' work, and performing audit procedures in more complex audit areas.

Audit Services:

Mr. Kaymark has been working on audit engagements of governmental agencies, not-for-profit organizations, as well as for-profit corporations and companies. His previous experience includes audit and consulting work for large and small businesses with a focus on client service. Paul strives to build strong relationships with his clients by assisting them with any emerging issues and being available as a resource.

Consulting Services:

Mr. Kaymark has experience in a variety of governmental issues, garnered from his auditing experience over the years. He regularly consults with clients in areas of:

Special District Accounting:

- Internal controls
- Financial reporting
- Annual report of financial transactions

Financial Reporting:

- Year-end closing procedures
- Cash flows
- Budget development and projections
- Multi-Year projections
- Pension and OPEB accounting

Some Agencies Served:

- Metropolitan Water District of So Cal
- Palmdale Water District
- Oxnard Harbor District
- Western Municipal Water District
- El Toro Water District
- East Orange County Water District
- Trabuco Canyon Water District



California Special Districts Association
Districts Stronger Together

CSDA Workshop Speaker



Education:

Bachelor of Science, Business Administration, Accountancy
California State University, Long Beach
1994

Licenses and Certifications:

- Certified Public Accountant, California
- GFOA Certificate for Excellence in Financial Reporting - Reviewer

Professional Affiliations:

- Government Finance Officers Association (GFOA)
- California Society of Municipal Finance Officers (CSMFO)
- California Special District Association (CSDA)

Continuing Education:

Various municipal accounting courses offered by the AICPA, CalCPA Education Foundation including:

- Governmental and Nonprofit Annual Update
- GASB Basic Financial Statements for State and Local Governments
- Single Audits: Uniform Grant Guidance (formerly OMB Circular A-133)
- Financial Accounting Standards Board Annual Updates



Water and Wastewater Clients Audited and/or Consulted With Over My Career

Water and Wastewater

Metropolitan Water District of Southern California
 Los Angeles County Sanitation District
 Long Beach Water Department
 Glendale Water and Power
 Colton Public Utilities
 Baldy Mesa Water District
 Bear Valley Community Services District
 Beaumont-Cherry Valley Water District
 Big Bear City Community Services District
 Cabazon Water District
 California Domestic Water Company
 Casitas Municipal Water District
 Castaic Lake Water Agency
 Chino Basin Water Conservation District
 Chino Basin Watermaster
 Coachella Valley Water District
 Diablo Water District
 East Orange County Water District
 El Toro Water District
 Farm Mutual Water Company
 Golden Hills Community Services District
 Goleta Water District
 Hi-Desert Water District
 Inverness Public Utilities District
 Irvine Ranch Water District
 Joshua Basin Water District
 Jurupa Community Services District
 Leucadia Wastewater District
 Mesa Consolidated Water District
 Mojave Water Agency
 Monte Vista Water District
 Montecito Water District
 North Coast County Water District
 North Marin Water District
 Novato Sanitary District
 Palmdale Water District

Water and Wastewater, continued

Phelan Pinon Hills Community Services District
 Pomona Valley Protective Agency
 Purissima Hills Water District
 Rincon del Diablo Water District
 Rosamond Community Services District
 Rossmoor Los Alamitos Area Sewer District
 Sacramento Suburban Water District
 San Bernardino Valley Water Conservation District
 San Gabriel Valley Municipal Water District
 San Lorenzo Valley Water District
 Santa Ana Watershed Project Authority
 Santa Margarita Water District
 Saticoy Sanitary District
 Solano County Water Agency
 Soquel Creek Water District
 Stallion Springs Community Services District
 Summerland Sanitary District
 Trabuco Canyon Water District
 Tres Pinos Water District
 Triunfo Sanitation District
 Twentynine Palms Water District
 Vallecitos Water District
 Valley County Water District
 Ventura Regional Sanitation District
 Victor Valley Water District
 Victor Valley Wastewater Reclamation Authority
 Victorville Water District
 Water Facilities Authority - Joint Power Agency
 Water Replenishment District
 West County Agency
 West County Wastewater District
 West Valley Water District
 Westborough Water District
 Western Municipal Water District
 Western Riverside County Regional Wastewater
 Yorba Linda Water District

Jared Solmosen, CPA

Engagement Audit Partner

After completing his degree, Jared went to work for a midsize construction company where he worked as an estimator and project manager before transitioning into more of an accounting and finance role. It was working in this role that led him to the decision to pursue the goal of becoming a Certified Public Accountant. He continues to hone his skills and expand his knowledge as he branches out into different areas of accounting services and working with various governmental agencies and not-for-profit organizations. Jared will be the audit engagement partner and oversee staff as they work together through different audit areas.



Audit Services:

Jared began his career with Nigro & Nigro in 2019 focusing on special districts and not-for-profit organizations. He has a customer-oriented approach to auditing, striving to build strong relationships by working with clients to help them navigate the ever-changing world of accounting rules and standards.

Consulting Services:

Jared has experience with a variety of governmental and not-for-profit accounting issues, as well as other tax and audit concerns, derived from his audit and consulting experience at the firm.

Special District Accounting:

- Internal control policies, procedures, and best practices
- Year-end closing procedures
- Capital asset and depreciation schedule

Financial Reporting:

- Federal and state compliance
- Single audits
- Revenue and expense tracking by program/grant
- Statement of functional expense
- Compiling financial statements
- Disclosure requirements
- GASB 68 Pensions
- GASB 75 OPEB
- GASB 87 Leases
- GASB 96 SBIA's

Other Agencies Served:

- Calleguas Municipal Water District
- Costa Mesa Sanitary District
- East Orange County Water District
- Hi-Desert Water District
- Oxnard Harbor District
- Montecito Water District
- North Coast County Water District
- Palmdale Water District
- San Geronio Pass Water Agency

Education:

Bachelor of Science, Business Administration, Finance
California State University,
San Marcos, 2013

Licenses and Certifications:

- Certified Public Accountant, California

Continuing Education:

- Government Accounting & Auditing Conference
- Not-For-Profit Organizations Conference
- In-house training for audit staff
- Spidell Tax Seminar
- Western CPE Tax update webinars
- In-house training for audit staff (presenter)

Additional Areas:

- Tax preparation
- QuickBooks knowledge

Stacy Macias, CPA

Senior Audit Manager – Federal Compliance

Stacy joined the firm in 2018 as a staff accountant after completing her degree at California State University, Chico and has worked her way up to Audit Manager. Stacy continues to expand her knowledge as she branches out into different areas of accounting services and working with varying governmental and not-for profit clients. Stacy will work under the general direction of the audit partner and oversee staff as they work together through different audit areas.

Audit Services:

Stacy began her auditing career on audit engagements of governmental agencies, and non-for-profit organizations. Stacy enjoys auditing governmental agencies and non-for-profit due to their varying structures and sizes. Stacy truly values customer service and building client relationships. Her friendly demeanor makes clients comfortable in reaching out to her during the audit process or throughout the year.

Consulting Services:

Stacy has experience in a variety of governmental and not-for-profit accounting, tax, and audit concerns, derived from her audit and consulting experience with those industries.

Financial Reporting:

- Year-end closing procedures
- Internal control policies and procedures and best practices
- Compiling Financial Statements
- Revenue and Expense tracking by program/grant
- Statement of Functional Expenses
- Capital assets and depreciation schedules
- Disclosure requirements
- Federal and State compliance
- GASB 68 Pensions
- GASB 75 OPEB
- GASB 87 Leases
- GASB 96 SBIA's

Additional Areas:

- Tax preparation
- QuickBooks knowledge

Other Agencies Served:

- Calleguas Municipal Water District
- Costa Mesa Sanitary District
- East Orange County Water District
- Hi-Desert Water District
- Oxnard Harbor District
- Montecito Water District
- North Coast County Water District
- Palmdale Water District
- San Geronio Pass Water Agency



Education:

Bachelor of Science, Business Administration, Accounting
California State University,
Chico, 2018

Licenses and Certifications:

- Certified Public Accountant, California

Continuing Education:

- Government Accounting & Auditing Conference
- Not-For-Profit Organizations Conference
- In-house training for audit staff
- Spidell Tax Seminar
- Western CPE Tax update webinars
- In-house training for audit staff (presenter)

Anabel Cruz, CPA

Audit Manager

Anabel began her career in public accounting in 2019 with Nigro & Nigro, PC. Previous to joining the firm, she worked as an Accountant at private sector companies. Her audit experience includes audits of governmental and not-for-profit organizations, Anabel values building quality relationships with clients while providing timely and reliable services. Anabel will work under the general direction of the audit partner and oversee staff as they work together through different audit areas.

Audit Services:

Anabel enjoys auditing governmental agencies and non-for-profits due to their varying structures and sizes.

Consulting Services:

Anabel has experience in a variety of governmental and not-for-profit accounting and audit concerns, derived from her audit and consulting experience with those industries.

Financial Reporting:

- Year-end closing procedures
- Agreed upon procedures
- Internal control policies and procedures and best practices
- Capital assets and depreciation schedules
- GASB 68 Pensions
- GASB 75 OPEB
- GASB 87 Leases
- GASB 96 SBIA's

Other Agencies Served:

- Calleguas Municipal Water District
- Costa Mesa Sanitary District
- East Orange County Water District
- Hi-Desert Water District
- Oxnard Harbor District
- Montecito Water District
- North Coast County Water District
- Palmdale Water District
- San Geronio Pass Water Agency



Education:

Bachelor of Science, Finance and Accountancy
California State University, Northridge,
2014

Licenses and Certifications:

- Certified Public Accountant, California

Continuing Education:

- Government Accounting & Auditing Conference
- Not-For-Profit Organizations Conference
- In-house training for audit staff
- Spidell Tax Seminar
- Western CPE Tax update webinars
- In-house training for audit staff (presenter)

Tyler Cook

Audit Supervisor/IT Auditor

Tyler began his career in public accounting in 2022 with Nigro & Nigro, PC. Tyler's audit experience includes audits of governmental and not-for-profit organizations such as cemeteries, resource conservation districts, water districts, fire protection districts and community service districts. Tyler values building quality relationships with clients while providing timely and reliable services. Tyler is working under the general direction of the Audit Manager.

Audit Services:

Tyler enjoys auditing governmental agencies and non-for-profits due to their varying structures and sizes.

Consulting Services:

Tyler has experience in a variety of governmental and not-for-profit accounting and audit concerns, derived from his audit and consulting experience with those industries.

Financial Reporting:

- Year-end closing procedures
- Agreed upon procedures
- Internal control policies and procedures and best practices
- Capital assets and depreciation schedules
- GASB 68 Pensions
- GASB 75 OPEB
- GASB 87 Leases
- GASB 96 SBIA's

Other Agencies Served:

- Calleguas Municipal Water District
- Costa Mesa Sanitary District
- East Orange County Water District
- Hi-Desert Water District
- Oxnard Harbor District
- Montecito Water District
- North Coast County Water District
- Palmdale Water District
- San Geronio Pass Water Agency



Education:

Bachelor of Science, Accountancy
BYU Hawaii – 2022
Master's in Accountancy and IT
San Diego State University – 2023

Licenses and Certifications:

- CPA License Candidate

Continuing Education:

- Government Accounting & Auditing Conference
- Not-For-Profit Organizations Conference
- In-house training for audit staff

Angelina Paunkov

Audit Senior

Angelina began her career in public accounting in 2023 with Nigro & Nigro, PC. Angelina's audit experience includes audits of governmental and not-for-profit organizations such as cemeteries, resource conservation districts, water districts, fire protection districts and community service districts. Angelina values building quality relationships with clients while providing timely and reliable services. Angelina is working under the general direction of the Audit Supervisor.



Audit Services:

Angelina enjoys auditing governmental agencies and non-for-profits due to their varying structures and sizes.

Consulting Services:

Angelina has experience in a variety of governmental and not-for-profit accounting and audit concerns, derived from her audit and consulting experience with those industries.

Financial Reporting:

- Year-end closing procedures
- Agreed upon procedures
- Internal control policies and procedures and best practices
- Capital assets and depreciation schedules
- GASB 68 Pensions
- GASB 75 OPEB
- GASB 87 Leases
- GASB 96 SBIA's

Other Agencies Served:

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- East Orange County Water District
- Hi-Desert Water District
- Oxnard Harbor District
- Montecito Water District
- North Coast County Water District
- Palmdale Water District
- San Geronio Pass Water Agency

Education:

Bachelor of Science, Accountancy
California State University, San Marcos,
2023

Licenses and Certifications:

- CPA License Candidate

Continuing Education:

- Government Accounting & Auditing Conference
- Not-For-Profit Organizations Conference
- In-house training for audit staff

Valeria Castaneda

Audit Staff

Valeria began her career in public accounting in 2024 with Nigro & Nigro, PC. Valeria’s audit experience includes audits of governmental and not-for-profit organizations such as cemeteries, resource conservation districts, water districts, fire protection districts and community service districts. Valeria values building quality relationships with clients while providing timely and reliable services. Valeria is working under the general direction of the Audit Senior.



Audit Services:

Valeria enjoys auditing governmental agencies and non-for-profits due to their varying structures and sizes.

Consulting Services:

Valeria has experience in a variety of governmental and not-for-profit accounting and audit concerns, derived from her audit and consulting experience with those industries.

Financial Reporting:

- Year-end closing procedures
- Agreed upon procedures
- Internal control policies and procedures and best practices
- Capital assets and depreciation schedules
- GASB 68 Pensions
- GASB 75 OPEB
- GASB 87 Leases
- GASB 96 SBIA's

Other Agencies Served:

- Calleguas Municipal Water District
- Costa Mesa Sanitary District
- East Orange County Water District
- Hi-Desert Water District
- Oxnard Harbor District
- Montecito Water District
- North Coast County Water District
- Palmdale Water District
- San Geronio Pass Water Agency

Education:

Bachelor of Science, Accountancy
California Baptist University, Riverside,
2024

Licenses and Certifications:

- CPA License Candidate

Continuing Education:

- Government Accounting & Auditing Conference
- Not-For-Profit Organizations Conference
- In-house training for audit staff

Alejandra Melero

Audit Staff

Alejandra began her career in public accounting in 2025 with Nigro & Nigro, PC. Alejandra’s audit experience includes audits of governmental and not-for-profit organizations such as cemeteries, resource conservation districts, water districts, fire protection districts and community service districts. Alejandra values building quality relationships with clients while providing timely and reliable services. Alejandra is working under the general direction of the Audit Senior.



Audit Services:

Alejandra enjoys auditing governmental agencies and non-for-profits due to their varying structures and sizes.

Consulting Services:

Alejandra has experience in a variety of governmental and not-for-profit accounting and audit concerns, derived from her audit and consulting experience with those industries.

Financial Reporting:

- Year-end closing procedures
- Agreed upon procedures
- Internal control policies and procedures and best practices
- Capital assets and depreciation schedules
- GASB 68 Pensions
- GASB 75 OPEB
- GASB 87 Leases
- GASB 96 SBIA's

Other Agencies Served:

- Calleguas Municipal Water District
- Costa Mesa Sanitary District
- East Orange County Water District
- Hi-Desert Water District
- Oxnard Harbor District
- Montecito Water District
- North Coast County Water District
- Palmdale Water District
- San Geronio Pass Water Agency

Education:

Bachelor of Science, Accountancy
University of California, Riverside,
2025

Licenses and Certifications:

- CPA License Candidate

Continuing Education:

- Government Accounting & Auditing Conference
- Not-For-Profit Organizations Conference
- In-house training for audit staff

PROFILE OF THE FIRM (CONTINUED)


Training & Resources

The Firm is committed to a continuing professional education program, which emphasizes the areas of expertise of each member of our professional staff. The Firm is required to comply with the *Government Auditing Standards* for each professional practicing in the area of governmental accounting and auditing. We are committed to follow those standards, which result in quality audit services, including continuing education for all staff of 60-80 hours each year, specifically in school districts and governmental auditing. As required by *Government Auditing Standards*, all governmental audit staff receives the required continuing education in the area of governmental auditing and accounting. These policies are monitored internally, reviewed annually and certified periodically by independent peer review.

Library facilities are maintained which include current professional literature and specific information for the industries that we serve. The Firm library is also reviewed as part of the external quality review program. The Firm has in-house training programs specific to our school district clients. We also perform auditing and accounting updates for our clients that are organized by our staff. These practices ensure the quality of our staff over the term of the engagement.

Our staff participates in activities relating to government accounting and reporting issues through our membership and involvement with the following organizations:

- a. American Institute of CPA's Governmental Audit Quality Center
- b. California Society of CPAs
- c. Government Finance Officers Association (GFOA)
- d. California Special Districts Association (CSDA)
- e. Government Accounting Standards Board (GASB)
- f. Association of Certified Fraud Examiners (ACFE)



We recognize that our most important product is prompt and effective service.

Through our participation in these organizations and continuing education provided by them, the Firm continues to stay abreast of all current governmental accounting and reporting issues. Some of the professional education our audit team members have either presented at or attended in the last two years include:

- SSC Annual Finance and Management Conference
- SSC Governor's Budget Workshop
- CSDA Annual Conference
- CSMFO Conference
- GFOA Annual Conference
- Various other governmental workshops

We recognize that our most important product is prompt and effective service. We believe the District should work with its CPA firm throughout the entire year. We are available at any time throughout the year to provide any assistance you may need.

PROFILE OF THE FIRM (CONTINUED)

Similar Engagements with Other Special Districts

We currently conduct over 100+ government audits each year and have well rounded experience with local governmental agencies. We are excited for the opportunity to devote our attention to you and your specific needs. Below is a partial list of some similar governmental clients we are currently auditing.

Please contact our clients for a Reference of our services!

Let's start with a New Audit Client in 2025 Experience:

Mammoth Community Water District – Jeffrey Beatty, FM (760) 934-2596 x 239

Midway City Sanitary District – Gordon Copley, DF (714) 893-3553

Our Community Services District clients:

Templeton CSD – Natalie Klock, FO – (805) 434-4904

Avila Beach CSD – Brad Hagemann, GM – (805) 835-3163

Santa Ynez CSD – Loch Dreizler, GM – (805) 688-3008

Stallion Springs CSD – Laura Lynn Wyatt, GM – (661) 822-3268 x 224

Water & Wastewater District

East Orange County Water District – Sylvia Prado, (714) 538-5815

ACFR Preparation Clients:

Costa Mesa Sanitary District – Kaitlin Tran, FM (949) 645-8400

Hi-Desert Water District – Tanya Gruwell, CFO (760) 228-6271

Las Gallinas Valley Sanitary District – Dale McDonald, ASM (415) 526-1519

Scotts Valley Water District – John Dillon, FM (831) 600-1906

Trabuco Canyon Water District – Michael Perea, AGM (949) 858-0277

Other Water District Clients:

Calleguas Municipal Water District – Dan Smith, MAS – (805) 579-7132

Mammoth Community Water District – Jeffrey Beatty, FM (760) 934-2596 x 239

Montecito Water District – Emma Godinez, BM (805) 880-8630

Rowland Water District – Myra Malner, DF (562) 697-1726

*** Please check the websites of these above noted clients to review the Financials prepared by our Firm.**

OUR FOUR PILLARS OF AN AUDIT ENGAGEMENT

WHAT MAKES US DIFFERENT FROM OTHER AUDITORS!!!

We believe that a Better Audit is based on deploying the following four principals:

1. **Communication**
2. **Collaboration**
3. **Continuity**
4. **How Do We Make You Better!!!**

We Call these “The Better Audit 3Cs!!!”

COMMUNICATION

Clarifies Expectations and Scope:

Clear communication ensures that both the auditor and the client understand the objectives, scope, and timeline of the audit, reducing the risk of misunderstandings.

Enhances Efficiency:

Timely and open communication helps in identifying and resolving issues early, streamlining the audit process and minimizing delays.

Builds Trust and Professional Relationships:

Regular, transparent interactions foster trust between auditors and clients, which is crucial for cooperation and access to necessary information.

Supports Accurate and Reliable Reporting:

Effective communication allows for better documentation, informed judgments, and ensures that significant findings and risks are appropriately discussed and addressed.

COLLABORATION

Improves Efficiency and Accuracy:

Effective collaboration between auditors and client personnel helps streamline data collection, resolve issues quickly, and reduce misunderstandings—leading to a more efficient and accurate audit process.

Enhances Risk Assessment:

Joint discussions and shared insights allow auditors to better understand the client’s operations and environment, enabling a more precise identification and assessment of risks.

Facilitates Timely Issue Resolution:

Open communication and teamwork help identify and address discrepancies or concerns early in the audit, minimizing delays and last-minute surprises.

Promotes Transparency and Trust:

Collaborative interactions build a foundation of trust and openness, encouraging full disclosure and cooperative problem-solving throughout the engagement.

CONTINUITY

Improved Audit Efficiency:

Familiarity with the client's operations, systems, and prior audit issues allows returning staff to work more efficiently and effectively, reducing the learning curve and audit time.

Enhanced Audit Quality:

Continuity supports a deeper understanding of client-specific risks and controls, contributing to more accurate risk assessments and better professional judgment.

Stronger Client Relationships:

Consistent staffing fosters trust and communication between the audit team and the client, leading to smoother information exchange and better cooperation.

Reduced Risk of Errors or Omissions:

Continuity helps preserve institutional knowledge from previous audits, minimizing the risk of overlooking significant findings or repeating past mistakes.

HOW DO WE MAKE YOU BETTER!!!

Client-Centric Mindset:

This phrase shifts the audit from a compliance-driven task to a value-adding partnership, emphasizing the auditor's role in helping the client improve processes, controls, and overall performance.

Encourages Open Dialogue:

It fosters a more collaborative and constructive tone, encouraging clients to share concerns and areas they feel need support, which can lead to more targeted and effective audit outcomes.

Enhances Trust and Relationships:

By signaling genuine interest in the client's success, auditors build stronger relationships and trust, which can lead to better cooperation and smoother audit execution.

Drives Continuous Improvement:

It helps identify opportunities for operational, financial, and risk management improvements, reinforcing the audit's role in long-term organizational development rather than just short-term assurance.

Our clients consistently express appreciation for our commitment to the principles of **communication, collaboration, continuity**, and a **client-centric mindset** throughout the audit engagement. They value the clarity and transparency our communication brings, which sets clear expectations and fosters trust. The collaborative approach enhances efficiency and issue resolution, making the process smoother and more accurate. Clients also recognize the benefits of continuity in staffing, which ensures deep institutional knowledge and strengthens relationships year over year. Most importantly, our "How Do We Make You Better" philosophy transforms the audit from a compliance exercise into a meaningful partnership, helping clients identify opportunities for improvement and long-term success. We hope you also see the value of these four pillars in your decision-making process.



SAUSALITO-MARIN CITY SANITARY DISTRICT

1 EAST ROAD • SAUSALITO, CALIFORNIA 94965
OFFICE 415.332.0244 • PLANT 415.332.0240 • FAX 415.332.0453

General Manager
Jeffrey Kingston

Office Manager/Board Secretary
Catherine A. Bondanza

Directors
Dan Rheiner, President
William Ring, Vice President
Don Beers
Barbara Rycerski
Shirley Thornton

March 31, 2025

To Whom it May Concern:

Re: Reference Letter for Nigro & Nigro, PC

It is with great enthusiasm and confidence that I write this letter to express our sincere appreciation for the exceptional audit services provided by **Nigro & Nigro, PC**. As a new client, we approached the audit process with a mix of anticipation and natural apprehension. However, from the very beginning, the Nigro & Nigro team distinguished themselves through their professionalism, expertise, and genuine commitment to client service.

From our initial engagement, the team at Nigro & Nigro demonstrated a deep understanding of the unique requirements of our organization. Their approach was thorough, thoughtful, and highly **collaborative** ensuring we felt supported and informed at every stage. They took the time to understand our operations, internal controls, and specific risk areas, providing valuable insights that extended well beyond the standard audit checklist.

What truly set Nigro & Nigro apart was the approachable and responsive nature of their staff. **Communication** was timely and clear, and their willingness to educate and advise throughout the process made an immediate and lasting impact on our team. The auditors displayed not only technical expertise but also a remarkable ability to translate complex concepts into understandable, actionable feedback.

Our transition to Nigro & Nigro, PC as our audit partner has been a resounding success. Their audit process was efficient, insightful, and executed with integrity. We feel confident in the quality of their work and greatly value the relationship we are building with their team.

We look forward to continuing our partnership with Nigro & Nigro, PC for years to come and would recommend them without hesitation to any organization seeking a professional, knowledgeable, and client-focused audit firm.

Sincerely,

A handwritten signature in blue ink that reads "Catherine A. Bondanza". The signature is fluid and cursive.

Catherine A. Bondanza
Office Manager/Board Secretary
Sausalito-Marín City Sanitary District

SCOPE OF THE AUDIT

We will audit the basic financial statements of the District for the fiscal year ended June 30th in accordance with the following standards:

- Auditing Standards Generally Accepted in the United States of America
- *Government Auditing Standards*, issued by the Comptroller General of the United States
- Minimum Audit Requirements and Reporting Guidelines for Special Districts

Our audit will be for the purpose of expressing an opinion on the basic financial statements, and will include such auditing procedures as considered necessary to accomplish this purpose. We will also provide an "in-relation-to" opinion on any other supplemental information and statistical schedules. We anticipate issuing the following reports:

- Independent Auditors' Report on the basic financial statements.
- Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.

In addition, we will provide the District with a management letter that will give written appraisals of its accounting and related systems. This letter will identify any control deficiencies, significant control deficiencies or material weaknesses that are identified during the audit. We will work with management before audit fieldwork and during the course of the audit to assess internal controls and review mitigating controls in place in an effort to reduce the control deficiencies, significant control deficiencies and material weaknesses that need to be reported to management in writing, assuming there are mitigating controls in place. The letter will also offer recommendations for the elimination of weaknesses that we identify, and we will suggest any methods we discover to help improve efficiency and effectiveness.

We will schedule an appearance with the Board and the Audit Committee that allows an opportunity for us to present the audit and management letter. This is an excellent time for the District to resolve any questions it has regarding our audit or management letter. As mentioned earlier, the value in hiring our Firm comes from not only the audit, but from our experience and the education, we can provide. We hope that as questions or concerns arise throughout the year, the District staff will contact us and draw on our knowledge and experience.

Non-significant deficiencies discovered during the audit process shall be reported in a separate letter to management, the Board and the Audit Committee, which shall be referred to in the report(s) on internal controls. This separate letter also informs the Board and the Audit Committee of the following:

- 1) The auditor's responsibility under auditing standards generally accepted in the United States of America.
- 2) Significant accounting policies.
- 3) Management judgments and accounting estimates.
- 4) Significant audit adjustments.
- 5) Other information in documents containing audited financial statements.
- 6) Disagreements with management.
- 7) Management consultation with other accountants.
- 8) Major issues discussed with management prior to retention.
- 9) Difficulties encountered in performing the audit.

All working papers and reports will be retained at the Firm's expense for a minimum of seven (7) years, unless the Firm is notified in writing by the District of the need to extend the retention period.

SCOPE OF THE AUDIT(CONTINUED)

Segmentation of Engagement

STEP 1: Planning

Our goal in preliminary fieldwork is to gain a thorough understanding of your internal controls, processes and procedures. Our goal is to accomplish as much interim fieldwork as possible so that our stay during final fieldwork is kept to a minimum. Our preliminary work focuses on planning and internal control documentation.

STEP 2: Interim Field Work

Internal Control Documentation

Our internal control documentation usually occurs during interim fieldwork. Our documentation process will be as follows:

- 1) Gather or update documentation for significant processes defined in our preliminary fieldwork.
- 2) Perform a "walk-through" of these significant processes.
- 3) Ask "what can go wrong" questions.
- 4) Identify controls in place. This will include both preventative and detective controls.
- 5) Evaluate the design of internal controls.
- 6) Decide whether to test and rely on controls.
- 7) Summarize preliminary fieldwork and submit management letter of all areas of concern.

STEP 3: Final Fieldwork

We assess risks, design procedures and obtain evidence to support financial statement amounts and disclosures during final fieldwork. Our Firm utilizes a methodology designed specifically for special districts. Our process emphasizes continuous communication with our staff.

Assess Risks and Design Procedures

As outlined in the risk based statements of audit standards (SAS 104 to 111), our Firm uses a risk-based approach to the audit. Our procedures to assess risks and design procedures are as follows:

- 1) Assess risk of material misstatement from errors or fraud based on internal controls combined with inherent risk of significant accounts.
- 2) Design procedures to test controls if considered necessary.
- 3) Design procedures to test details of account balances and classes of transactions based on risk.

Interim and Year End Testing

- 1) Perform tests of controls if considered necessary.
- 2) Perform tests of details of account balances and classes of transactions.
- 3) Evaluate quality and sufficiency of audit evidence.
- 4) Evaluate misstatements.
- 5) Perform IT evaluation of policies and controls

STEP 4: Audit Completion

Preparation of Audit Report and Management Letter

After reviewing the financial statements, notes and required supplementary schedules, we will agree the data to our working papers and provide a thorough review of all information by using written Firm standards and checklists. We will also review and incorporate any statistical data. This will verify appropriate presentation and disclosure. We will also at this time prepare our management letter that identifies financial trends and recommendations for improvement, reports required communications to the governing board, and discusses change in the environment in which the District operates.

SCOPE OF THE AUDIT (CONTINUED)

Proposed Schedule/Level of Staff & Number of Hours Assigned to Each Segment

We will provide a detailed audit plan and prepare a list of schedules upon proposal acceptance. The following table summarizes our proposed segmentation of the engagement by date, segment, and level of staff as we have estimated based on the RFP timeline:

Date/Segment	Total Hours			Total
	Partner/Manager	Supervisor	Staff/Admin	
Apr/Jun				
Preliminary planning and fieldwork	2	8	8	18
Apr/Jun				
Interim fieldwork	10	10	22	42
Sept/Oct				
Final fieldwork, report preparation, review, finalization, and presentation	20	12	30	62
Total hours	32	30	60	122
Preliminary planning and fieldwork	2	8	8	18
Control	10	14	22	46
Substantive	10	9	30	49
Reporting	10	9	0	19
	32	40	60	132

Sample Size and the Extent to Which Statistical Sampling is to be Used

We perform sampling techniques and determine sample size after assessing the risk associated with specific transaction classes. No single “cookie-cutter” approach will be followed in regards to sampling techniques, but the District can be assured that an appropriate sampling methodology will be utilized. We use the following methods of sampling during our audits: statistical, haphazard, and judgmental. For statistical sampling we use guidance provided by the AICPA and by federal guidelines in accordance with industry standards, which typically recommends sample sizes between 40 to 60 items.

Type and Extent of Analytical Procedures to be Used

We will perform analytical procedures throughout the course of our audit. Professional standards require that analytical procedures be performed in the planning and wrap-up stages of the audit. Analytical review will be used during our expenditure, revenue, budget information as well as many other areas.

These procedures typically entail a review of interim reports, budgets, and comparisons to prior year data. We also use financial statement amounts to calculate certain ratios to determine whether any unusual or unexpected relationships exist in the financial data.

These procedures are then followed by inquiry of key District personnel to corroborate the auditors' expectations based on the data.

SPECIFIC AUDIT APPROACH (CONTINUED)

Approach to be Taken to Gain and Document an Understanding of Internal Control Structure(s)

Our audit approach will entail interviews with key personnel in the District involved in the design and implementation of internal controls. In conjunction with the interviews, we will perform tests and observations of how well the controls function. Key areas of internal control generally include: cash receiving, accounts payable/purchasing, payroll/personnel, technology, facilities, and maintenance and operations.

Approach to be Taken in Determining Laws and Regulations That Will be Subject to Audit Test Work

We are required to obtain an understanding of the possible financial statement effect of laws and regulations that have a direct and material effect on the determination of financial statement amounts. The determination of laws and regulations is addressed in the planning stage through reading available grant documentation, inquiry of the client, a preliminary review of finance system accounts and search of the Board minutes. We also have working knowledge of the types of laws and regulations under which California special districts operate. We also obtain further information about federal laws and regulations through the Catalog of Federal Domestic Assistance (CFDA) and the Uniform Guidance.

Approach to be Taken in Drawing Audit Samples

Since each program or grant agreement is different, we use many different approaches to sampling in our tests of compliance. The size of the sample considers many factors; size and risk of the program, program maturity, complexity, level of oversight and prior audit findings. AICPA Guidelines generally recommend sample sizes of 25, 40, or 60 items when the population is greater than 250. Ultimately, our professional judgment determines that a representative number of transactions have been selected. You can be confident in our judgment because our peer reviews and an outside review by the U.S. Department of Education have all accepted our audit sampling techniques and procedures.

Use of Technology/Remote Proficiency

In order to facilitate the exchange of data between us and our clients in a secured manner throughout the course of the audit, we employ the use of an online secured portal. Our clients have appreciated this unique and forward-thinking platform which helps minimize duplicate requests and unnecessary email and phone exchanges to request and receive audit documentation. The software is very user-friendly and easy to understand. This also allows us to perform much of the audit remotely without being onsite to reduce our carbon footprint.

Proposing Firm Warranties

1. The firm is willing and able to obtain an Errors and Omissions Insurance Policy providing a prudent amount of coverage for the willful or negligent acts or omissions of any officers, employees, or agents thereof.
2. The firm will not delegate or subcontract its responsibilities under an agreement without the express prior written permission of the District.
3. All information provided by the firm in connection with this proposal is true and correct.
4. The firm will acknowledge and agree with all terms and conditions stated in this Request for Proposal.



Paul J. Kaymark, CPA
Audit Services Partner

**COST PROPOSAL
FOR
PROFESSIONAL AUDITING SERVICES**

Oceano Community Services District

**For the Fiscal Years Ending
June 30, 2026-2028
(With the Option of Fiscal Years 2029 to 2031)**



Respectfully Submitted on April 30, 2026 by:

Paul J. Kaymark, CPA
Nigro & Nigro, PC
pkaymark@nncpas.com
Federal Tax ID: 30-0636241
Nncpas.com

Murrieta Office: 25220 Hancock Ave. #400, Murrieta, CA 92562 • P: (951) 698-8783 • F: (951) 699-1064
Walnut Creek: 2121 N. California Blvd. #290, Walnut Creek, CA 94596 • P: (844) 557-3111 • F: (844) 557-3444

Proposed Pricing Per Professional Staff Member

Professional	Hours	Rates		Total
		Standard	Quoted	
Partner	12.00	\$ 275.00	\$ 250.00	\$ 3,000.00
Managers	20.00	250.00	225.00	4,500.00
Seniors	30.00	225.00	200.00	6,000.00
Staff Members	60.00	200.00	175.00	10,500.00
Admin	-	125.00	100.00	-
Subtotal	122.00			24,000.00
Out-of-Pocket - Included in Rates (We Are Local)				-
Total Max				\$ 24,000.00

Fiscal Year	FY 2026	FY 2027	FY 2028	Total
District Financials	\$ 23,000	\$ 23,000	\$ 23,000	\$ 69,000
SCR Preparation	1,000	1,000	1,000	3,000
Total	\$ 24,000	\$ 24,000	\$ 24,000	\$ 72,000

Same Price for FY 2029 to FY 2031

Federal Single Audit - \$5,000, if needed

ADDITIONAL INFORMATION

Testimonial

"Few people have the opportunity to work with someone who was a coach and a mentor-but I did when I worked with Paul. I had the pleasure working directly under Paul's supervision and I was particularly impressed by his ability to handle even the toughest clients - and effortlessly. That skill often takes years to develop, but it seemed to come perfectly natural to him. Paul was one of those rare partners who also naturally serve as an inspiring mentor for the whole staff and I was grateful to learn a lot from him."

*Deana Miller
Accounting Manager
PolyCera, Inc.*

The firm will acknowledge and agree with all terms and conditions stated in this Request for Proposal. I am certified to approve this proposal.



Paul J. Kaymark, CPA
Audit Services Partner



ADDITIONAL DOCUMENTS



Report on the Firm's System of Quality Control

To Nigro & Nigro, PC
and the Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Nigro & Nigro, PC, (the firm) in effect for the year ended August 31, 2023. 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 on 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 and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of 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 on in conformity with the requirements of the applicable 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 and compliance with the firm's system of quality control based on our review.

Required Selection and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, 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 Nigro & Nigro, PC in effect for the year ended August 31, 2023, 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*. Nigro & Nigro, PC has received a peer review rating of *pass*.

A handwritten signature in cursive script that reads "Spafford & Hardy, Inc." The signature is written in dark ink and is positioned to the right of the main text block.

May 1, 2024



**CAMICO MUTUAL INSURANCE COMPANY
DECLARATIONS**

ACCOUNTANTS PROFESSIONAL LIABILITY INSURANCE POLICY

Policy Number: CAL108511-15

Effective Date: 8/12/2025 at 12:01 A.M. Standard time at the address shown below
Expiration Date: 8/12/2026 at 12:01 A.M. Standard time at the address shown below
Retroactive Date: 8/12/2010

Item 1 - *Named Insured*: Nigro & Nigro, PC
Item 2 - Business Address: 25220 Hancock Avenue, Suite 400
Murrieta, CA 92562

Item 3 - Limits of Liability: \$1,000,000 Per *Claim*
\$3,000,000 Policy Aggregate

Item 4 - Deductibles: \$25,000 Per *Claim* Deductible

Item 6 - The policy consists of this Declarations page, and the following policy forms and endorsements:

PL-1000-A 07/14 Accountants Professional Liability Insurance Policy
PL-2001-A (CA) 11/21 State Endorsement - California
PL-1007-A 07/14 Exclusion - Claims Following Insured's Suit for Fees
PL-1032-A 07/14 Additional Insured Endorsement
PL-1049-A 07/14 Privacy and Client Network Damage Endorsement
PL-1056-A 06/16 Multiple Claims and Related Acts, Errors and Omissions Amendment
PL-1060-A 11/21 Sanctions Limitation and Exclusion

PLEASE READ THESE DECLARATIONS, THE POLICY AND ENDORSEMENTS CAREFULLY.

CAMICO Mutual Insurance Company

Authorized Representative



Oceano Community Services District
Proposal to Provide Independent Audit Services
for the Fiscal Year Ending June 30, 2026,
with an Option to Extend for Two (2) Additional Fiscal Years

Submitted by:



11405 W. Bernardo Court, Suite A,
San Diego, CA 92127
Phone: (858) 939-0017

April 29, 2026

Contact Person

Managing Partner: Sanwar Harshwal, CPA
Cell Phone: (858) 784-1622
Federal Employer ID Number: 27-0741376
Email: sanwar@harshwal.com | Website: www.harshwal.com

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LETTER OF TRANSMITTAL

April 29, 2026

Oceano Community Services District
ATTN: Carey Casciola, Business and Accounting Manager
P.O. Box 599,
Oceano, CA 93447-599

Dear Carey Casciola and Evaluation Committee Members,

The partners and staff at Harshwal & Company, LLP are pleased to present our proposal to provide independent audit services. Our firm has experienced continuous growth and success as we meet and exceed client expectations. Our overall goal is to provide responsive, innovative services of the highest quality to our clients.

We understand that the Oceano Community Services District (referred to later in this proposal as the "District") requires us to conduct a timely audit service. We are committed to meeting all terms, conditions, and requirements addressed in this request for proposal (RFP). With our experience and knowledge, we fully understand the requirements and your expectations for the services to be provided.

We believe our firm is the best qualified to perform this engagement because our audit services effectively utilize the most current specialized resources with our unparalleled technical proficiency. Our expertise in providing auditing and financial accounting services to governmental entities and NPOs is unmatched. Our highly trained team will maintain a knowledgeable, non-intrusive, and respectful approach to the audit. The result will be an audit of exceptional quality and value that will minimize disruptions of the District's on-going operations.

Understanding of the Work to be Done:

We understand that you require us to conduct an audit of the financial statements of the District for the fiscal year ending June 30, 2026, with an option to extend for two (2) additional fiscal years, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. A detailed scope is given in the "Scope of Work" section.

Ability to Perform the Work Within Provided Time Frame:

Harshwal & Company, LLP is benchmarked for providing the work within the time frame requested. Our team is committed to completing the audit on time, as they are fully equipped with contemporary technology, which will add value to the successful and timely delivery of the audit. We are responsive and solution oriented, providing quick responses on matters that require immediate attention, hence enhancing the quality of our audit.

We focus on staff continuity, which enables us to develop and maintain an in-depth understanding of your operations, management style, and operating practices, which ultimately allows us to offer you experienced resources, value-added services, specialization, and overall better personal service, which again unequivocally results in a timely submission of the audit report.

Why Harshwal & Company, LLP:

- Extensive partner involvement on each engagement
- Presence of a manager and/or CPA always on-site during fieldwork
- Consistent and experienced staff
- Timeliness of communications
- Proactive approach in addressing complex issues early in the engagement
- Availability to clients as a specialized resource
- Professionalism with understanding

Client Confidentiality and Security:

- At Harshwal & Company, LLP, we are committed to safeguarding client information. Maintaining trust is one of the core values of our firm. Since your privacy is a priority to us, we will not share non-public information about you with third parties without your consent.
- In order to facilitate a highly secure method for exchanging electronic files between our firm and our clients, we have implemented a secure, trackable method for sharing large files via a hosted website called *Suralink*.
- All laptops of our audit and tax professionals are encrypted to protect our clients' information.

Our managing partner, Mr. Sanwar Harshwal, is authorized to represent the firm and he is the authorized person to contractually obligate the firm, to negotiate the contract on behalf of the firm and to be contacted for clarifications. He can be reached at 11405 W. Bernardo Court, Suite A, San Diego, CA 92127; Phone No. (858) 784-1622, or via an email at sanwar@harshwal.com.

Harshwal & Company, LLP is a GSA vendor and a 100% minority owned CPA firm.

We thank you for your consideration and hope that you will provide us with the opportunity to serve your esteemed organization with our services.

Sincerely,

Harshwal & Company, LLP
Certified Public Accountants



Sanwar Harshwal, CPA, CIA, CISA, CFE
Managing Partner





FIRM OVERVIEW

Harshwal & Company, LLP was founded sixteen (16) years ago and is a locally established firm of CPAs, offering auditing, accounting, management consulting, IT services, and other specialized services to various clients, which consist of special districts, state and local governments, not-for-profit organizations, school districts, educational entities, tribes and tribal governments, and housing authorities. throughout the United States. Our commitment to our clients has enabled the firm continued growth and success in developing and maintaining strong professional relationships. Our engagement team also has extensive experience in auditing and reviewing financial statements receiving GFOA and CSMFO awards.

The members of the firm have accumulated over four (4) decades of experience in public auditing and accounting, primarily with international certified public accounting firms while employed in high-level supervisory positions. Individually, the partners and management staff are recognized in their respective areas for leadership roles, which they take part in promoting the high ideals of the auditing profession and for producing the highest quality services. We will provide you the expertise and resources needed to continuously guide your organization.

Location of the Office

Harshwal & Company, LLP provides services to clients from two (2) locations. San Diego, CA is the location of our head office, and Albuquerque, NM is the location of our branch office. Our nearest office to the District, **San Diego, CA** office will provide audit services to the Oceano Community Services District. The address and phone numbers for each of our two offices are listed below:

San Diego, CA Office	11405 W. Bernardo Court, Suite A, San Diego, CA 92127	Phone: (858) 939-0017 Email: info@harshwal.com
Albuquerque, NM Office	6565 Americas Pkwy NE, Suite 800, Albuquerque, NM 87110	Phone: (505) 814-1201

Staff Size & Organizational Structure

Audit Team	Manpower
Managing Partner	01
Additional Partners	06
Senior Manager	01
CPAs and Senior Staff	06
Additional Staff	12
Total	26





Proposal to Provide Independent Audit Services

Services Provided by the Firm

Harshwal & Company, LLP is a full-service professional firm providing comprehensive services commonly associated with larger firms. The firm is divided into the following departments and provides the following services:

- **Audit Department:** Provides audit services to commercial, governmental and non-profit organizations with a special emphasis on compliance audits in the education, health, and housing industries.
- **Accounting Department:** Provides consulting services in setting up businesses and establishing accounting systems, books, and records; assistance in maintaining business records; and preparing financial statements.
- **Tax Department:** Provides a wide range of tax preparation, tax planning, and consulting for corporations, partnership, and individuals.
- **Management Advisory Services:** Our technical knowledge, training, and business experience enable us to provide a broad range of management advisory services, which includes the following:
 - Designing and assisting in the installation of accounting systems to fit the requirements of a particular business.
 - Analyze existing accounting systems and recommend ways to improve controls and efficiency.
 - Assessment, installation, and modification of computer hardware and software systems.
 - Consulting in management information systems.
 - Providing consultation about the use of management information systems for planning and control and the application of accounting and other controls.

Equal Opportunity Employer

Harshwal & Company, LLP is an equal employment opportunity employer and is in compliance with the Civil Rights Act of 1964, the State Fair Employment Practice Act, and all applicable federal and state laws and regulations relating to equality. We prohibit discrimination of qualified persons based on race, religion, color, sex, age, national origin, disability, sexual orientation, military status, or any other characteristic protected by applicable federal, state, or local law.

Independence

We are independent of the Oceano Community Services District as defined by generally accepted auditing standards issued by the *U.S. General Accounting Office's Government Auditing Standards*. Before accepting any new engagement, we conduct a thorough check to ensure that there are no conflicts of interest or independence issues. This procedure is in compliance with the independence requirements of all regulatory agencies and, specifically, in compliance with the Standard for Audit of Governmental Organizations, Programs, and Activity Functions, as published by the U.S. General Accounting Office (GAO). If selected as your audit firm, we will maintain and monitor our independence as well as reassess our independence with respect to your organization on an annual basis. We will continue to evaluate our independence as your external auditors and will give the District written notice of any professional relationships involving the District, if entered into, during the period of the audit contract.





Proposal to Provide Independent Audit Services

License to Practice in California

The firm and all key professional staff are licensed to practice as Certified Public Accountants and meet the Continuing Professional Education requirements under U.S. GAO's *Government Auditing Standards* to perform the proposed audits.



Registration PAR 7299
Receipt No. 52682080



**Certified Public
Accountant Partnership**

CALIFORNIA BOARD OF ACCOUNTANCY
2450 Venture Oaks Way, Suite 300
Sacramento, CA 95833
Telephone: (916) 263-3680
Facsimile: (916) 263-3672

Valid Until: 10/31/2027

HARSHWAL & COMPANY LLP
11405 W BERNARDO CT UNIT A
SAN DIEGO, CA 92127-1639

In accordance with the provisions of Chapter 1, Division 3 of the Business and Professions Code, the firm named hereon is duly registered and entitled to practice as a Partnership.

11405 W BERNARDO CT UNIT A
SAN DIEGO, CA 92127

----- POST IN PUBLIC VIEW -----

WABPAR 04/12/17

Disciplinary Action or Pending Litigation

Harshwal & Company, LLP's emphasis on quality has rewarded the firm with an excellent track record regarding claims related to professional services. Harshwal & Company, LLP has an impressive history, free of litigation, penalties and debt, and we have no sanctions or restrictions imposed by professional organizations, regulatory authorities or other government institutions.

Harshwal & Company, LLP has never been debarred, suspended or otherwise excluded from or ineligible for participation in federal assistance programs or from receiving federal contracts, subcontracts or financial assistance or benefits, under Executive Order 12549, "Debarment and Suspension" (24 CRT 85.35) or other federal laws, statutes, codes, ordinances, regulations or rules, at any time during the term of the agreement.

Firm's Most Recent External Quality Control Review

Harshwal & Company, LLP is a member of the Governmental Audit Quality Center (GAQC) and Employee Benefit Plan Audit Quality Center (EBPAQC) of the American Institute of Certified Public Accountants (the AICPA) and the Center for Audit Quality, an affiliate of the AICPA. One of the requirements of membership in these groups is to have our systems of quality control reviewed by another CPA firm once every three years. Our most recent peer review was completed in 2023, and we received a passing peer review rating.

➤ **A copy of our most recent Peer Review report is attached below.**





Proposal to Provide Independent Audit Services



(650) 522-3094
peerreview@calcpa.org

June 06, 2024

Sanwar Harshwal
Harshwal & Company LLP
11405 W Bernardo Ct Ste A
San Diego, CA 92127

Dear Sanwar Harshwal:

It is my pleasure to notify you that on June 06, 2024, the California Peer Review Committee accepted the report on the most recent System Review of your firm. The due date for your next review is November 30, 2026. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Thank you for your cooperation.

Sincerely,

Peer Review Committee

Peer Review Program
The Peer Review Program Team
peerreview@calcpa.org
650-522-3094

cc: Justin Williams

Firm Number: 900005526362

Review Number: 603500



AICPA[®]
Administered by the California Society of CPAs for CA, AK and AZ

Peer Review
Program





Report on the Firm's System of Quality Control

February 29, 2024

To Harshwal & Company LLP and the Peer Review Committee of the CalCPA Peer Review Program

We have reviewed the system of quality control for the accounting and auditing practice of Harshwal & Company LLP (the firm) in effect for the year ended May 31, 2023. 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 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 and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of 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 on in conformity with the requirements of applicable 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 and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under Government Auditing Standards, including a compliance audit under the Single Audit Act, and audits of employee benefit plans.

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 Harshwal & Company LLP in effect for the year ended May 31, 2023, 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. Harshwal & Company LLP has received a peer review rating of pass.

MUN CPAs, LLP

MUN CPAs, LLP





Proposal to Provide Independent Audit Services

Conflict of Interest Statement

Harshwal & Company, LLP does not have any past or current business or other relationship with the District. We also hereby agree that no member, officer, or employee of the District, no member of the local governing body of the locality in which the District is located and no other public official who exercises any function or responsibilities with respect to the District, during his tenure or for one year thereafter, shall have any interest, direct or indirect, in this contract or the proceeds thereof.

Terminations

Harshwal & Company, LLP has never terminated, held in default, or failed to complete any work. We have always been a hallmark for the quality of our audit work. We are committed to providing high-quality service without compromising the timely submission of your audit reports.

Desk & Field Reviews

From time to time, selected Harshwal & Company, LLP's audit engagements are subject to a desk review by federal or other regulators. In all such reviews during the past three years, the reviews have shown our work to be satisfactory, and no disciplinary or other administrative proceedings have resulted from those reviews. There has been no disciplinary action taken against Harshwal & Company, LLP's offices by the AICPA, or any State Board or Society in the last three years. There are also no such actions currently pending.

Hold Harmless and Indemnification

Harshwal & Company, LLP have errors and omissions insurance, property and liability and workers' compensation insurance and will indemnify and hold harmless the District from and against all losses and claims in the execution of our work or the consequences of any negligence or carelessness on our part.

Insurance Requirements

We will maintain such insurance coverage during the period of engagement. Harshwal & Company, LLP maintains the following insurance:

1. Professional liability for \$2,000,000 per claim and \$4,000,000 aggregate. The carrier is Travelers Casualty and Surety Company.
2. Commercial general liability and property damage for \$2,000,000 per occurrence and \$4,000,000 aggregate. The carrier is Hartford Underwriters Insurance Company.
3. Automobile liability for \$2,000,000. The carrier is Hartford Underwriters Insurance Company.
4. Workers' compensation (statutory amounts and limits) insurance carrier is Hartford Fire and Its P&C Affiliates. The limit of the liability is \$1,000,000.

➤ **A copy of our insurance document is attached below.**





VERIFICATION OF INSURANCE & BINDER

ISSUED TO: Harshwal & Company LLP

We, the undersigned Insurance Brokers, hereby verify that Travelers Casualty and Surety Company has issued the following described insurance, and which is in force as of the date hereof:

CPAOnePro Professional Liability

Policy Number:	Insurer:	Period:
108314457	Travelers Casualty and Surety Company	12 months commencing 12:01 a.m. 7/30/2025
LIMIT:	\$2,000,000.00 each claim \$4,000,000.00 annual aggregate (as provided for in the policy wording)	
RETENTION:	\$100,000.00 each claim	
PRIOR ACTS DATE:	09/30/2009	
ENDORSEMENTS:	As quoted.	
CANCELLATION:	Should the above described policy be cancelled before the expiration thereof, we shall endeavor to mail 30 days written notice to the Certificate Holder, but failure to do so shall impose no obligation or liability of any kind upon the company, its agents, or representatives, subject to the terms, conditions, exclusions, and limitations of the policy.	
Certificate Holder(s):	Harshwal & Company LLP 11405 W Bernardo Ct Suite A San Diego, CA 92127	

This document is furnished as a matter of information only. The issuance of this document does not make the person or organization to which it is issued an additional insured, nor does it modify in any manner the contract of insurance between the Insured and the Insurers. Any amendment, change or extension of such contract can only be effected by specific endorsement attached thereto.

McGowanPRO
Rob Ferrini
7/18/2025





Proposal to Provide Independent Audit Services



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
02/06/2026

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 CAMICO SERVICES INC/PHS 57141555 The Hartford Business Service Center 3600 Wiseman Blvd San Antonio, TX 78251		CONTACT NAME: PHONE (866) 467-8730 FAX (A/C, No, Ext): E-MAIL ADDRESS:															
INSURED HARSHWAL & COMPANY, LLP. 11405 W BERNARDO CT STE A SAN DIEGO CA 92127		<table border="1"> <thead> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC#</th> </tr> </thead> <tbody> <tr> <td>INSURER A : Hartford Underwriters Insurance Company</td> <td>30104</td> </tr> <tr> <td>INSURER B : Hartford Fire and Its P&C Affiliates</td> <td>00914</td> </tr> <tr> <td>INSURER C :</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> </tbody> </table>		INSURER(S) AFFORDING COVERAGE	NAIC#	INSURER A : Hartford Underwriters Insurance Company	30104	INSURER B : Hartford Fire and Its P&C Affiliates	00914	INSURER C :		INSURER D :		INSURER E :		INSURER F :	
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INSURER E :																	
INSURER F :																	

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 INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/Y YYYY)	LIMITS
A	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> General Liability			57 SBA BL3W3X	05/12/2025	05/12/2026	EACH OCCURRENCE \$2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:						DAMAGE TO RENTED PREMISES (Ea occurrence) \$1,000,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$2,000,000 GENERAL AGGREGATE \$4,000,000 PRODUCTS - COMP/OP AGG \$4,000,000
	AUTOMOBILE LIABILITY ANY AUTO <input checked="" type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$2,000,000 BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)
	UMBRELLA LIAB EXCESS LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE AGGREGATE
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	57 WEC AG8JZ9	07/21/2025	07/21/2026	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE -EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Those usual to the Insured's Operations.

CERTIFICATE HOLDER For Informational Purposes 11405 W BERNARDO CT STE A SAN DIEGO CA 92127	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 <i>Susan L. Castaneda</i>
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ACORD 25 (2016/03)















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EXPERIENCE SUMMARY

Harshwal & Company, LLP has performed numerous audits of special districts, state and local governments, school districts, not-for-profit organizations, tribes and tribal governments, housing authorities, and educational entities etc., that are subject to financial and compliance audits. The following is a list of clients we have served.

Special District Entities			
Client Logo	Client Name	Financial Audit	Single Audit
	Alameda County Community Development Department	X	
	Alameda County Housing and Community Development	X	
	Alameda County Law Library	X	
	Ambrose Recreation & Park District	X	
	Aromas Tri-County Fire Protection District	X	
	Artesia Cemetery District	X	
	Buena Park Library District	X	
	Burbank Sanitary District	X	
	Carmel Highlands Fire Protection District	X	
	Central Basin Municipal Water District	X	
	Coastside Fire Protection District	X	
	County Sanitation District 2-3	X	
	Crescent Fire Protection District	X	
	Cupertino Sanitary District	X	





Proposal to Provide Independent Audit Services

Special District Entities (continued)			
Client Logo	Client Name	Financial Audit	Single Audit
	Cypress Fire Protection District	X	
	Del Norte Local Transportation Commission	X	
	Del Norte Solid Waste Management Authority	X	
	East Palo Alto Sanitary District	X	
	Fort Dick Fire Protection District	X	
	Fox Canyon Groundwater Management Agency	X	
	Guadalupe Coyote Resource Conservation District	X	
	Humboldt Bay Harbor, Recreation & Conservation District	X	
	Loma Prieta Resource Conservation District	X	
	Los Altos Hills County Fire District	X	
	Los Medanos Community Healthcare District	X	
	Menlo Park Fire Protection District	X	
	Mission Oaks Recreation & Park District	X	
	Paradise Recreation & Park District	X	
	Plumas County Community Development Commission	X	X
	Rodeo-Hercules Fire District	X	
	San Dieguito River Park Joint Powers Authority	X	





Proposal to Provide Independent Audit Services

Special District Entities (continued)			
Client Logo	Client Name	Financial Audit	Single Audit
	San Miguel Community Services District	X	
	Santa Clara County Center Fire Protection District	X	
	Santa Clara County Vector Control District	X	
	Saratoga Fire District	X	
	Smith River Fire Protection District	X	
	Solano Transportation Authority	X	
	South Monterey County Fire Protection District	X	
	South Santa Clara Co. Fire District	X	
	Sunrise Recreation and Park District	X	
	Valley of The Moon Water District	X	
	West Contra Costa Integrated Waste Management Authority	X	
	Yolo Local Agency Formation Commission	X	
N/A	Bardsdale Cemetery District	X	
N/A	Big Rock Community Service District	X	
N/A	Border Coast Regional Airport Authority	X	X
N/A	El Rancho Simi Cemetery District	X	
N/A	Gasquet Community Services District	X	
N/A	Goshen Community Services District	X	
N/A	Lions Gate Community Service District	X	
N/A	Perris Valley Cemetery District	X	
N/A	Redwood Empire Dispatch Communications Authority	X	





State & Local Government Entities

- City of Greenfield, Cibola County, City of Crescent City, City of East Palo Alto, City of San Mateo, City of Sanger, City of Vallejo, Contra Costa County, Contra Costa County Public Work Department, County of Del Norte, County of Santa Clara, County of Santa Cruz, County of San Mateo, First 5 Alameda County, First 5 Inyo County, First 5 Marin Children & Families Commission, First 5 Monterey County, First 5 San Bernardino, First 5 Santa Cruz County, Sierra County, Solano County, Town of Apple Valley, Town of Cochiti Lake, Town of Edgewood, Town of Mesilla, Town of Springer

County of Alameda

- Alameda County Auditor-Controller's Agency, Alameda County Fire Department, Alameda County Health Care Services Agency, Alameda County Housing and Community, Alameda County Housing and Community Development - Bond Audit, Alameda County Public Works Agency, Alameda County Social Services Agency, Alameda County Transportation Commission, City of Oakland, office of Public Works, Community Based Organization Audits, Development and Lead Poisoning Prevention, Oakland-Alameda County Coliseum Authority

Tribes & Tribal Entities

- Big Sandy Rancheria, California Tribal T.A.N.F. Partnership, Cloverdale Rancheria of Pomo Indians, Hoopa Valley Tribe, Kashia Band of Pomo Indians of Stewarts Point Rancheria, Kickapoo Tribal Health Center, Kickapoo Tribe of Oklahoma, K'ima:w Medical Center, KTNN Native Broadcast Enterprise, Kykotsmovi Village, La Jolla Band of Luiseno Indians, Omaha Tribe of Nebraska, Pauma Band of Luiseno Mission Indians, Robinson Rancheria - Pomo Indians of California, Sac and Fox Nation, San Luis Rey Indian Water Authority, Sipaulovi Village, Timbisha Shoshone Tribe, Village of Shungopavi, Village of Sichomovi, Yuwehloo Pahki Community





Educational Entities

- Azusa Unified School District
- Belmont-Redwood Shores School District
- Benicia Unified School District
- Brisbane School District
- Conejo Valley Unified School District
- El Segundo Unified School District
- Fairfield-Suisun Unified School District
- First Mesa Elementary School
- Jefferson School District
- Jefferson Union High School District
- La Honda-Pescadero Unified School District
- Lamont Elementary School District
- Napa Valley Unified School District
- Nazlini Community School, Inc.
- Pinon Community School, Inc.
- Pleasant Valley School District
- Ravenswood City School District
- Richland School District
- Sacramento Valley Charter School
- San Bruno Park School District
- San Mateo - Foster City School District
- Spark* SF Public Schools

Housing Entities

- Benicia Housing Authority
- County of Humboldt Housing Authority
- Eastern Regional Housing Authority
- Housing Authority - City of Eureka
- Housing Authority - Sisseton Wahpeton Oyate
- Housing Authority of the City of Port Hueneme
- Housing Authority of the City of Richmond
- Housing Authority of the County of Alameda
- Housing Authority of the County of Butte
- Housing Authority of the County of San Mateo
- San Felipe Pueblo Housing Authority
- Santa Clara Pueblo Housing Authority
- White Mountain Apache Housing Authority

Pension Plan Entities (401K, 403B)

- Akshaya Inc. (401K)
- Baker's (Retirement Plan-403B)
- Burning Man Project (401K) Plan
- East Bay Agency for Children 403(B)
- Fulfilment Systems, Inc. (401K)
- Fundbox Inc. (401K)
- Hammer Prep (401K) Plan
- Hog Island Oyster Company (401K) Plan
- Kai Ming, Inc. (403B)
- Kickapoo Tribe of Oklahoma (401K) Plan
- Luxesphere Holdings, Inc. (401K) Plan
- Mission Neighborhood Centers (403B) Plan
- Native American Health Center, Inc. (403B)
- Skywalker Properties (401K) Plan
- Storage Pro (401K) Plan
- Sysintelli, Inc. (401K) Plan
- The Athenian School (403B) Plan
- United Indian Health Services, Inc. (403B) Plan

Private Entities

- Eureka Housing Associates, LP
- Good Earth Organics, Inc.
- Juana Care Facility, LLC
- Nelson Trucking Partners, LLC
- Newport Holdings, L.P.
- Optimize Infrastructure, LLC
- Radar Creative
- Solace Supportive Living, Inc.
- TerraVerde Energy, LLC
- The Child Day Schools, LLC
- Thomas Jee & Associates, Inc.
- Tots of Love Child Development Center, LLC
- VVD Partners, LLC





Non-Profit Organization

- A&I Express
- A&I Transport
- Access Reproductive Justice
- Alameda County Deputy Sheriffs Activities League
- Allen Temple Baptist Church
- American Federation of State, County & Municipal Employees Local 2428
- American Nonsmokers' Rights Foundation
- Anti Police - Terror Project, Inc.
- Artequity Community
- Baker's Palace
- California College of Communications, Inc.
- California Hispanic Chambers of Commerce
- California Municipal Utilities Association
- Carbon offsets to Alleviate Property
- Center for Third World Organizing
- Center for Youth Development Through Law
- Centro Latino de San Francisco
- Chinese for Affirmative Action
- Community Health Partnership, Inc.
- Consolidated Tribal Health Project
- Countywide Alcohol and Drug Services, Inc.
- Court Appointed Special Advocates
- Crowden Music Center
- Daybreak Adult Care Centers LLC
- Digital Democracy
- Dominican Sisters Vision of Hope
- East Oakland Switch Board
- Eden Area Foundation
- Eden United Church of Christ
- El Centro de Libertad the Freedom Center
- Faith in Action Bay Area
- Family Bridges Inc.
- Family Paths
- Food First - Institute for Food & Development
- Gallup Inter-Tribal Indian Ceremonial Association
- Gluon Solutions, Inc.
- Grand Lodge of California
- Greater Farallones Association
- Hopi Credit Association
- Health and Human Resource Education Center
- Heffernan Foundation
- Hiawatha Harris M.D, Inc.
- ICON Community Development Corporation
- IIT Bombay Heritage Foundation
- IIT Kanpur
- IIT Madras Foundation
- Just Cities Institutes
- Key Educational Group
- Lakeshore Avenue Baptist Church
- Luxesphere Holdings, Inc.
- Maisha Meds, Inc.
- Manzanita Public Charter School
- Mary Magdalene Community Services
- Mission Language and Vocational School
- MNC 1240 Valencia Inc.
- Mother Lode Job Training
- Native American Health Center, Inc.
- New Bridge Foundation
- New Mexico Cancer Care Alliance
- North County Lifeline Inc.
- Oakland Community Organizations, Inc.
- Oakland Metropolitan Chamber of Commerce
- Our Common Ground Inc.
- Pacific Center for Human Growth
- Pawnee Nation College
- Redwood Region Economic Development Commission
- Redwoods Rural Health Center
- RFHC Bay Pulgas Landowner, Inc.





Non-Profit Organization (continued)

- Rwanda School Project
- San Carlos Apache Tribe Relending Enterprise
- San Diego Civic Youth Ballet
- San Diego Organizing Project
- San Francisco Baykeeper
- San Francisco Community Clinic Consortium
- Santa Clara Teacher Housing Foundation
- Santa Cruz County Parents Association
- Sikh Gurdwara San Jose
- Solano Coalition for Better Health
- South County Community Health Center, Inc.
- St. James Infirmary
- Sustainable Economies Law Center
- Sustainable Sciences Institute
- TerraVerde Energy
- The Estria Foundation
- The Institute for Molecular Medicine
- The Ruckus Society
- Tohatchi Area of Opportunity & Services, Inc.
- United Way of Santa Cruz County
- V- Day
- Vascular Cures and Pacific Vascular Research Institute
- Veterans Accession House
- Women's Daytime Drop-in Center
- Youth Together, Inc.

Experience with US GAAP and GASB Accounting and Reporting

Harshwal & Company, LLP maintains a proven track record in the realm of financial reporting, underpinned by a robust expertise in both GAAP and GASB. This extensive experience underscores our commitment to the highest standards of financial integrity and precision. Adhering meticulously to GAAP, we ensure that our financial reporting aligns with universally accepted principles, offering stakeholders a solid foundation for assessing the firm's fiscal performance. Simultaneously, our proficiency in GASB accounting equips us to navigate the intricate landscape of governmental financial reporting, guaranteeing compliance with pertinent standards and regulations. This duality of expertise positions our firm as a reliable and knowledgeable partner, dedicated to furnishing accurate and comprehensive financial information vital for informed decision-making by our clients and stakeholders.

Governmental Audit, CAFR & GASB Experience

Harshwal & Company, LLP has extensive experience conducting financial statement audit engagements under Generally Accepted Auditing Standards (GAAS) and Government Auditing Standards (GAS), and implementing GASB 34 and all subsequent pronouncements, through the performance of nearly 300 governmental audits since the effective date of GASB 34 implementation. Harshwal & Company, LLP has valuable experience handling Comprehensive Annual Financial Report (CAFR) engagements.

Our Managing Partner, Mr. Sanwar Harshwal, has served on GASB committees and in other authoritative positions. At Harshwal & Company, LLP, we are committed to delivering exceptional service and leveraging our CAFR experience to ensure that our client's financial statements are accurate, transparent, and compliant with applicable standards and regulations.





Proposal to Provide Independent Audit Services

Single Audit Experience

Harshwal & Company, LLP has worked with numerous organizations that receive extensive governmental funding and are subject to auditing under the Uniform Grant Guidance, formerly known as OMB Circular (Uniform Guidance) guidelines. We utilize standardized audit programs from the federal government's Compliance Supplement to ensure that our procedures meet federal standards. Our audit programs are continually updated to reflect the revisions of the OMB.

Our Uniform Guidance risk-based approach focuses on areas of higher risk of noncompliance. Such an approach truly reflects the federal governments' intent by concentrating on the following three steps:



Our firm has audited hundreds of millions of dollars in federal expenditures, making our engagement team uniquely experienced in single audits. We are familiar with grantors, such as:

- Department of Housing and Urban Development
- Department of Agriculture
- Department of Health and Human Services
- Department of Transportation
- Environmental Protection Agency
- Department of Commerce
- Department of Labor
- Department of Homeland Security
- Department of Justice
- Department of Treasury
- Executive Office of the President
- U.S. Department of the Interior
- Department of Energy





PERSONNEL

The expertise and experience of Harshwal & Company, LLP's principals and personnel are at the core of the firm's excellence in performing audits of special districts. Harshwal & Company, LLP has experience providing exceptional client service and high-quality audit services through comprehensive knowledge and understanding of governmental accounting standards. We're passionate about our work and your success. We have selected professionals for your service team who are the right fit for your engagement, based on their knowledge and experience in the governmental industry. Harshwal & Company, LLP has a high retention rate, allowing us to provide stability.

Staff Continuity over the Term of the Agreement

We focus on our team members as well as our clients. Our turnover is significantly lower than other national and regional service firms. This staff continuity enables us to develop and maintain an in-depth understanding of your operations, management style and operating practices, which ultimately allows us to offer you experienced resources, value-added services, industry specialization, and overall better personal service. This commitment to people also resides at our executive level where you will find a refreshingly greater hands-on approach compared to other service providers. Our culture stresses the importance of executive presence throughout projects and engagements.

Proposed Audit Team's Directory

Name of Team Member	Role	Experience
Sanwar Harshwal, CPA, CIA, CISA, CFE	Managing Partner	41+ Years
Shrikant Ghatpande	AI Director	37+ Years
Garima Pathak, CA	Partner	10+ Years
Samson Reda, CPA	Partner	14+ Years
Jeremiah Armijo, CPA	Partner	16+ Years
Poonam Sharma, CPA	Senior Manager	10+ Years
Kinjal Patel, CPA	Senior Auditor	08+ Years

Most of our assigned key personnel are licensed to practice as a Certified Public Accountant (CPA). In addition to the key personnel listed, additional staff will be assigned from our pool of highly qualified professionals.

We assure you regarding the quality of staff over the term of the engagement. We will not replace audit personnel except with prior written permission of the District. In case we replace audit personnel, we will provide replacements having similar or better qualifications and experience.

We assure the District if we are selected as your auditor, we will not delegate or subcontract our responsibility without written consent of the District.





Audit Team Responsibilities

<u>Name/Position</u>	<u>Responsibility</u>
Sanwar Harshwal, CPA Managing Partner	<p>Sanwar Harshwal will be the principal in charge of administration, reviews, planning of the audit, approval of the audit scope and work, and review of work and liaison with the District. He is responsible for conducting the fieldwork, coordination of the audit plan, and ensuring that the plan formulated has been effectively followed and managed. He will coordinate with the manager and supervisor for proper field work progress.</p> <p>He will also manage and organize the audit team's effort and ensure the various audit components are performed efficiently. He also has the responsibility for meeting with the District's management to keep them informed regarding the progress of the audit. The responsibility also extends to ensure smooth interaction of the firm with the District. He has final authority in the conduct of the engagement and assumes full responsibility for the work performed.</p>
Shrikant Ghatpande AI Director	<p>Shrikant Ghatpande will serve as an AI director, and he will lead the development and implementation of AI-driven audit automation models to enhance efficiency, accuracy, and overall audit effectiveness.</p>
Garima Pathak, CA Partner	<p>Garima Pathak will provide the District staff with updates to summarize our progress against the project timeline and update the status of upcoming deliverables. She will also document discussions leading to important policy decisions and/or the choice of critical assumptions used in constructing the analysis and report.</p>
Samson Reda, CPA Partner	<p>Samson Reda will be in charge of the fieldwork. He will be responsible for preparation and maintenance of various work-papers required for audit report preparation.</p>
Jeremiah Armijo, CPA Partner	<p>Jeremiah Armijo will be responsible for planning the fieldwork, and audit process, anticipating audit problems, implementing new standards, primary review of the audit work, and guidance of the audit process.</p>
Poonam Sharma, CPA Senior Manager	<p>Poonam Sharma will be responsible for coordinating the efforts of our staff throughout fieldwork and managing on-site audit procedures. She will be available to answer any of your technical questions.</p>
Kinjal Patel, CPA Senior Auditor	<p>Kinjal Patel is a senior auditor and will perform studies, tests, reviews, and analysis of accounts and financial transactions and will be responsible for preparation of various work-paper.</p>





Audit Team Resumes

SANWAR HARSHWAL, CPA, CIA, CISA, CFE

Managing Partner

Sanwar Harshwal is the managing partner of Harshwal & Company, LLP. He is a globetrotter and a trained technical speaker on auditing and global accounting standards, IT and internal controls, on fraud prevention, and on examinations and internal audits. With over 41+ years of experience with governmental auditing engagements, Mr. Harshwal is also a leading expert on emerging accounting challenges for special districts. Mr. Harshwal has attended AICPA seminars on GASB's New Financial Reporting Model and Financial Statements of special districts.

During the last 5 years, Mr. Harshwal has provided over 400 hours of training to several professionals on GASB, GAS, Uniform Guidance, FASB, SAAS, GAGAS, Pension Plan audits, COSO, COBIT, internal audits, fraud prevention and examination and tribal governmental governance issues. In addition to having significant experience in audits, strategic assessments of accounting functions, and internal control structures, Mr. Harshwal has extensive experience in evaluating complex accounting and finance issues. He has proficient knowledge of using CaseWare, CaseView, CaseWare IDEA software and other automated tools.

Education:

- B.S. Business Accounting
- Bachelor of Law

Certification:

- Certified Public Accountant - State of California (CPA)
- Certified Public Accountant - State of New Mexico (CPA)
- Chartered Accountant - The Institute of Chartered Accountants of India (ICAI)
- Certified Information System Auditor (CISA)
- Certified Fraud Examiner (CFE)
- ORACLE Financial Consultant (Oracle Business Suite)
- Chartered Global Management Accountant (CGMA)
- Certified Risk Management Assurance (CRMA)
- Certified Construction Auditor (CCA)

Professional Membership:

- Member of AICPA
- Member of California CPA Society of Certified Public Accountants
- Member of Information Systems Audit and Control Association, USA
- Member of Association of Certified Fraud Examiners, USA
- Member of Institute of Certified Internal Auditors





Proposal to Provide Independent Audit Services

SHRIKANT GHATPANDE

AI Director

Shrikant Ghatpande is an AI Director at Harshwal & Company, LLP. He is the chief product and innovation officer overseeing all AI innovation initiatives. Shrikant works with firm leadership to set the group's agenda and overall innovation strategy. Currently, Shrikant is leading the development of AI agentic models for audit automation to increase efficiency and productivity while improving accuracy and completeness.

Prior to Harshwal & Company, LLP, Shrikant held senior leadership positions at AI growth firms, led product development at Deloitte and KPMG, VP at FactSet Research Systems, and led technical and business strategic programs at HP and Home Depot serving Fortune 500 companies across multiple industries, including technology, consulting, audit & assurance, financial technology, manufacturing, defense, retail, hospitality, and communications.

Education:

- Executive Master of Business Administration (EMBA) - Georgia State University, Atlanta, GA
- Bachelors in Computer Engineering

Certification:

- AI Product Management
- Scaled Agile SAFe Product Manager
- PMI Project Management Professional
- Lean Six Sigma Black Belt
- ITIL from HP

GARIMA PATHAK, CA

Partner

Garima Pathak is a partner at Harshwal & Company, LLP and has 10+ years of experience in auditing and providing accounting services to special districts, not-for-profit organizations, educational entities, counties, state and local governments, school districts, tribes and tribal governments, and housing authorities. Garima has 6+ years of experience working with all types of exempt organizations including 501(c) (3), 501(c) (4), 501(c) (6), and 501(c) (7).

Garima has provided tax compliance services to clients in the retail, real estate, and not-for-profit industries. She concentrates on real estate clients, focusing on low-income housing, including both for profit and not-for-profit entities. Garima has a passion for her not-for-profit clients and the industry at large, providing them with hands-on tax compliance services including Form 990 filings. She has proficient knowledge of using CaseWare, CaseView, CaseWare IDEA Software and other automated tools.

Education:

- Bachelors in Commerce

Certification:

- Chartered Accountant - The Institute of Chartered Accountants of India (ICAI)





Proposal to Provide Independent Audit Services

SAMSON REDA, CPA

Partner

Samson Reda is a partner at Harshwal & Company, LLP and has 14+ years of experience in auditing and providing accounting services to special districts, state and local governments, not-for-profit organizations, school districts, housing authorities, educational entities, and tribes and tribal governments. He has proficient knowledge of using CaseWare, CaseView, CaseWare IDEA and other automated tools. He is an expert in data analysis and reconciliation, and his experience includes auditing, the recording and analysis of account transactions; establishing accounting records; reconciliation of cash balances; implementation of accounting controls; and statistical reports. He also conducts sampling, testing and is well experienced in performing audits in accordance with attestation standards established by the AICPA. He will assist in directing the staff and specialize in the timely completion of the audit.

Education:

- BA in Accounting

Certification:

- Certified Public Accountant - State of Virginia (CPA)

JEREMIAH ARMIJO, CPA

Partner

Jeremiah Armijo has over 16+ years of experience in serving special districts, not-for-profit organizations, state and local governments, educational entities, housing authorities, tribes and tribal governments, and casinos and gaming commissions. He is highly skilled in NIGC MICS compliance and possesses strong interpersonal skills for communicating effectively with clients and building personal and professional relationships. He has proficient knowledge of using Konami Syknros, Light and Wonder Casino Management System, Oracle Micros Symphony, Aristocrat OASIS 360, IGT Advantage, QuickBooks, Abila MIP, AS400, Microsoft Dynamics 365, and other industry tools.

Education:

- Bachelors in Accounting

Certification:

- Certified Public Accountant - State of New Mexico (CPA)

POONAM SHARMA, CPA

Senior Manager

Poonam Sharma is a senior manager at Harshwal & Company, LLP and has 10+ years of experience in auditing and providing accounting services to special districts, school districts, not-for-profit organizations, educational entities, state and local governments, tribes and tribal governments, and housing authorities. Poonam is proficient in the operating nuances of accounting and auditing packages and demonstrates up-to-date knowledge of auditing and accounting pronouncements. She prepares and adjusts work papers from the client's trial balance, executes day-to-day activities of audit engagements for multiple clients, and interacts with client personnel. She performs audit testing activities; documents processes and findings; verifies assets and liabilities in accordance with audit programs; follows documentation standards; and prepares clear, concise, and orderly working papers.





Proposal to Provide Independent Audit Services

She has proficient knowledge of using CaseWare, CaseView, CaseWare IDEA software and other automated tools.

Education:

- Master of Commerce (Accountancy and Business Statistics)

Certification:

- Certified Public Accountant - State of California (CPA)
- Chartered Accountant - The Institute of Chartered Accountants of India (ICAI)

KINJAL PATEL, CPA

Senior Auditor

Kinjal Patel is a senior auditor. She has been engaged with several audits and accounting engagements of special districts, not-for-profit organizations, educational entities, state and local governments, school districts, housing authorities, and tribes and tribal governments. Kinjal is proficient in the operating nuances of accounting and auditing packages and demonstrates up-to-date knowledge of auditing and accounting pronouncements. Kinjal has worked on financial and compliance engagements under the Single Audit Act of 1984 and OMB Circular (Uniform Guidance). She has proficient knowledge of using CaseWare, CaseView, CaseWare IDEA software and other automated tools.

Education:

- Master of Business Administration in Accounting

Certification:

- Certified Public Accountant - State of California (CPA)

Continuing Professional Education (CPE)

The following table details CPE hours for each key member of the proposed audit team:

Audit Team Member	Governmental CPE	Non-Governmental CPE
Sanwar Harshwal, CPA, CIA, CISA, CFE	140	124
Garima Pathak, CA	84	57
Samson Reda, CPA	80	56
Jeremiah Armijo, CPA	75	60
Poonam Sharma, CPA	83	40
Kinjal Patel, CPA	58	28

Overall Supervision to be Exercised

The audit will be managed by the firm's partner, Garima Pathak, who has extensive experience in audits of special districts. Garima Pathak has been in charge of various large audits, governmental funded programs, and community-based organizations receiving federal and state funds.





SCOPE OF SERVICES

Scope of Work

At Harshwal & Company, LLP, our professionals have extensive experience performing audit of special districts and our team has a broad understanding of the work environment that is necessary to conduct an audit of Oceano Community Services District. We understand that you require us to conduct an audit of the financial statements of the District for the fiscal year ending June 30, 2026, with an option to extend for two (2) additional fiscal years, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. We will adhere to the requirements of the RFP and will be performing the following tasks (including, but not limited to):

- We will perform a financial statements audit of the District.
- Prior to the commencement of the audit, we will review the audit program with District Staff, including proposed dates for completion of audit tasks.
- We will review the draft financial statements with District Staff and communicate all findings and conditions we consider weak or problematic. We will review and assess internal controls and make recommendations to improve the current procedures. We will provide a management letter reflecting the above items.
- We will prepare the annual GASB Statement No. 68 calculations based on information provided by CalPERS for use by the District. The District will prepare the related adjusting journal entries for the various funds in accordance with established allocation methodologies.
- We will prepare the financial statements for the fiscal year ending June 30, 2026.
- The audit report will include, at a minimum, the independent auditor's report and opinion, a management letter, the statement of net position, the statement of cash flows, the statement of revenues, expenses, and changes in net position, notes to the financial statements, required supplementary information, and any other additional information as may be necessary to comply with applicable auditing standards and regulatory requirements.





Proposal to Provide Independent Audit Services

Understanding of the Project to be Performed

The two most critical components of the audit are (1) to have continuity and consistency among the auditors involved and (2) to have the entire audit team, from partners to staff, understand and be aware of the technical requirements for the engagement. Therefore, careful audit planning is emphasized along with written instructions, and a comprehensive workshop is carried out for the staff engaged. We have ascertained that this effort not only serves to state the line of organization and responsibility from the commencement but also serves to discuss the areas of concern and applicable audit techniques to be adopted in the examinations proposed to be conducted.

Our plan will involve a comprehensive entrance meeting with the District's audit committee and management. During this phase, we hope to establish the timetable for the examination and identify dates for future meetings to report on our progress in the examination. Shortly thereafter, the partners and an audit manager will meet with the District Manager or Finance Director to be able to obtain a more detailed outline of the District's financial systems and processes.

This will help us to determine the extent and concentration of our audit effort, obtain knowledge and an understanding of the legal and reporting requirements by obtaining pertinent statutes, regulations, charter provisions, bond coverage and other requirements. The meeting will serve as a guideline to prepare and outline our audit-planning memorandum and the audit plan. Upon completion of the audit plan, we will meet with the District Officials to go over our plan.

During the meeting, we hope to share our understanding of the audit approach and fine-tune the dates of commencement, the assistance available to us, and the assistance the District may need from us, and the introduction of the audit team seniors to the District Officials. In the next step, a conference will be initiated by the audit team to be assigned. The conference will serve as a platform to share our audit plan and programs, discuss areas of concern, identify audit teams and dates, and address any and all pertinent questions from our staff.





Specific Audit Approach

Our audit process begins with the assignment of staff to the engagement. Our engagement team has the expertise to provide the level of service desired and deserved by your organization. Our engagements are supervised by the engagement partner and an audit manager. As high-level involvement is vital to a quality audit, the partner and manager's time will account for approximately 30% of the total hours spent on the engagement. Our team's approach is to be efficient, yet non-intrusive. We believe on-going communication throughout the entire audit will ensure that all aspects of the audit are thoroughly addressed. We encourage regular communications throughout the year, not just during fieldwork. As such, we do not anticipate any potential audit problems to arise during our engagement.

Audit Planning — Interim Phase

Our audit planning process includes a risk assessment of the District and a review of the control environment. We begin with a pre-planning meeting to ensure that management's expectations and our expectations are communicated prior to commencing the audit. We will confirm our understanding of the engagement deadlines and ensure these are met in a timely manner. In addition, we will provide a list and samples of schedules specifically tailored to Oceano Community Services District to aid the District's staff in preparing schedules and providing audit documentation.

Risk Assessment — Interim Phase

As part of our extensive planning phase, the engagement team will discuss with management issues surrounding the applicable industry, the District's internal and external environment, significant events, as well as economic, political, and social factors to determine and document areas of risk. Once areas of risk have been identified, the next process will be to review the control testing.

Control Testing — Interim Phase

We will document and test the following control processes to evaluate their effectiveness in preparing reliable financial statements:

- Disbursements
- Receipts
- Payroll
- Financial reporting
- Journal entry process
- Federal and state programs
- IT and general computer controls

Based on our understanding of the District's risks and control environment, we will design our substantive procedures and communicate our audit approach to management. As part of our review and documentation of the control environment, we may have recommendations for enhancing controls and/or efficiencies. These recommendations will be discussed with management prior to any comments included in a formal management letter.

Drawing Audit Samples

Auditor judgment will be used in selecting our audit samples for tests of compliance work. The majority of the testing of compliance will be centered around the single audit testing of the direct and material elements for the major programs.





Proposal to Provide Independent Audit Services

Substantive Procedures — Year End Phase

Substantive audit procedures are designed based on our risk assessment process. Complex and high-risk accounts will be identified early in the audit process and these accounts will be assigned to the manager and/or partner for actual testing. Our substantive audit procedures will include the following:

- Tests of account details — Detail transaction testing to source documentation
- Analytical procedures — Ratio analysis, variance analysis, and trend analysis
- Use of data analysis software — Review of large volumes of data to detect anomalies
- Unpredictability tests — Varying timing and extent of tests
- Review of management's estimates — To determine the reasonableness
- Review of subsequent events and contingencies — For proper adjustment and footnote disclosure

Preparation of Audit Report and Review — Year-end Phase and Wrap-up Phase

Audit work papers are reviewed throughout the audit by an audit manager and engagement partner. Before we leave your offices, the file will be substantially reviewed and any issues will be discussed and resolved. The financial statements are prepared by the audit manager. All reports are reviewed by the engagement partner and concurring partner. Upon approval, we will issue drafts of all reports based on the District's predetermined schedule as indicated in the Request for Proposal. This will allow adequate time for the review and distribution of reports.

Audit Sizes and Statistical Sampling Techniques

Audit sampling provides the auditor with an appropriate basis on which to conclude on an audit area by examining evidence from a sample of population. We utilize both statistical and non-statistical-sampling techniques as described in the AICPA's Audit Sampling Guide, depending on the type of testing being performed. Internal control, substantive, and compliance testing samples are generally selected using non-statistical techniques. Sample sizes are determined by risk assessment and nature of the population. We may use statistical sampling to assist with forensic testing in areas, which have a higher risk of misstatement due to fraud.

Rules and Regulations

Harshwal & Company, LLP will meet all specific requirements imposed by state or local law or rules and regulations. We will review the laws and regulations covering the District's grants and major programs as part of any Single Audit testing if applicable. Based upon our inquiries with the District staff and review of any District's municipal code, etc., we will determine the relevant laws and regulations that will be subject to additional test work.

Working Paper Retention and Access to Working Papers

We will retain audit working papers and reports for a minimum of seven (7) years unless we are notified in writing by the District of the need to change the retention period. In addition, we will respond to reasonable inquiries of the District and successor auditors and allow the District and successor auditors to review working papers relating to matters of continuing accounting significance. We will make audit work papers available upon your request.





Proposal to Provide Independent Audit Services

Management Letter

Communication with management is crucial since it is essential to hear your concerns and comprehend the financial records to have a complete and thorough understanding of business operations. Management confirmation is required on all information contained within the financial statements to ensure that they are true and accurate and that all information has been properly disclosed. We will review all significant audit findings with the District as the work proceeds and once on completion of our audit procedures.

It is standard practice for our firm to produce a management letter in conjunction with each engagement. The audit process provides an opportunity to assess performance and trends, to identify opportunities to improve internal controls and/or accounting efficiency, and spot emerging needs or opportunities. By reporting these conditions and opening them up for discussion, the management letter can play an important role in maintaining the future financial health of the organization.

If we become aware of any irregularities, illegal acts, or indications of illegal acts, we will make an immediate verbal and written report of such findings to the District's General Manager, Business and Accounting Manager, and to the Board President. The report will be discussed with the members responsible for the financial statements before submitting it to the Board Members. At the completion of the interim work, we will provide a management letter to the Superintendent (or designee) detailing all findings and recommendations noted as of the date of the completion of the interim work. We may substitute a copy of all written findings for the management letter.

Timeline for the Completion of the Project

Harshwal & Company, LLP is prepared to meet the deadlines required.

Milestones	Tentative Timeline for FY 2026
Planning, risk assessment and system evaluation	Just after contract awarded
Interim field work	May 2026
Final audit field work to be completed	1st week of January 2027 or before
Draft audit reports and management letter for review	3rd week of January 2027 or before
Final audit reports and management letter	1st week of February 2027 or before

- *The timeline is reasonable given the totality of work involved and our managers being highly qualified and trained. We will follow the same system to get work done throughout the engagement period.*
- *This timeline is dependent on the availability of your personnel and is subject to the anticipated closing your accounting records.*





Technological Advantages

We utilize the latest technology, including virtual servers, smart devices, and online libraries, to provide us with the most up-to-date information to better serve our clients. Our online client portal, **Suralink** gives us the capability of sending and receiving information to and from our clients faster and more securely. As portals are encrypted and use password protection to ensure that data can only be viewed by the appropriate client, we are dedicated to protecting the District's confidential information. Furthermore, we streamline our audit process and organize support documents through the use of the paperless audit program; CaseWare Working Papers.

By effectively reviewing large volumes of data through these programs, we are able to develop a better understanding and gain a broader view of Oceano Community Services District. These technologies enable us to increase both the scope of our engagement and the reliability of our audit opinion more efficiently, as a larger amount of information can be processed, analyzed, and interpreted in a shorter time frame. We are pleased to discuss our efficient use of audit technology as follows:

Secure Data File Transfer System: In order to improve audit efficiency, workflow management software plays an essential role between your organization and our engagement team. We employ a secure data file transfer system called **Suralink**. Suralink's dynamic request list is integrated with our secure file hosting system for seamless document-request coordination. It means all our requests are in one place, updated in real-time, and accessible only by our engagement team working on your audit and the District's employees who are granted access. You, as a client, no longer have to manually maintain a spreadsheet amongst several people only to repeat the process in a day or two. This not only makes the operation more cost-efficient; it enables you and your team to spend your time getting the job done, not reconciling a messy list of outstanding items. The Suralink dashboard, as shown below, allows you to visualize the process of the document-request fulfillment. With this innovative tool, clients can manage workflow through a centralized individual who can assign and delegate requests to other employees; track project activity by assigned individual, due date, and status with a user friendly, easy-to-use, dashboard interface; quickly view and monitor project progress with an at-a-glance report feature; and access how-to videos and training materials through the enhanced learning center.

IDEA: We will utilize IDEA data extraction software to assist us in completing our analytical procedures. We will obtain a detail general ledger of all transactions that occurred during the year and download that information into IDEA. We will analyze the data for unusual transactions and create reports for our audit procedures. Additional functionality of this program allows us to receive files in many formats used by the District which alleviates the stresses and pressures of converting data into a usable format.

CaseWare: CaseWare is a highly flexible engagement software that facilitates real-time adjustments to your trial balance, resulting in simultaneous updates to your financial statements. It enables us to drill down from supporting audit schedules and documents to the underlying detailed accounts. We plan, perform, and review your entire engagement electronically, eliminating the use of paper.

CaseView: CaseView is a powerful reporting module that helps review of financial statements, as well as any other customized work paper reports. It utilizes an interface that combines the appropriate features of Word and Excel into a single application that engages word processing features for formatting financial information. Some advantages of CaseWare and CaseView are as follows:





Proposal to Provide Independent Audit Services

- **Automatic financial reports:** This refers to the ability to generate and print financial statements immediately. The numbers in the trial balance are mapped to financial statement tables and foot notes to provide robust and accurate financial statements and reports.
- **Automatic footnotes and other information:** This is the ability to format financial statement footnotes with variables (dates, amounts, etc.) that are automatically updated based upon the trial balances and appropriate work paper information.
- **Virtualization:** This provides a more consistent approach to financial statement design and a reduced risk of errors in the financial statement reports.

Checkpoints Tools: All Checkpoint Tools come with a complete set of practice aids, including valuable industry-specific practical considerations and guidance. We make sure you have everything you need to complete engagements and tax preparation with ease. Checkpoint Tools provides accounting and audit professionals with valuable industry-specific practical considerations and guidance including SMART Practice Aids® Audit Suite, PPC's Practice Aids™, PPC's Workpapers™, PPC's Interactive Disclosure Libraries™ and more. These tools work alone or with all paperless engagement products and integrate with AdvanceFlow™ and Workpapers CS, part of the CS Professional Suite from Thomson Reuters.

Use of Artificial Intelligence and Other Emerging Technologies

As part of performing our services, we may use artificial intelligence (AI), data analytics, and emerging technologies to enhance the efficiency, accuracy, and overall outcomes of our work. These technologies sometimes provided by third-party vendors - may be used to analyze data, generate reports, or assist us in delivering quality insights. By engaging our services, you acknowledge and consent to our use of AI and related technologies when deemed appropriate. While these tools enhance our capabilities, they are designed to complement not replace our professional judgement. Any significant findings or exceptions identified through the use of these technologies will be reviewed and validated by our team.

We are fully committed to safeguarding the confidentiality, integrity, and security of your information in compliance with applicable laws, regulations, and industry standards. When deploying AI or other related technologies, we engage reputable service providers that adhere to robust data protection measures, including encryption, anonymization (where applicable), and compliance with privacy laws (e.g., GDPR, CCPA). We do not store or transmit sensitive information through any AI platform unless it meets stringent data protection requirements. All data shared with us remains confidential and is used solely for purposes related to this engagement, in accordance with our professional obligations. Our confidentiality policies extend fully to AI systems, ensuring that no client data or sensitive information is accessed or used inconsistently with our professional responsibilities.

While AI and other technologies significantly streamline certain processes, they may have limitations, such as algorithmic biases, inaccuracies, or processing errors. We take reasonable precautions to mitigate such risks; however, we cannot guarantee that AI-generated outputs will be entirely error-free. We shall not be held liable for any inaccuracies resulting from such limitations.





Proposal to Provide Independent Audit Services

PROPOSED FEES

Our fees are generally lower than other competing firms since we keep our overhead low; we follow a scientific audit approach, and we make extensive use of emerging technologies that allow us to conduct audits efficiently. Our policy is to provide you with exceptional service that meets and exceeds professional auditing standards at a competitive cost.

Summarized below are the professional fees for the District's auditing services for the FY's ending June 30, 2026, with optional years:

Audit Area - Description	FY 2026	FY 2027 (Optional)	FY 2028 (Optional)
Financial Statements Audit.....	\$ 16,950.00	\$ 17,800.00	\$ 18,685.00
<i>Total Fees</i>	\$ 16,950.00	\$ 17,800.00	\$ 18,685.00

- ***If a single audit is applicable, we will charge \$4,500.00 for the first major program and \$3,500.00 for each additional major program.***
- ***We are well-equipped to perform audits on a remote basis. We will provide our audit services on a remote basis.***
- ***Out-of-pocket expenses such as travelling cost will be charged on an actual basis, as and when incurred (if on-site visited).***

Rates for Additional Professional Services

We will perform additional work only if set forth in an addendum to the contract between the District and our firm. Our fees for the additional services, if required, will be based on the actual time spent by professional or administrative personnel at \$125 per hour. Our standard hourly rates vary according to the degree of responsibility involved, and the experience level of the personnel assigned.

Manner of Payment

Progress billings will be sent on the basis of actual audit work completed during the course of the engagement. Interim billings do not cover a period of less than a calendar month. We view this work as being every bit as important and valuable as the work we perform for other clients, and we put our best people on it. Any consulting work you request will be performed at the same rates as our audit work.

We have provided you a fee estimate based on the following assumptions:

- The accounting records will be in balance and supported by appropriate documentation.
- The District's staff will provide the supporting schedules for all asset and liability accounts.
- The District's staff will provide general assistance, such as locating documents, typing confirmation requests, and coordinating meetings.





REFERENCES

The best indicator of our ability is our success in meeting the needs of our current and past clients. We encourage you to contact these references to inquire about the quality of our services, their overall satisfaction, the effectiveness of our auditing approach, the abilities of our professionals, and the timeliness and overall value of our services. We would be happy to provide additional references upon request, if you would like:

1. Big Rock Community Service District

- **Principal Contact:** Renna Nelson, Secretary to the Board
- **Address:** PO Box 453 Crescent City, CA 95531
- **Phone Number:** (707) 457-3880
- **E-Mail:** rkn.brcsd@gmail.com
- **Period:** 2020 to Present
- **Scope of Work:** Audit of the Financial Statements and FTR

2. Gasquet Community Services District

- **Principal Contact:** Tai Bickert
- **Address:** PO 86, Gasquet, CA 95543
- **Phone Number:** (707) 457-3107
- **E-Mail:** taibickertgcsd@gmail.com
- **Period:** 2021 to Present
- **Scope of Work:** Audit of the Financial Statements and FTR

3. Clear Creek Community Services District

- **Principal Contact:** Dale Mancino, General Manager
- **Address:** 5880 Oak Street, Anderson, CA 96007
- **Phone Number:** (530) 357-2121
- **E-Mail:** dale.mancino@clearcreeksd.org
- **Period:** 2023 to Present
- **Scope of Work:** Audit of the Financial Statements and FTR





Proposal to Provide Independent Audit Services

Benefits of Choosing Harshwal & Company, LLP

Harshwal & Company, LLP is recognized for its professionalism, integrity, and providing clients with effective resolutions for their unique circumstances and issues. Our firm prides itself on being able to provide personalized client services, and with that sentiment in mind, we have carefully chosen our engagement teams. Harshwal & Company, LLP's main objective is always to provide the District with solutions and directions, led by highly experienced and capable partners who can successfully implement the work and produce the results you expect. This philosophy and mindset allow us to provide a superior level of service.

We trust that this proposal has given you the information you need about the firm, the engagement team members, our overall audit approach, firm's cost-saving measures, and audit fees. We are committed to exceeding your expectations, and we look forward to bringing our experience and expertise to the District and providing you with the excellent level of service that you expect and deserve.

Inherent in our service is the on-going support, education, and advice to our clients. The comprehensive service includes:

- Email updates on all new and pertinent developments.
- A careful review of the effects of these new developments (if any), on your particular circumstances. If necessary, we will advise you on any changes needed in accounting procedures.
- We will meet with the Finance Department head at the beginning of the audit to advise on matters of particular interest. We will provide "best practices" for effective daily operations that will also provide information necessary for the financial statements.
- Throughout the audit, we will advise your accounting personnel on best practices for maximum efficiency in each major operational area.

"Keeping in touch with" is the hallmark of our service. You will receive phone calls, emails, and information through the Harshwal & Company, LLP portal on a consistent and regular basis.



MOSS, LEVY & HARTZHEIM LLP

CERTIFIED PUBLIC ACCOUNTANTS · ESTABLISHED 1984

PROPOSAL FOR PROFESSIONAL AUDITING SERVICES

Oceano Community Services District



Year Ending June 30, 2026, with Renewal Options for FY 2027 and FY 2028

SUBMITTED TO

Carey Casciola, Business and Accounting Manager
1655 Front St, Oceano, CA 93445

SUBMITTED BY

Adam V. Guise, CPA · Engagement Partner
2400 Professional Pkwy, Suite 205 · Santa Maria, California 93455
(805) 925-2579 · aguise@mlhcpas.com

April 30, 2026

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April 30, 2026

Carey Casciola, Business and Accounting Manager
Oceano Community Services District

RE: Proposal for Professional Auditing Services, Fiscal Year Ending June 30, 2026

Dear Ms. Casciola and Members of the Board of Directors:

Moss, Levy & Hartzheim, LLP is pleased to submit our proposal to continue serving as independent auditor for the Oceano Community Services District. Over our years of working with the District, we have developed a deep familiarity with its operations, its Board, and the particular reporting demands placed on a California special district, including the governmental accounting standards applicable to the District's funds. That continuity translates directly into a more efficient engagement, fewer demands on District staff, and audit reports the Board, management, and the District's funding partners can act on with confidence.

The enclosed proposal addresses every element of your RFP. Moss, Levy & Hartzheim, LLP is independent of the District in fact and in appearance, holds an active California CPA license, and will perform the audit in accordance with U.S. Generally Accepted Auditing Standards and Government Auditing Standards. Adam V. Guise, CPA continues to serve as engagement partner, supported by the same team that has worked with the District in recent years, and our staffing plan accommodates planned partner rotation as the engagement progresses.

We propose a not-to-exceed fee of \$24,660 for the FY 2025-26 base year, with a fixed 5% annual escalation through FY 2027-28, inclusive of all professional services, report preparation, and out-of-pocket expenses. Our base scope covers the basic financial statements with footnotes and required supplementary information, the Government Auditing Standards Yellow Book report on internal control and compliance, the Management Letter, the Management Representation Letter, and the SAS No. 114 governance communication. All deliverables will be issued on or before the dates specified in the RFP each year (December 30). Should the District's federal expenditures cross the Uniform Guidance Single Audit threshold during the engagement term, that work would be added by separate engagement amendment at our standard rates.

This proposal, including all cost information, is firm and irrevocable for 120 days from the submittal date, and the undersigned is authorized to bind the firm to its terms. Thank you for your continued confidence in our team. Please feel free to call me directly with any questions.

Respectfully submitted,



Adam V. Guise, CPA
Engagement Partner · Moss, Levy & Hartzheim, LLP

Executive Summary

The Oceano Community Services District audit sits at the intersection of three audit disciplines, namely special-district governmental accounting, California special-district reporting under the State Controller's framework, and prudent stewardship of the District's federal and state grant awards. Moss, Levy & Hartzheim LLP has audited each of these streams for California special districts and water/wastewater agencies for many years. We understand that the District needs more than a technically correct audit; it needs a timely, low-friction engagement that produces reports useful to the State Controller, the District's federal grantors, and the Board of Directors.



Why Moss, Levy & Hartzheim LLP

Year-Round Accessibility at No Additional Cost

Our engagement does not end with the issuance of the audit report. Throughout the year, our professionals remain available to provide insight into new accounting standards, compliance issues, and best practices in governmental finance. Routine phone calls, emails, and consultations are included, we want you to feel comfortable reaching out whenever you need support, without concern about unexpected costs.

Staff Continuity & Institutional Knowledge

Our firm maintains an exceptionally high professional retention rate. The same experienced team that conducts your audit this year will be there next year and the year after. That continuity eliminates the costly ramp-up period that occurs when firms cycle through personnel, and it means our professionals develop a genuine understanding of your operations, internal processes, and institutional priorities.

Partner-Led Engagements

Every engagement receives direct, hands-on involvement from senior professionals. Our partners lead each governmental audit with the kind of sustained attention that only comes from a firm where partner involvement is a policy, not a marketing tagline. Your engagement partner is accessible throughout the entire audit from planning through final report delivery and beyond.

Firm Qualifications & Independence

INDEPENDENCE

Moss, Levy & Hartzheim, LLP is independent of the Oceano Community Services District and its component units as defined by U.S. Generally Accepted Auditing Standards, Government Auditing Standards (2024 Revision) issued by the Comptroller General, the AICPA Code of Professional Conduct, and California Board of Accountancy regulations. The firm has never provided non-audit services to the District and does not intend to do so during the proposed contract period that would impair independence in fact or appearance. We will provide written notice to the District within thirty (30) days of any professional relationship that could reasonably bear on independence.

LICENSE TO PRACTICE

MLH holds an active California Board of Accountancy partnership license (License No. 6988, current through July 31, 2027). All CPAs assigned to the District's engagement are individually licensed in California and maintain their CPE through AICPA- and GAO-approved programs, with a minimum of 24 GAGAS-qualifying hours per two-year reporting cycle.

PEER REVIEW

MOST RECENT PEER REVIEW

Pass rating, the highest peer review opinion available, issued April 9, 2025, by Spafford & Landry, CPAs under the AICPA Peer Review Program. The review included engagements performed under Government Auditing Standards. A copy of the report is available on request and will be furnished with the signed engagement letter.

FIRM PROFILE

Founded in 1984, Moss, Levy & Hartzheim, LLP is a California Limited Liability Partnership serving public-sector and not-for-profit clients throughout the State. With offices in Santa Maria, Beverly Hills, and Culver City, the firm employs thirty-one professionals including partners, managers, and associates. The Santa Maria office serves as the primary office for governmental audit engagements and provides a full range of professional services to governmental and nonprofit clients across California.

OFFICE	ADDRESS	ROLE FOR THIS ENGAGEMENT
Santa Maria	2400 Professional Pkwy, Suite 205 Santa Maria, CA 93455	Engagement team office
Culver City	5800 Hannum Ave., Suite E, Culver City, CA 90230	Technical review & quality control

GOVERNMENTAL & SPECIAL DISTRICT DEPTH

Our Governmental Services Practice accounts for approximately 70% of firm revenue. Within it, a dedicated special-district team serves clients subject to GASB and the California State Controller's reporting requirements. The team is led by Craig Hartzheim, CPA, and includes every professional proposed for this engagement.

Our current California special-district portfolio includes Community Services Districts providing water, wastewater, parks, lighting, and solid-waste services; municipal water and sanitation districts; and special districts subject to GASB 68 and federal grant compliance authorities. We currently audit ten California Community Services Districts including the District itself, California Special District compliance, Regional Transportation Planning Agencies, and Measure-funded sales-tax authorities. Every team member assigned to the District completes GAGAS- and special-district-specific CPE beyond the GAAS baseline, and every engagement is reviewed by a partner who has signed special-district reports in each of the last five years.

Prior Similar Experience

The RFP requires a minimum of five similar engagements including California special districts and water/wastewater enterprises subject to GASB, the State Controller's reporting framework, and applicable federal grant compliance. The engagements below are all current, continuous relationships in which the proposed engagement partners personally delivered the reports. Each client has consented to direct reference contact by the District.

01

Cambria Community Services District

2015 – present · Engagement Partner: Adam V. Guise, CPA

Scope: Annual Audit, Compliance, FTR, Management Letter

Reference: Matthew McElhenie, General Manager · (805) 927-6230

02

South San Luis Obispo County Sanitation District

2013 – present · Engagement Partner: Adam V. Guise, CPA

Scope: Annual Audit, Compliance, FTR, Management Letter

Reference: Jeremy Ghent, District Administrator · (805) 481-6903

03

City of Arroyo Grande

2004 – present · Engagement Partner: Adam V. Guise, CPA

Scope: ACFR (GFOA recipient), Single Audit, Water and Wastewater Enterprise Funds

Reference: Nicole Valentine, Finance Director · (805) 473-5400

04

City of Paso Robles

2024 – present · Engagement Partner: Adam V. Guise, CPA

Scope: ACFR, Single Audit, Water and Wastewater Enterprise Funds, State Controller's Annual Report

Reference: Catherine Piatti, Finance Manager · (805) 237-3999

05

City of Atascadero

2015 – present · Engagement Partner: Adam V. Guise, CPA

Scope: ACFR (GFOA recipient), Single Audit, Water and Wastewater Enterprise Funds

Reference: Jeri Rangel, Administrative Services Director · (805) 461-5000

ADDITIONAL GOVERNMENTAL CLIENTS

A complete client list including all current California government audit clients is available on request.

Engagement Team & Key Personnel

It is the firm's policy to ensure active partner involvement in the management of every audit engagement. This approach provides the District with direct access to senior professionals who can promptly address accounting and audit questions, concerns, and recommendations. Having multiple partners familiar with the engagement also ensures continuity and immediate support when needed. Chris Padilla, CPA, will serve as the project manager and primary day-to-day contact for the District's General Manager and accountant, with direct reporting access to the engagement partner at all times.

Adam V. Guise CPA

18 YEARS OF AUDIT EXPERIENCE • B.S. BUSINESS ADMINISTRATION, CAL POLY SLO

Adam will serve as the engagement partner and will assume primary responsibility for the audit. He oversees the preparation and issuance of the audit report and audited financial statements, conducts the final review of all deliverables, and remains available throughout the fiscal year to address any questions or issues that may arise. Adam currently serves as engagement partner for four cities, five school district audits, and fourteen special districts, and brings deep expertise in year-end closings, financial statement preparation, federal single audits, and State Controller's Reports.

Craig Hartzheim CPA

33 YEARS OF AUDIT EXPERIENCE • B.S. ACCOUNTING, MARQUETTE UNIVERSITY

Craig will serve as the alternate engagement partner, remaining fully informed of the District's operations, audit requirements, and any areas of special consideration so that he can assume leadership responsibilities seamlessly should Mr. Guise be unavailable. Craig provides independent quality review of all deliverables. He currently manages governmental and nonprofit audits from the Beverly Hills office, overseeing more than 40 special district audits, 12 school districts and related audits, and 17 municipal audits.

Chris J. Padilla CPA

10 YEARS OF AUDIT EXPERIENCE • B.S. BUSINESS ADMINISTRATION, CAL POLY SLO

Christopher will serve as the manager responsible for the overall performance of the engagement and will be directly responsible for responding to the District's General Manager and accountant at all times during the term of this contract. He will direct the day-to-day operations of the engagement, supervise fieldwork, review audit areas, and oversee the work of staff accountants. He will be present for the entirety of fieldwork and serves as the primary point of contact for District staff during both interim and final fieldwork. In addition to his supervisory role, he provides in-house training for the firm's governmental audit staff, ensuring the team remains current with developments in governmental accounting and auditing standards.

TEAM CONTINUITY COMMITMENT

CONTINUITY

If a proposed team member becomes unavailable, MLH will notify the District in writing and propose a replacement of equal or greater experience for written approval before assignment

TEAM ORGANIZATION

OCEANO CSD BOARD OF DIRECTORS • AUDIT COMMITTEE			
<i>Those Charged with Governance</i>			
ENGAGEMENT PARTNER Adam V. Guise, CPA			
ALTERNATE PARTNER Craig Hartzheim, CPA	ASSURANCE MANAGER Chris Padilla, CPA	IT AUDIT DIRECTOR David Ortiz	ASSOCIATE AUDITORS Field Team

Audit Approach & Methodology

Our Methodology Philosophy

Every financial audit answers the same three questions: What could go wrong in the financial statements, compliance reports, and internal controls? What evidence do we need to reach a conclusion we can defend? And how do we deliver that conclusion without consuming more of the District's time than necessary? Our methodology is the disciplined answer to those questions, and it is built specifically for a California special-district special district.

We do not begin with a template and back the District into it. We begin with the District's specific facts and we design the procedures backward from the risks that matter in those facts. The paragraphs, visuals, and tables that follow describe that design in concrete terms. They are not aspirational. They are the procedures, deliverables, and gates we commit to in writing in the engagement letter.

Four Principles of the MLH Audit Methodology

Risk-based · Evidence-driven · Technology-enabled · Candid

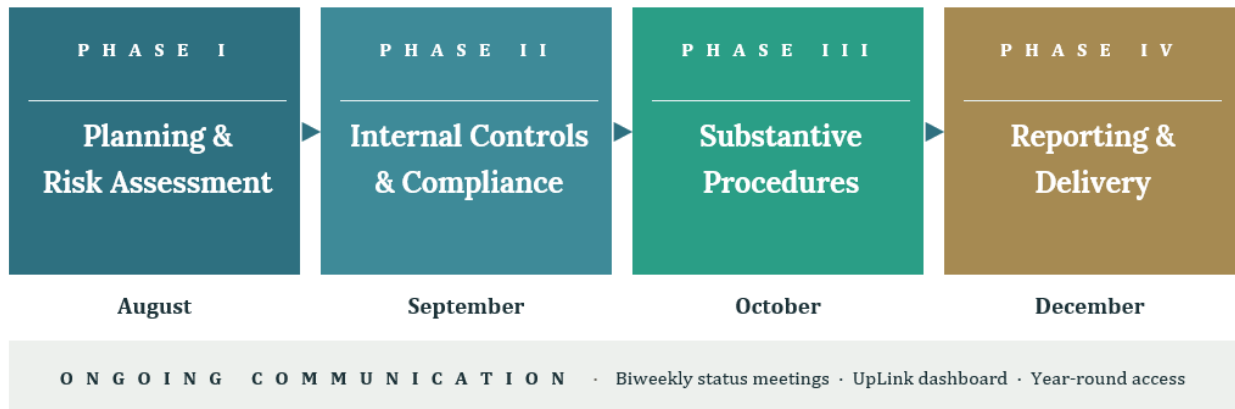
01 RISK-BASED Procedures scaled to the specific risk of material misstatement at the District — not a one-size-fits-all checklist.	02 EVIDENCE-DRIVEN Every conclusion is traceable to source documents through DataSnipper — no floating tick-marks or stale references.	03 TECHNOLOGY-ENABLED Full-population procedures replace sample-based testing where data permits	04 CANDID Interim issues discussed and resolved before year-end close — no surprises at the exit Board meeting.
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Methodology at a Glance

The District's engagement is organized into four risk-gated phases executed in sequence, with ongoing communication running underneath. Each phase has a fixed calendar window, a defined set of entry and exit criteria, and a documented deliverable that hands clean context to the next phase. Work does not migrate forward until the prior phase closes, which is how we remain on-track towards our December delivery date.

Four-Phase Engagement Architecture

Risk-gated phases with pre-committed entry and exit criteria



Three design choices distinguish this structure from a conventional linear audit. First, controls testing (Phase II) is performed before year-end fieldwork rather than in parallel with substantive work, allowing the District to respond to any observations. Second, the Phase III substantive budget is calibrated directly to the residual risk left over after Phase II, we do not double-test the same balance through both controls and substantive lenses. Third, Phase IV reporting begins in December, concurrent with final clearance, so the Management Letter, SAS 114 governance communication, are all drafted in parallel and issued simultaneously.

The Top-Down, Risk-Based Architecture

A good audit is not a checklist run from front to back. It is a series of decisions about where to look hardest, and those decisions are made before fieldwork begins. professional risk-assessment standards, GAGAS, and applicable federal grant compliance standards all point to the same method: understand the entity first, then let that understanding shape everything that follows.

That means the audit starts with the people and systems that set the tone, not with a sample of invoices. We study how the Board governs, how management thinks about risk, and where the District's financial reporting is most exposed to error or misstatement. Those judgments determine which processes get walked, which accounts get tested in depth, and which disclosures get the closest read. By the time we are pulling support for a transaction, the reason we pulled that transaction is already documented and defensible.

The diagram below shows how this thinking moves through the engagement, from the entity level down to the disclosures, with examples specific to the District.

Top-Down, Risk-Based Audit Architecture

How risk cascades from entity-level tone down to the disclosure checklist

EXAMPLES AT THE DISTRICT

ENTITY-LEVEL

Pension plan oversight
Entity-level governance

PROCESS-LEVEL

Tyler Technologies
interface monitoring

TRANSACTION-LEVEL

Halcyon Consolidation Grant
Project

DISCLOSURE-LEVEL

GASB 104 Disclosure of Certain
Capital Assets

ENTITY-LEVEL

Tone · Governance · Fraud
risk · IT general controls

PROCESS-LEVEL

Walkthroughs · Control design · Operating
effectiveness

ACCOUNT / TRANSACTION-LEVEL

Substantive tests of details · Confirmations · Analytical procedures

DISCLOSURE-LEVEL

Note tie-outs · Disclosure checklist · MD&A coordination

The result is an audit shaped to the District rather than to a template. Low-risk areas are tested efficiently. Higher-risk areas, whether that is federal grant compliance, capital project accounting, or new GASB pronouncements, get the senior-level attention they deserve. Nothing important is missed, and nothing trivial is over-audited.

District-Specific Risk Assessment

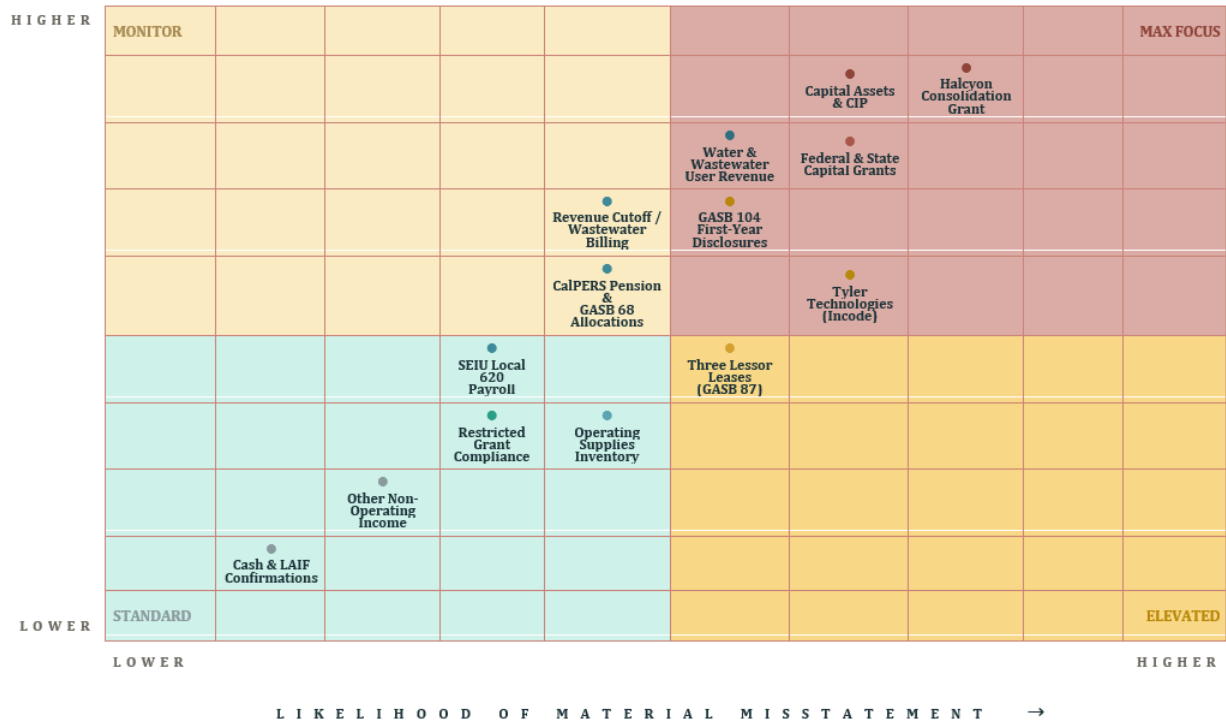
Risk assessment determines where an audit's effort is concentrated, and that concentration should reflect the District's circumstances rather than a standard template. Each significant audit area is plotted on two axes: the likelihood of material misstatement given the specific facts at the District, and the magnitude of that area within the financial statements taken as a whole. The two are independent. A balance can be large and still routine, and a smaller balance can sit in an area where errors are easy to make and difficult to detect. The procedures planned for each area respond to both dimensions.

The heat map below illustrates where each area lands for FY 2025-26 and what that positioning means for the work we plan to perform.

District-Specific Risk Assessment for FY 2025-26

Audit areas plotted by likelihood of misstatement and magnitude to the statements

MAGNITUDE TO FINANCIAL STATEMENTS (higher → upward)



The areas in the upper-right quadrant receive the deepest attention, with full control testing and complete substantive coverage. These are the balances and programs where a missed error would matter most and where the conditions for an error are most present, including the District's capital infrastructure, the Halcyon Consolidation Grant, and the first-year adoption of new capital-asset disclosure requirements. Areas in the elevated band receive targeted procedures aimed at the specific source of risk, whether that is the District's core accounting and payroll environment, its lease arrangements, or its annual pension allocation. The remaining areas are addressed efficiently through confirmation, analytical review, and the standard procedures appropriate to their profile. The result is an audit calibrated to the District's actual risk profile.

First-Year GASB 104 Implementation

The financial statements for the fiscal year ending June 30, 2026 are the first to be subject to GASB Statement No. 104, which expands required disclosures around capital assets held for sale, leased assets, subscription-based information technology arrangements, and other right-to-use intangible assets. The District has direct exposure on several fronts, including water and wastewater infrastructure, lessor arrangements, and any subscription-based IT arrangements running through Tyler Technologies (Incode).

We will work alongside Finance staff during planning to inventory each population that falls within the new disclosure scope, agree on the format and level of detail in the disclosure tables, and confirm that the data sources can produce the required information without disrupting the close calendar. The objective is a clean first-year adoption that satisfies the new requirements while leaving the District with templates it can roll forward in subsequent years with minimal effort.

First-year incremental effort runs approximately 6–10 hours at planning and 12–20 hours across substantive testing and reporting, scaled to the size of the lessee and SBITA populations and whether held-for-sale items emerge. This is built into the Year 1 fee.

Phase I · Planning & Risk Assessment

AUGUST · 14 HOURS · 9% OF ENGAGEMENT

Phase I is where the year's audit is shaped. It begins no later than August. The work has three aims: understand what has changed at the District since it's previous engagement, decide where this year's effort should be concentrated, and document those decisions in our planning. By the time our planning procedures are completed, materiality has been calculated and every significant account and direct-and-material compliance requirement has a documented risk assessment.

CORE PROCEDURES

- **Entrance conference** with management and supporting finance staff to confirm the calendar, the on-site schedule, and the communication protocol.
- **Entity-level and fraud-risk inquiries** with executive leadership and the Board chair, covering related-party activity, override scenarios, whistleblower reports, and any known instances of noncompliance.
- **Preliminary analytics** on the FY24-25 trial balance against the FY25-26 unaudited trial balance to surface account-level volatility and new or unusual balances before fieldwork begins.
- **Materiality computation** using benchmarks appropriate for an enterprise-fund community services district, with separate consideration of any restricted-revenue or capital-grant populations that warrant tighter performance materiality.
- **Restricted-revenue and capital-grant scoping** is performed each year to identify any restricted-purpose revenues, capital-grant drawdowns, or federal awards that warrant separate compliance procedures. The Halcyon Consolidation Grant Project is funded through California's SAFER program and administered by the State Water Resources Control Board, so its drawdowns are addressed under the state-grant compliance framework rather than the federal Single Audit framework. The proposed engagement scope assumes the District remains below the \$1,000,000 Uniform Guidance Single Audit threshold for the foreseeable future; should any federal award cross that threshold during the engagement term, a Single Audit would be added by separate engagement amendment at the firm's standard hourly rates.
- **IT general-controls walkthroughs** covering access management, change management, and interface controls across the systems that support financial reporting, payroll, and asset management. SOC 1 and SOC 2 reports are obtained for each cloud-hosted service supporting Tyler Technologies (Incode) cloud service provider.
- **UpLink PBC issuance** , with every item cross-referenced to a specific workpaper, procedure, and due date, and live status visible to Finance staff from the moment of release.

Phase II · Internal Controls & Compliance Testing

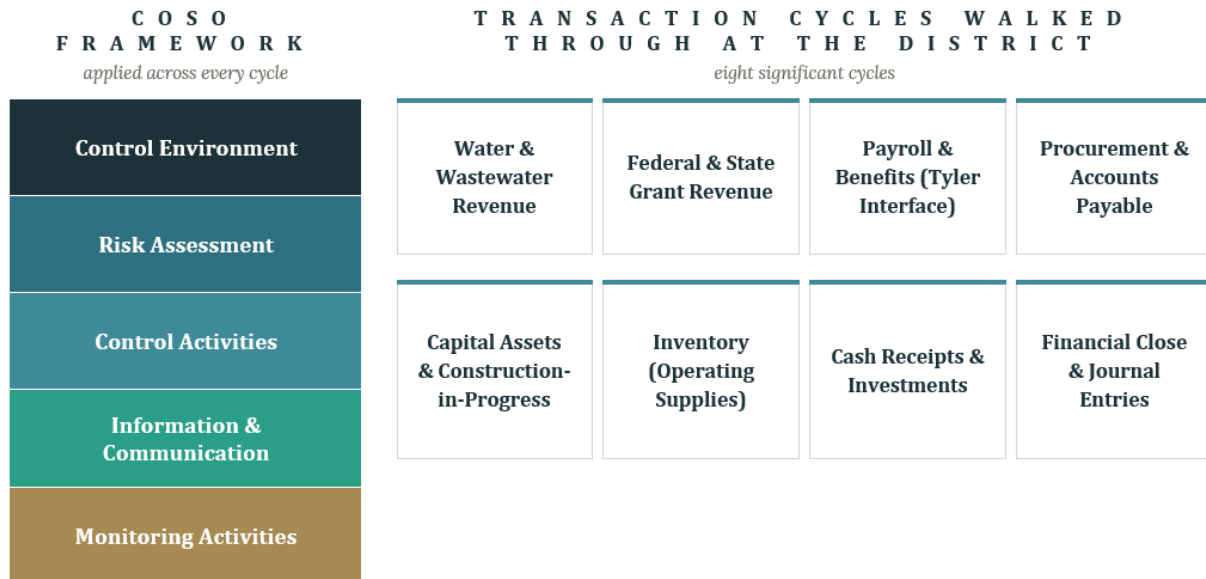
SEPTEMBER · 42 HOURS · 26% OF ENGAGEMENT

Phase II is interim fieldwork. Its purpose is to determine, through walkthroughs and re-performance, the degree of reliance we can place on the District's controls over financial reporting and over compliance with State awards and applicable State Controller reporting requirements. The conclusions reached here directly

govern the scope and intensity of the Phase III substantive procedures. The architecture of this phase follows the COSO 2013 framework applied across each of the District's transaction cycles.

Control Testing Architecture

COSO components applied to each of the District's transaction cycles



CONTROLS TEST PROCEDURES

- **Walkthroughs** are performed for each significant business cycle to confirm our understanding of the flow of transactions from initiation through recording, processing, and reporting. We follow a single transaction end-to-end, observe the controls as they are applied, inspect the supporting evidence, and corroborate our understanding with the personnel who execute the control. Walkthroughs satisfy the professional risk-assessment standards requirement to evaluate the design and implementation of internal control and identify any controls relevant to the audit that warrant testing for operating effectiveness.
- **Tests of operating effectiveness** are performed over the key controls identified in the walkthrough phase. Sample sizes are determined using industry-standard sampling tables, with the tolerable deviation rate set based on the planned level of control reliance and the expected deviation rate informed by prior-year results, current-year inquiries, and any changes in personnel or systems. Deviations are evaluated both quantitatively, against the tolerable rate, and qualitatively, for indications of intentional override or pattern.
- **Full-population journal-entry testing** is performed in lieu of sampling, in accordance with professional fraud-risk standards. The complete population of entries posted during the fiscal year is extracted from the general ledger and analyzed for characteristics associated with fraudulent or erroneous postings, including entries posted outside business hours, entries containing round-dollar or repeating amounts, entries posted by users whose access privileges fall outside the standard segregation-of-duties matrix, manual entries posted directly to revenue or to seldom-used accounts, and entries lacking adequate description. Items meeting one or more risk criteria are selected for inspection of supporting documentation and corroborative inquiry.

- **Information technology general control testing** is performed over the access, change management, and computer operations controls supporting the financial reporting environment. Access controls are tested through review of user provisioning, periodic access recertifications, and terminated-user removal. Change management is tested through inspection of authorization, testing, and migration evidence for a sample of program changes. Where the District relies on a service organization for hosted financial systems, we obtain the most recent SOC 1 Type 2 report, evaluate the auditor's opinion and the period of coverage, and test the complementary user-entity controls identified in the report.

RESTRICTED-REVENUE COMPLIANCE

- **Compliance supplement procedures** are performed over the Halcyon Consolidation Grant Project for each direct-and-material compliance requirement identified in our risk assessment, in accordance with the State Water Resources Control Board's SAFER program guidance and the underlying grant agreement. Testing addresses the District's compliance with the grant agreement's eligibility, allowable-cost, cash management, period-of-performance, procurement, matching, and reporting provisions, with sample sizes calibrated to the assessed risk of each provision.

Phase III · Substantive Procedures

OCTOBER · 90 HOURS · 56% OF ENGAGEMENT

Phase III is the year-end substantive audit, and at 40% of total engagement hours, it is the largest single block of work in the calendar. The procedures performed here are calibrated to the residual risk that remains after the controls testing in Phase II. Material balances supported by reliable controls receive a combined-evidence approach, with substantive analytical procedures and targeted tests of details. Material balances where controls reliance is not appropriate, whether because the control population is small, the area is high-risk, or controls testing surfaced deficiencies, receive full substantive coverage through tests of details. Lower-risk balances are addressed through confirmation, roll-forward, or analytical review at a level of precision appropriate to the assessed risk.

Substantive testing covers every material line item on the Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position. The table below summarizes the procedures planned for each significant area, the evidence each procedure produces, and the risk assertion each is designed to address.

KEY AUDIT AREA	AUDIT PROCEDURES	PRIMARY ASSERTIONS
Cash & investments	Direct confirmation with depository institutions and custodians; reconciliation of every operating and investment account; LAIF balance verification against the State Treasurer's portal; cutoff testing around fiscal year-end.	Existence; Rights and obligations
Capital assets	Full-population depreciation re-computation; sample testing of additions and retirements; CIP roll-forward with corroborating evidence of placed-in-service dates from project records and Board resolutions.	Valuation; Classification; Completeness

KEY AUDIT AREA	AUDIT PROCEDURES	PRIMARY ASSERTIONS
Water & wastewater user revenue	Reconciliation from monthly billing registers in Tyler Technologies (Incode) to the general ledger; analytical review of consumption against prior-year baselines; cutoff testing around fiscal year-end.	Completeness; Cutoff
Payroll & benefits (SEIU, CalPERS)	Reconciliation from the Tyler payroll module to the general ledger; re-performance of CalPERS pension contribution calculations and reconciliation to the actuarial valuation; computation of GASB 68 allocations; recomputation of compensated absences under GASB 101.	Accuracy; Completeness; Cutoff
Compensated absences	Re-performance of the year-end compensated absences accrual using the District's leave balance file and effective hourly rates; reconciliation to the reporting date; preparation and tie-out of the required RSI schedules.	Valuation; Existence; Presentation and disclosure
Inventory	Inquiry and analytical review of operating-supplies parts and inventory balances; price testing against vendor invoices for material additions; review for obsolescence.	Existence; Valuation
Lease liabilities	Re-performance of GASB 87 lease amortization; recomputation of the discount rate against the District's incremental borrowing rate for each of the District's three lessor arrangements (Sheriff Substation, Lucia Mar Unified School District community center, Oceano Train Depot); tie-out of the lease note disclosure to the underlying schedules.	Valuation; Presentation and disclosure

SAMPLING & ANALYTICS APPROACH

Sample sizes are determined using industry-standard sampling tables, with tolerable misstatement set at performance materiality and expected error informed by prior-year results and current-year inquiries. The choice between sampling and full-population testing is driven by the nature of the underlying data. Where a population is voluminous, structured, and exportable, full-population analytics are performed. Where a population requires inspection of physical evidence or judgmental assessment, attribute and variables sampling are applied at the depth appropriate to the assessed risk.

Full-population testing is applied across the District's recurring computational areas, including recomputation of depreciation against the capital asset register, recomputation of the compensated absences liability under GASB 101, re-performance of lease amortization under GASB 87, reconciliation of state grant drawdowns to the supporting grant ledgers, and the journal entry analytics performed under professional fraud-risk

standards. Testing the complete population in these areas produces broader coverage than a sample, surfaces anomalies that sampling would not reach, and reduces the volume of supporting documentation the District must assemble in response to PBC requests.

Phase IV · Reporting & Delivery

DECEMBER · 14 HOURS · 9% OF ENGAGEMENT

Phase IV completes the engagement. Every report required by the RFP is issued on or before the RFP-required delivery date, with draft reporting proceeding concurrently with final clearance of outstanding items rather than sequentially behind it. The base-scope deliverables converge on a single release date.

Eight Simultaneous Deliverables

Every report issued on or before December 30



DELIVERY SEQUENCE

- **December 1–5** · Draft financial statements, notes, and MD&A coordination are delivered to Finance, together with the supplementary schedules. A disclosure checklist is completed in accordance with the current GASB Comprehensive Implementation Guide and cross-referenced to each line of the statements.
- **December 6–12** · Concurring Engagement Partner review is performed in accordance with our firm's system of quality management before any opinion is signed, addressing the significant judgments made during the engagement and the basis for the conclusions reached. The management representation letter is walked through with, and executed by, the Business and Accounting Manager prior to report issuance.
- **December 30** · All reports are issued simultaneously, including the audited basic financial statements, the Yellow Book report on internal control over financial reporting and on compliance, the State Controller's Annual Report concurrence, and the Management Letter. If a Single Audit becomes required during the engagement term, the Federal Audit Clearinghouse Data Collection Form will be prepared and

submitted within the nine-month period required under the federal reporting timeline as part of the contingent Single Audit scope.

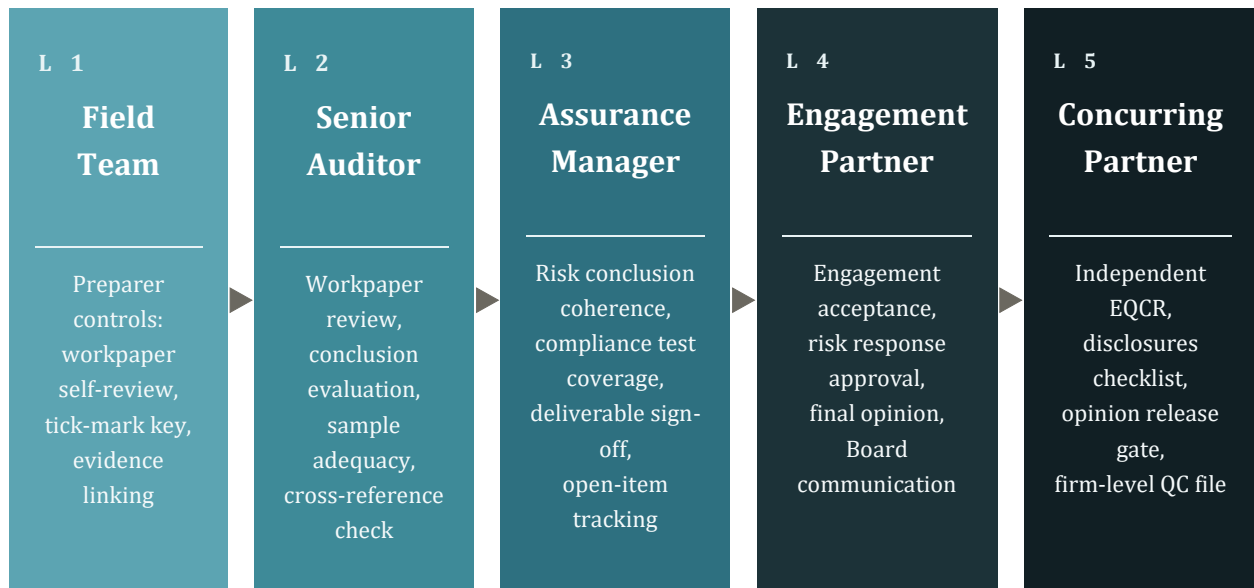
- **Board meeting** - Chris Padilla, CPA, presents the audit results at the regular January meeting of the Board and responds directly to questions from the Board and the public. The required communications with those charged with governance under professional governance-communication standards, including significant findings, significant accounting policies, management judgments and accounting estimates, and any uncorrected misstatements, are delivered through the Management Letter and addressed during the presentation.

Five-Gate Quality Control Stack

No opinion is signed until five independent gates have been cleared. Each gate examines a specific dimension of audit quality and has the authority to halt the engagement until its concerns are resolved. This structure satisfies the firm's obligations under current professional quality-management standards and professional engagement-quality standards and provides the District with documented assurance that the opinion released on the required delivery date reflects the conclusion of multiple reviewing minds, not a single auditor.

Five-Gate Quality Control Stack





Five sequential review gates govern the release of every opinion



The Concurring Engagement Partner review deserves particular emphasis. Craig Hartzheim, CPA, performs an independent technical review of the financial statements, the disclosure checklist, and the final workpaper package before any opinion is signed. This review is separate from and in addition to the Engagement Partner's review. It is the mechanism by which we ensure the final report does not reflect only one partner's professional judgment.

Hours by Phase & Role

Total engagement hours are budgeted conservatively based on similar California special-district clients. The visual below shows distribution across the four phases and four roles for the base year; hours are held flat in option years unless District scope changes.

Phase I · Planning	14 hrs		9%
Phase II · Controls	42 hrs		26%
Phase III · Substantive	90 hrs		56%
Phase IV · Reporting	14 hrs		9%

Hours-by-role summary for Year 1 (FY 2025-26):

ROLE	PLAN.	CONTROLS	SUBST.	REPORT.	TOTAL
Engagement Partner	4	6	6	4	20
Assurance Manager	10	16	24	10	60
Associate	-	20	60	-	80
Total hours	14	42	90	14	160

Cost of Services

Our fee proposal is a firm, all-inclusive, not-to-exceed amount for each fiscal year, including all reports listed in the RFP including the basic Financial Statements with footnotes and required supplementary information, the Yellow Book report on Internal Control over Financial Reporting and on Compliance under GAGAS, the Management Letter, the Management Representation Letter, and the SAS No. 114 governance communication, and one on-site Board presentation per year. Fees include all travel, professional staff time, electronic report preparation, and ten bound hardcopies per report.

Annual Fee Schedule

FISCAL YEAR	ENGAGEMENT PHASE	NOT-TO-EXCEED FEE
FY 2025-26	Base Year	\$24,660*
FY 2026-27	Option Year 1	\$25,895
FY 2027-28	Option Year 2	\$27,185
Total commitment		\$77,740

*Fee includes 10% client retention discount

Standard Hourly Rates for Out-of-Scope Work

Any services requested outside the scope of this engagement will be quoted separately at the rates below, and work will not begin until an engagement amendment has been signed by both parties.

ROLE	HOURLY RATE
Engagement Partner	\$300
Assurance Manager	\$210
Associate	\$110

PAYMENT TERMS

Monthly progress billings based on percentage of completion, payable net 30 days. Final billing submitted with delivery of the final audit reports. A 10% retention may be withheld by the District until satisfactory Board acceptance of the audit package; MLH will not suspend any work due to retention.

PRICE PROTECTION

The fees above are firm for the entire five-year term. MLH will not request mid-contract adjustments for inflation, staffing cost changes, federal rule changes (including changes in federal grant compliance frameworks), or GASB pronouncements issued during the term. The only conditions under which fees may be adjusted are: (1) a District-directed change in scope documented by written amendment, or (2) an audit scope expansion resulting from a new District-issued debt or enterprise activity.

Certifications & Statements

The following certifications are provided in compliance with applicable California public-procurement requirements

CERTIFICATE OF INDEPENDENT PRICE DETERMINATION

By submission of this proposal, Moss, Levy & Hartzheim LLP certifies, and in the case of a joint proposal each proposer certifies as to its own organization, that in connection with this procurement:

- The prices in this proposal have been arrived at independently without, for the purpose of restricting competition, any consultation, communication, or agreement with any other proposer or with any competitor relating to (i) those prices, (ii) the intention to submit a proposal, or (iii) the methods or factors used to calculate the prices proposed;
- The prices in this proposal have not been and will not be knowingly disclosed by the proposer, directly or indirectly, to any other proposer or to any competitor prior to opening of proposals; and
- No attempt has been made or will be made by the proposer to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.

NON-COLLUSION AFFIDAVIT

The undersigned declares under penalty of perjury under the laws of the State of California that this proposal is made in good faith, not in the interest of or on behalf of any undisclosed person, and is not collusive or sham; that the proposer has not, directly or indirectly, induced or solicited any other proposer to put in a false or sham proposal; and that the proposer has not, in any manner, directly or indirectly, sought by agreement or collusion to secure any advantage against the District or any person interested in the proposed contract.

CERTIFICATION REGARDING LOBBYING

The undersigned certifies, to the best of their knowledge and belief, that no federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence any federal officer or employee in connection with the awarding, extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement. This certification is required by Section 1352, Title 31, U.S. Code, and applies because the estimated value of this contract exceeds \$100,000 over the five-year term. Standard Form LLL will be executed upon contract award.

SUSPENSION & DEBARMENT CERTIFICATION

MLH certifies that it is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency, as published in the System for Award Management Exclusions list (SAM.gov). MLH further certifies that it will not knowingly enter into any lower-tier transaction with a party that is so debarred or suspended.

AUTHORIZED SIGNATORY

The undersigned is a Partner of Moss, Levy & Hartzheim LLP and is authorized to make representations, certifications, and legal commitments on behalf of the firm with respect to this proposal and any resulting contract.

Adam V. Guise, CPA
Partner · Moss, Levy & Hartzheim LLP

April 30, 2026
DATE OF EXECUTION



PROPOSAL

INDEPENDENT AUDITING SERVICES

MAY 1, 2026

PREPARED FOR
**Oceano Community Services
District**

PREPARED BY
Brown Armstrong Accountancy Corporation
Brooke Baird, CPA | Partner
4200 Truxtun Avenue, Suite 300
Bakersfield, California 93309
T: (661) 324-4971 | F: (661) 324-4997 | E: bbaird@ba.cpa



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Transmittal Letter

May 1, 2026

Carey Casciola
Business and Accounting Manager
Oceano Community Services District
P.O. Box 599
Oceano, California 93447-599

Dear Mr. Casciola:

Brown Armstrong Accountancy Corporation (Brown Armstrong) is pleased to submit this proposal to provide independent auditing services to the Oceano Community Services District (OCSD or the District) for the fiscal year ending June 30, 2026, with options to renew for annual audits for the fiscal years ending June 30, 2027 and June 30, 2028.

We have carefully reviewed your Request for Proposal and developed our approach with a clear understanding of the District's operations, governance structure, and current priorities. Our audit approach is designed specifically for organizations like the District—small, operationally diverse agencies with limited staffing, evolving infrastructure needs, and increasing compliance requirements. We recognize that these conditions create heightened importance around internal controls, segregation of duties, and efficient audit coordination to minimize staff burden.

In particular, we understand that prior audits identified internal control concerns related to utility billing and payroll processes. Our audit will place focused attention on these areas, including system permissions, cash handling controls, and segregation of duties, while providing practical recommendations tailored to the District's staffing environment.

Brown Armstrong brings over 50 years of experience serving California special districts and governmental agencies. We have extensive experience auditing community services districts and utility-based agencies with enterprise funds similar to the District's water, wastewater, and solid waste operations.

I will serve as Engagement Partner and primary point of contact throughout the engagement and am authorized to bind the firm contractually. We are fully independent of the District and licensed to practice in California. We also acknowledge the District's intent to comply with Government Code Section 12410.6(b) regarding auditor rotation and will support those requirements as applicable.

We appreciate the opportunity to submit our proposal and would welcome the opportunity to discuss how our experience and approach can support the District's financial reporting and accountability objectives.

We are available for an oral presentation, if requested. This proposal is a firm and irrevocable offer for ninety (90) days.

Sincerely,

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION



By: Brooke Baird, CPA
Partner

California Corporation Number: C0808648

Incorporation Date: February 10, 1977

Registered as:

Brown Armstrong Accountancy Corporation
4200 Truxtun Avenue, Suite 300
Bakersfield, CA 93309

Title of person signing on behalf of the corporation: Partner

TECHNICAL PROPOSAL

Oceano Community Services District

3.1 Firm Overview

Established in 1974, Brown Armstrong is one of the largest regional accounting firms serving California. We have built a full-service accounting and consulting firm serving clients from San Diego to Humboldt County. The dimension that Brown Armstrong is able to offer the District is dedicated years in public accounting, which has enabled us to become a true advisor to your organization and an assistant to your financial success. Brown Armstrong continues its growth as a regional firm by offering auditing, tax, accounting, consulting, and assurance services to governmental entities, nonprofits, corporations, partnerships and individuals in California.

The firm now employs 61 people as follows:

<i>Our Staff</i>		<i>Governmental Audit Staff</i>	
Partners	8	Partners	6
Managers	9	Managers	7
Seniors	12	Seniors	8
Staff	15	Staff	15
Support Staff	<u>17</u>	Support Staff	<u>3</u>
	<u>61</u>		<u>39</u>

Brown Armstrong is a full-service accounting firm. Our accountants have the expertise to provide audit, accounting, tax, and business services. In addition to these services, the Firm's accountants and consultants practice in the areas of risk assessment, state and local tax, estate planning/wealth transfer, and information technology. Our main Bakersfield office performs all listed services whereas our Stockton and Fresno offices perform mainly audit engagements. All staff assigned to your engagement will be employed on a full-time basis from the Bakersfield office.

Desk or Field Reviews and Disciplinary Actions

In the normal course of business, our firm has been subjected to several field reviews during the past three years. Additionally, all of our reports are subjected to annual desk reviews by federal and state cognizant agencies. All of our reports for the past three years were accepted by these agencies. We have no disciplinary action taken or pending against the Firm during the past five years with state regulatory bodies or professional organizations.

Peer Review Report

As part of our commitment to quality control, our firm is a member of the Center for Public Firms Auditors Section (Center) of the American Institute of Certified Public Accountants (AICPA). We have completed several External Quality Control reviews under the AICPA's guidance, all of which included one or more governmental audits. Appendix II of this proposal contains a copy of our most recent report. As indicated in that report, our firm received a peer review rating of a "pass," which is the highest rating available.

Independence

Our firm, its shareholders and employees are independent of the District, as defined by generally accepted auditing standards as set forth in the U.S. and the standards applicable to financial audits contained in General Accounting Office's *Government Auditing Standards*.

3.2 Experience Summary

Brown Armstrong has performed over 900 audits of public agencies over the past five (5) years. Several of these audits comprise of local government agencies with a population of over 50,000 and over \$100 million in general governmental revenues. We are highly experienced in the preparation of the ACFR and in aiding clients in obtaining the GFOA Certificate of Achievement of Excellence in Financial Reporting. Listed on the following page are entities similar to that of the District exhibiting our special district experience and why we are the best candidates to serve the District.

TECHNICAL PROPOSAL
Oceano Community Services District

Entity	First Year of Service	Contract Status	Scope			
			ACFR	FS Audit	Single Audit	SCO Report
Antelope Valley East Kern Water Agency	2020	2022				
Bear Mountain Recreation and Park District	2011	Current				■
Buena Vista Water Storage District	2014	Current				
California Valley Community Services District	2019	Current				■
Carpinteria Valley Water District	2018	2020	■			■
Cawelo Water District	2018	Current				■
Channel Islands Community Services District	2024	Current				
East Bay Regional Park District	2016	2024	■			
Friant Water Authority	2025	Current				■
Golden Valley Municipal Water District	2021	Current				■
Goleta Water District	2015	Current	■			
James Water Bank Authority	2020	Current				
Kern Delta Water District	2016	Current				■
Kern Tulare Water District	2012	Current				
Kern Water Bank Authority	2012	Current				
Lake Isabella Community Services District	2019	Current				■
Lebec County Water District	2019	Current				■
Minter Field Airport District	2016	Current				
Mojave Public Utility District	2013	Current				■
Napa Flood Control and Water Conservation District	2016	2026				
Napa Regional and Open Space District	2016	2026				
Napa Sanitation District	2016	2026	■			
Olcese Water District	2018	Current				■
Port Hueneme Water Agency	1999	2024				
Shafter Recreation and Park District	2021	Current				■
Tehachapi-Cummings County Water District	2024	Current	■			
West Side Mosquito and Vector Control District	2019	Current				■

TECHNICAL PROPOSAL

Oceano Community Services District

Why Brown Armstrong for Oceano Community Services District

A Partner Who Understands Your District

Oceano Community Services District is not a typical agency. As a multi-service special district with a small staff, evolving operations, and increasing infrastructure and compliance demands, the District requires an auditor who brings both technical expertise and practical understanding. Brown Armstrong offers a tailored approach built specifically for agencies like OCSD, combining deep technical knowledge with a practical, hands-on understanding of how districts operate day to day.

Experience with Community Services Districts and Utility Operations

Brown Armstrong brings extensive experience auditing California special districts, including community services districts and agencies with enterprise operations similar to OCSD. This experience allows us to quickly understand your financial structure, operational challenges, and reporting requirements without a steep learning curve.

Our experience includes:

- Utilities and wastewater systems
- Solid waste and franchise agreements
- Parks and recreation services

Our work with districts such as Lake Isabella CSD and Channel Islands Beach CSD provides direct insight into governance structures, operational challenges, and financial reporting requirements similar to those of OCSD.

Focused Approach to OCSD's Key Risk Areas

We understand the District's environment and tailor our audit approach to focus on the areas that carry the greatest risk and importance. Rather than applying a generic audit plan, we concentrate our efforts where they will provide the most value. Our focus includes:

- Internal Controls & Segregation of Duties
- Tailored testing and practical recommendations designed for small staff environments
- Utility Billing & Cash Receipts
- Targeted procedures addressing known industry risks and prior audit concerns
- Enterprise Fund Accounting
- Detailed review of water, wastewater, and solid waste revenue recognition and rate structures
- Grant-Funded Capital Projects
- Compliance testing and evaluation of restricted fund tracking and reporting
- Pension & GASB Reporting
- Accurate implementation of GASB 68 using CalPERS data

Efficient, Low-Burden Audit for Small Staff

With a limited number of staff supporting multiple services, we recognize that efficiency is critical. Our audit process is designed to minimize disruption while maintaining a high level of quality and thoroughness. We achieve this by providing clear, organized request lists, scheduling fieldwork efficiently (typically one week onsite), coordinating closely with staff to avoid duplication of effort, leveraging technology for secure and streamlined document exchange. The result is a smooth, well-organized audit process that respects staff time and resources.

Practical Recommendations—Not Just Findings

Our goal is not only to perform a compliant audit, but to provide meaningful value to the District. We go beyond identifying issues by offering practical, implementable solutions that align with your staffing and operational realities.

We provide:

- Actionable internal control recommendations
- Solutions tailored to small agencies with limited staffing
- Guidance on improving efficiency and reducing risk
- Our focus is on strengthening your operations—not just reporting on them.

TECHNICAL PROPOSAL

Oceano Community Services District

Commitment to Public Sector Excellence

With over 50 years of experience and hundreds of governmental audits performed, Brown Armstrong brings a deep commitment to public sector service. We understand the regulatory environment and the importance of transparency and accountability in serving your community. Our strengths include, a deep knowledge of California special districts, strong understanding of regulatory requirements, and a commitment to transparency, accountability, and service.

The Difference

Brown Armstrong combines technical expertise, local government experience, and a practical, client-focused approach, making us uniquely qualified to serve the District. We don't just perform audits, we become a trusted partner in your financial success.

3.3 Personnel

Your engagement will be led by Brooke Baird, CPA who will remain actively involved throughout the audit. We prioritize consistency, accessibility, and responsiveness to ensure a strong working relationship. You can expect, direct access to decision-makers, consistent staffing year over year and responsive communication when you need it

Resumes of the proposed engagement team can be found at Appendix I. The members of the audit team assigned to your engagement are:



Oceano
Community Services District

TEAM



ENGAGEMENT PARTNER
BROOKE BAIRD, CPA



TECHNICAL REVIEW PARTNER
NEERAJ DATTA, CPA, CGMA



ENGAGEMENT MANAGER
LINDSEY GENTRY, CPA



ENGAGEMENT SENIOR
KAROLINA OCHOA CONTRERAS

TECHNICAL PROPOSAL

Oceano Community Services District

The District requires auditors who can quickly identify and understand the pertinent issues and promptly provide assistance whenever and wherever needed. This cannot be accomplished without a comprehensive knowledge of client operations. Brown Armstrong has assembled a key group of professionals that possess a firm grasp of the subject matter, as well as the experience, confidence, and friendliness you deserve. Our staff will be there when you need them, and they will be continually involved in the audit procedures. This will allow you to have access to decision makers and the resources you need at all times.

We want to provide the most stable, consistent staffing available during our partnership. Excessive personnel turnover can complicate engagements and decrease the efficiency of the audit due to "catch-up" time needed. Our mission to the District is to provide you maximum benefit from your working relationship with Brown Armstrong. We will continue to maintain the highest level of staff continuity throughout the course of the engagement. The engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted, or are assigned to another office. We understand that the District staff retains the right to approve or reject replacements. We also understand that other audit personnel may be changed at our discretion, provided that replacements have substantially the same or better qualification or experience. If the District wishes to rotate staff members to enhance independence, we are willing to discuss those terms in the engagement.

3.4 Scope of Services

The audits shall be performed in accordance with generally accepted auditing standards, as set forth by the American Institute for Certified Public Accountants and standards for financial audits set forth in the General Accounting Office's (GAO) *Government Auditing Standards*.

If conditions are discovered which lead to the belief that material errors, defalcations, or other irregularities may exist, or if any other circumstances are encountered that require extended services, we will promptly notify the Audit Committee, and Board of Directors of the District. We will not perform extended services unless mutually agreed upon by both parties.

Audit Approach and Timeline

The following is a detailed audit schedule which includes a breakdown of each phase of the audit. Our plan would be to obtain the trial balance one week prior to fieldwork and come onsite to complete fieldwork in one week.

Timing	Phase
June - August	Planning and Scope of Work <ul style="list-style-type: none">Entrance conference in JunePerform predecessor audit workpaper reviewObtain understanding of the District and its environmentDevelop audit programsEstablish critical dates list with managementProvide information request to the DistrictObtain confirmations from the District for mailing or emailing
	Internal Control Evaluation and Audit Risk Assessment, Establishment of Audit Plan, and Field Work <ul style="list-style-type: none">Progress ConferenceTrial balance and draft financial statements to be obtained to perform analytical and substantive procedures.Document key accounting and compliance processes with management and/or District personnelObtain support for testing of controls. We will provide sample selections at least one week priorEvaluate internal control testing results and findings, if anyFraud risk assessment and fraud interviewsEvaluate key estimates and contingencies
September	

TECHNICAL PROPOSAL

Oceano Community Services District

Timing	Phase
October	Completion of the Audit and Financial Reporting <ul style="list-style-type: none">• Exit Conference• Draft financial statements and provide to District• Complete review of financial reporting package• Detailed Quality Control review by technical partner• Issuance of required audit reports by December 30th• Presentation of the Audit Report Board of Directors<ul style="list-style-type: none">○ Explain overall audit approach○ Discuss findings and recommendations○ Report opinions on financial statements○ Address required communication topics

Following is our detailed audit work plan to be followed to perform the services included in your request for proposal. We will begin with scheduling an entrance conference with District Management as soon as possible after award issuance. During this time, we will begin the following procedures:

Planning and Scope of Work

During this phase of the audit, we will:

- Confer with management to coordinate our efforts with the District's efforts in terms of confirmations, schedules to be prepared, and critical dates to be met to ensure a smooth flow of the audit process;
- Prepare a preliminary assessment of the District's internal control structure utilizing the District's manuals and programs, including controls over federal and state financial assistance programs;
- Perform review of the Electronic Data Processing (EDP) controls relating to the District's computer system;
- Perform planning analytical procedures consisting of: (1) Comparative analytics (current balances versus budget and prior year); and (2) Predictive analysis (revenues and expenditures/expenses susceptible to such testing based on our expectations);
- Confer with management regarding the results of our planning;
- Submit questionnaires and requests for information to management regarding internal control. Our approach will emphasize transaction processing; investments, cash receipts, cash disbursements, payroll, capital assets, and external reporting;
- Obtain an understanding of general ledger and related reports available for audit; and
- Obtain basic information from management relating to risk assessment, including fraud risks.

Internal Control Evaluation and Audit Risk Assessment

During this phase we will obtain an understanding of and evaluate key components of the District's internal control structure. We will also assess risk factors, including fraud risk relating to significant audit areas and transaction cycles. Procedures will consist of:

- Reviewing questionnaires and documents obtained from management regarding the internal control structure.
- Performing walk-throughs and tests of compliance with policies and procedures.
- Identifying risk factors, including fraud risk, relating to significant audit areas and transaction cycles.
- Interviewing key management personnel to verify or resolve complicated issues.
- Summarizing potential significant deficiencies and opportunities for efficiencies and improvements for discussion with management.
- Performing tests on the District's internal controls

Establishment of Final Audit Plan

Our audit plan will be based on the following:

- Results of our compliance and control testing;
- Analytical procedures applied to interim financial statements of the District;
- Results of our risk assessment;

TECHNICAL PROPOSAL

Oceano Community Services District

- Results of audit brainstorming and team discussions; and
- Discussions with management.

Final Field Work

We expect to begin the final stages of the work in September subject to the District's approval.

During this phase, we will perform both analytical and substantive procedures such as variance analysis between prior year actual balances vs. current year actual balances and between current year actual balances vs. budget balances, predictive testing, confirming account balances, vouching revenues and expenditures and reviewing estimates for unpaid claims.

At the end of our field work, we will discuss any proposed adjustments with management, and we will request a representation letter from management regarding the audit.

Completion of the Audit

At the completion of all of the above procedures, we will review the financial statements for GAAP compliance at our manager and partner level. We will then issue drafts of all required reports, draft financial statements, and discuss these drafts with appropriate District personnel. Upon approval by the District, we will issue our reports in final form and be available for a presentation to the Finance Committee and/or present all reports to District Board of Directors no later than the December meeting.

We will issue the following reports for the District:

1. Report on the fair presentation of the financial statements in conformity with generally accepted accounting principles.
2. Report on Internal Control and Compliance, if subject to *Government Auditing Standards*.
3. Report to Those Charged with Governance at the conclusion of the audit.
4. SAS 115 report, if needed, identifying significant deficiencies or material weaknesses noted during the audit.
5. We will communicate all other matters to management in a letter.

Sample Size and Extent to Which Statistical Sampling is to be Used

Based on our preliminary assessment of the internal control structure and risk factors, we anticipate performing internal control testing in the following areas:

Review Area	Sample Size
Receipts and revenues	25-60
Disbursements and accounts payable	25-60
Payroll and related liabilities	25-60
Controls over requirements of federal and state grants, if required	25-60 (per major program)

Staff will perform internal control testing during interim fieldwork, with direct supervision by Ms. Gentry. Sample sizes will depend on the extent of reliance placed on the given sample and the volume of transactions involved. Statistical and random sampling will be used to ensure that all samples truly represent the population being tested. We will use audit command language (ACL) software and your on-site automated data system on an "inquiry only" basis for purposes of identifying the postings of items selected for testing. Findings will be discussed with management for accuracy and the process of recommendations immediately started.

Type and Extent of Analytical Procedures

We will perform analytical procedures during all phases of our audit (audit planning, field work and audit completion). We will build our expectations based on historical experience and known current year factors and will investigate significant departures at the financial statement level to decide if we can reach our comfort level for certain audit areas. We will also perform substantive analytical procedures, where we use analytical procedures as the principal substantive test of a significant financial statement assertion, based on the auditor's judgment and on the expected effectiveness and efficiency of available procedures.

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Oceano Community Services District

Approach to be Taken to Gain and Document an Understanding of the Internal Control Structure

Our primary approach to assimilating and gaining an understanding of internal controls is through inquiry and observation of your accounting and compliance staff, performing walkthroughs of all key accounting processes, and preparing detailed documentation annually. During this phase we will obtain an understanding of and evaluate key components of the District's internal control structure. We will also assess risk factors, including fraud risk relating to significant audit areas and transaction cycles. Procedures will consist of:

- Reviewing questionnaires and documents obtained from management regarding the internal control structure.
- Performing walk-throughs and tests of compliance with policies and procedures.
- Identifying risk factors, including fraud risk, relating to significant audit areas and transaction cycles.
- Interviewing key management personnel to verify or resolve complicated issues.
- Summarizing potential significant deficiencies and opportunities for efficiencies and improvements for discussion with management.

3.5 Proposed Fees

The total all-inclusive maximum price contains all direct and indirect costs, including all out-of-pocket expenses. All expense reimbursements will be charged against the total all-inclusive maximum price.

Oceano Community Services District All Inclusive-Maximum Price				
	Optional Years			
	2026/27	2027/28	2028/29	Total
Total for Audit Services	<u>\$ 26,800</u>	<u>\$ 26,800</u>	<u>\$ 26,800</u>	<u>\$ 80,400</u>

Rates for Additional Professional Services

We do not anticipate that additional services will be necessary to complete the audit. If it should become necessary for the District to request Brown Armstrong to render any additional services to either supplement the services requested in the Request for Proposal, or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an amendment to the contract between the District. Any such additional work agreed to between the District shall be performed at the same rates set forth in the schedule of professional fees.

TECHNICAL PROPOSAL

Oceano Community Services District

3.6 References

The following are engagements performed in the last five (5) years similar to that of the engagement described in the RFP and can be contacted as references. See Appendix III for our Summary of Recent Governmental Experience.

Channel Islands Beach Community Services District

Years of Service: 3
Hours: 180
Partner: B. Baird
Principal Contact: CJ Dillon | Office Manager
cdillon@cibcsd.com
(805) 678-3182

Scope of Services: Financial Statement Audit

Mojave Public Utility District

Years of Service: 12+
Hours: 175
Partner: B. Baird
Principal Contact: Damian Rickman | General Manager
Damian.mpud@att.net
(661) 824-4161

Scope of Services: Financial Statement Audit

Goleta Water District

Years of Service: 11+
Hours: 200
Partner: N. Datta
Principal Contact: David Matson | General Manager
dmatson@goletawater.org
(805) 964-6761

Scope of Services: Financial Statement Audit

Olcese Water District

Years of Service: 8+
Hours: 150
Partner: B. Baird
Principal Contact: Blaine Hanson | Assistant Treasurer/Director
bhanson@nflc.net
(661) 872-5050

Scope of Services: Financial Statement Audit

Cawelo Water District

Years of Service: 10+
Hours: 165
Partner: N. Datta
Principal Contact: David Ansolabehere | General Manager
dansolabehere@cawelowd.org
(661) 393-6072

Scope of Services: Financial Statement Audit

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Oceano Community Services District

Appendix I

Resumes



Brooke Baird

Engagement Partner, CPA

Background

Brooke, a partner at the Bakersfield office, is the engagement partner of the project and has 21 years of governmental and non-profit auditing experience at Brown Armstrong. Her auditing and accounting specialties include special districts, non-profits, and retirement systems.

Brooke has always ensured that we have the highest level of audit services for her clients through relationship building. She is active in professional organizations such as the American Institute of Certified Public Accountants and the California Society of Certified Public Accountants. Her ability to manage an audit has become invaluable for Brown Armstrong.

Contact

✉ bbaird@ba.cpa

☎ 661-324-4971

📍 Bakersfield, California

🌐 www.ba.cpa

Education

California State University, Fresno
Bachelors of Science Degree in Business Administration - Concentration in Accounting
2004

Roles and Responsibilities

- Approves the overall audit risk assessment and audit procedures
- Communicates with executive management, and members of the District regarding audit planning, fieldwork and reporting
- Available throughout the year to ensure proactive issue identification and service delivery

Experience

Retirements

Community Action Partnership of Madera County 403b
Community Action Partnership of San Luis Obispo 403b
Contra Costa County Employees' Retirement Association
Fresno County Employees' Retirement Association
Los Angeles City Employees' Retirement System
Los Angeles County Employees' Retirement Association
Marin County Employees' Retirement Association
Proteus, Inc. 403b
San Bernardino County Employees' Retirement Association
San Diego County Employees' Retirement Association
San Mateo County Employees' Retirement Association
Santa Barbara County Employees' Retirement System
Tulare County Employees' Retirement Association

Non-Profits

Open Door Network
Bakersfield Symphony Orchestra
The Center for Sexuality and Gender Diversity
Civil Justice Association of California
Community Action Partnership of Kern
Community Action Partnership of Madera County
Community Action Partnership of San Luis Obispo
Desert Tortoise Preserve
Global Family Care Network, Inc.

Special Districts

Carpinteria Valley Water District
Cawelo Water District
Channel Islands Beach Community Services District
Indian Wells Valley Groundwater Authority
Kern-Tulare Water District
Lamont Public Utility District
Los Posas Valley Watermaster
Mojave Public Utility District
North of the River Municipal Water District
Olcese Water District
North Kern Cemetery District
Pixley Public Utilities District
San Joaquin Valley Air Pollution Control District

Greater Bakersfield Legal Assistance, Inc.
James Penny House, Inc.
Kern Medical Center Foundation
La Vida Nueva (Ika Kern County Hispanic Commission on Alcohol and Drug Abuse Services)
New Start Youth Facility, Inc.
Proteus, Inc.
Victory Family Services

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Oceano Community Services District



Neeraj Datta

Technical Review Partner, CPA, CGMA

Background

Neeraj, a partner in our Bakersfield office, serves as the technical review partner on the project and has been with Brown Armstrong since 2012. He brings more than 23 years of auditing experience, including over 15 years focused on governmental auditing. Prior to joining the firm, his experience included work with Big Four accounting firms such as KPMG in San Francisco and New York, Ernst & Young in New York, and Deloitte & Touche in Toronto. His primary focus is governmental entity audit and accounting, with specialties that include special districts, counties, cities, retirement systems, and investment funds.

Neeraj has always ensured that we provide the highest level of audit and consulting services to all our clients. He currently serves as the firm's Quality Control Partner and chair of the Audit Quality Committee. He is actively involved in several professional organizations such as the American Institute of Certified Public Accountants and the California Society of Certified Public Accountants.

Roles and Responsibilities

- Responsible for assisting the Engagement Partner in performing the audit risk assessment and design audit procedures
- Assists in audit documentation review in significant areas
- Reviews financial statements to ensure they are in conformance with GAAP and GFOA requirements
- Advises the audit team regarding technical matters and provides concurring approval of financial statements and audit reports

Contact

- ✉ ndatta@ba.cpa
- ☎ 661-324-4971
- 📍 Bakersfield, California
- 🌐 www.ba.cpa

Education

Dehli University, India
*Bachelor of Commerce Honors Degree
with a Concentration in Accounting
1988*

Experience

Special Districts

Cawelo Water District
Carpinteria Valley Water District
Goleta Water District
Mojave Air and Space Port
Pixley Public Utility District
Port Hueneme Water Agency
North of the River Municipal Water District

Non-Profits

California State University, Sonoma Campus
First Assembly of God Church
Pasadena Community Access Corporation
Rotary Club of Bakersfield
Rotary Waterman Foundation
Stockdale Christian School
National Test Pilot School

Retirements

Fresno County Employees' Retirement Association
Imperial County Employees' Retirement System
Marin County Employees' Retirement Association
San Bernardino County Employees' Retirement Association
San Diego County Employees' Retirement Association
Tulare County Employees' Retirement Association
Ventura County Employees' Retirement Association

Pension Plans

Community Action Partnership of Madera, Inc. 403b
Community Action Partnership of San Luis Obispo, Inc. 403b
Hoffmann Hospice of the Valley, Inc. 403b
Proteus, Inc. 403b

Cities

Bakersfield
Fresno
Pasadena
Tulare
Turlock

Counties

Fresno
Napa
Tulare

APPENDICES

Oceano Community Services District



Lindsey Gentry

Engagement Manager, CPA

Background

Lindsey is the engagement manager of the project and located in our Bakersfield office. She has more than 7 years of governmental auditing experience at Brown Armstrong. Her primary business focus is governmental entities audit and accounting. Her audit specialties include specials districts, retirements, and non-profits.

Lindsey will be highly involved in the field work and a face to face presence for Brown Armstrong. She and the senior accountant will be easily accessible to District at all times. Her ability to manage an audit has become invaluable for Brown Armstrong. She is actively involved in a number of professional organizations such as the American Institute of Certified Public Accountants and the California Society of Certified Public Accountants.

Contact

✉ lgentry@ba.cpa

📞 661-324-4971

📍 Bakersfield, California

🌐 www.ba.cpa

Education

California State University, Fullerton
Bachelor of Arts Degree in Business Administration, Concentration in Accounting
2018

Roles and Responsibilities

- Reports to the Partners regarding audit and technical matters
- Assists in the coordination of planning, fieldwork, and reporting matters
- Reviews audit documentation for significant audit areas
- Is in constant communication with executive management and members of the District regarding audit planning, fieldwork, and reporting

Experience

Non-Profits

California Association of Public Authorities -
In Home Support Services
Community Action Partnership of San Luis Obispo
Community Action Partnership of Kern
Global Family Care Network
Kern Medical Center Foundation
National Test Pilot School
Rotary Club of Bakersfield
Stockdale Christian School

Retirements

Imperial County Employees' Retirement System
Marin County Employees Retirement Association
Mendocino County Employees Retirement Association
Merced County Employees Retirement Association
San Bernardino County Employees' Retirement Association
San Diego County Employees' Retirement Association
San Joaquin County Employees' Retirement Association
Stanislaus County Employees' Retirement Association
Sacramento County Employees' Retirement System

Special Districts

Carpinteria Valley Water District
Cawelo Water District
Channel Islands Beach Community Services District
First 5 Monterey County
Goleta Water District
Kern Tulare Water District
Lake Isabella Community Services District
Mojave Air and Space Port
Pixley Public Utilities District
Port Hueneme Water Agency
Westside Mosquito & Vector Control District

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Oceano Community Services District



Karolina Ochoa-Contreras

Engagement Senior

Background

Karolina is an engagement senior in our Bakersfield office with over 4 years of auditing experience at Brown Armstrong. She has shown excellent performance in compiling and preparing financial statements, performing tests and analytical reviews, as well as creating strong working relationships with clients. He has executed audits in the past with little issues and is great at maximizing efficiency while performing audit work.

Contact

- ✉ kochoa-contreras@ba.cpa
- ☎ 661-324-4971
- 📍 Bakersfield, California
- 🌐 www.ba.cpa

Roles and Responsibilities

- Reviews, analyzes, and documents client internal controls
- Completes complex audit procedures
- Researches and performs tests and analytical reviews on issues under direction of the Engagement Manager
- Assists in supporting audit planning, fieldwork, and reporting

Education

California State University, Stanislaus
Bachelor of Science Degree in Business in Accounting
2018

Experience

Transits

Central Contra Costa Transit Authority
Eastern Contra Costa Transit Authority
Golden Empire Transit District
Kings County Area Public Transit Agency
San Joaquin Regional Transit District

Counties

Merced
Napa
Santa Cruz

Special Districts

Buena Vista Water Storage District
East Bay Regional Park District
Investment Trust of California
Port Hueneme Water Agency
Sonoma County Public Safety Consortium
South San Joaquin Irrigation District

Retirements

Imperial County Employees' Retirement System
Marin County Employees' Retirement Association
Mendocino County Employees' Retirement Association
Sacramento County Employees' Retirement System
San Diego County Employees' Retirement Association
San Francisco Bay Area Rapid Transit – Money Pension Plan
San Francisco Bay Area Rapid Transit – Deferred Compensation Plan

San Joaquin County Employees' Retirement Association
San Joaquin Regional Transit District Retirement Plan
San Luis Obispo County Pension Trust
San Mateo County Employees Retirement Association
Stanislaus County Employees Retirement Association
Sonoma County Employees' Retirement Association

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Oceano Community Services District

Appendix II

External Quality Control Review Report



Report on the Firm's System of Quality Control

April 10, 2025

To the Shareholders of Brown Armstrong Accountancy Corporation
and the Peer Review Committee of the CalCPA Peer Review Program

We have reviewed the system of quality control for the accounting and auditing practice of Brown Armstrong Accountancy Corporation (the firm) in effect for the year ended October 31, 2024. 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 aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported on 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 and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of 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 on in conformity with the requirements of applicable 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 and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements 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 Brown Armstrong Accountancy Corporation in effect for the year ended October 31, 2024, 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*. Brown Armstrong Accountancy Corporation has received a peer review rating of *pass*.

MUN CPAs, LLP

MUN CPAs, LLP

MUN CPAs, LLP | 1760 Creekside Oaks Drive, Suite 160, Sacramento, CA 95833 | www.muncpas.com

GLENDALE • ROSEVILLE • SACRAMENTO • ZEPHYR COVE • KAUAI

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Oceano Community Services District

Appendix III

Summary of Recent Governmental Experience

TRANSITS

Anaheim Transportation Network
Antelope Valley Transit Authority
Central Contra Costa Transit Authority
Eastern Contra Costa Transit Authority
Fresno County Transportation Authority
Gold Coast Transit District
Golden Empire Transit District
Kern Council of Governments
Kings County Area Public Transit Agency
Marin County Transit District
Monterey-Salinas Transit
Napa Valley Transportation Authority
Peninsula Corridor Joint Powers Board
Riverside County Transportation Commission
Riverside Transit Agency
San Bernardino County Transportation Authority
San Joaquin Council of Governments
San Joaquin Regional Transit District
San Luis Obispo Council of Governments
San Luis Obispo Regional Transit Authority
Santa Barbara Metropolitan Transit District
Santa Cruz Metropolitan Transit District
Solano County Transit
Stanislaus Council of Governments
Stanislaus Regional Transit Authority
SunLine Transit Agency
Tulare County Association of Governments
Tulare County Regional Transit Agency

NON-PROFITS

Bakersfield ARC
California Association of County Treasurers and Tax Collectors
California Association of Public Authorities for IHSS
Civil Justice Association of California
Community Action Partnership of Kern
Community Action Partnership of San Luis Obispo
Community Action Partnership of Madera County
Kern County Bar Association
Missionary Church Western Regional
Tranquil Waters Guidance Center
Valley Consortium for Medical Education
Women's Center - High Desert

HEALTHCARE

Liberty Health Advantage
Heritage Provider Network
Heritage California Medical Group
Heritage New York Medical Group
Southwest Health Care District
Riverside County Health System - Medical Center

SPECIAL DISTRICTS

Antelope Valley East Kern Water Agency
Antelope Valley Fair Association
Friends of the Antelope Valley Fair
Bear Mountain Recreation and Park District
Buena Vista Water Storage District
California Valley Community Services District
Carpinteria Valley Water District
Cawelo Water District
Channel Islands Beach Community Services District
East Bay Regional Park District
Eastern Kern Air Pollution Control District
Friant Water Authority
Friends of the Kern County Fair
Golden Valley Municipal Water District
Goleta Water District
Indian Wells Valley Groundwater Authority
James Water Bank Authority
Kern Local Agency Formation Commission
Kern Delta Water District
Kern Tulare Water District
Kern Water Bank Authority
Lake Isabella Community Services District
Lamont Public Utility District
Las Posas Valley Watermaster
Lebec County Water District
Merced Subbasin Groundwater Sustainability Agency
Mojave Public Utility District
Napa Local Agency Formation Commission
North Kern Cemetery District
North Coast Unified Air Quality Management District
Olcese Water District
Riverside County Habitat Conservation Agency
Pixley Public Utility District
Plumas Eureka Community Services District
Port Hueneme Water Agency
San Joaquin Area Flood Control Agency
San Joaquin Valley Air Pollution Control District
San Luis Obispo County Integrated Waste Management Authority
Shafter Recreation and Park District
Sonoma County Public Safety Consortium
South San Joaquin Irrigation District
Tehachapi-Cummings County Water District
The 15th District Agriculture Association - Kern County Fair
West Valley County Water District
Westside Mosquito and Vector Control District

COUNTY RETIREMENTS

Fresno	Mendocino	Santa Barbara
Imperial	Sacramento	Sonoma
Kern	San Bernardino	Stanislaus
Los Angeles	San Diego	Tulare
Marin	San Joaquin	Ventura
Merced	San Mateo	

OTHER RETIREMENTS

City of Fresno Employees' Retirement Systems
Los Angeles Fire and Police Pension System
Los Angeles City Employees' Retirement System
San Francisco Bay Area Rapid Transit District
Money Purchase Plan and Deferred Compensation Plan
San Joaquin Regional Transit District Retirement Plans
San Luis Obispo County Employees' Pension Trust

CITIES

Bakersfield
Fresno
Huron
Laguna Woods
Morro Bay
Paso Robles
St. Helena
Tulare
Turlock
Visalia

COUNTIES

Fresno
Kern
Merced
Riverside
San Benito
San Joaquin
Santa Barbara
Santa Cruz
Stanislaus
Tulare
Napa

FIRST 5

Kern
Merced
Monterey
Napa
San Mateo
Sonoma
Stanislaus
Ventura



MAY 1, 2026

OCEANO COMMUNITY SERVICES DISTRICT

PROPOSAL FOR PROFESSIONAL AUDITING SERVICES
FOR THE FISCAL YEARS ENDING JUNE 30, 2026
(WITH THE OPTION FOR A TWO-YEAR EXTENSION)

CONTACT PERSONS:
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smanno@ramscpa.net

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bschultz@ramscpa.net

909.889.0871

PREPARED BY
ROGERS ANDERSON MALODY & SCOTT, LLP
735 E Carnegie Drive, Suite 100
San Bernardino, CA 92408

LICENSE #2596
FEIN 95-2662063

Oceano Community Services District Proposal for Professional Auditing Services

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May 1, 2026

Oceano Community Services District
1655 Front Street
Oceano, CA 93445

We are pleased to respond, on behalf of Rogers, Anderson, Malody & Scott, LLP (RAMS), to your request for a proposal regarding professional auditing services. As a recognized industry leader and innovator for over 78 years, our goal has been to provide honest, high-quality, and objective results to all our clients, including governmental organizations such as yours. This dedication has fueled our firm's tremendous organic growth while ensuring personalized, client-focused services, with some clients being with us for over 25 years.

At RAMS, we are committed to achieving the highest quality audit in the most effective manner possible. We understand the complexities of performing governmental audits, which is why we have a dedicated team of auditors with specialized knowledge and experience to ensure our audits are planned and executed efficiently and effectively, providing you with the highest quality services.

Although we are a smaller, local firm, we bring the depth of experience, structure, and resources expected from a much larger organization. Our clients benefit from direct partner involvement, responsive service, and continuity of staff, while still receiving a disciplined audit approach, strong quality control standards, and the technical expertise necessary to perform complex governmental audits. This allows us to provide the personal attention of a small firm with the professionalism, capability, and audit quality typically associated with a larger firm.

We understand that the Oceano Community Services District (the District) will review other proposals during this process, but we believe that RAMS is the exceptional choice for your audit for the following reasons:

Reputation: We have an established reputation in the governmental and not-for-profit accounting and auditing community for providing excellent, timely service with high-quality reporting.

Advanced Tools: We utilize Teammate Analytics, a suite of over 200 Computer Aided Audit Tools (CAATs), empowering our audit teams to perform powerful data analysis that enhances our substantive audit procedures and helps identify transactions or amounts indicative of potential fraud.

Risk-Based Approach: Our intelligent, risk-based audit allows us to focus on key audit areas, increasing efficiency and resulting in a higher quality audit at a reasonable fee.

Experience: We currently provide auditing services to over 70 governmental agencies and not-for-profit organizations, including over 30 cities with enterprise activities and over 35 special districts.

Remote Capabilities: We have developed a comprehensive remote working environment for our audits. All our staff are equipped to work remotely effectively and efficiently, ensuring a quality audit.

Commitment to Deadlines: We are committed to meeting all reporting/auditing deadlines, resolving any issues encountered during your audit, and providing you with quality audit services.

Minimizing Stress: We understand the audit process can be stressful for you and your staff. We strive to make the audit process as trouble-free as possible by comprehensively planning and utilizing our staff and audit technologies efficiently and effectively while minimizing disruptions and miscommunications.

Personable Team: Our audit team members are personable and easy to work with, yet focused on the audit. Through open and responsive communication, we aim to minimize operational distractions for your staff while maximizing quality service.

Quality Control: We have an extensive internal quality control review process to ensure your financial reports meet the highest standards. Each report prepared by the engagement team is reviewed by the engagement manager, and thoroughly examined by two partners and at least one professional proofreader.

Award-Winning Assistance: We have assisted many clients with the preparation of their Annual Comprehensive Financial Reports. All our clients who submitted reports for GFOA award have received them. Our participation as a GFOA reviewer also indirectly benefits our clients in the quality review process.

Value for Investment: Our fee estimate provides a fair and reasonable investment, commensurate with the level of service provided and the experience of the audit team members. While we may not be the lowest bidder, our focus is on delivering the best value and high-quality services, pricing our engagements accordingly.

Local Presence: As a Southern California firm, our employees live, work, and shop in the region, allowing local cities to benefit from our sales and property taxes.

Our proposal is presented clearly, concisely, and in full accordance with the request for proposal. Rather than relying on excessive graphics or unnecessary content, we have focused on the information most relevant to your evaluation, including our firm's qualifications, the strength of our staff, our dynamic risk-based audit approach and procedures, and our reputation as a leader in governmental auditing.

Rogers, Anderson, Malody & Scott, LLP is properly licensed to practice in California, including all the professional staff assigned to this engagement. Mrs. Brianna Schultz, Partner and Mr. Manno, Partner, are authorized to represent the firm, submit the bid, and sign a contract with the District. We understand the work to be done as listed in the section of this proposal titled "Services to be Provided," and we are committed to meeting any agreed-upon time frames.

Thank you for the opportunity to present our proposal to the District. We are committed to exceeding your expectations of an auditor and believe this proposal provides you with comprehensive information about our firm, service team members, and our customized audit approach. We look forward to establishing a long and mutually beneficial relationship with the District. Please feel free to contact us if you have any questions regarding this proposal.

Respectfully yours,

ROGERS, ANDERSON, MALODY & SCOTT, LLP



Scott Manno, CPA, CGMA
Partner

Oceano Community Services District Proposal for Professional Auditing Services

Firm Overview

License to practice in California

Rogers, Anderson, Malody & Scott, LLP is licensed to practice in the State of California. Our key professional staff assigned to the District audit, which includes the partners, managers, and supervisors, are all certified public accountants licensed to practice in the State of California and follow all applicable Board of Accountancy standards.

Independence

Rogers, Anderson, Malody & Scott, LLP is independent of the District and any component units, as defined by general standard number two of the generally accepted auditing standards, and by the second general standard for government auditing in the U.S. Government Accountability Office's *Government Auditing Standards*.

About our firm

We are a local firm, established in 1948, located at 735 E. Carnegie Drive, Suite 100, San Bernardino, California. As a comprehensive accounting firm, we offer a full spectrum of services. With over 78 years of public practice experience, we are one of the oldest, most trusted, and respected CPA firms in Southern California, specializing in auditing, accounting, and management advisory services for governmental agencies and not-for-profit organizations. Annually, we dedicate over eighteen thousand hours to our audit practice, encompassing cities, redevelopment successor agencies, water districts, other special districts, not-for-profit corporations, and joint power authorities. Our focus on government accounting and auditing is a primary commitment, ensuring we deliver top-quality services to local governments.

We recognize the importance of engaging auditors with a deep understanding of the complex and ever-evolving accounting and compliance issues that governments face today. Our firm boasts a rich history in governmental accounting and auditing, equipping us with invaluable experience, in-depth knowledge, and the technical expertise necessary to conduct high-quality governmental audits. This expertise enables us to provide exceptional service and effective solutions at competitive fees, reflecting our value to clients. Furthermore, our active participation in various industry associations ensures we stay updated on the latest issues in governmental accounting, auditing, and operations. We promptly share any valuable insights with our clients to enhance their benefit.

Our firm has a total staff of fifty-nine people, which includes sixteen certified public accountants. The staff consists of six partners, nine managers, thirteen supervisors/senior accountants, twenty-five staff accountants, and six support staff. The audit staff consists of thirty-five members who devote over 80% of their time to municipal engagements. The engagement team assigned to the District's engagement will consist of the following full-time staff: one audit partner, one audit manager, one audit supervisor/senior, and two to three staff auditors.

All personnel are out of our San Bernardino office.

Oceano Community Services District Proposal for Professional Auditing Services

Firm Overview (continued)

Range of services

In addition to auditing services for governmental entities, our firm offers a wide range of other services, including:

- Internal control agreed-upon procedures
- Finance director and accounting support services
- Studies and evaluations of financial condition and fiscal policies
- Development and review of accounting policies and procedures
- Assistance with financing and public bond offerings
- Support with franchise agreements (ambulance, cable, television, refuse, etc.)

Additionally, we provide accounting, auditing, attest, and consulting services to both for-profit and not-for-profit entities. Our services also include tax preparation and consulting for individuals, corporations, and partnerships. We offer complimentary tax consultation services to our municipal audit clients.

Governmental Audit Quality Center

As a member of the American Institute of CPAs *Governmental Audit Quality Center* (GAQC), we at RAMS are dedicated to maintaining the highest quality standards. Our commitment to the GAQC membership requirements includes designating a partner responsible for the quality of our governmental audit practice, establishing rigorous quality control programs, conducting annual internal inspections, and publicly sharing our peer review report findings. Our goal is to continually enhance our quality initiatives to provide the highest quality audit services possible.

Being a part of the GAQC also grants us access to comprehensive resources that further improve the quality of your audit. Our membership ensures we receive timely information on technical, legislative, and regulatory matters, which we apply to your audit to ensure compliance with current standards and regulatory changes, benefiting our clients.

Single audit experience

Many of our municipal clients, as well as other governmental and not-for-profit clients, require audits in accordance with Uniform Guidance. Recently, we have conducted single audits for numerous entities.

Our specialized Single Audits Team is led by Partners and Managers who hold Intermediate and Advanced Single Audit Certifications from the AICPA, ensuring a successful and thorough engagement.

ACFR preparation

We have extensive experience in preparing Annual Comprehensive Financial Reports (ACFR). For the past several years, our team prepared between 20-30 ACFRs per year, with each entity receiving the Certificate of Achievement for Excellence in Financial Reporting from the GFOA. Additionally, we have assisted many cities and special districts in developing their first-year reports for submission. Four of our audit partners and five of our managers/supervisory staff serve as technical reviewers for the GFOA award program. We ensure all ACFRs comply with the GFOA certificate program checklist and address any prior year comments to guarantee thorough and compliant reports.

Oceano Community Services District Proposal for Professional Auditing Services

Firm Overview (continued)

Engagement quality control

Our internal quality control review process ensures your audit meets the highest standards. Financial reports prepared by a senior member of the engagement team undergo multiple levels of review: first by the engagement manager/supervisor, followed by the engagement partner, and finally a technical review by the engagement Quality Control partner. Additionally, all reports are proofread by at least one professional staff member. All audit workpapers are reviewed by the in-charge auditor and the partner in charge of the engagement.

External quality control review

As a member of the AICPA Private Companies Practice Section, our firm has actively participated in the "Peer Review" program since 1993. Every three years, an independent firm of certified public accountants conducts an external review of our firm. This participation ensures that our engagements, firm policies, and audit procedures consistently meet the standards set by the AICPA, the Yellow Book, and the California State Board of Accountancy. Notably, throughout our participation in this program, our firm has consistently received pass ratings from the peer reviewers.

During each peer review, an independent firm assesses our policies and procedures and inspects a representative sample of engagement workpapers and reports, including those related to governmental entities and engagements subject to the Uniform Guidance. For the year ended November 30, 2020, our firm received a pass rating. This rating indicates that our auditing practices are suitably designed and complied with, providing reasonable assurance of performing and reporting in accordance with applicable standards. The results affirm that our custom audit approach and procedures are technically sound and compliant with all relevant standards.

Grant Bennett Associates

A PROFESSIONAL CORPORATION



Report on the Firm's System of Quality Control

August 26, 2024

To Rogers, Anderson, Malody & Scott, LLP and the Peer Review Committee of the California Society of CPAs:

We have reviewed the system of quality control for the accounting and auditing practice of Rogers, Anderson, Malody & Scott, LLP (the firm) in effect for the year ended November 30, 2023. 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 and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of 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 on in conformity with the requirements of 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 and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements 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 Rogers, Anderson, Malody & Scott, LLP in effect for the year ended November 30, 2023, 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*. Rogers, Anderson, Malody & Scott, LLP has received a peer review rating of *pass*.

GRANT BENNETT ASSOCIATES
A PROFESSIONAL CORPORATION
Certified Public Accountants



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Together as One. Grant Bennett Associates is a Member of the AllIott Global Alliance of independent professional firms.

Oceano Community Services District Proposal for Professional Auditing Services

Firm Overview (continued)

Disciplinary action

Our firm has a spotless record with no disciplinary actions taken or pending against it by state regulatory bodies or professional organizations. Additionally, there has never been any pending or settled litigation, nor any civil or criminal investigations. We are also not aware of any federal or state desk reviews or field reviews of our audits in the last three years.

Our firm has no record of substandard work.

In addition to external quality control reviews, our firm conducts annual in-house monitoring procedures that mirror the external peer review processes, ensuring ongoing compliance and quality in our audit and attest engagements.

Equal opportunity employer/Commitment to diversity

Our firm is an equal opportunity employer committed to providing employment opportunities to all qualified individuals regardless of race, color, sex, religion, national origin, or disability. We value diversity within our workforce and are proud to have a team that reflects a wide range of cultural and ethnic backgrounds. Advancement within the firm is based on individual ability, demonstrated skill, and the desire to grow professionally.

Our leadership team reflects this commitment to inclusion. Four of the firm's six partners are women, and seven of our nine managers are also women. In addition, nearly 60 percent of our staff identify as members of minority groups, contributing to the diverse perspectives and experiences that strengthen our firm.

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Oceano Community Services District Proposal for Professional Auditing Services

Experience Summary

Engagement approach

Our engagement approach for your audit is meticulously designed to ensure measurable progress and successful outcomes. This involves setting clear goals and maintaining frequent communication between the engagement partner, lead auditor, and the team. Our approach leverages our extensive knowledge and expertise in governmental accounting and auditing to identify and address key audit and accounting risks specific to the government sector. Each year's audit includes a complete reassessment of the control environment, enabling us to respond to any changes in risk assessment effectively.

Key components of our Engagement Approach are as follows:

Knowledge and Experience: With over 78 years of auditing governmental entities of all sizes, we possess in-depth knowledge of the governmental environment. This enables us to perform efficient and effective audits, conduct detailed risk assessments, and identify significant audit risk areas within the District's control environment.

Intelligent Design: Utilizing advanced audit software and data analytic tools (*Engagement* and *Teammate Analytics*), we can analyze large volumes of data quickly, enhancing both the efficiency and effectiveness of our audits.

Professional Oversight: Our partners, managers, and supervisors have extensive experience in governmental audits, allowing us to design and execute audit strategies that are both effective and efficient.

Timeliness: Meeting deadlines is a professional commitment for us. We ensure that all required and agreed-upon deadlines are met.

Open Communication: Maintaining open lines of communication with all parties involved, including District management and staff, helps eliminate surprises and ensures a smooth audit process.

Availability: Our engagement team members are available year-round for any questions or additional consultation. District staff will have direct access to the partner, manager, and supervisory staff during and after the engagement.

Cost-Effectiveness: Our customized audit approach and experienced auditors help reduce overall audit costs while delivering effective audits and high-quality reports.

Risk-Based Approach: We perform detailed risk assessment procedures to understand the District and its environment, including internal controls. This forms the basis for our assessment of risks of material misstatement at the financial statement and relevant assertion levels. We may perform further audit procedures concurrently with risk assessment, as necessary.

Oceano Community Services District Proposal for Professional Auditing Services

Experience Summary (continued)

As stated elsewhere in our proposal, our primary objective is to conduct an audit of the financial statements in accordance with required auditing standards and to express an opinion on those statements. Our engagement approach also offers several value-added benefits at no additional cost:

Efficiency and Minimal Disruption: Our audits are designed to be efficient and effective, minimizing disruption to office operations.

Practical Observations and Recommendations: We provide practical observations and recommendations on internal control issues, accounting standards implementation, and related policies and procedures.

Operating Efficiency Opportunities: We identify opportunities for operating efficiencies that can help reduce the District's operating costs.

By employing this comprehensive engagement approach, we ensure that the District's audit is conducted with the highest standards of quality and professionalism.

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Oceano Community Services District Proposal for Professional Auditing Services

Experience Summary (continued)

Similar government clients

List of engagements in the last five years that are similar to your organization:

Government Client	Recent Years Served
Beaumont Cherry Valley Water District	12/31/2017 to Current
Bedford-Coldwater Groundwater Sustainability Authority	6/30/2015 to Current
Big Bear Area Regional Wastewater Agency	6/30/2013 to Current
Capistrano Bay Community Services District	6/30/2013 to Current
Chino Basin Desalter Authority	6/30/2019 to Current
Conejo Recreation and Park District	6/30/2013 to 6/30/2022
Consolidated Fire Agencies	6/30/2013 to Current
Crestline Village Water District	6/30/2013 to Current
Crestline-Lake Arrowhead Water Agency	6/30/2009 to Current
East Valley Water District	6/30/2022 to Current
Elsinore Valley Municipal Water District	6/30/2015 to Current
Elsinore Valley Municipal Water District - WESA	6/30/2015 to Current
Elsinore Valley Municipal Water District FA	6/30/2015 to Current
Filmore Piru Basin Groundwater Sustainability Agency	6/30/2021 to Current
Foresthill Public Utility District	6/30/2022 to Current
Idyllwild Water District	6/30/2013 to Current
Inland Valley Development Agency	6/30/2022 to Current
Las Virgenes Municipal Water District	6/30/2022 to Current
Leucadia Wastewater District	6/30/2022 to Current
Mission Springs Water District	6/30/2020 to Current
Mojave Water Agency	6/30/2018 to Current
Mound Basin Groundwater Sustainability Agency	6/30/2021 to Current
Mountain Communities Fire Safe Council	12/31/2013 to 12/31/2023
Mountains Recreation and Conservation Authority	6/30/2019 to 6/30/2021
Nipomo Community Services District	6/30/2016 to Current
Palos Verdes Peninsula Transit Authority	6/30/2019 to Current
Pine Cove Water District	6/30/2013 to Current
Pomona Valley Transportation Authority	6/30/2022 to Current
Resource Con. Dist. of the Santa Monica Mountains	6/30/2015 to Current
Rim of the World Park & Rec. District	6/30/2013 to Current
Riverside County Citrus Pest Control District No. 2	6/30/2019 to Current
Riverside County Citrus Pest Control District No. 3	6/30/2019 to Current
Rosamond Community Services District	6/30/2015 to Current
Rossmoor Community Services District	6/30/2013 to 6/30/2025
Rubidoux Community Services District	6/30/2016 to Current
San Bernardino County Special Districts	6/30/2022 to Current
San Bernardino Valley Muni Water District	6/30/2013 to Current
San Bernardino Valley Water Conservation District	6/30/2013 to 6/30/2024
San Joaquin Regional Rail Commission	6/30/2022 to Current
San Luis Rey Municipal Water District	6/30/2021 to 6/30/2024
Southern California Coastal Water	6/30/2022 to Current
Triunfo Sanitation District	6/30/2020 to Current
Upper San Gabriel Valley MWD	6/30/2019 to Current
Valley of Enchantment Municipal Water Company	7/31/2013 to Current
Valley Water Company	6/30/2013 to Current
Ventura County Public Fin Authority	6/30/2013 to Current
West Basin Municipal Water District	6/30/2020 to 6/30/2025

Oceano Community Services District Proposal for Professional Auditing Services

Personnel

Staff continuity

Maintaining continuity of audit staff is a principal concern for our firm. To retain our staff, we offer competitive wages, advancement opportunities, generous medical packages, a retirement plan, bonus opportunities, and educational benefits. While we strive for continuity, we acknowledge that staff changes may occur. We plan to provide consistent staff year to year, which is in the best interest of both the District and our firm. Continuity ensures an orderly, efficient, and less disruptive audit experience. In case of staff changes, principal supervisory and management staff, including engagement partners, managers, other supervisory staff, and specialists, may be replaced if they leave the firm or are promoted. However, the District reserves the right to accept or reject replacements.

Due to the significant involvement of our partners in all engagements, any staff transition would have a minimal impact on audit efficiency and effectiveness in subsequent years.

Continuing professional education

Our auditor specialists stay current in this technical practice area by adhering to, and typically exceeding, the continuing professional education requirements of Government Auditing Standards and the State Board of Accountancy guidelines. All professionals at our firm participate in continuing professional education (CPE) programs sponsored by various organizations, including the Government Finance Officers Association, the American Institute of Certified Public Accountants, the California State Society of Certified Public Accountants, the California Society of Municipal Finance Officers, and the Association of Government Accountants. These programs ensure our clients are serviced by the best-trained and most proficient government auditors and accountants available. We also provide in-house training conducted by our partners and senior staff using published resources. All staff are required to attend fraud and ethics training. Our goal is to provide professional staff with continuing education that exceeds the minimum standard of 80 hours over two years.

According to our firm's Quality Control document and Government Auditing Standards (GAS), all staff working on audits subject to GAS must complete CPE in line with GAS standards, requiring 24 hours directly related to governmental accounting and auditing.

To further increase our technical knowledge, we utilize resources such as the Governmental Audit Quality Center Annual Webcast Update, other relevant seminars, and monthly publications from the AICPA, the GFOA, and other sources. We also attend conferences and seminars sponsored by the GFOA, California Society of Municipal Finance Officers, California State Society of Certified Public Accountants, and the California Special Districts Association.

Assigned personnel

Our goal is to provide you with capable, competent, and personable individuals who possess an extensive background in governmental accounting and auditing and general business practices. This allows us to offer practical solutions and technical support, keeping you at the forefront of governmental accounting and helping you navigate complex issues.

Oceano Community Services District Proposal for Professional Auditing Services

Personnel (continued)

Our engagement team has the managerial and supervisory experience to provide the District with a comprehensive audit of the highest quality while focusing on personal service. The resumes of the key engagement personnel assigned to the audit are presented below. These individuals will be assigned to the engagement for the entire contract period.

Scott W. Manno, CPA, CGMA – Partner, Engagement Partner

Scott will serve as the Engagement Partner for your municipal audit. He is licensed to practice as a certified public accountant in the State of California and brings over 29 years of public accounting experience, specializing in serving local governments. As the engagement partner, Scott will be responsible for the overall quality of the engagement, ensuring it is performed efficiently and effectively. He will directly oversee all engagement staff, assist in planning and performing the engagement, and review all workpapers and required reports prepared during the engagement.

Scott, like all our partners, is a working partner and will be actively involved in all aspects of the engagement, ensuring a high standard of service and attention to detail throughout the process.

Brianna Schultz, CPA, CGMA – Partner, Concurring Partner

Brianna will be the Concurring Partner. She is licensed to practice as a certified public accountant in the State of California. She has over 15 years of practical, governmental accounting and auditing experience. As the concurring partner Brianna will work directly with Scott in planning and performing the engagement. In addition, she will provide technical consultation for the engagement team.

Gardenya Duran, CPA, CGMA – Partner, Quality Control Reviewer

Gardenya will be the Quality Control Reviewer. She is licensed to practice as a certified public accountant in the State of California and has over 15 years of practical, governmental accounting and auditing experience. Gardenya will be responsible for the final quality control review of all released opinions and related reports.

Laura Arvizu, CPA – Engagement Manager

Laura is a manager with the firm and is licensed to practice as a certified public accountant in the State of California. Laura has over 9 years of experience in providing accounting and auditing services for municipalities, special districts, and various nonprofit organizations. As the engagement manager, she will work directly with the audit in-charge and partner, while supervising the engagement team during all phases of the engagement. In conjunction with the audit in-charge, she will also oversee the preparation of any required reports.

Jeffrey McKennan, CPA, MS – Audit Supervisor

Jeffrey is an Audit Supervisor with our firm. He is licensed to practice as a certified public accountant in the State of California. Jeffrey has over 5 years of experience in providing accounting and auditing services to municipalities, special districts, and various not-for-profit organizations. As an audit supervisor, he will work directly with the audit manager and partner, while supervising the engagement team during all phases of the engagement. In addition, he will also be responsible for the preparation of any required reports.

Oceano Community Services District Proposal for Professional Auditing Services

Personnel (continued)

Mr. Terry Shea, CPA – Consultant

Terry is a retired municipal audit partner with the firm providing consulting services. He is licensed to practice as a certified public accountant in the State of California. Terry has over 40 years of public accounting experience and has provided accounting, auditing, and consulting services for municipalities, special districts, water agencies, and various not-for-profit organizations. Terry will assist on an as needed basis with the engagement. In addition, he will provide technical consultation for the engagement team.

Staff level accountants

All our staff accountants working on governmental audits are highly qualified to perform these audits. Prior to the audit season, our staff undergoes rigorous training that covers all aspects of our audit process and programs, ensuring they have a solid foundation before starting fieldwork. Each staff member is encouraged to take on increased responsibilities in engagements they have previously worked on, enabling them to grow and continually enhance their skills and knowledge.

In summary, we emphasize the credentials of the professionals who will be directly responsible for the quality of service you will receive. Additionally, our audit team possesses an important, albeit intangible, attribute: the professionals assigned to your audits have previously worked together as a multi-disciplined team. This ensures a smooth, efficient, and effective audit process. We are committed to allocating the necessary resources to ensure continuity of personnel throughout our relationship with the District.

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Oceano Community Services District Proposal for Professional Auditing Services

Personnel (continued)

Engagement team resumes



Scott W. Manno, CPA, CGMA
Engagement Partner

Professional experience

Mr. Manno began his career with Thomas, Bigbie and Smith in 1996 after serving in the United States Army. He spent six years with the firm primarily working on audits of municipalities, special districts and redevelopment agencies as well as various not-for-profit organizations. He joined Rogers, Anderson, Malody & Scott, LLP in July 2001. Currently, Mr. Manno serves as a technical reviewer for the GFOA ACFR Award program and he is also on the GFOA Special Review Executive Committee. In addition, he is part of the California State Society of Certified Public Accountants Governmental Accounting which meets periodically to discuss current events, pronouncements, etc.

Education/licenses

Bachelor of Science, Business Administration – California State University, San Bernardino
Certified Public Accountant – State of California
Chartered Global Management Accountant – American Institute of Certified Public Accountants

Related professional experience

Partial listing of relevant governmental agencies served (*includes enterprise fund accounting):

Western Municipal Water District	East Valley Water District	Crestline Village Water District	Pine Cove Water District
Beaumont Cherry Valley Water District	Upper San Gabriel Muni. Water District	Big Bear Area Regional Wastewater Agency	Triunfo Water and Sanitation District
West Basin Municipal Water District	Helix Water District	Mojave Water Agency	Idyllwild Water District
Chino Basin Desalter Authority	Running Springs Water District	Las Virgenes Municipal Water District	Rubidoux Community Services District

Mr. Manno has completed over 183 hours of continuing professional education courses over the past three years of which the following select courses are relevant to this engagement:

- ◆ State and Local Government Audit Planning Considerations
- ◆ Audits of State and Local Governments
- ◆ 2025 Government Accounting and Auditing Update
- ◆ Auditing Internal Controls for Governments

Professional affiliations

Mr. Manno is a member of the following organizations:

- ◆ American Institute of Certified Public Accountants (AICPA)
- ◆ California Society of Certified Public Accountants (CalCPA)
- ◆ Association of Government Accountants (AGA)
- ◆ Association of Certified Fraud Examiners (ACFE)
- ◆ Government Finance Officers Association (GFOA)
- ◆ California Special Districts Association (CSDA)
- ◆ California Society of Municipal Finance Officers (CSMFO)

Oceano Community Services District Proposal for Professional Auditing Services

Personnel (continued)



Brianna Schultz, CPA, CGMA
Concurring Partner

Professional experience

Mrs. Schultz began her career with Rogers, Anderson, Malody & Scott, LLP in July 2014, and had over three years' experience with another public accounting firm serving the same industry. Currently, Mrs. Schultz serves as a technical reviewer for the GFOA ACFR Award program. During her time with the firm, she has worked primarily on audits of municipalities, special districts and redevelopment agencies, as well as various non-profit organizations.

Education

Bachelor of Science, Business Administration – California State University, San Bernardino
 Certified Public Accountant – State of California
 Chartered Global Management Accountant – American Institute of Certified Public Accountants

Related professional experience

Partial listing of relevant governmental agencies served (*includes enterprise fund accounting):

Easten Municipal Water District	Beaumont-Cherry Valley Water District	Elsinore Valley Municipal Water District	East Valley Water District
Western Municipal Water District	Rosamond Community Services District	Las Virgenes Municipal Water District	Leucadia Wastewater District
San Bernardino Valley Municipal Water District	San Luis Rey Municipal Water District	Foresthill Public Utility District	Rubidoux Community Services District
Pine Cove Water District	Idyllwild Water District	Mojave Water Agency	City of Hawthorne*

Mrs. Schultz obtained the AICPA's *Advanced Single Audit Certificate* in 2019 and the *Intermediate Single Audit Certificate* in 2017. She served as the contract Interim Accounting Manager for the City of Glendora in 2016 and the Senior Accountant for the City of Rancho Cucamonga in 2015. Additionally, she is a reviewer for the GFOA ACFR Program.

Continuing professional education

Mrs. Schultz has completed over 153 hours of continuing professional education courses over the past three years of which the following select courses are relevant to this engagement:

- ◆ Governmental Accounting and Auditing Conference
- ◆ Yellow Book: Application of GAGAS Principles
- ◆ Government Risk Assessments

Professional Affiliations

Mrs. Schultz is a member of the following organizations:

- ◆ American Institute of Certified Public Accountants (AICPA)
- ◆ California Society of Certified Public Accountants (CalCPA)
- ◆ Government Finance Officers Association (GFOA)
- ◆ California Society of Municipal Finance Officers (CSMFO)

Oceano Community Services District Proposal for Professional Auditing Services

Personnel (continued)



Gardenya Duran, CPA, CGMA
Quality Control Partner

Professional experience

Mrs. Duran joined Rogers, Anderson, Malody & Scott, LLP in June 2010. She works primarily on audits of governmental agencies, small to mid-sized businesses, and nonprofit organizations. Currently, Mrs. Duran serves as a technical reviewer for the GFOA ACFR Award program. Prior to joining our firm, she was an Information Systems Technician in the U.S. Navy for nine years.

Education/licenses

Bachelor of Science, Business Administration – California State University, San Bernardino
Certified Public Accountant – State of California
Chartered Global Management Accountant – American Institute of Certified Public Accountants

Related professional experience

Partial listing of relevant governmental agencies served (*includes enterprise fund accounting):

Upper San Gabriel Muni. Water District	Ventura Regional Sanitary District	March Joint Powers Authority	West Basin Municipal Water District
San Bernardino Valley Municipal Water District	Mission Springs Water District	Chino Basin Desalter Authority	Eastern Municipal Water District
Saticoy Sanitary District	Triunfo Water and Sanitation District	Valley Water Company	City of Capitola

Continuing professional education

Mrs. Duran has completed over 162 hours of continuing professional education courses in the past three years of which the following select courses are relevant to this engagement:

- ◆ GASB Update - Recently issued Pronouncements
- ◆ Fundamental of Preparing an Annual Comprehensive Financial Report
- ◆ Single Audit Update
- ◆ Audits of State and Local Governments

Professional affiliations

Mrs. Duran is a member of the following professional organizations:

- ◆ American Institute of Certified Public Accountants (AICPA)
- ◆ California Society of Certified Public Accountants (CalCPA)
- ◆ Government Finance Officers Association (GFOA)
- ◆ California Society of Municipal Finance Officers (CSMFO)

Oceano Community Services District Proposal for Professional Auditing Services

Personnel (continued)



Laura Arvizu, CPA
Audit Manager

Professional Experience

Mrs. Arvizu is an experienced Audit Manager with over nine years in accounting and auditing for municipalities, special districts, and a variety of nonprofit organizations. She works closely with the engagement partner, oversees audit planning, supervises staff, and conducts detailed reviews of all engagement workpapers to ensure accuracy and compliance. She is approachable and values open communication with both her team and clients, and she is skilled at preparing comprehensive reports. Currently, she serves as a technical reviewer for the GFOA ACFR Award program, applying her knowledge of governmental finance to support program excellence.

Education

Bachelor of Arts, Business Administration – California State University, San Bernardino
Certified Public Accountant – State of California

Related professional experience

Partial listing of relevant governmental agencies served (*includes enterprise fund accounting):

Crestline Lake Arrowhead Water Agency	Mission Springs Water District	Meeks & Daley Mutual Water Company	North Fork Water Company
Mojave Water Agency	San Bernardino Valley Municipal Water District	San Bernardino Valley Water Conservation District	West Basin Municipal Water District
Nipomo Community Services District	Rossmoor Community Services District	San Bernardino County Special Districts	City of Hawthorne*
City of Sierra Madre*	City of Mission Viejo*	City of Live Oak*	City of La Mesa*

Continuing Professional Education

Mrs. Arvizu has completed over 150 hours of continuing professional education courses over the past three years of which the following select courses are relevant to this engagement:

- ◆ Ongoing Lease and Subscription Compliance
- ◆ GASB Update – Recently Issued Pronouncements
- ◆ Audit Red Flags – Navigating Financial, Behavioral and Control Risks in Auditing
- ◆ COSO Internal Control Framework

Professional affiliations

Mrs. Arvizu is a member of the following professional organizations:

- ◆ American Institute of Certified Public Accountants (AICPA)
- ◆ California Society of Certified Public Accountants (CalCPA)
- ◆ California Society of Municipal Finance Officers (CSMFO)
- ◆ Government Finance Officers Association (GFOA)

Oceano Community Services District Proposal for Professional Auditing Services

Personnel (continued)



Jeffrey McKennan, CPA, MS
Audit Supervisor

Professional Experience

Mr. McKennan joined Rogers, Anderson, Malody & Scott, LLP in May 2021, providing an impressive level of technical expertise and a collaborative spirit to the team. He delivers outstanding accounting and auditing services for municipalities, special districts, and a wide array of nonprofit organizations. Using his meticulous attention to detail and exceptional analytical skills, Mr. McKennan is always seeking ways to enhance processes and ensure the highest standards of regulatory compliance. His approachable manner and excellent communication foster strong, lasting client relationships, making him a trusted advisor and an inspiring leader within the firm.

Education

Master of Science, Accountancy – California State University, San Bernardino
Bachelor of Arts, Business Administration – California State University, San Bernardino
Certified Public Accountant – State of California

Related professional experience

Partial listing of relevant governmental agencies served:

Rubidoux Community Services District	Rossmoor Community Services District	Conejo Recreation and Park District
Elsinore Valley Municipal Water District	Beaumont Cherry Valley Water District	Rosamond Community Services District
Triunfo Water and Sanitation District	Eastern Municipal Water District	San Bernardino Valley Water Conservation District

Continuing Professional Education

Mr. McKennan has completed over 106 hours of continuing professional education courses over the past three years, of which the following select courses are relevant to this engagement:

- ◆ Audit Red Flags - Navigating Financial, Behavioral, and Control Risks in Auditing
- ◆ Fraud Review
- ◆ Auditing Internal Controls

Professional affiliations

Mr. McKennan is a member of the following professional organizations:

- ◆ American Institute of Certified Public Accountants (AICPA)
- ◆ California Society of Certified Public Accountants (CalCPA)
- ◆ California Society of Municipal Finance Officers (CSMFO)

Oceano Community Services District Proposal for Professional Auditing Services

Scope of Services

Services to be provided

The District desires the auditor to express opinions on the fair presentation of the financial statements for the following: the Oceano Community Services District in accordance with generally accepted accounting principles.

In addition, we shall:

- Prepare the financial statements with management's direct oversight and approval.
- Apply certain limited procedures related to Management's Discussion and Analysis and Required Supplementary Information and provide an "in-relation-to" report on the combining and individual fund financial statements and supporting schedules, if applicable.
- Provide opinions as to the compliance with the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (OMB Uniform Guidance), if applicable. RAMS is to provide an "in-relation-to" report on the Schedule of Expenditures of Federal Awards based on the auditing procedures applied during the audit of the financial statements, if applicable.

Our audit(s) will be in accordance with:

- Generally Accepted Auditing Standards as promulgated by the American Institute of Certified Public Accountants, including requirements found in the most recent AICPA audit guide *Audits of State and Local Governments*.
- *Government Auditing Standards* issued by the Comptroller of the United States of America.
- Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (OMB Uniform Guidance).
- The California State Controller's Minimum Audit Requirements for Special Districts
- Any other applicable standards for other items outlined in the Scope of Work to be performed and/or reports to be issued.

Reports to be issued:

- A report on the fair presentation of the financial statements in conformity with GAAP.
- A report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards* (material weaknesses or significant deficiencies).
- A report in compliance with requirements applicable to each major federal program and internal control over compliance in accordance with the *Uniform Guidance*.
- Prepare Management Letter that includes significant and less significant (i.e., reportable and non-reportable) recommendations for improvements to internal control.
- We will issue reports to those charged with governance (SAS 114 letters) as required by auditing standards.

RAMS will also perform the following:

- Make an immediate, written notification of all irregularities and illegal acts or indication of illegal acts of which we become aware to the following: General Manager and District Attorney.

Oceano Community Services District Proposal for Professional Auditing Services

Scope of Services (continued)

Audit approach and proposed audit segmentation

The following is a summary of the audit team's approach for your engagement. The audit will be divided into the following segments:

Segment 1 - Interim Testing: Planning, Pre-Audit Administration, and Internal Control Testing

Objectives: During this phase, our principal objectives will be to gather information about the District and its environment, including its internal controls over financial reporting.

Approach:

- **Initial Meetings:**
 - Meet with the District's staff to determine convenient dates to begin our audit and to discuss the assistance to be provided by the District's staff.
- **Engagement Team Brainstorming:**
 - Hold brainstorming sessions with engagement team members to discuss the susceptibility of the District's financial statements to material misstatement and fraud.
- **Review and Evaluation:**
 - Review and evaluate the District's accounting and reporting processes by examining the prior year's audit workpapers, District-prepared documents such as budgets, in-house financial reports, policies and procedures manuals, and minutes of governance meetings.
 - Perform analytical procedures to enhance our understanding of the District and identify areas that may need further assessment and additional testing.
- **Regulatory Review:**
 - Review and retain copies of any pertinent local, state, and federal statutes, regulations, or charters that apply to the District.
- **Internal Control Evaluation:**
 - Obtain a thorough understanding of the District's internal controls over financial reporting and compliance by documenting key internal control components, utilizing questionnaires, walkthroughs, inquiries, and observation.
 - Evaluate the design of controls relevant to the audit and test controls, if control risk is to be assessed below maximum, by selecting a sample of transactions and reviewing supporting documentation.
- **Management Communication:**
 - Document and review any findings noted during the testing of internal controls with management.
 - Provide a preliminary management letter with recommendations for improving any weaknesses in operations and suggestions for enhancing the efficiency of the District's operations.
- **Audit Data Analytics:**
 - Utilize powerful audit data analytic software to analyze large amounts of data quickly and focus on areas/transactions that are red-flagged.

Oceano Community Services District Proposal for Professional Auditing Services

Scope of Services (continued)

IT General Controls:

- **Security Access Controls:**
 - Evaluate general system security settings, password parameters, processes for adding, deleting, and changing security access, access capabilities of various user types, access controls to networks and financial applications, data file access controls, and physical access to networks and servers.
- **Computer Operations:**
 - Evaluate backup and recovery processes and review procedures for identifying and handling operational problems.
- **System Development and Changes:**
 - Evaluate processes related to system development and system changes, if applicable.
- **Application Testing:**
 - Determine the necessity of testing application controls based on professional judgment during the planning stages of the engagement.

Audit Team: This phase will be performed by the audit manager, audit senior, and two to three staff accountants, under the direct supervision of the audit partner.

This comprehensive approach ensures a thorough understanding of the District's financial environment and internal controls, setting a solid foundation for the audit.

Segment 2 - Year-End Testing: Substantive Testing

Objectives: During this phase, our primary objectives will be to assess the risk of material misstatement at the financial statement level and specific assertions, design overall responses to assessed risks and further audit procedures, perform substantive tests, and complete the audit while evaluating audit findings, if applicable.

Approach:

- **Risk Assessment and Audit Plan Development:**
 - Identify significant risks and develop a detailed audit plan using the results from Segment 1.
- **Design and Perform Substantive Tests:**
 - Design substantive tests of account balances tailored to the District's operations and assessed level of risk. Substantive procedures will include testing material balance sheet accounts, material revenue and expenditure/expense accounts, along with various analytical procedures, as necessary.
 - Confirm various accounts with outside parties (e.g., cash, investments).
- **Risk Evaluation:**
 - Determine whether our testing supports the initially assessed level of risk at both the financial statement level and the assertion level.
- **Audit Adjustments:**
 - If any proposed audit adjustments are noted, we will discuss and explain them in detail with the appropriate level of management before posting.

Audit Team: This phase will be performed by the audit manager, audit supervisor, and two to three staff accountants, under the direct supervision of the audit partner.

Oceano Community Services District Proposal for Professional Auditing Services

Scope of Services (continued)

Segment 3 - Reporting: *Report Preparation and Audit Conclusion (Workpaper Review)*

Objectives: During this phase, our principal objectives will be to evaluate whether the financial statements, as a whole, are free from material misstatement, form an opinion(s), and issue our report.

Approach:

- **Material Misstatement Evaluation:**
 - Determine, based on our substantive testing and other procedures, whether the financial statements, as a whole, are free of material misstatement. This will provide the basis for our opinion(s).
- **Workpaper Review:**
 - Review all audit workpapers to ensure the audit was performed in accordance with required standards (GAAS, GAGAS, etc.) and prepare drafts of all required reports by the agreed-upon dates.
- **Quality Control Review:**
 - Conduct an independent review of the financial statement draft by the engagement's quality control partner and issue all reports by the agreed-upon dates.

Audit Team: This phase will be performed by the audit manager, audit supervisor, and one staff accountant, under the direct supervision of the audit partner. Additionally, the engagement's quality control partner will perform a detailed quality control review of the financial statements.

Customization and Communication: The procedures listed above are general. After our initial review of the District and our detailed risk assessment, we will customize the engagement to address the specifics of the District and the audit itself. We will determine which procedures to perform based on our risk assessment. All our audits are customized to each entity, ensuring a complete, effective, and efficient audit. Our approach is founded on open communication, a strong knowledge of the District's operations, and detailed planning at the initial stages of the audit.

Timeliness and Resource Allocation: Our firm is dedicated to performing a timely audit engagement. Prior to the start of the audit, we will meet with District staff to agree on adequate timeframes for the performance of the audit and the release of the financial statements. We will allocate the necessary resources to meet these agreed-upon timeframes.

Oceano Community Services District Proposal for Professional Auditing Services

Scope of Services (continued)

Level of staff and approximate number of hours assigned to each segment

Segment	Partner	Manager	Senior	Staff	Total
Segment 1	3	5	8	25	41
Segment 2	6	8	12	35	61
Segment 3	7	7	11	8	33
Totals*	16	20	31	68	135

* = excludes Single Audit hours

Sample sizes (including for compliance testing)

Our sample sizes will be determined in accordance with the AICPA's *Audit and Accounting Guide, Audit Sampling*, and will be selected using professional judgment or our TeamMate Analytics software, depending upon circumstance, as permitted by Statement on Auditing Standards. Our methods are designed to provide the most audit coverage without expending excess time. Our sample sizes will depend upon our preliminary assessment of control risk, our planned substantive testing and analytical procedures as well as our professional judgement.

We utilize our Computer Aided Audit Tools (CAAT) software, Teammate Analytics, to draw our audit samples. The software allows us to generate random samples, systematic samples, stratified samples, attributes samples as well as monetary unit samples (also called probability-proportional-to-size or dollar unit sampling).

Intelligent audit technology

Our audits leverage advanced technology through powerful software tools such as Engagement and Teammate Analytics. Additionally, all audit team members are connected wirelessly, enabling real-time information sharing. The benefits of our audit technologies include:

Teammate Analytics: This suite of over 200 dynamic Computer Aided Audit Tools (CAATs) allows us to analyze large amounts of data in seconds. Using data directly from the District, we can search for duplicate checks, detect transactions during unusual hours or on holidays/weekends, perform Benford's Law analysis, and identify instances where a vendor has issued multiple invoices with sequential references, among many other tests. This empowers our audit teams to perform powerful and meaningful data analysis, enhancing our value-added services.

Customized Analytical Schedules: We create our own analytical schedules to easily compare current balances to prior year balances and current vs. budget balances, significantly reducing the time required from District staff.

Real-Time Financial Statement Analysis: Once your trial balances and financial statements are entered into our software, we can review your financial statements in the field, allowing us to notice and address any variances immediately.

Linked Financial Statement Schedules: We link financial statement schedules directly to our audit software trial balances, enabling us to provide the District with fund financial statements almost immediately after importing the trial balances.

Audited Trial Balances: We provide the District with audited trial balances that show the coding of the financial statement schedules, making it easier for District staff to review. These reports include each account coded to a specific financial statement line item/function and journal entries posted during the audit.

Oceano Community Services District Proposal for Professional Auditing Services

Scope of Services (continued)

Analytical procedures

To effectively utilize analytical procedures, industry background and knowledge are essential. With our firm's extensive experience and qualified staff, we possess the necessary knowledge to apply analytical procedures efficiently throughout our audit of the District.

- **Interim Phase:**
 - Compare current and prior year unadjusted balances to identify areas requiring additional analysis.
 - Compare current year actual amounts to the District's annual budget (both original and adopted).

- **Final Phase:**
 - Perform procedures similar to those in the interim phase.
 - Compare certain financial ratios for current and prior years.
 - Conduct reasonableness tests.
 - Investigate any significant variances further through inquiry and additional substantive testing until resolved to our satisfaction.

- **Post-Fieldwork:**
 - Compare current and prior year audited balances, considering expected relationships based on our knowledge of the District, similar entities, and the general economic environment.
 - Utilize additional analytical techniques such as trend analysis as needed.

Unlike other audit firms, we use analytical procedures to supplement, not supplant, our substantive testing, ensuring a thorough and comprehensive audit

Auditing in a remote environment

The evolution of technology has revolutionized the accounting and auditing profession, enabling us to provide high-quality services remotely with efficiency, precision, and timeliness. During the COVID-19 pandemic, our firm adapted quickly to a fully remote audit environment and developed processes that have since become integral to our standard approach. These advancements not only enhanced the quality of our audits but also resulted in significant efficiencies for both our team and our clients.

Remote Audit Approach

- **Technology Utilization:**
 - We use secure cloud-based platforms for document sharing and management, such as Engagement Organizer, ensuring client data remains safe and accessible.

 - Video conferencing tools (e.g., Zoom, Microsoft Teams) facilitate real-time communication with District staff, enabling collaborative discussions and efficient issue resolution.

- **Workflow and Communication:**
 - Regular Communication: We maintain routine contact with clients throughout all phases of the audit via email, phone calls, and video meetings.

 - Responsiveness: Our team prides itself on quick turnaround times for questions or issues, making remote collaboration as seamless as on-site interactions.

- **Flexibility for On-Site Presence:**
 - While we anticipate performing the majority of our work remotely, we understand that some aspects of the audit may benefit from an on-site presence. If desired, we will work with the District to determine an acceptable staffing level for in-person activities, balancing health, safety, and operational needs.

Oceano Community Services District Proposal for Professional Auditing Services

Scope of Services (continued)

Benefits of Remote Auditing

- **Efficiency Gains:**
 - Remote auditing reduces the need for travel time, allowing both auditor and auditee to focus on the tasks at hand, resulting in faster turnaround on requests and issue resolution.
 - Immediate access to digital documents and records eliminates delays associated with physical transfers of information.
- **Enhanced Quality of Life:**
 - By minimizing travel, our staff can dedicate more time to client work and professional development, improving overall morale and productivity.
- **Environmental Impact:**
 - Reducing unnecessary travel decreases traffic congestion, lowers fuel consumption, and contributes to improved air quality in Southern California.
- **Year-Round Availability:**
 - Our remote-first approach fosters an ongoing partnership, encouraging clients to reach out throughout the year for guidance on matters that could impact the audit or their financial reporting.

Commitment to client collaboration

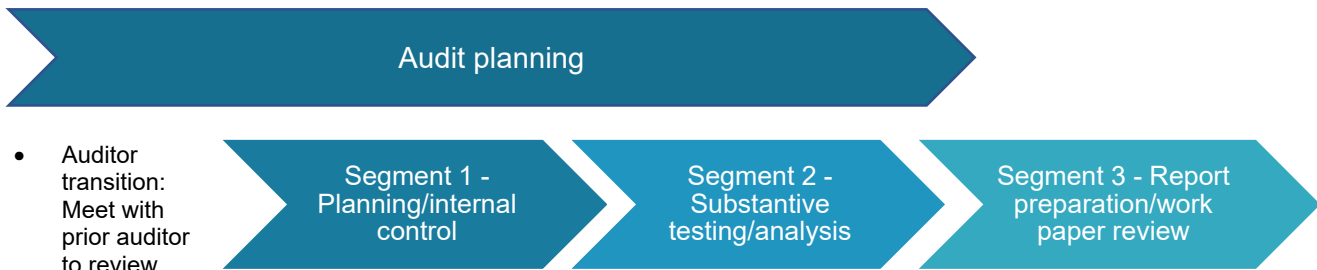
We understand that each client's needs are unique, and we remain flexible in our approach to ensure the audit process aligns with the District operational requirements. Our primary goal is to provide a smooth and efficient audit experience, leveraging technology while maintaining the personal connection and professionalism our clients expect. Should the need arise for on-site activities, our team will seamlessly integrate in-person work while maintaining the efficiencies gained through remote auditing practices.

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Oceano Community Services District Proposal for Professional Auditing Services

Scope of Services (continued)

Proposed audit timing



- Auditor transition: Meet with prior auditor to review workpapers.
- Entrance conference to meet with management for pre-audit planning.
- Preliminary risk assessment procedures.

Anticipated timing of each segment		
June/July	November	November/December
<ul style="list-style-type: none"> • Obtain an understanding of systems, internal controls, and current-year issues. • Assess and evaluate design and implementation of key internal controls (including IT related). • Perform tests of internal controls as needed. • Identify control deficiencies • Perform detailed risk assessment procedures. • Draft internal control comment letter. • Develop detailed audit plan – provide management with a detailed listing of items needed to perform the audit, including the timing of when items are needed. 	<ul style="list-style-type: none"> • Assist with preparing annual GASB 68 calculations based on information provided by CalPERS for use by the District, who will prepare adjusting journal entries for the various funds based on established allocation methodologies. • Perform substantive audit fieldwork, including substantive analytical procedures. • Consider whether audit evidence is sufficient to form an opinion. • Conduct exit conference with management to discuss proposed entries, internal control issues, etc. 	<ul style="list-style-type: none"> • Determine whether, based on our substantive testing and other procedures, the financial statements, taken as a whole, are free of material misstatement. • Review all workpapers. • Evaluate financial statements and note disclosures. • Perform final analytical procedures. • Draft required reports. • Issue final required reports by or before agreed upon date. • Present to governing body as needed.

Oceano Community Services District Proposal for Professional Auditing Services

Proposed Fees

Proposed fees

We believe our fee estimate represents a fair and reasonable investment, aligned with the high level of service and expertise provided by our audit team members. While our bid may not be the lowest, our focus is on delivering the best value, and our pricing reflects this commitment.

We understand the importance of cost considerations and do not want fees to be a barrier in the District's selection of an auditor. We are open to discussing and negotiating fee-related matters to ensure they meet the District's needs and expectations.

In accordance with the Request for Proposal for Audit Services issued by the District, Rogers, Anderson, Malody & Scott, LLP hereby submits the following all-inclusive maximum cost proposal:

Service Description	FY 2026	FY 2027 Extension	FY 2028 Extension
Audit of annual financial statements and related reports	\$ 27,410	\$ 28,235	\$ 29,085
GASB 68 Calculations	800	825	855
Other expenses	-	-	-
Total not-to-exceed	\$ 28,210	\$ 29,060	\$ 29,940
Single Audit, if necessary*	\$ 5,740	\$ 5,940	\$ 6,110

* includes one major program, each additional major program is \$4,750.

Condition of records

Our proposed fee assumes the following: the District will be adequately prepared for the audit and the District's financial operations and working trial balance will be consistent from year to year. If, after we receive the working trial balances, we notice there are excessive new accounts over the prior year; or if there are excessive subsequent journal entries; prepared by client workpapers do not agree to the working trial balances, there are new funds/functions within the District, etc., or other changes that necessitate a significant amount of time to address, we will need to come to an agreed upon change order to address any possible additional costs incurred by the firm. If the need for additional work comes to our attention, we will immediately notify District staff. If you choose to have us perform the additional work, then such work will be performed at the same hourly rates applicable to the audit and set forth in an addendum to the contract between the District and our firm.

Management is also responsible for the implementation of new standards issued by the Governmental Accounting Standards Board. We will provide reasonable assistance in the preparation of the items, but any significant time needed to complete the financial statements will be billed separately.

Our proposed fee is also dependent on all items requested being completed in the format requested or in a mutually agreed upon format and uploaded to the Engagement Organizer hosted by our firm in a timely manner in accordance with the agree-upon audit timeline.

Oceano Community Services District Proposal for Professional Auditing Services

Proposed Fees (continued)

Software conversion/change

We understand that the District may occasionally implement software changes or conversions as part of its ongoing efforts to improve operational efficiency and financial management. Our firm is well-equipped to support clients through these transitions and ensure that the audit process remains seamless.

If the District initiates a software change or conversion, our firm will work closely with District staff to update account numbers, names, coding, and other financial data elements in alignment with the new system. However, due to the additional time and resources required to accommodate these changes, there will be a minimum charge of \$5,000 associated with this work.

This fee covers:

- **Data Mapping and Reconciliation:**
 - Updating account structures and mapping old accounts to the new system.
 - Verifying accuracy and consistency in account names, numbers, and coding.
- **System Testing and Validation:**
 - Testing reports and financial statements generated from the new system to ensure they align with audit requirements.
 - Addressing discrepancies or issues resulting from the conversion.
- **Process Adjustments:**
 - Modifying audit procedures to align with the new system's capabilities and reporting outputs.
 - Providing guidance on system-generated reports required for audit purposes.

We are committed to working efficiently and collaboratively with the District to minimize disruption and ensure a smooth transition. This additional charge reflects the specialized expertise and resources necessary to maintain the integrity and quality of the audit during periods of significant system change.

Oceano Community Services District Proposal for Professional Auditing Services

References

References

Entity:	Beaumont Cherry Valley Water District
Scope of work:	Financial Audit/ACFR*
Date:	Years ending December 31, 2018 - present
Engagement partner:	Mr. Scott Manno/Mrs. Brianna Schultz
Total hours:	250
Contact person:	Mr. William Clayton, Finance Manager, (951) 845-9581, william.clayton@bcwd.gov 560 Magnolia Avenue, Beaumont, CA 92223
Key personnel:	Scott Manno, Audit Partner (rotated off after 6 years) Brianna Schultz, Audit Partner

Entity:	Nipomo Community Services District
Scope of work:	Financial Audit/ACFR*
Date:	Years ending June 30, 2016 - present
Engagement partner:	Mr. Scott Manno
Total hours:	280
Contact person:	Mrs. Jana Ettetdgue, Finance Director/Assistant General Manager (805) 929-1133, jettetdgue@ncsd.ca.gov 148 South Wilson Street, Nipomo, CA 93444
Key personnel:	Scott Manno, Audit Partner Laura Arvizu, Audit Manager

Entity:	San Bernardino Valley Municipal Water District
Scope of work:	Financial Audit
Date:	Years ending June 30, 2004 - present
Engagement partner:	Mr. Brad Welebir/Mr. Scott Manno
Total hours:	180
Contact person:	Mrs. Cindy Saks, CFO/deputy General Manager, (909) 387-9224, cindys@sbnmwd.com 380 East Vanderbilt Way, San Bernardino, CA 92408
Key personnel:	Scott Manno, Audit Partner (rotated off after 6 years) Laura Arvizu, Audit Manager



PRICE PAIGE & COMPANY
Certified Public Accountants

PROPOSAL FOR PROFESSIONAL AUDIT SERVICES

FOR

OCEANO COMMUNITY SERVICES DISTRICT

**FOR THE YEAR ENDING JUNE 30, 2026,
WITH AN OPTIONAL TWO YEARS ENDING JUNE 30, 2027 AND 2028**

Submitted
April 27, 2026

By

Fausto Hinojosa, CPA, CFE
Managing Partner
Price Paige & Company
Certified Public Accountants

570 N. Magnolia Ave., Ste. 100
Clovis, California 93611
Phone: 559-299-9540
Fax: 559-299-2344
Email: fausto@ppcpas.com
Website: www.ppc.cpa
License No: 66479
Federal ID No: 87-3267876

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April 27, 2026

Carey Casciola, Business and Accounting Manager
Oceano Community Services District
1655 Front Street, PO Box 599
Oceano, CA 93475

Dear Ms. Casciola and Auditor Selection Committee:

Thank you for considering Price Paige & Company for your audit services. It is our pleasure to present to you our proposal to provide professional audit services to the Oceano Community Services District (the District) for the year ending June 30, 2026, with the option of extending upon mutual agreement for the years ending June 30, 2027 and 2028. When presented with viable alternatives, it is not always easy for entities such as the District to identify the accounting firm that can best meet their overall auditing needs. Over the past 40 years, we have developed significant expertise in governmental auditing and accounting. Our knowledge of utility districts has allowed us to develop more robust audit procedures that enhance the effectiveness of our audits.

Our audit professionals are highly qualified and have extensive experience and expertise in governmental auditing and accounting. The firm has been a member of the AICPA Government Audit Quality Center since its inception, and all our accountants take a minimum of 80 hours of continuing professional education every two years specifically related to the auditing and accounting services we provide. This commitment to learning yields a direct benefit to the clients we work with. Additionally, our firm has a well-earned reputation for ensuring audit engagements are performed in accordance with professional standards and, just as importantly, on time. We are committed to communicating effectively to ensure that we address your questions comprehensively. As demonstrated by our resumes and considerable involvement by the firm's audit principal, we feel that our firm has the resources, knowledge and expertise to meet and service the needs of the District. We can assure you that we fully understand the scope of work to be performed, and we wish to emphasize our continued commitment to meeting and exceeding all your expectations. We are committed to providing these services in accordance with the District's required timelines. Additional information about our firm's audit department and the services we offer can be found on our website, www.ppc.cpa.

We trust that this proposal to provide professional audit services will adequately summarize our approach to client service and identify those attributes that set Price Paige & Company apart from others. We appreciate the opportunity to submit this proposal to serve you and would be pleased to furnish any additional information regarding our firm or answer any other specific questions or concerns you may have. I am an audit principal for our firm, and I am authorized to make representations regarding this proposal. I may be reached at (559) 299-9540 or via email at fausto@ppcpas.com.

Sincerely,

Fausto Hinojosa, CPA, CFE
Managing Partner
Price Paige & Company
Certified Public Accountants

570 N. Magnolia Avenue, Suite 100
Clovis, CA 93611
tel 559.299.9540
fax 559.299.2344

FIRM HISTORY AND QUALIFICATIONS

Established in 1976 and located in Clovis, California, Price Paige & Company consists of six partners each of whom is a Certified Public Accountant. The principals of the firm have more than 90 years of combined experience in public accounting. Our firm is comprised of over 70 professional, paraprofessional and administrative staff. More than 50% of Price Paige & Company's practice is in auditing and attestation services, primarily in the governmental and not-for-profit sectors. In addition, we provide services to many businesses in accounting, tax and management consultation in all areas.

Price Paige & Company is recognized in the community and by our peers as experts in the areas of governmental and not-for-profit auditing, attestation and accounting. Our proven commitment to excellence allows us to work with clients in the timeliest and most cost-effective manner possible. Our auditors are not seasonal; that is, they are not "tax accountants" who perform audits in the "off-season." They focus exclusively on providing audit services, and they receive over 80 hours of continuing education every two years, specifically related to improving their audit skills. The experience of our team allows us to conduct very efficient and effective audits.

We currently provide auditing, attestation and accounting services to more than 60 governmental agencies and 75 not-for-profit organizations annually, many of which are federal single audits. The breadth and scope of single audits we have conducted is significant, and we have experience auditing organizations with an excess of \$100 million dollars of federal funding.

We will assign a team of personnel from our firm to your account to provide the range of services you have requested. This team is kept abreast of any significant developments that arise through our normal association with you. The most important aspect of this approach is to provide continuity to the engagement. We understand that the audit process requires two-way communication, and we accept our responsibility to listen to our client's concerns and deliver timely and effective solutions.

Proactive Rather than Reactive Approach to Client Service

A primary objective of our client service is to make positive contributions to our client's profitable operations, organizational efficiency and productivity. We work hard at anticipating problems and ensuring there are no surprises. We are creative and will always present alternatives for our client's evaluation rather than relying on the "textbook solution." We will schedule frequent meetings and utilize our management recommendation letters as tools for communication with you.

Smart Technologies

We use sophisticated data analysis software (IDEA) that allows us to perform specific fraud-detection tests on large amounts of data; in some cases, testing 100% of the transaction population. Some of the specific tests we perform include the following: duplicate payment tests, matching of employee and vendor addresses to identify potential conflicts and review of purchase orders to identify potential bid splitting. We believe our creative use of this value-added software tool allows us to perform more effective audits and gives our clients increased confidence in their financial reporting. For example, we have successfully implemented this data analysis software and testing at Fresno Unified School District, which is the third largest school district in the state, with a budget in excess of two billion dollars.

All our audit engagements are performed utilizing a paperless and digital approach. Our auditing software allows us to increase our efficiency and provide a streamlined workflow. Documents and files can easily be retrieved and forwarded to our clients without the need for photocopying.

External Peer Review

The successful peer reviews our firm has received and our Engagement Quality Control Review program serve as evidence of our commitment to meeting the standards of care and performance applicable to our auditing, attestation and accounting practice, which demonstrate the extra measures we take to ensure continued successful compliance with our client's expectations about our quality and competence.

For your consideration, a copy of the firm's Peer Review Report is included in this proposal as listed on the table of contents. The firm received a "pass" report, and the review included specific not-for-profit, governmental and Uniform Guidance engagements.

We Conduct Peer Reviews

In addition to receiving successful peer reviews, **Price Paige & Company also conducts peer reviews** of other accounting firms. Essentially, we "audit" other auditors to ensure auditing and accounting standards are met. Being a peer reviewer requires us to understand the technical accounting rules, especially in the governmental and not-for-profit environments. We leverage our experience as technical peer reviewers in our audit engagements so that we can perform effective and efficient audits for all our clients.

Mandatory Qualifications

Licensure and Certification — The associates of Price Paige & Company are licensed Certified Public Accountants, certified by the California State Board of Accountancy (License #PART 8241). All team members assigned to the engagement comply with the 80-hour continuing education requirements promulgated by *Government Auditing Standards* issued by the U.S. Government Accountability Office.

Independence — Our firm is independent with respect to the District as defined by applicable standards generally in the United States as well as *Government Auditing Standards* issued by the U.S. Government Accountability Office.

No Conflict of Interest — Our firm's established policy is that we do not submit proposals for auditing, attestation or accounting services if there is a known conflict of interest with the potential client. There are no current or potential conflicts of interest with anyone (employees, management, officers or directors) within the District.

No Disciplinary Actions — Price Paige & Company has **never had any disciplinary actions** taken nor are any pending with the Federal or State regulatory bodies or professional organizations. In addition, we are pleased to affirm that we have never had an unresolved dispute related to accounting or auditing matters that resulted in disengagements. We work closely with our clients to develop solutions that are consistent with the accounting rules and auditing standards issued by the U.S. Government Accountability Office.

Additional Confirmations of Understanding

File Retention — We will retain working papers for seven (7) years following the completion of the audit.

Equal Opportunity Employer — Price Paige & Company is an equal opportunity employer. All employees are treated on their merits, without regard to race, age, sex, marital status or other factors not applicable to their position. Employees are valued according to how well they perform their duties, their demonstrated abilities and their enthusiasm toward maintaining the firm's standards of service.

Liability Coverage — Price Paige & Company maintains comprehensive General Liability Coverage and Errors and Omissions Insurance with a limit of at least \$3,000,000. All required certificates of insurance will be provided to the District's management, should our firm be the successful bidder.

VALUE-ADDED SERVICES AND SUPPORT

The role of accountants has evolved over time in response to the client's needs. Our firm has made it a practice to be proactive with clients by providing value-added services, all of which are included as part of our audit engagement. Below are some of the value-added benefits that we provide to our clients at **no additional charge**.

Consultation on Accounting Matters

We provide our clients with guidance on technical accounting matters. We encourage our clients to communicate with us regarding any technical accounting matter, as it allows us to be proactive in the audit process. If the technical accounting questions are outside the scope of the audit or require significant research, we will communicate with management the appropriate cost for their approval before proceeding with any additional services.

Client Training

We believe it is important to give our clients access to a full range of information to help them stay aware of current accounting developments and financial reporting issues. As part of our client service program, we will periodically hold client training seminars and summary courses aimed at providing our clients with an understanding of relevant accountancy issues. Training sessions we have offered included the following topics: understanding and mitigating the risk of fraud, reading and understanding governmental and non-profit financial statements and understanding the impact of unrelated business taxable income activities.

At the request of our clients, we expect to offer more client training sessions on some of the following topics in the future:

- current and pending government accounting pronouncements,
- differences in grant accounting vs. GAAP accounting,
- understanding the risk of fraud in an organization.

As part of the value-added service included in our client engagements, we invite our clients and their board members to attend the training sessions, which we anticipate offering remotely through webinar or digital conferences.

Approach to Communication and Expectations of Our Clients

In order to meet and exceed your expectations, we are diligent about maintaining open communication throughout the entire engagement. In our experience, this results in a more effective engagement. Our approach depends on the timely response and assistance of the District. This cooperation will further ensure our work is completed in an efficient and cost-effective manner.

Additional Services Provided

In addition to financial statement audits, we also offer the following services: Internal Control Review, Forensic Accounting, Fraud Investigation, Agreed-Upon Procedures, Financial Statement Review and Financial Statement Compilations.

TEAM QUALIFICATIONS AND EXPERIENCE

We have an outstanding team of professionals who have established themselves as qualified competent individuals. We can assure you that each of our professionals is experienced in governmental accounting, GASB accounting pronouncements and Single Audit requirements. Following is a brief overview of their experience. Detailed experience for each of these professionals can be found in Team Resumes as listed on the table of contents.

Years of Auditing / Accounting Experience

Audit Partner Fausto Hinojosa, CPA, CFE	35
Quality Control Partner Osvaldo Gutierrez, CPA	17
Audit Supervisor Jasmine Logee, CPA	10

Availability of Personnel and Time Requirements

Our level of staffing is more than sufficient to ensure that you receive a timely, efficient service. Should any of the above members of our team become unavailable, we will provide another equally qualified individual from our firm.

Continuity of Professional Staff and Succession Planning

Continuity of staff on engagements is as important to us as it is to our clients. Continuity promotes a thorough understanding of your needs and goals and helps us help you. A smooth transition from your existing firm to our firm will be accomplished as follows:

Communication — We stress communication early on with your staff to determine expectations, time frame for delivery of information and our extent and availability of assistance. We provide a written list of detailed information needed during our engagement, including critical due dates.

Experience — Members of our engagement team are very experienced in the operational, administrative and accounting and compliance issues related to governmental entities.

Quality — The firm maintains a rigorous quality control review process that includes not only a detailed review by a quality control manager and engagement partner but also an Engagement Quality Control Review (EQCR) as defined by AICPA standards.

Audit Approach — Our audit approach emphasizes effective up-front planning to identify issues for timely resolution.

TEAM RESUMES



FAUSTO HINOJOSA

Certified Public Accountant
Certified Fraud Examiner
California License # 66479

Present Position

Managing Partner/Audit Partner

Education and Experience

Fausto is Audit Partner in charge of audit and forensic consulting engagements for Price Paige & Company. For over thirty years his practice has focused on audit and accounting, fraud investigation, forensic consulting, and litigation support services. Fausto serves as the Managing Partner for the Firm and is responsible for providing strategic leadership. He has worked professionally in the accounting field since graduating from California State University, Fresno, in 1990. He became a Certified Public Accountant in 1994 and a shareholder with Price Paige & Company in 1997. A Certified Fraud Examiner, Fausto has investigated numerous allegations of fraud and has been designated a fraud expert in various legal proceedings.

After more than 30 years in the profession, Fausto has developed significant expertise specifically in the areas of audit risk assessment, governmental and not-for-profit auditing, fraud detection and prevention, federal/state grant compliance and internal controls.

Fausto is the former Chair of the local Government Accounting and Auditing Committee for the California Society of CPAs and currently serves on the state committee. In addition, Fausto is a reviewer for the Government Finance Officers Association "Certificate of Achievement for Excellence in Financial Reporting" program. As the former Chair for the State Board of Accountancy Qualifications Committee, Fausto conducted audit workpaper reviews of CPA candidates in order to make licensure recommendations to the Committee.

Fausto is a former Adjunct Professor at Fresno Pacific University, where he taught an upper-division auditing course. He is a frequent lecturer to the California Society of CPAs and other professional organizations, business and civic groups on governmental and not-for-profit accounting and auditing, preventative fraud measures and the unique audit requirements for federal award programs under the Single Audit Act.

Professional Organizations and Community Involvement

- California Board of Accountancy Peer Review Oversight Committee — Chair
- State Board of Accountancy Qualifications Committee — Past Chair
- Fresno Chapter of California Society of CPAs — Past President
- Association of Certified Fraud Examiners — Member
- American Institute of Certified Public Accountants — Member
- Government Accounting and Auditing Committee of the Fresno Chapter — Past Chair
- State Government Accounting and Auditing Committee of the California Society of CPAs — Member
- Government Finance Officers Association — ACFR Reviewer



OSVALDO GUTIERREZ

Certified Public Accountant
California License # 122553

Present Position

Quality Control Partner

Education and Experience

Osvaldo began his accounting career after graduating with an accounting degree from California State University, Fresno, in 2008 and became a Certified Public Accountant in 2014.

Prior to joining Price Paige & Company as an audit manager, Osvaldo worked with a large local public accounting firm at varying levels of responsibility up to and including audit manager and also spent two years in the private industry.

Osvaldo's extensive governmental accounting experience includes many years working directly with some of the largest municipalities in the Central Valley, including various counties, cities, special districts and transportation authorities. Osvaldo's specific experience includes managing multiple team members in the conducting of financial statements and federal single audits. Osvaldo has extensive knowledge of new and existing GASB pronouncements and prides himself on teaching and training clients as a part of the normal audit process. Osvaldo has performed audits and reviews for clients in a variety of industries, ensuring that all aspects of the engagement are completed from the planning process through the drafting, review and issuance of the financial statements.

Osvaldo also serves as an internal auditor for school districts where he performs both financial and compliance audits, fraud prevention and investigations, policy and process improvement, and other duties as needed. He also performs consulting work to other municipalities as well that focus on internal controls, fraud investigations, and operational efficiencies.

Community and Affiliations

Osvaldo is a member of the American Institute of Certified Public Accountants, the Government Finance Officers Association (GFOA) and the California Society of Certified Public Accountants, where he served as the Fresno chapter President (2020/2021).

Continuing Education

Osvaldo is in compliance with the continuing education requirements of the AICPA and Government Auditing Standards and continues to take relevant courses to stay up to date on all relevant matters. He also serves as an instructor for in-house continuing education seminars and provides specialized training to his clients, which include Single Audits, SEFA preparation, Compliance and Internal Controls.



JASMINE LOGEE

Certified Public Accountant
California License # 136473

Present Position

Audit Supervisor

Education and Experience

Jasmine began her accounting career after receiving a Bachelor of Science in Business Administration with an emphasis in Accounting and graduating from California State University, Fresno in December 2013. Jasmine practiced in private accounting prior to joining Price Paige & Company in February of 2017. She became a Certified Public Accountant in August 2018.

Jasmine has been an in-charge auditor for numerous governmental and not-for-profit audits, which include Yellow Book compliance, Single Audit compliance and compliance with required GASB standards. She has experience preparing financial statements in accordance with these standards as well. She has demonstrated her expertise in preparing and auditing calculations of pension-related and other post-employment benefit liabilities, deferred outflows, and deferred inflows in accordance with GASB 68 and GASB 75. Her background includes audits of governmental and not-for-profit entities which are performed in accordance with GAAP and GAS, as well as Single Audits in accordance with OMB Uniform Guidance 2 CFR 200 Subpart F.

Community and Affiliations

Jasmine is a member of the American Institute of Certified Public Accountants and the California Society of CPAs.

Continuing Education

Jasmine is maintaining continuing professional education requirements to meet current standards of the General Accounting Office of the United States of America. Continuing professional education courses and seminars recently attended include: *The New Yellow Book Standards for Financial Audits (AICPA)*, *Yellow Book Application of GAGAS Principles (AICPA)*, *SAS 145 – Understanding the Entity and Its Environment and Assessing Risks*, *GASB 96 – SBITAS*, *Advanced Topics in a Single Audit (AICPA)*, *Real World Fraud Found in Governments and NFPs (AICPA)*.

RELEVANT PRIOR EXPERIENCE

After evaluating our relevant experience, we are certain you will agree that Price Paige & Company is highly qualified to serve you. We have been successfully performing audit and attestation engagements since 1976. We have since continued to build on our reputation as a well-respected firm in and around the San Joaquin Valley and throughout California, with the qualifications and experience necessary to provide unequalled performance. Following is a list of several of our clients for whom we have provided similar services and our primary contact for each:

Reference Name: City of Tulare
Contact: Mark Roberts, Chief Officer
Address: 411 E. Kern Avenue, Tulare, CA 93274
Phone: (559) 684-4255
Email: mroberts@tulare.ca.gov
Service Provided: Financial Statement Audit (Single Audit/Uniform Guidance), Consulting
Dates: June 30, 2022 through Present

Reference Name: City of Ripon
Contact: Lisa Roos, City Clerk/Finance Director
Address: 259 N. Wilma Avenue, Ripon, CA 95366
Phone: (209) 599-2108
Email: lroos@cityofripon.org
Services Provided: Financial Statement Audit (Single Audit/Uniform Guidance), Pension Audit (GAAS), State Controller's Report
Dates: June 30, 2016 through Present

Reference Name: City of Corcoran
Contact: Sandra Pineda, Interim Finance Director
Address: 832 Whitley Avenue, Corcoran, CA 93212
Phone: (559) 992-2151
Email: Sandra.pineda@cityofcorcoran.com
Service Provided: Financial Statement Audit (Single Audit/Uniform Guidance), State Controller's Report
Dates: June 30, 2006 through Present

Reference Name: City of Chowchilla
Contact: Rod Pruett, CPA, City Administrator
Address: 130 S. Second Street, Civic Center Plaza, Chowchilla, California 93610
Phone: (559) 665-8615
Email: rpruett@ci.chowchilla.ca.us
Service Provided: Financial Statement Audit (Single Audit/Uniform Guidance), State Controller's Report
Dates: June 30, 2016 through Present

SCOPE OF SERVICES

As our experience indicates, we clearly understand the scope of services to be provided. You can be assured that we will design a service-specific approach to ensure compliance with all applicable standards and ensure that the District receives high-quality, efficient and effective service.

Standards/Publications to be Followed

The financial and compliance audits will be performed in accordance with the following auditing standards:

- ♦ Generally Accepted Auditing Standards (AICPA)
- ♦ *Government Auditing Standards* (U.S. Comptroller General)
- ♦ All other applicable federal, state and local laws and regulations

Services to be Performed

The following services will be provided to the District for the year ending June 30, 2026, with an optional two years ending June 30, 2027 and 2028.

1. We will audit the District's basic financial statements in accordance with Generally Accepted Auditing Standards (GAAS) in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.
2. We will express an opinion on the financial statements as to whether they present fairly, in all material respects, the financial position of the District and the changes in financial position in conformity with generally accepted accounting principles (GAAP), and issue an independent auditor's report stating this opinion.

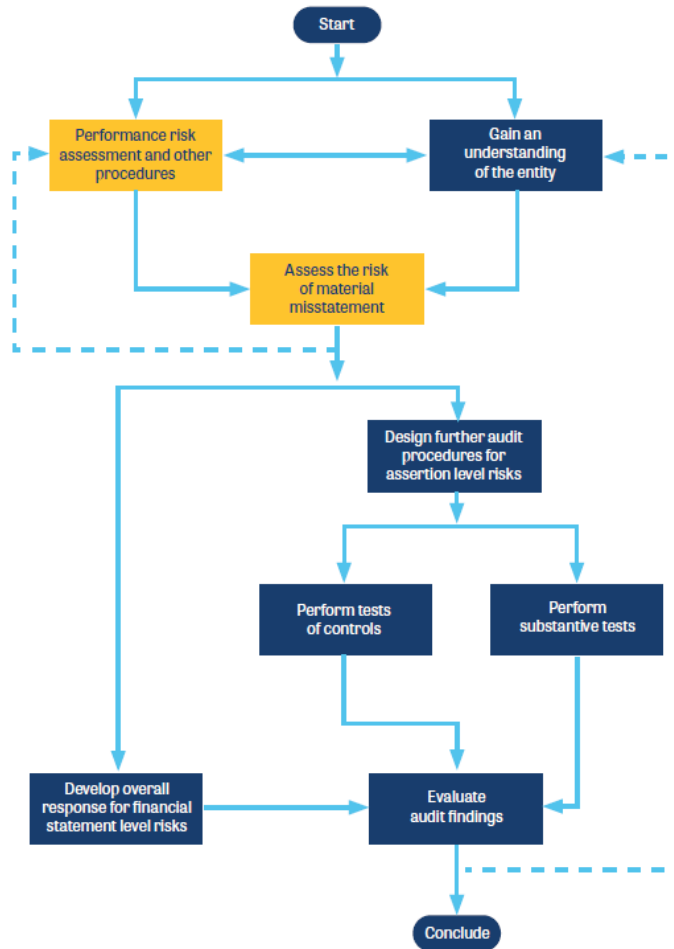
We will provide an "in-relation-to" opinion on the combining and individual fund and supporting schedules based on auditing procedures applied during the audit of the general-purpose financial statements and the combining and individual fund financial statements and schedules.
3. We will report on internal control over financial reporting and compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters, in accordance with *Government Auditing Standards*.
4. We will prepare the annual GASB 68 calculations based on information provided by CalPERS for use by the District.
5. We will make an immediate, written report of all irregularities and illegal acts or indications of illegal acts of which we become aware to the appropriate level of management and/or governance.
6. We may provide management letters that would include findings, observations, opinions, comments and/or recommendations with regard to systems of internal control, accounting systems compliance with laws, rules and regulations, or any other matters that may come to our attention during the course of the examination.
7. We will prepare a written communication to the audit committee which will include the following information: (1) auditor's responsibility under generally accepted auditing standards, (2) significant accounting policies, (3) management judgments and accounting estimates, (4) significant audit adjustments, (5) disagreements with management, (6) management consultation with other accountants, (7) difficulties encountered in performing the audit.

AUDIT APPROACH

We are confident that we will provide high-quality services based on our experience in working with governmental entities of similar size and scope to yours. Our high client satisfaction rate can be attributed to our effective communication and our efficient proprietary audit methodology.

Audit Procedures and Phases of the Engagement

Price Paige & Company provides value to our clients by creating a custom audit approach that is based on a client's specific needs, risks and opportunities. Our audit approach under generally accepted audit standards is depicted in the graphic below.



Our professional responsibility is to obtain sufficient audit evidence before an opinion is rendered on any financial statement. To achieve this, we will conduct our work in the following phases:

- ♦ Audit Planning and Risk Assessment
- ♦ Year-End Fieldwork
- ♦ Reporting)
- ♦ Closing Conferences and Formal Presentation

Details about each of these phases are listed on the following pages.

Audit Planning and Risk Assessment

No other phase of the process affects the success of an engagement more than the time spent on planning the general scope and direction of the audit, including assessing the risks of financial statement misstatements. We will schedule audit planning and interim fieldwork to be done prior to final fieldwork with your personnel.

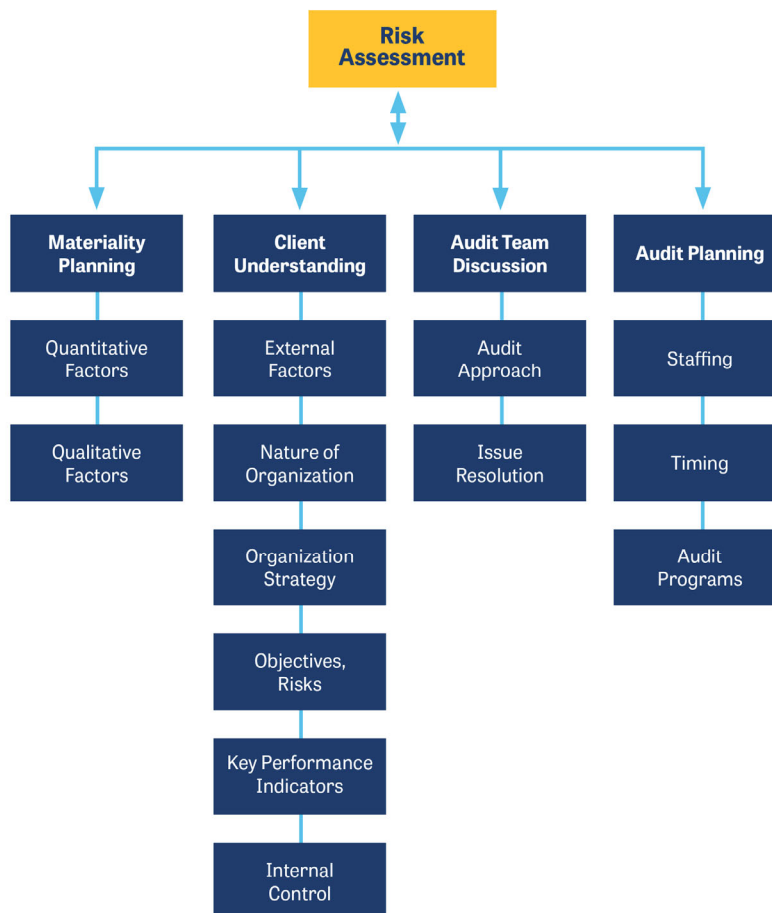
We will hold a planning session with the key members of our engagement team and your personnel.

During our planning session with management, we will also address *Statement on Auditing Standards (SAS) No. 99, "Consideration of Fraud in a Financial Statement Audit."* This auditing standard requires that we conduct certain meetings and interviews and perform and document certain procedures for identifying and responding to fraud risks.

As part of the audit planning and risk assessment phase of the audit, we will request a meeting with management to discuss our planned audit approach and any significant audit and accounting issues, as well as address any concerns.

As part of that process, we will conduct a pre-audit conference with appropriate management personnel to discuss the scope and timing of the audit.

The risk assessment audit standards require assessments based on an understanding of the internal controls over your financial reporting and our determination of the areas that present risks of material misstatement to your financial statements. We will then design our audit approach to include tests of the specific internal controls and substantive audit procedures that are tailored to the identified risks. Our risk assessment includes consideration of the factors depicted on the chart below.



Year-End Fieldwork

During the year-end phase of our audit, we will complete our audit work based on the audit programs designed specifically for the District. This will include the results of our risk assessment and interim testing results, and we will issue a report on the financial statements in a timely and efficient manner.

Reporting

This phase will include the following:

- ♦ reviewing the financial statements and reconciling them to underlying audited records,
- ♦ evaluating the financial statements for compliance with GAAP requirements,
- ♦ formulating an opinion as to the fair presentation of the financial statements and
- ♦ preparing a management letter with recommendations and communication letter to management.

We will immediately submit to management a written report of all irregularities and illegal acts, or indications of illegal acts, of which we become aware.

Audit Focus

Based on our audit experience with similar governmental entities, the primary areas of the audit on which we will focus include:

- ♦ Cash and investments
- ♦ Receivables and revenue
- ♦ Prepaid expenses and inventory
- ♦ Capital assets
- ♦ Accounts payable and expenditures
- ♦ Cost allocation
- ♦ Interfund transactions
- ♦ Long-term debt
- ♦ Implementation of pronouncements of the Governmental Accounting Standards Board (GASB)

Closing Conferences and Formal Presentation

We believe regular communication with management will be a critical part of the success of our audit engagement. Therefore, we will provide regular updates to management regarding the progress of the audit during meetings with key personnel.

Additionally, the engagement partner will meet with management to review any potential adjusting journal entries, drafts of the management comment letter, communication with those charged with governance (SAS 114) letters and a draft of the financial statements.

We will complete our work in sufficient time to meet the applicable deadlines. We will make a formal presentation of the audit results and reports to the Board of Directors and management at one of the regularly scheduled meetings of the Board, and will remain available to respond to their questions.

COST PROPOSAL

Description of Service	Total \$ FY 2/28/2026	Optional Total \$ FY 2/28/2027	Optional Total \$ FY 2/28/2028
Financial Statement Audit	\$ 28,000	\$ 29,387	\$ 29,387
GASB 68 Pension Calculation and Disclosure	3,000	3,000	3,000
Total all-inclusive not-to-exceed fees	\$ 31,000	\$ 32,387	\$ 32,387

Our proposed fees are based upon our current understanding of the work to be performed as outlined under the Scope of Services, and we give you a “Total All-Inclusive Maximum Price” for these services. These fees are made with the following assumptions: 1) the District’s books will be properly closed and reconciled, 2) records will be complete and readily available at the start of the engagement and 3) representations made to us during this proposal process will remain effective throughout the engagement.

In the event disclosures in the audit engagement indicate extraordinary circumstances that warrant more intensive and detailed services, we will provide to management in writing and in advance the reasons for the additional services together with the firm’s estimate of costs, and a statement that no work will be performed without advance approval by the District. Any and all additional work as agreed in advance by the firm will be compensated for at the same rate quoted in this cost proposal.

PEER REVIEW REPORT



Report on the Firm's System of Quality Control

To the Partners of
PRICE PAIGE & COMPANY
and the Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Price Paige & Company (the firm) in effect for the year ended April 30, 2024. 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 on 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 and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of 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 on in conformity with the requirements of applicable 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 and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act.

As 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.

CPAs ▪ Advisors

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 909.948.9990 / 800.644.0696 / FAX 909.948.9633
 gyl@gylcpa.com
 www.gylcpa.com

CPAmerica
Member  Crowe Global

PEER REVIEW REPORT (Continued)

Peer Review Report
Page 2 of 2

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Price Paige & Company in effect for the year ended April 30, 2024, 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*. Price Paige & Company has received a peer review rating of *pass*.

GYL LLP

Ontario, California
October 17, 2024

GYL



E A D I E P A Y N E

Proposal for Financial Auditing Services

Oceano Community Services District

May 1, 2026

PREPARED BY

EadiePayne

3880 Lemon St., Suite 300

Riverside, CA 92501

CONTACT PERSON

Brandon Ferrell

Office: 951-241-7814

bferrell@eadiepaynellp.com

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 3880 Lemon St., Ste. 300
Riverside, CA 92501

 P.O. Box 1529
Riverside, CA 92502-1529

 951-241-7800

 www.eadielaynllp.com

May 1, 2026

Board of Directors
Oceano Community Services District
1655 Front Street
Oceano, CA 93445

Dear Board Members,

On behalf of Eadie and Payne, LLP (EadiePayne), we are enthusiastic about the opportunity to serve the Oceano Community Services District (District) for the upcoming three fiscal years ending June 30, 2026, June 30, 2027, and June 30, 2028 with the option to extend for three additional fiscal years. EadiePayne is enthusiastic about the opportunity to partner with the District to provide high-quality, timely, and efficient audit services tailored to meet your needs. We understand the District's multi-purpose operations including water, wastewater collection, solid waste, street lighting, and parks and recreation services, and we are prepared to address the unique accounting complexities of these enterprise fund operations..

Why Choose EadiePayne?

Experience: EadiePayne has over 106 years of experience providing quality service to a wide array of clients. We believe our approach and credentials within our team members' resumes demonstrate our qualifications, competence, and capacity to perform the services requested by the District.

Not a One Size Fits All Approach: EadiePayne recognizes that no two entities are the same. We pride ourselves in co-developing our audit plans with management to ensure that we meet or surpass your expectations.

Timelines: We understand and commit to perform the work within the timing requirements and scope of services you requested. We'll ensure this through an open, collaborative process that delivers the promised results when needed.

Communication: EadiePayne recognizes that effective and efficient communication is essential to a successful audit. We streamline the communication process with management and governing bodies because we appreciate the challenges of managing the audit process while running the day-to-day operations of the District.

Technology: EadiePayne has invested highly in cutting edge audit and supporting technologies. This ensures that the District will receive timely, efficient, and secure results.

Timeline: We understand and commit to the District's deadlines specified in the RFP. We'll ensure this through careful project management and dedicated resources.

We appreciate the opportunity to share our credentials and look forward to working with you and your team.

Sincerely,

A handwritten signature in black ink, appearing to read 'Brandon Ferrell', written in a cursive style.

Brandon Ferrell
Office: 951-241-7814
bferrell@eadiepaynllp.com

FIRM OVERVIEW



EadiePayne, a limited liability partnership, is a local full service firm providing Attest, Tax and Consulting services to a broad client base for over 100 years. Our professional services team includes approximately 25 professionals.

The Firm was founded in 1919 in San Bernardino. Since then, EadiePayne has grown, expanding its reach to a large portion of California. Our office is in Downtown Riverside. Our team regularly serves special districts and water utilities throughout California, and we maintain the capacity to serve districts in all regions of the state, including the Central Coast.

We pride ourselves in the quality of our people. The quality of our staff is assured by providing relevant continuing education as well as day-to-day supervision and training by more experienced professionals. To achieve continuity of staff from year-to-year, key personnel such as the partner and manager shall not be removed or replaced without your prior concurrence.

We assembled an audit team possessing extensive knowledge of highly technical government accounting standards such as GASB 34, 67, 68, 74, 75, 87, 96, and 101 as well as government operations, water utility operations, wastewater systems, and multi-purpose special district accounting. Our team has direct experience preparing GASB #68 pension liability calculations based on CalPERS actuarial data. Our team members have direct experience in assisting governments in assessing emerging risk, deploying the Committee of Sponsoring Organizations of Treadway Commission (COSO) Internal Control Framework, applying generally accepted accounting principles (GAAP), and complying with State and Federal regulations.

Our existing clients describe us as extremely customer-focused as we take pride in tailoring our engagements to our client's unique needs. We value effective two-way communications to ensure we understand your objectives and priorities and we work with you to accomplish and maintain these over the duration of our professional relationship.

Insurance Coverage

EadiePayne maintains professional liability insurance, general liability insurance, and workers compensation coverage in full compliance with the District's insurance requirements. The District will be named as an additional insured on our professional liability policy. Evidence of current coverage will be provided upon request.

EXPERIENCE SUMMARY

We have performed financial and compliance audits, agreed upon procedures and consulting services for municipalities and other governmental entities. Below is a sampling of our governmental engagements in recent years:

- Financial statement audits
- Single audits
- Grant specific audits
- Testing of utility billing
- Payroll testing
- Review of cost allocation
- IT vulnerability assessments
- Risk assessment studies
- Special procedures related to checks, EFTs and ACHs
- Agreed upon procedures in relation to special sales tax measures
- Special procedures in relation to former Redevelopment Agencies and Successor Agencies
- Preparation of ACFR & basic financial statements
- Confirmation of property tax allocation
- Review of purchasing card process
- Pension and OPEB accounting and disclosure
- Reconciliation of fund balances
- COSO internal control studies
- Consulting on water revenues and rates
- Assistance with new GASB Implementation
- Fixed asset inventory audits

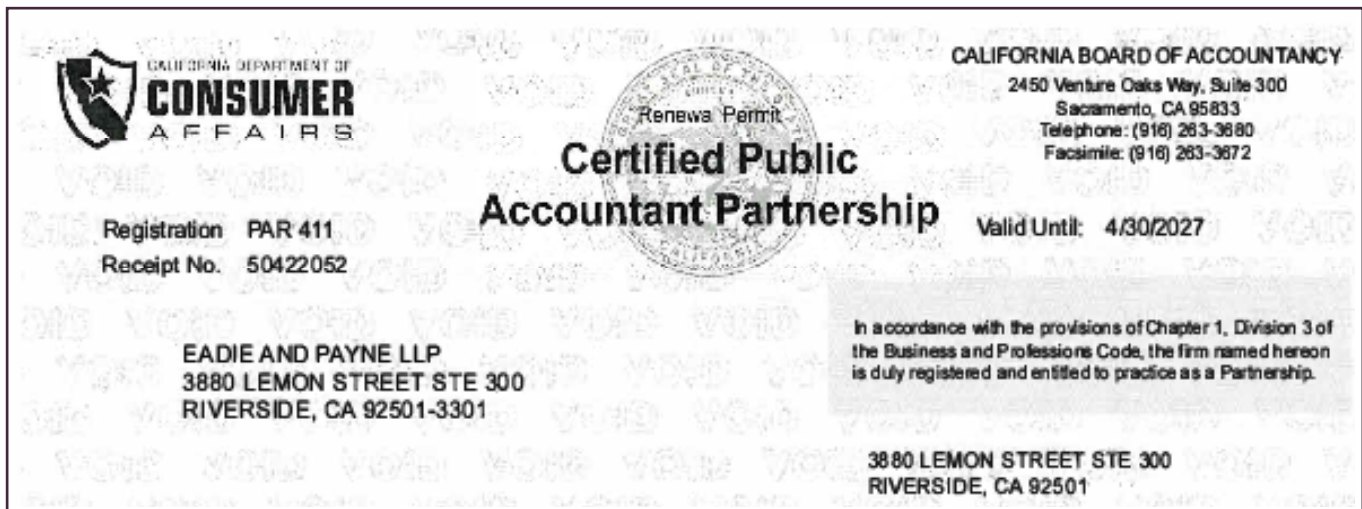
EXPERIENCE SUMMARY

Independence

EadiePayne meets the independence requirements as defined by auditing standards generally accepted in the United States of America and the U.S. General Accountability Office's *Government Auditing Standards* with respect to the District. EadiePayne has had no professional relationships with the District within the past five (5) years.

License to Practice in California

EadiePayne is licensed to practice as a certified public accounting firm in the State of California, license number 411. All of EadiePayne's partners and assigned key engagement team members are certified public accountants (CPAs) licensed to practice in the State of California.



EXPERIENCE SUMMARY

Peer Review Report

Our peer review letter dated August 22, 2025 expressed an opinion that the system for quality control for the auditing practice of EadiePayne met the objectives established by the AICPA. The quality control review included a review of specific governmental audit engagements performed under the Government Auditing Standards and the Single Audit Act.

The firm has had no federal or state desk reviews or field reviews of its audits during the past three (3) years. Neither had the firm any disciplinary action taken or pending against it during the past three (3) years with state regulatory bodies or professional organizations.



Report on the Firm's System of Quality Control

To the Partners of
EADIE & PAYNE, LLP
 and the Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Eadie & Payne, LLP (the firm) in effect for the year ended April 30, 2025. 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 on 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 and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of 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 on in conformity with the requirements of applicable 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 and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

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

As 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 Eadie & Payne, LLP in effect for the year ended April 30, 2025, 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*. Eadie & Payne, LLP has received a peer review rating of *pass*.

GYL LLP
 Ontario, California
 August 22, 2025

CPAs • Advisors

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Member 

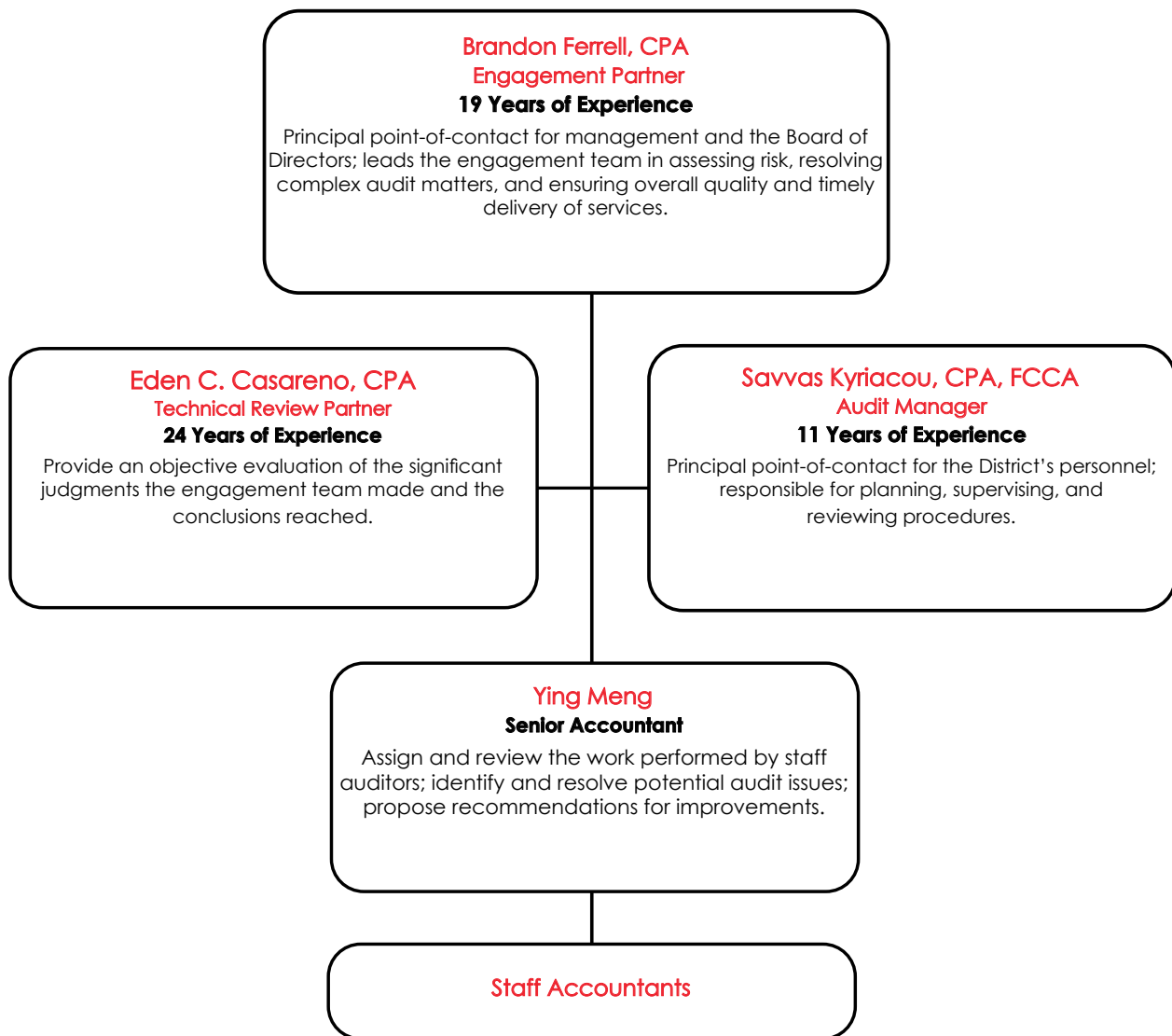
PERSONNEL

ORGANIZATIONAL CHART

We have assembled a team of experienced professionals to serve as the District’s audit team. Their resumes detail relevant government auditing experience, continuing professional education (CPE), and professional affiliations. Staff competency is maintained through ongoing governmental CPE in accordance with Government Auditing Standards, along with direct supervision and training by senior personnel. All services will be performed by EadiePayne personnel.

The engagement team is based in Southern California, with primary offices in Riverside, CA. Team members routinely perform work throughout Los Angeles County and are available for on-site fieldwork at the District’s offices as needed. Travel and proximity will not impact responsiveness, scheduling, or the Firm’s ability to meet all required deadlines.

In accordance with California Government Code Section 12410.6(b), EadiePayne acknowledges the auditor rotation requirements for public accounting firms providing audit services to local agencies. We understand the District’s rotation requirements and confirm our firm is eligible to serve this engagement.





BRANDON FERRELL, CPA

Engagement Partner

Office: 951.241.7814 | bferrell@eadiepaynellp.com

Mr. Ferrell leads in the planning, organization and execution of attest engagements. He has strong interpersonal, communication, and project management skills, which are necessary to meet your service expectations. Mr. Ferrell is able to apply technical accounting and auditing knowledge to real-life situations of the clients he serves. He is committed to exceeding his clients expectations by providing quality and timely service in an ever-changing environment.

Mr. Ferrell works closely with management to ensure that EadiePayne is being responsive to the reporting needs within the time frame developed by management. Additionally, Mr. Ferrell performs top level review of project work.

Mr. Ferrell served the following governmental clients:

- Antelope Valley East-Kern Water Agency
- City of Compton
- City of Huntington Park
- City of Moreno Valley
- City of Oxnard
- City of Riverside
- City of Stockton
- County of Riverside
- Riverside Public Utilities
- Fontana Union Water Company
- Fort Mojave Tribal Utilities Authority
- Fort Mojave Tribe / Avi Kwa Ame Farms
- Hesperia Recreation and Park District
- Inland Empire Resource Conservation District
- Inland Valley Development Agency
- Law Library of San Bernardino County
- Mammoth Community Water District
- Orange County Sanitation District
- Riverside County Law Library
- Riverside Highland Water Company
- San Bernardino County Special Districts
- San Bernardino Valley Water Conservation District
- San Gorgonio Pass Water Agency
- Santa Clarita Valley Water Agency
- Solano County Water Agency
- The Gage Canal Company
- Twentynine Palms Water District
- Wrightwood Community Services District

EDUCATION

BS Degree in Business Administration with emphasis in Accounting, University of La Verne
 Leaderology Academy, 2019
 CalCPA Leadership Institute 2023-24

PROFESSIONAL ORGANIZATIONS

American Institute of Certified Public Accountants
 California Society of Certified Public Accountants
 - Inland Empire Chapter, President
 - State Council Representative
 National Society of Accountants for Cooperatives
 - Farwest Chapter - Director
 California Special Districts Association
 - Fiscal Committee
 - Audit Committee

COMMUNITY ORGANIZATIONS

Riverside Chamber of Commerce
 - Downtown Council
 - Military Affairs Council
 - Economic Development Council
 - Leadership Riverside Class of 2021
 Optimist International
 Risk Management Association
 - Inland Empire Chapter, Director
 The Unforgettables Foundation
 - Director

RECENT RELEVANT CPE

California Society of Municipal Finance Officers Annual Conference: 2026, 2025, 2024, 2023
 Government A&A Update: What Changed in 2025: 2026
 Foundational Accounting Refresher on Employment-Related Liabilities: 2026
 Form Compliance to Clarity: A Dual Perspective on Capital Assets: 2026
 Wrapping Up 2025: What You Need to Know for Calendar Year-End Governments: 2026
 AICPA Annual Required GAQC Webcast: 2025, 2024
 Wolters Kluwer Government A&A Update: Govt T&E Fraud: 2025
 NCFCA Legal, Tax & Accounting Conf – Tax Update: 2025
 GFOA is Rethinking Financial Reporting: 2025
 Avoiding Common Errors in GFOA Certificate of Achievement Program: 2025
 GASB Update – Recently Issued Pronouncements: 2025
 GASB Update – Projects in the Works: 2025
 AICPA Government Audit Quality Center Update: 2024
 AICPA Schedule of Expenditures of Federal Awards: 2024
 AICPA Single Audit Fundamentals Series: 2024
 Wolters Kluwer – The Schedule of Expenditures of Federal Awards (SEFA): 2024
 The Schedule of Expenditures of Federal Awards (SEFA): 2024
 Are You Challenged by GASB?: 2023
 GASB 87 and 96: An Intro and Comparison: 2023
 GASB 96: Lost in Translation: 2023
 GASB Update – Implementation Continues / The Big Three and Beyond: 2023
 Insights from SBITA Implementation: 2023
 New Accounting Guidance on Compensated Absences: 2023
 Putting Principles into Practice: 2023



EDEN C. CASARENO, CPA

Technical Review Partner

Office: 951.241.7805 | ecasareno@eadiepaynellp.com

Ms. Casareno joined EadiePayne in 2002 as a staff accountant and became a partner in 2009. She was appointed head of attest and governmental services in 2016. She has been the quality control partner since 2019. As head of governmental services, Ms. Casareno leads the EadiePayne team in providing attest and consulting services to cities and municipalities, special districts, JPAs and former redevelopment agencies.

Based on her experience providing similar services to governmental clients, Ms. Casareno offers valuable insight on internal controls, ensuring successful identification of findings and development and implementation of solutions.

Ms. Casareno served the following clients in the government sector:

- Bell Canyon Community Services District
- Big Bear Valley Recreation and Park District
- Bloomington Recreation and Park District
- Big Bear Municipal Water District
- Cedarpines Park Mutual Water Company
- City of Compton
- City of Huntington Park
- City of Industry
- City of Montebello
- City of Moreno Valley
- City of Oxnard
- City of Riverside
- City of Stockton
- County of Riverside
- Fort Mojave Tribe / Avi Kwa Ame Farms
- IEHP
- Hesperia Recreation and Park District
- Inland Empire Resource Conservation District
- Inland Valley Development Authority
- Law Library for San Bernardino County
- Orange County Public Law Library
- Riverside County Regional Park and Open Space District
- Riverside County Law Library
- Riverside County Transportation Commission
- San Bernardino County Auditor-Controller-Treasurer
- San Bernardino County Service Areas
- San Gorgonio Pass Water Agency
- Twentynine Palms Water District

EDUCATION

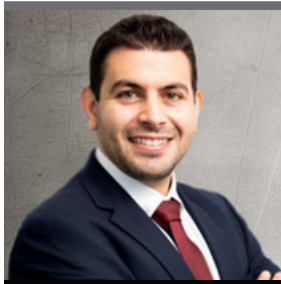
BS Degree in Business Administration, emphasis in Accounting, University of California, Riverside (with highest honors)
 Leadership Excellence Summit, Brainard Strategy Leadership Academy
 Single Audit Certificate - AICPA
 Situational Leadership: Building Leaders

PROFESSIONAL ORGANIZATIONS

American Institute of Certified Public Accountants
 California Society of Certified Public Accountants
 California Society of Municipal Finance Officers
 California Special Districts Association
 Government Finance Officers Association

RECENT RELEVANT CPE

AICPA New Quality Management Standards: 2025
 CalCPA Governmental Accounting & Auditing Virtual Conference: 2025
 California Society of Municipal Finance Officers Annual Conference: 2026, 2025, 2024, 2023
 AICPA New GSA Federal Audit Clearinghouse: 2024
 AICPA GAQC Update: 2024, 2023
 CCH GAAP, GAAS & SSARS Update: 2024
 EP Fraud Review: 2024
 EP Knowledge-Based Audits: 2024
 EP Workshop on Pension & OPEB: 2024
 EP Sampling Methodology: 2024
 AICPA GAQC Single Audit Lightning Round: 2023
 CCH Accounting and Auditing Update: 2023
 CCH Fraud Risks When Conducting Remote Audits: 2023
 CCH Governmental Entities and Cyber Frauds: 2023



SAVVAS KYRIACOU, CPA, FCCA

Audit Manager

Office: 951.241.7809 | skyriacou@eadiepaynellp.com

Mr. Kyriacou joined EadiePayne as an Audit Manager in 2024, bringing with him over ten years of experience. His background includes providing high-quality audit services across a diverse client base. He led multiple audit teams with diverse backgrounds, ensuring professional delivery of comprehensive audit and review services. He has deep expertise in compliance filings, financial statement preparation, disclosures, and addressing complex accounting issues.

At EadiePayne, Mr. Kyriacou oversees the planning, organization, and execution of attest engagements. His experience equips him with exceptional professional judgment, strong project management capabilities, and decisive decision-making skills. He is responsible for evaluating the design and effectiveness of internal controls, conducting analytical procedures over financial statements, and maintaining close communication with clients to ensure quality and transparency in engagements.

Mr. Kyriacou will serve as the primary client manager and single point of contact for the District engagement.

Mr. Kyriacou served the following clients:

- Antelope Valley East-Kern Water Agency
- City of Huntington Park
- Family Service Association
- Fontana Union Water Company
- Girl Scouts of San Geronio
- Growing Inland Achievement
- Inland Empire Latino Lawyers Association
- Inland Empire Resource Conservation District
- Legal Aid Society of San Bernardino, Inc.
- Riverside County Law Library
- Riverside Mutual Water Company
- Riverside Legal Aid
- San Bernardino County Auditor-Controller-Treasurer
- Symba Center
- The Gage Canal Company
- Tolemar Intermediate Holdings I, Inc
- Twentynine Palms Water District
- Ultimate Internet Access, Inc
- Woodcrest Christian School System

EDUCATION/PROFESSIONAL QUALIFICATIONS

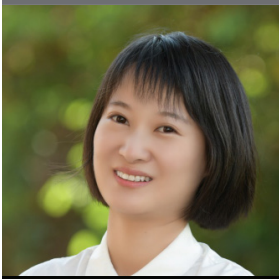
Bachelor Honors in Applied Accounting, Oxford Brookes University (UK)
 Fellow of the Chartered Association of Certified Accountants (FCCA)
 CalCPA Leadership Institute 2024-25

PROFESSIONAL ORGANIZATIONS

American Institute of Certified Public Accountants
 California Society of Certified Public Accountants
 California Society of Municipal Finance Officers

RECENT RELEVANT CPE

AICPA New Quality Management Standards: 2025
 AICPA Annual Required GAQC Webcast: 2025
 CalCPA Governmental Accounting & Auditing Virtual Conference: 2025
 California Society of Municipal Finance Officers Annual Conference: 2026, 2025
 Wolters Kluwer Government A&A Update: What Changed in 2024: 2025
 Annual Security Awareness Training: 2024, 2023
 Common Audit Deficiencies Governmental Audits: 2024
 Internal Control Considerations Focus on Non-profits and Governmental Entities: 2024
 Revenue & Expenses Proposed Changes For Governmental Entities: 2024
 Wolters Kluwer Audit of State and Local Government: 2024



YING MENG

Senior Accountant

Office: 951.241.7823 | Mobile: 909.557.5751 | ymeng@eadiepaynellp.com

Ms. Meng joined EadiePayne in September 2022. She has a strong understanding of all aspects of GAAP accounting and financial reporting and has proven to be a key team member in audit and tax engagements where she efficiently performs substantive procedures and effectively communicates important matters to the engagement team. Since joining EadiePayne, she has provided audit, review and consulting services for clients ranging from government and not for profit entities, to privately owned businesses and individuals.

Ms. Meng has been a key team member on the following audits:

- Antelope Valley East-Kern Water Agency
- Calcot, Ltd
- Central California Almond Growers Association
- City of Compton
- City of Huntington Park
- City of Oxnard
- Community Action Partnership of San Bernardino County
- Family Service Association
- Fisher Family Properties, LLC
- Hesperia Recreation and Park District
- Law Library for San Bernardino County
- Legal Aid Society of San Bernardino
- Operation SafeHouse, Inc.
- Riverside County Regional Park and Open Space District
- Riverside Highland Water
- Santa Clarita Valley Water Agency
- Ultimate Internet Access, Inc

EDUCATION

Master of Professional Accountancy, University of California, Riverside, CA

Bachelor of Management in Financial Management, China Youth University of Political Studies, Beijing, China

PROFESSIONAL ORGANIZATIONS

American Institute of Certified Public Accountants

California Society of Certified Public Accountants

Chinese Institute of Certified Public Accountants

RECENT RELEVANT CPE

Annual Required GAQC Webcast: 2025

Audits of State and Local Government:2025

Governmental Accounting & Auditing Virtual Conference:2025

AICPA Single Audit Fundamentals Series: 2024

California Society of Municipal Finance Officers Annual Conference: 2026, 2024, 2023

GAAP, GAAS, SSARS, & Other Accounting Issues: 2024

Are You Challenged by GASB?: 2023

GASB 87 and 96: An Intro and Comparison: 2023

GASB 96: Lost in Translation: 2023

GASB Update - Implementation Continues / The Big Three and Beyond: 2023

Insights from SBITA Implementation: 2023

New Accounting Guidance on Compensated Absences: 2023

Putting Principles into Practice: 2023

SCOPE OF SERVICES

Ability to Successfully Complete Engagement Assignments Within Required Timeframes

EadiePayne is experienced in meeting the needs and expectations of our clients. Our goal is to perform quality audits that provide reasonable assurance to the District’s leaders that the financial statements are fairly stated and that the District complies with certain federal, state and local requirements. Our approach is differentiated by the following:

- Smooth transition in initial year
- Focus on internal control;
- Use of technology; and
- Open communication.

EadiePayne is fully committed to complete the audit in the required time frame. Upon acceptance, we will work to co-develop an agreed upon schedule. Once agreed upon, the District is expected to adhere to the schedule. Any material deviations may require rescheduling for a later time frame.

Proposed Audit Timeline

The following table outlines our proposed audit timeline for the audit for the year ending June 30, 2026. The schedule will be finalized in coordination with the District’s Accountant and District personnel.

Phase / Milestone	Deliverable / Description	Target Timing
Kick-off / Entrance Conference	Confirm scope, timing, and responsibilities	June 2026
Planning & Interim Fieldwork	Internal control walkthroughs, preliminary testing, and risk assessment	July/August 2026
Final Fieldwork	Year-end substantive testing and financial statement review	September/October 2026
Draft Reports Submitted	Draft audit reports provided for review	October 2026
Final Reports Issued	Final signed audit reports and management letter	November 2026
Exit Conference	Review of final audit results and conclusions with District management.	November 2026
Board Presentation	Presentation of audit results, if requested	November 2026
SCO Report	Prepare and filing State Controller’s Annual Report	December 2026

SCOPE OF SERVICES

Initial Year Transition

Changing audit firms is a challenging undertaking. Our goal is to assist the District in the orderly transition from the prior auditors. With your permission, we will work directly with the prior auditors to obtain information about opening balances. If possible, we will review and obtain copies of prior year audit workpapers. Throughout the first year, we will be in constant communication with the District's Accountant and District representatives. Successful transitions happen because both auditors and clients are aware of ongoing issues, challenges, and opportunities.

Focus on Internal Control

Our audits begin with documenting our understanding of the District and its environments, including their internal control. We evaluate the design and implementation of internal control over financial reporting and compliance based on the framework contained in the State Controller's Office Internal Control Guidelines for Local Agencies (2015) and Committee of Sponsoring Organizations of the Treadway Commission (COSO) Internal Control - Integrated Framework (2013).

Use of Technology

EadiePayne utilizes an integrated audit technology environment to support efficient planning, execution, documentation, and communication throughout the audit process. Our approach combines professional judgment with purpose-built technology to enhance audit quality, consistency, and timely completion.

We utilize CCH ProSystemfx Engagement and Knowledge Coach to document audit procedures, manage workpapers, and support compliance with applicable professional standards. These tools provide a structured audit framework while allowing flexibility to tailor procedures based on the specific risks and operations of each District.

Teammate Analytics is used to support risk assessment and substantive testing through data analytics. This technology allows us to evaluate complete data populations, identify anomalies and trends, and support informed sample selection, strengthening audit effectiveness without duplicating effort.

To support engagement coordination, workflow management, and communication, we utilize Karbon as our audit workflow and collaboration platform. Karbon allows us to manage audit timelines, track deliverables, coordinate information requests with the District's Accountant, and maintain clear visibility into engagement status. This enhances accountability and helps ensure audit milestones are met in accordance with the established timeline.

Open Communication

As your auditors, we report directly to the District's Board of Directors while working closely with management in the performance of our audit. Our engagement will commence with an entrance conference with key personnel. Throughout the engagement, our team will provide status reports and stay in close communication with management to discuss steps performed, significant issues, conclusions, and recommendations. We will present our audit reports to the Finance Committee and Board of Directors.

SCOPE OF SERVICES

Planning and Interim Fieldwork

Our audit begins with a kick-off meeting with the District's Accountant and District management, the objective of which is to establish clear lines of communication, clarify roles and responsibilities, and confirm audit timelines and expectations.

Following the kick-off meeting, we obtain an in-depth understanding of each District and its environment, including internal control, and assess the risks of material misstatement. This process includes inquiries with management, preliminary analytical procedures, observation and inspection, and discussions among the audit team.

Specifically, this process will involve:

- Reviewing important contracts, debt issues, leases, and grant agreements;
- Reviewing organizational charts, manuals, and program documents;
- Comparison and inquiry regarding fluctuations of revenues and expenditures by fund, budget vs. actual;
- Reviewing prior-year audit files, findings, and recommendations; and
- Reviewing policies and procedures over significant business processes such as banking an investment, purchasing, and grant management.

Final Audit Fieldwork

EadiePayne will review and analyze account balances and transactions and selected general ledger accounts, including asset, liability, deferred inflow and outflow, revenue, and expenditure accounts. We will review the accounting principles followed and the consistency of their application in preparing the financial statements prepared by the District's Accountant. Our audit will also include evaluating the reasonableness of accounting estimates and the completeness and accuracy of financial statement disclosures.

Audit procedures may include, among others:

- Confirmations of cash and investment balances
- Testing of bank reconciliations
- Examination of subsequent receipts of receivable balances
- Search for unrecorded liabilities
- Review of attorney confirmation letters, as applicable
- Use of client-prepared schedules and analyses
- Examination of supporting documentation
- Analytical procedures

SCOPE OF SERVICES

Report Finalization and Presentation

The following reports will be issued after the completion of the audits for fiscal year ending June 30, 2026:

- Independent Auditor's Report, expressing an opinion on the fair presentation of the District's basic financial statements.
- A report on the internal control over financial reporting and on compliance based on the audit of the financial statements performed in accordance with Government Auditing Standards.
- A separate management letter that includes recommendations for improvements in internal control, accounting procedures and other significant observations.
- The auditor's communication with those charged with governance regarding significant findings or issues from the audit.
- Prepare and electronically submitting the Special Districts Financial Transaction Report.
- Assistance with the preparation of the basic statements, required supplementary information.

A draft of the financial statements and audit reports along with copies of any journal entries and explanations to support changes to the trial balance will be provided to management for review prior to their issuance. All irregularities and illegal acts, or indications of illegal acts of which we become aware will be reported to the appropriate level of management and the Board of Directors. Brandon Ferrell, Engagement Partner, will present the audit reports, findings and recommendations to the Board of Directors.

Client Responsibilities and Prepared-by-Client Information

Our audit plan assumes that accounting records will be maintained in good order and that draft financial statements and supporting schedules will be prepared by the District's management prior to final fieldwork. The general ledger and subsidiary ledgers should be reconciled, and cash and investment accounts properly supported. Capital assets and related depreciation should be accurately recorded, and revenues and expenditures accounted for in accordance with applicable accounting standards.

Knowledgeable personnel should be available to assist with documentation requests and respond to audit inquiries. Reasonable access to records and personnel is expected to complete the engagement efficiently.

Sample Sizes

Sampling is one of many audit procedures used to obtain sufficient appropriate audit evidence without examining every transaction. We select representative samples using random, systematic, or haphazard selection methods, as appropriate.

In a typical audit, sample sizes generally range from 25 to 60 items depending on the nature of the transactions and audit objectives. Dual-purpose or multi-purpose samples may be used when appropriate.

Teammate Analytics will be used to assist in selecting representative samples and, where applicable, to analyze entire populations to identify outliers and trends for further evaluation.

Analytical Procedures

Analytical procedures will be applied during the planning, fieldwork, and completion phases of the audit. These procedures include comparisons of current and prior-year amounts, trend analysis, ratio analysis, and budget-to-actual comparisons. Variances will be investigated until we are satisfied that the financial statements are fairly presented.

Teammate Analytics will be utilized to enhance these procedures, including analysis of payroll data and journal entry populations to identify unusual or outlying transactions for further review.

SCOPE OF SERVICES

Determining Laws and Regulations that will be Subject to Audit Test Work

As part of the risk assessment process, EadiePayne will obtain an understanding of laws, regulations, and provisions of contracts and grant agreements that have a direct and material effect on the determination of financial statement amounts, design tests of compliance with those laws, regulations, and provisions of contracts and grant agreements, and evaluate the results of those tests. Because governments are subject to many laws, regulations, and provisions of contracts or grant agreements, we will identify those that directly relate to specific aspects of the government within the context of our audit objectives. This process will involve discussions with management, legal counsel, or grant administrators about your compliance requirements and reviewing relevant laws, regulations, contracts, and agreements. In addition, we will review minutes of the Committee Meetings, and staff reports.

Quality Assurance and Control

All work is performed in accordance with generally accepted auditing standards and Government Auditing Standards. The engagement includes multiple levels of review, including manager and partner oversight, as well as an independent technical review partner.

PROPOSED FEES

Our fee proposal for the audit of the financial statements for the District, for the fiscal year periods specified in the Request for Proposals, is as follows:

Description of Services	FY 2025-26	FY 2026-27	FY 2027-28	Total
Financial Auditing Services	\$ 34,990	\$ 36,200	\$ 37,500	\$ 108,690
State Controller's Annual Report	\$ 645	\$ 670	\$ 690	\$ 2,005
Total	\$ 35,635	\$ 36,870	\$ 38,190	\$ 110,695

The above lump sum fees include all services outlined in Section 3.4, including complete financial statement audit, management letter, State Controller's Annual Report preparation, and report preparation, editing, and printing.

The following hourly rates apply to all services described in the Scope of Work.

Level of Staff	FY 2025-26	FY 2026-27	FY 2027-28
Engagement Partner	\$335	\$350	\$360
Manager	270	280	290
Senior Staff	175	180	190
Staff Accountant	125	130	130
Administrative Support	115	120	120

REFERENCES

EadiePayne has over 106 years of experience providing audit services to governmental entities, including special districts and water utilities. Our experience with multi-purpose districts positions us to effectively serve the District.

For each engagement, EadiePayne has identified the engagement name and location, client contact information, type and extent of services performed, and the role of each proposed team member. Additional details, including engagement budget, schedule milestones, and any significant challenges encountered and their resolution, will be provided upon request. All reference contact information has been verified and is current. EadiePayne confirms that all referenced engagements are similar in scope and complexity to the services requested in this RFP.

<p>Antelope Valley East-Kern Water Agency 2022 – Present Teresa Yates, Finance Manager (661) 943-3201 tyates@avek.org 6500 West Avenue N, Palmdale, CA 93551</p> <p>Projected Budget: 200 hours Actual Budget: 200 hours</p>	<p>Financial audits, preparation of GAAP financial statements, assistance with implementation of GASB accounting standards, and SCO report preparation.</p>
<p>Twentynine Palms Water District 2018 – Present Matt Shragge, General Manager (760) 367-7546 mshragge@29palmswater.org Cindy Byerrum, Outside Accountant (909) 204-8858 cbyerrum@eidebailly.com 72401 Hatch Rd., Twentynine Palms, CA 92277</p> <p>Projected Budget: 200 hours Actual Budget: 200 hours</p>	<p>Financial audits, preparation of GAAP financial statements, assistance with implementation of GASB accounting standards, and SCO report preparation.</p>
<p>Santa Clarita Valley Water Agency 2025 – Present Carlos Corrales, Controller (661) 425-8540 ccorrales@scvwa.org 27234 Bouquet Canyon Rd, Santa Clarita, CA 91350</p> <p>Projected Budget: 590 Actual Budget: 630</p>	<p>Financial audits, single audits, assistance with implementation of GASB accounting standards, and SCO report preparation.</p>
<p>City of Huntington Park 2019 – Present Jeff Jones, Director of Finance (323) 584-6201 jjones@hpcg.gov 6550 Miles Ave., Huntington Park, CA 90255</p> <p>Projected Budget: 1000 Actual Budget: 900</p>	<p>Financial audits; single audits; preparation of GAAP financial statements; assistance with implementation of GASB accounting standards; assistance with corrective action plan.</p>



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

Date: June 10, 2026

To: Board of Directors

From: Carey Casciola, Business and Accounting Manager

Subject: **Agenda Item #10(A):** Adopt resolutions approving the Fiscal Year 2026-27 Preliminary Budget and the Fiscal Year 2026-27 Appropriation Limitation and to set August 12, 2026, as the date of the public hearing to consider the adoption of the 2026-27 Final Budget.

Recommendation

It is recommended that the Oceano Community Services District Board of Directors:

1. Adopt the attached resolution approving the 2026-27 Preliminary Budget
2. Adopt the attached resolution determining the 2026-27 Appropriation Limitation
3. Set August 12, 2026, as the date for a public hearing for the OCS D Board to consider adoption of the 2026-27 Final Budget

Discussion

At the Board meeting of May 13, 2026, the Board provided direction to bring back the Preliminary Budget for Fiscal Year (FY) 2026-27 as a [Public Hearing](#). At the May 5, 2026, Oceano Parks and Recreation Committee meeting the committee reviewed the attached budget and supported the budget as presented. The worksheets have been designed to include the following:

- ✓ Budget Narrative
- ✓ Actual FY 2017-18 through FY 2024-25
- ✓ Estimated current year 2025-26
- ✓ Current FY 2025-26 Final Budget
- ✓ Preliminary FY 2026-27 Budget

Appropriation Limitations

Article XIII(b) of the California State Constitution was approved by voters in November 1979 and places limits on the level of appropriations from tax sources that are permitted in any given year. The limitation is modified every year for increases in population and per-capita income.



Oceano Community Services District

Board of Directors Meeting

The table below provides a two-year illustration of the appropriation limitation calculation:

APPROPRIATION LIMITATION	FY 2025-26	FY 2026-27
Fiscal Year Limitation	\$ 2,969,388	\$ 1,739,387
Ratio of Change	1.0579	1.0516
Appropriation Limitation	\$ 3,141,315	\$ 1,829,139
Divestiture of Fire Services	\$ (1,401,928)	\$ 0
Appropriation Limitation	\$ 1,739,387	\$ 1,829,139
Appropriations Subject to Limitation	\$ (56,135)	\$ (56,258)
Appropriations Under Limit	\$ 1,683,252	\$ 1,772,881

Other Agency Involvement

The County Auditor is provided with a copy of the District's annual budget once approved. Numerous other agencies are involved in the development of the District's budget including the County of San Luis Obispo and South County Sanitation Services, Inc.

Other Financial Considerations

The proposed preliminary budget for FY 2026-27 includes \$5,860,664 in revenues and \$5,498,427 in expenditures. Details are covered in the narrative section of the attached budget including details associated with each fund.

The accounting close-out for the current FY 2025-26 year will be substantially completed before the adoption of the Final FY 2026-27 Budget in August 2026, at which time the detailed update on reserves can be provided for Board consideration.

Results

Reviewing and adopting the 2026-27 Preliminary Budget is required by State statute prior to June 30, 2026, and helps ensure the financial management of the District.

Attachments:

1. Resolution Adopting the 2026-27 Preliminary Budget
2. 2026-27 Preliminary Budget
3. Resolution Adopting the 2026-27 Appropriation Limitation

**OCEANO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2026-__**

A RESOLUTION ADOPTING THE PRELIMINARY 2026-27 FISCAL YEAR BUDGET

WHEREAS, Section 61110 et seq, of the California Government Code established procedures for the adoption of budgets for Community Services Districts, including the Oceano Community Services District ("District"); and,

WHEREAS, pursuant to Government Code Section 61110 et seq. the District elects to adopt a preliminary budget for Fiscal Year 2026-27; and,

WHEREAS, the District has published notice of this hearing adopting the District's preliminary budget pursuant to Government Code Section 61110. et seq; and,

WHEREAS, the District desires to make known its planned activities and associated costs for the 2026-27 fiscal year.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED by the Board of Directors, Oceano Community Services District, San Luis Obispo County, California, as follows:

1. That the attached proposed budgets, including the payment and compensation plan entitled, "Oceano Community Services District Preliminary Budget Fiscal Year 2026-27" be adopted as follows.

Budget Unit	FY 2026-27
Administrative Fund Appropriations	\$1,581,035
Street Lighting Fund Appropriations	\$59,215
Parks and Rec Fund Appropriations	\$17,392
Facilities Fund Appropriations	\$52,646
Water Fund Appropriations	\$3,999,051
Wastewater Fund Appropriations	\$1,187,719
Solid Waste Fund Appropriations	\$157,524
Equipment Fund Appropriations	\$24,800
Total	\$7,079,382

2. That the proposed budget be administered as established by past policies and practices.
3. That in accordance with Government Code Section 61110(f), the Board of Directors will schedule a public hearing prior to September 1, 2026, for the adoption of the 2026-27 Final Budget, final reserve designations, and other adjustments that the Board of Directors may choose to consider.

Upon motion of _____, seconded by _____ and on the following roll call vote, to wit:

AYES:
NOES: None
ABSENT:
ABSTAINING:

the foregoing Resolution is hereby adopted this ___ day of _____, 2026.

President of the Board of Directors

ATTEST:

Secretary for the Board of Directors

FY 2026-2027 OCSD PRELIMINARY BUDGET



BUDGET SUMMARY



OCEANO COMMUNITY SERVICES DISTRICT PRELIMINARY BUDGET FISCAL YEAR 2026/27

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Summary

The Oceano Community Services District (OCSD) has prepared its preliminary budget for fiscal year (FY) 2026/27 consistent with the current FY 2025/26 budget. The financial condition of the District is subject to impacts that will be completed by the end of this current fiscal year.

Significant Budget Variances

The OCSD (FY) 2026/27 Preliminary Budget includes a significant upcoming budget variance.

- Since 2010, emergency services and fire protection were provided by the Five Cities Fire Authority (FCFA) through a Joint Powers Authority (JPA) agreement with the cities of Arroyo Grande and Grover Beach. After three amendments to the JPA and two failed ballot measures to increase funding for services, the District initiated proceedings through the Local Agency Formation Commission (LAFCO) to divest of its emergency services and fire protection power and turn the responsibility over to the County of San Luis Obispo. In FY 2024-25, the District paid for FCFA services through December 2024. In January 2025, the LAFCO hearing was finalized, and the District received \$56,135 (3.85%) of the property taxes for the Lighting and Parks and Recreation Funds. In September of 2024, the District and County adopted the Revenue in Connection with Divestiture of Fire Services Agreement, which provided a list of District revenues and reserves to be returned to the County. Staff worked with the County Auditor's office to reconcile the revenues and will return these funds before the end of the FY 2025/26:
 - Property Taxes through October 2025
 - Interest Income June 2025
 - Sheriff's Station Rental Income through January 2025
 - Public Facilities Fees & Reserves through June 2025
 - FY 2023/24 Fund Balance Available

Additional details are provided in subsequent sections on each of the OCSD budget units.

Combined Preliminary Budget

The following table illustrates the combined OCSD budgets.

OCSD Combined Budget - All Funds						
	<u>GENERAL</u>	<u>ENTERPRISE</u>	<u>SUB TOTAL</u>	<u>COMBINING</u>		
	<u>FUND</u>	<u>FUNDS</u>		<u>ADJUSTMENT</u>	<u>TOTAL</u>	<u>%</u>
OPERATING REVENUE	\$92,640	\$5,456,996	\$5,549,637		\$5,549,637	95%
NON OPERATING REVENUE	1,581,035	311,027	1,892,062	(1,581,035)	311,027	5%
TOTAL REVENUE	1,673,675	5,768,023	7,441,699	(1,581,035)	5,860,664	100%
LABOR	1,071,856	781,767	1,853,623	(287,795)	1,565,828	28%
SERVICES & SUPPLIES	593,169	\$2,548,650	3,141,819		3,141,819	57%
CAPITAL OUTLAY	0	606,300	606,300		606,300	11%
DEBT SERVICE	0	184,480	184,480		184,480	3%
ADMIN COST	45,263	1,247,977	1,293,240	(1,293,240)	0	0%
TOTAL EXPENDITURES	1,710,288	5,369,174	7,079,462	(1,581,035)	5,498,427	100%
SURPLUS/ (DEFICIT)	(36,613)	398,849	362,237	0	362,237	0

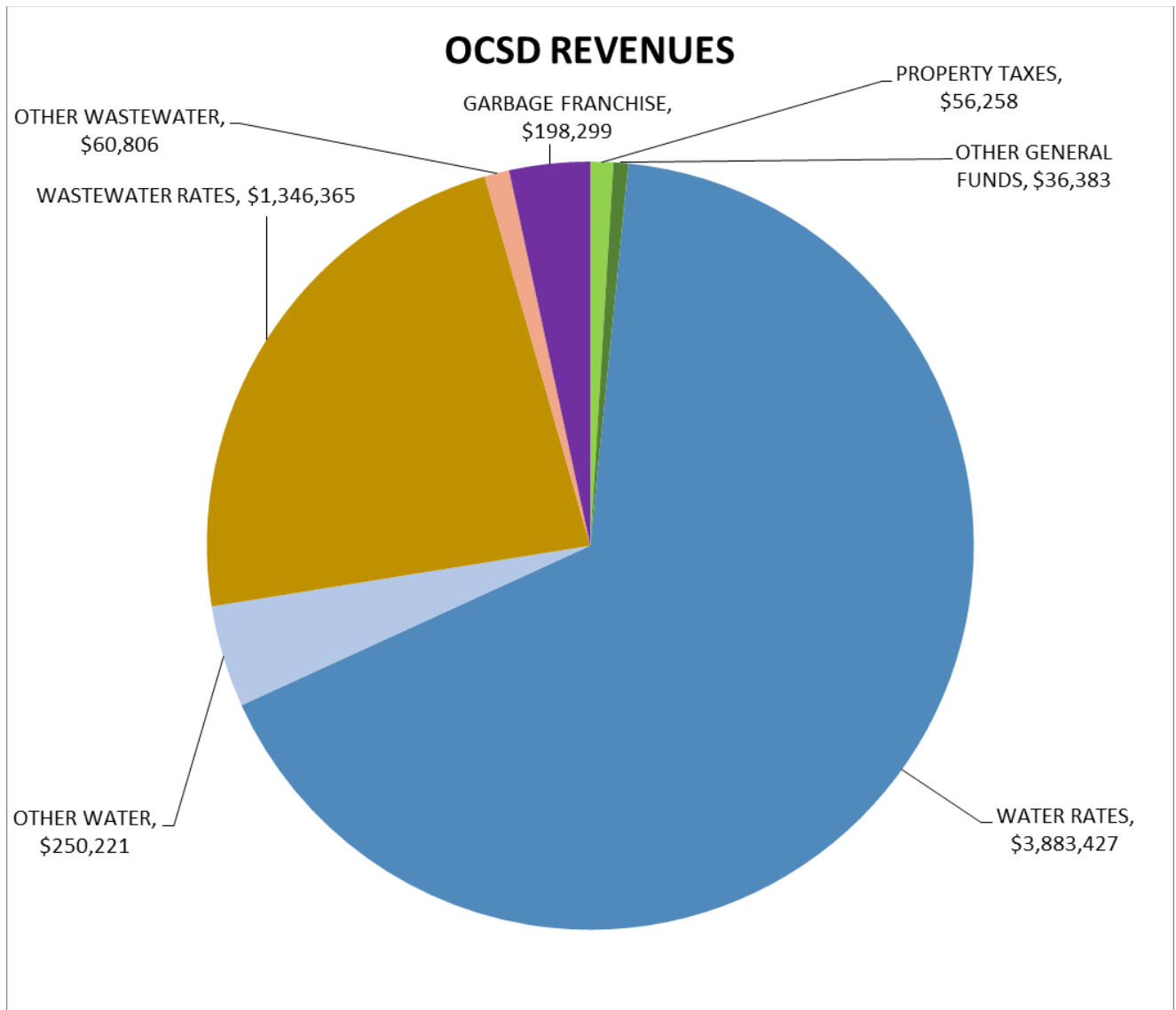
Revenues

In the General Fund, the property tax allocation to the District from the County of San Luis Obispo is based on the Property Tax Exchange Agreement approved in September 2024. The agreement was a part of the [Plan for Service](#) required by the Local Agency Formation Commission to divest emergency services and fire protection to the County. The preliminary FY 2026/27 budget includes \$56,258 (3.85%) of the total estimated property taxes (\$1,461,236) for streetlights, parks, and recreation activities based on the Countywide Revenue Forecast provided by the County Auditor.

The Facilities Fund is estimated to receive \$12,000 in rent for the Old Fire Station located at 1687 Front Street. The [Sheriff Substation Lease](#) was approved in December 2024, and the District no longer receives rent from the County. This helps offset the County's costs to provide emergency services and fire protection to Oceano residents. Before divestiture, the Facilities Fund collected \$120,000 in lease payments from the County of SLO for the Sheriff Substation.

The Enterprise Fund revenues are estimated to increase by \$918,921 (19%) from \$4,849,102, as budgeted in FY 2025/26, to \$5,768,023 in the proposed FY 2026/27 budget. The significant increase is based on the Water and Wastewater rates approved at the June 11, 2025, Proposition 218 public hearing to increase rates. In the Solid Waste Fund, the District will receive franchisee fees of 10% instead of 5% from SCSS based on [Resolution 2024-15](#), which will help reserves recover.

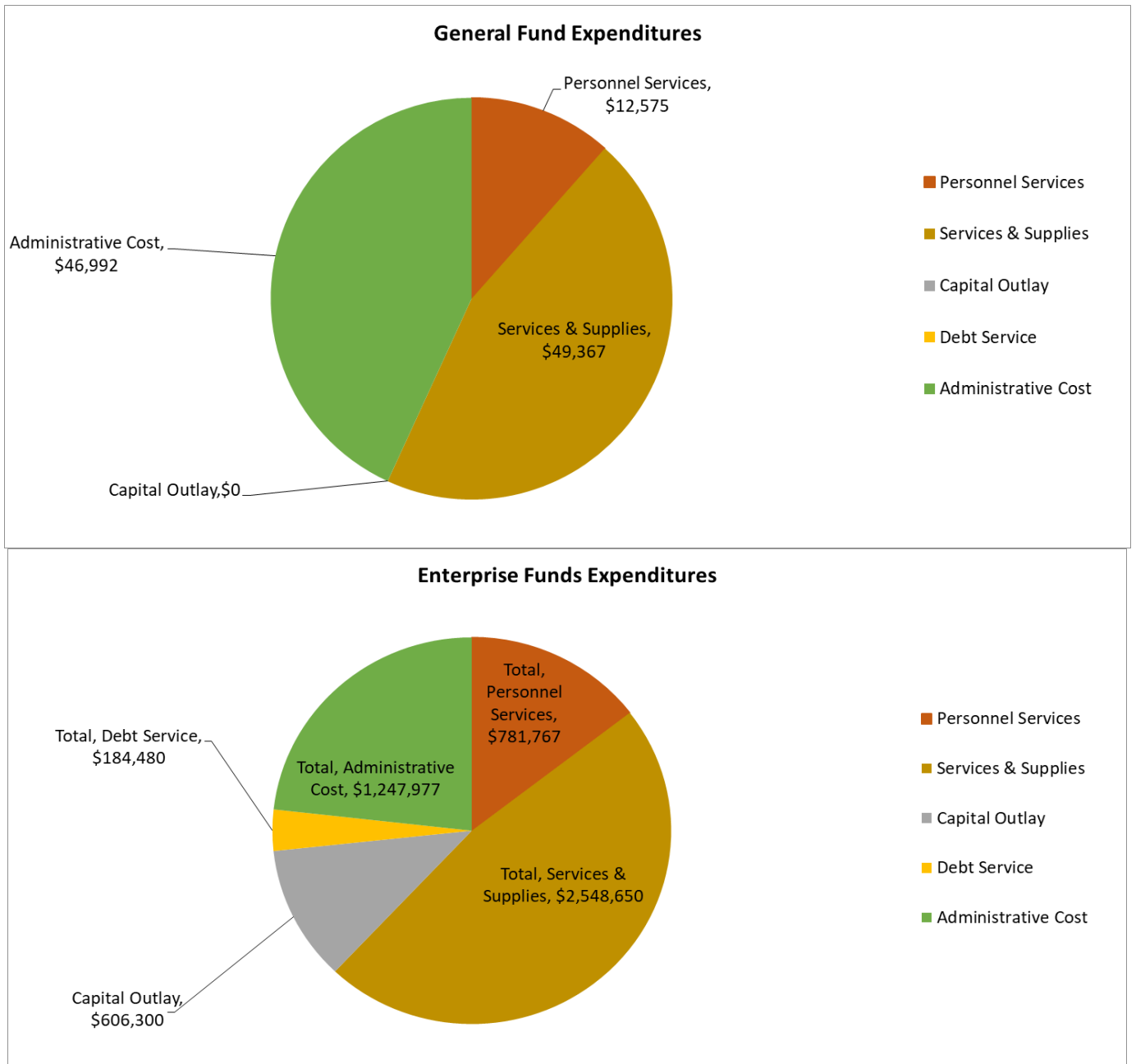
The chart below illustrates estimated revenues for FY 2026/27:



Expenditures

The expenditures in the General Fund, excluding the Fire Fund, from FY 2025/26, are estimated to increase by \$84,237 (5%) from \$1,626,051 budgeted for FY 2025/26 to \$1,710,288 in the FY 2026/27 proposed budget. Enterprise Fund expenditures are estimated to increase by \$639,292 (13%) from a total of \$4,729,882 to \$5,369,174 in FY 2026/27.

The following graph illustrates the OCS D costs for FY 2026/27 by category.



GENERAL FUND BUDGETS

The General Fund Budgets consist of the following:

- Administrative Fund
- Lighting Fund
- Parks and Recreation Fund
- Facilities Fund

Administrative Fund - See budget schedules on pages 12-17

The Administrative Fund covers the expenses of the General Manager and District staff, including accounting and finance, human resources, clerk and records retention, agenda preparation, contract management, utility billing, grant management, and other related administrative functions.

The proposed FY 2026/27 budget of \$1,581,035 represents an increase of \$56,632 (3.9%) from the \$1,521,403 budget for FY 2025/26. The larger increases to expenditures in the proposed Administrative budget include:

- Salary increases by 3.4% per the Memorandum of Understanding with the Service Employees International Union (SEIU).
- Health Insurance increases based on the new 2026/27 limits per the Memorandum of Understanding with the Service Employees International Union (SEIU).
- The election expense related to the 2026 consolidated election with the County of San Luis Obispo.

The expenditures in the Administration Fund are allocated to the General and Enterprise Funds through the Administration Allocation, and no changes are proposed to the percentages for FY 2026/27:

Fund	FY 2025/26	FY 2026/27	Difference
Fire	0.0%	0.0%	0.0%
Lighting	1.0%	1.0%	0.0%
Parks & Rec	1.0%	1.0%	0.0%
Facilities	1.5%	1.5%	0.0%
Water	60.0%	60.0%	0.0%
Wastewater	32.5%	32.5%	0.0%
Solid Waste	4.0%	4.0%	0.0%
	100.0%	100.0%	

Lighting Fund - See budget schedules on pages 21-23

The lighting fund pays for streetlights and is funded through a portion of the District’s property tax allocation. The proposed FY 2026/27 budget of \$59,215 is an increase of \$2,377 (4%) from the \$56,838 budgeted in FY 2025/26.

Parks and Recreation Fund - See budget schedules on pages 24-26

The Parks and Recreation fund provides support to the [Oceano Parks and Recreation Committee](#). The proposed FY 2026/27 budget was prepared consistent with last year, which includes \$4,460 in

activities and \$12,932 in the administrative allocation for a total budget of \$17,392. This is an increase of \$903 (5%) from the \$16,489 budgeted last year.

Facilities Fund - See budget schedules on pages 27-30

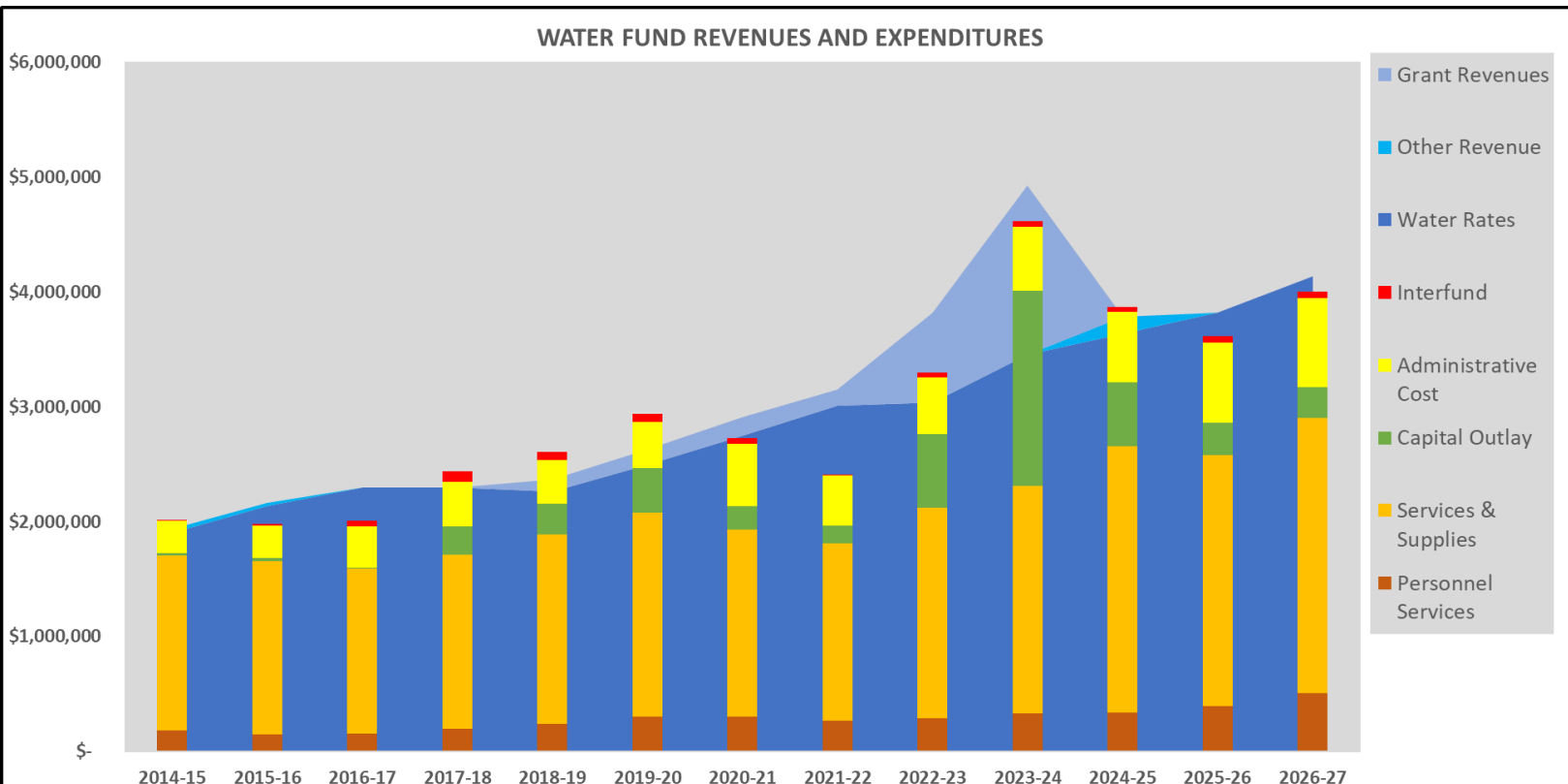
A portion of the old firehouse is rented to The Village Group for \$12,000 per year. The new Sheriff Substation lease requires the District to schedule, coordinate, and pay the first \$17,000 of maintenance at the Substation. The District then submits reimbursement requests to the County. The expenditures for maintenance at the Sheriff's Building are then offset by the reimbursement payments in the fund. The fund also includes expenditures for maintenance of the administrative office and the old firehouse.

ENTERPRISE FUND BUDGETS

The OCSD Enterprise Fund budgets consist of the following:

- Water Fund
- Wastewater Fund
- Solid Waste Fund
- Equipment Fund

Water Fund - See budget schedules on pages 32-33

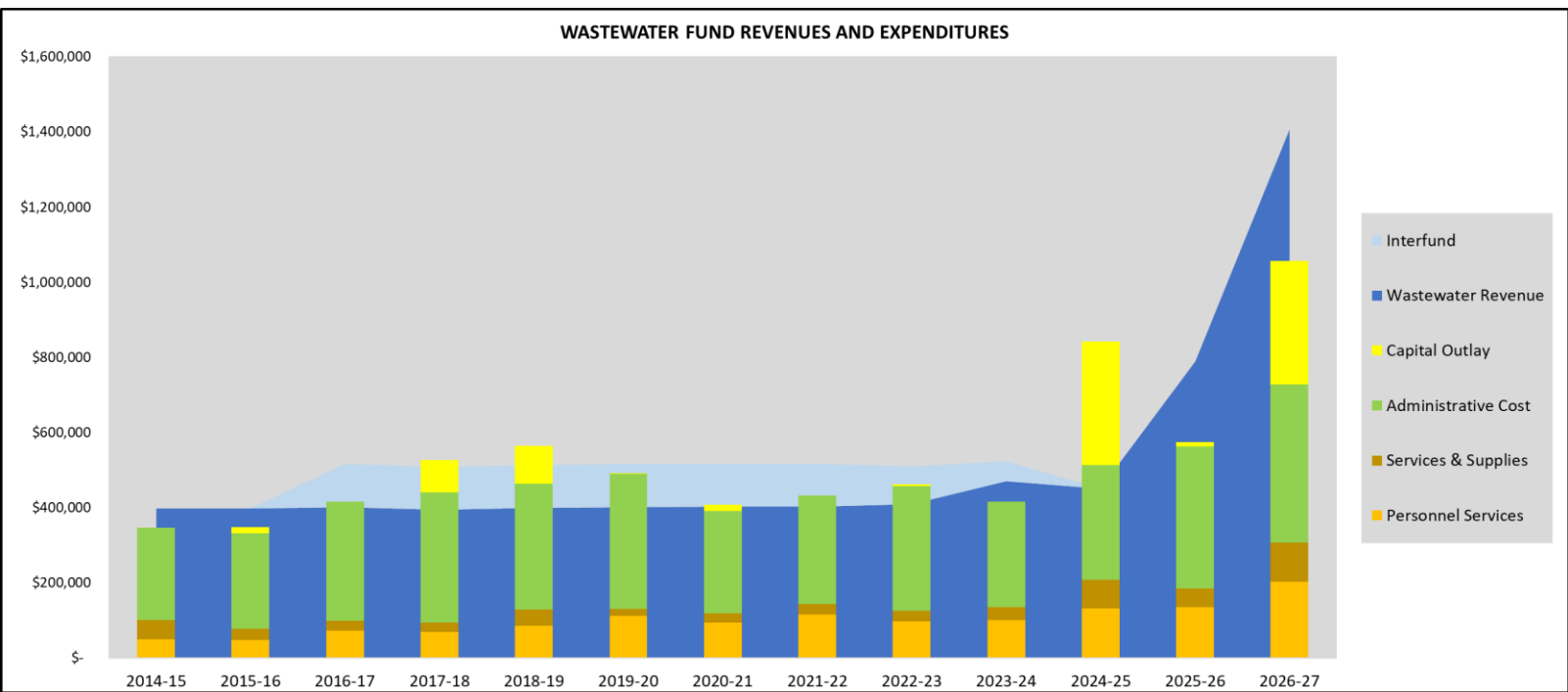


The District provides water service to approximately 2,200 connections. The District’s water supply includes groundwater, Lopez water, and State water. The water system rate increase was approved in June 2025 by Ordinance 2025-02. The District held a [Proposition 218 hearing](#) on June 11, 2025, for both the Wastewater and Water Rate adjustments beginning in fiscal year 2025/26 and established a new set of rates through 2030. The FY 2026/27 budget includes adequate funding for capital Improvement projects, labor, and construction cost escalations. The proposed budget includes a \$61,000 (9%) increase to the District’s Lopez Water Supply expenditure for the costs related to the Lopez Litigation.

Over the last seven years, the District has secured \$3,554,425 in grants from state agencies for water system capital improvement projects. The Water Resource Reliability Program (WRRP), funded by Proposition 1, Proposition 84, the Community Development Block Grant, and the Small Community Drought Grant, has evaluated long-term infrastructure needs of the District's water system, which

includes significant deferred maintenance and replacement. The design phase scope of work includes other preconstruction activities such as environmental compliance, technical assistance, and community outreach.

Wastewater Fund - See budget schedules on pages 37-40



The proposed FY 2026/27 Wastewater Fund budget includes the wastewater revenues provided in the [Sewer Rate Study](#) adopted by the Board at the Proposition 218 hearing on June 11, 2025, for both the Wastewater and Water Rate adjustments beginning in fiscal year 2025/26 and establishes a new set of rates through 2030. Under expenditures, \$330,000 has been allocated to Annual CIP Projects and \$103,500 for a new vector truck based on the [Sanitary Sewer Capital Improvement Plan](#). In the past, the Wastewater Fund incurred operating net losses because the revenues did not increase every year like the Water Fund.

Solid Waste Fund - See budget schedules on pages 41-44

The Solid Waste Fund is proposed to have an operating surplus of \$39,780 in the FY 2026/27 budget. The Board adopted Resolution [2024-15](#) to increase the franchise fee payment from South County Sanitary from 5% to 10%. Under expenditures, \$11,300 has been set aside for the Adopt a Can program, since two groups recently applied and the District added two new receptacles through the program.

Equipment Fund - See budget schedules on pages 45-48

The Equipment Fund is funded through the Water, Wastewater, and Garbage Funds. The proposed budget includes funds for fuel and maintenance.



GENERAL FUND





**OCEANO COMMUNITY SERVICES DISTRICT
GENERAL FUND
SUMMARY**

ACCOUNT NO.	GENERAL FUND (GF)	ACTUAL FY 2017/2018	ACTUAL FY 2018/19	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ACTUAL FY 2022/23	ACTUAL FY 2023/24	ACTUAL FY 2024/25	ESTIMATED FY 2025/26	2025/26 CURRENT BUDGET	2026/27 PRELIMINARY BUDGET
SOURCES OF FUNDS												
	Fire	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Lighting	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Parks & Recreation	\$0	\$0	\$0	\$0	\$0	\$0	\$8,793	\$8,265	\$0	\$0	\$0
	Facilities	\$169,127	\$201,210	\$152,627	\$163,053	\$150,596	\$157,029	\$174,364	\$108,773	\$122,444	\$14,200	\$29,000
	Admin	\$1,859,453	\$2,037,995	\$2,169,619	\$2,375,249	\$2,217,929	\$2,278,297	\$2,492,284	\$2,681,570	\$1,502,627	\$1,584,921	\$1,644,675
	Total Sources of Funds	\$2,028,580	\$2,239,205	\$2,322,246	\$2,538,301	\$2,368,525	\$2,435,326	\$2,675,441	\$2,798,608	\$1,625,071	\$1,599,121	\$1,673,675
USES OF FUNDS												
	Fire	\$964,222	\$1,052,092	\$1,202,035	\$1,182,361	\$1,181,778	\$1,185,381	\$1,182,280	\$887,593	\$180,711	\$189,270	\$0
	Lighting	\$39,570	\$46,912	\$40,464	\$44,491	\$37,726	\$58,810	\$45,417	\$47,006	\$49,801	\$56,838	\$59,215
	Parks & Recreation	\$0	\$0	\$0	\$0	\$0	\$0	\$14,442	\$23,536	\$12,665	\$16,489	\$17,392
	Facilities	\$118,415	\$85,106	\$181,729	\$34,350	\$47,823	\$138,272	\$54,249	\$41,494	\$137,950	\$31,321	\$52,646
	Admin	\$861,491	\$903,972	\$1,038,874	\$1,075,051	\$1,030,050	\$964,928	\$1,113,089	\$1,236,663	\$1,433,518	\$1,521,403	\$1,581,035
	Total Expenditures	\$1,983,698	\$2,088,082	\$2,463,102	\$2,336,253	\$2,297,378	\$2,347,390	\$2,409,477	\$2,236,292	\$1,814,645	\$1,815,321	\$1,710,288
	OPERATING SURPLUS/(DEFICIT)											
	Fire	(\$964,222)	(\$1,052,092)	(\$1,202,035)	(\$1,182,361)	(\$1,181,778)	(\$1,185,381)	(\$1,182,280)	(\$887,593)	(\$180,711)	(\$189,270)	\$0
	Lighting	(\$39,570)	(\$46,912)	(\$40,464)	(\$44,491)	(\$37,726)	(\$58,810)	(\$45,417)	(\$47,006)	(\$49,801)	(\$56,838)	(\$59,215)
	Parks & Recreation	\$0	\$0	\$0	\$0	\$0	\$0	(\$5,649)	(\$15,271)	(\$12,665)	(\$16,489)	(\$17,392)
	Facilities	\$50,712	\$116,105	(\$29,102)	\$128,702	\$102,773	\$18,757	\$120,115	\$67,279	(\$15,506)	(\$17,121)	(\$23,646)
	Admin	\$997,963	\$1,134,023	\$1,130,745	\$1,300,198	\$1,187,879	\$1,313,370	\$1,379,195	\$1,444,907	\$69,109	\$63,518	\$63,640
	OPERATING SURPLUS/(DEFICIT)	\$44,882	\$151,123	(\$140,856)	\$202,048	\$71,147	\$87,935	\$265,964	\$562,316	(\$189,574)	(\$216,200)	(\$36,613)
	TRANSFERS & ENCUMBRANCES											
	Transfers In - From Water & Garbage Funds	31,500	31,500	31,500	31,500	31,500	31,500	55,373	31,500	39,000	39,000	39,000
	(Transfers Out)	(113,940)	(113,940)	(113,940)	(113,940)	(126,011)	(109,441)	(132,334)				
	Encumbrances - Sources of Funding									(3,846)	(3,846)	
	Encumbrances - (Designated Funds)											
	NET TRANSFERS & ENCUMBRANCES	(\$82,440)	(\$82,440)	(\$82,440)	(\$82,440)	(\$94,511)	(\$77,941)	(\$76,961)	\$31,500	\$35,154	\$35,154	\$39,000
	RESERVES											
	(Use of Reserves)	(37,557)		(223,296)		(23,364)				(154,420)	(181,046)	
	Additions to Reserves		68,683		119,608		9,995	189,003	593,816			2,387
	Other Adjustments - PFF's and Sheriff Facility Improvements to SLO County (Divestiture)											
	RESERVES - INCREASE / (DECREASE)	(\$37,557)	\$68,683	(\$223,296)	\$119,608	(\$23,364)	\$9,995	\$189,003	\$593,816	(\$154,420)	(\$181,046)	\$2,387
	NET BUDGETARY SOURCES/USES	\$1	(\$0)	\$0	(\$0)	(\$0)	\$0	(\$0)	(\$0)	\$0	\$0	(\$0)



ADMINISTRATIVE BUDGET





**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
ADMINISTRATIVE DEPARTMENT - GENERAL FUND - 01**

ACCOUNT NO.	GENERAL FUND (GF) ADMINISTRATIVE DEPARTMENT - 01	ACTUAL FY 2017/2018	ACTUAL FY 2018/19	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ACTUAL FY 2022/23	ACTUAL FY 2023/24	ACTUAL FY 2024/25	ESTIMATED FY 2025/26	2025/26 CURRENT BUDGET	2026/27 PRELIMINARY BUDGET
SOURCES OF FUNDS												
	Revenues	\$1,017,209	\$1,077,768	\$1,125,931	\$1,155,696	\$1,199,829	\$1,322,120	\$1,394,053	\$1,445,153	\$71,608	\$63,518	\$63,640
	Other Sources of Funds	\$842,244	\$960,227	\$1,043,688	\$1,219,553	\$1,018,100	\$956,177	\$1,098,231	\$1,236,417	\$1,431,019	\$1,521,403	\$1,581,035
	Total Sources of Funds	\$1,859,453	\$2,037,995	\$2,169,619	\$2,375,249	\$2,217,929	\$2,278,297	\$2,492,284	\$2,681,570	\$1,502,627	\$1,584,921	\$1,644,675
USES OF FUNDS												
	PERSONNEL SERVICES											
	Salaries & Wages	\$435,716	\$404,011	\$456,518	\$466,046	\$438,475	\$429,218	\$459,330	\$464,384	\$503,117	\$515,500	\$533,380
	Benefits	\$144,807	\$122,075	\$174,129	\$201,007	\$188,252	\$134,317	\$159,083	\$235,839	\$218,098	\$219,800	\$237,745
	Personnel Services	\$580,523	\$526,086	\$630,647	\$667,053	\$626,726	\$563,536	\$618,413	\$700,223	\$721,215	\$735,300	\$771,125
	Services & Supplies	\$276,254	\$259,007	\$263,388	\$246,456	\$233,745	\$273,786	\$333,038	\$318,058	\$444,615	\$484,853	\$522,115
	Operating Crew Benefits Allocation	\$4,713	\$118,879	\$144,839	\$161,542	\$169,578	\$127,606	\$161,638	\$218,382	\$267,688	\$301,250	\$287,795
	Administrative Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Total Expenditures	\$861,491	\$903,972	\$1,038,874	\$1,075,051	\$1,030,050	\$964,928	\$1,113,089	\$1,236,663	\$1,433,518	\$1,521,403	\$1,581,035
	OPERATING SURPLUS/(DEFICIT)	\$997,963	\$1,134,023	\$1,130,745	\$1,300,198	\$1,187,879	\$1,313,370	\$1,379,195	\$1,444,907	\$69,109	\$63,518	\$63,640



OCEANO COMMUNITY SERVICES DISTRICT
 FUND LEVEL ANALYSIS
 ADMINISTRATIVE DEPARTMENT - GENERAL FUND - 01

ACCOUNT NO.	GENERAL FUND (GF) ADMINISTRATIVE DEPARTMENT - 01	ACTUAL FY 2017/2018	ACTUAL FY 2018/19	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ACTUAL FY 2022/23	ACTUAL FY 2023/24	ACTUAL FY 2024/25	ESTIMATED FY 2025/26	2025/26 CURRENT BUDGET	2026/27 PRELIMINARY BUDGET
SOURCES OF FUNDS												
REVENUES												
01-4-3100-000	Property Taxes: Current Year - Secured	964,610	1,015,514	1,039,689	1,090,127	1,146,033	1,252,568	1,324,149	1,382,154	56,135	56,135	56,258
01-4-3101-000	Property Taxes: Current Year - Unsecured	21,060	22,876	38,492	39,056	37,339	40,640	45,412	48,138	0	0	0
01-4-3102-000	Property Taxes: Prior Year - Secured	(2,135)	(3,341)	3,742	(1,923)	(2,836)	(2,787)	(3,802)	(2,551)	0	0	0
01-4-3103-000	Property Taxes: Prior Year - Unsecured	1,160	867	1,148	649	695	519	780	1,145	0	0	0
01-4-3105-000	Penalties & Interest	32,901	78	110	61	50	110	314	3,508	0	0	0
01-4-3106-000	Delinq Water, Wastewater & Garbage Charges	2,787	1,442	1,600	1,900	6,503	1,221	2,468	5,910	2,020	0	0
01-4-3120-000	Homeowners' Prop Tax Relief	6,381	6,449	6,253	6,326	6,210	6,315	6,353	6,318	0	0	0
01-4-3121-000	SB 1090	0	0	12,755	12,755	6,377	6,377	6,377	6,377	0	0	0
01-4-3213-100	Will Serve Letter Fee	930	1,470	390	1,110	690	780	980	1,309	1,320	0	0
01-4-3230-100	Misc Income	3	1,807	743	5,967	3,856	3,559	10,785	1,298	816	0	0
01-4-3238-200	Fireworks Permit	1,540	1,540	1,540	1,600	1,236	1,273	874	0	0	0	0
01-4-3243-100	Reimbursements	0	0	0	0	1,385	3,263	263	0	0	0	0
01-4-3300-000	Interest Income	385	43,581	34,556	14,728	9,777	26,302	18,496	14,275	8,927	7,383	7,383
01-4-3557-000	CO Charge: SB 2557	(14,512)	(15,514)	(15,086)	(16,660)	(17,486)	(18,019)	(19,138)	(22,991)	0	0	0
01-4-3606-205	PG&E Energy Rebate	2,100	1,000	0	0	0	0	0	0	0	0	0
01-4-3900-011	Board Member receivable PMT	0	0	0	0	0	0	5	0	0	0	0
01-4-3900-012	Grant Revenues	0	0	0	0	0	0	0	0	2,390	0	0
Total Revenues		\$1,017,209	\$1,077,768	\$1,125,931	\$1,155,696	\$1,199,829	\$1,322,120	\$1,394,053	\$1,445,153	\$71,608	\$63,518	\$63,640
OTHER SOURCES OF FUNDS												
01-54100-376	Allocated Administrative Overhead	842,244	841,347	898,849	1,058,011	848,522	828,571	935,236	1,018,035	1,163,331	1,220,153	1,293,240
01-54100-376	Allocated Operating Crew Overhead	0	118,880	144,839	161,542	169,578	127,606	162,995	218,382	267,688	301,250	287,795
Total Other Sources of Funds		\$842,244	\$960,227	\$1,043,688	\$1,219,553	\$1,018,100	\$956,177	\$1,098,231	\$1,236,417	\$1,431,019	\$1,521,403	\$1,581,035
Total Sources of Funds		\$1,859,453	\$2,037,995	\$2,169,619	\$2,375,249	\$2,217,929	\$2,278,297	\$2,492,284	\$2,681,570	\$1,502,627	\$1,584,921	\$1,644,675
USES OF FUNDS												
PERSONNEL SERVICES												
SALARIES & WAGES												
01-5-4100-010	Salary & Wages	431,860	398,399	455,896	465,901	438,250	428,751	459,094	463,726	503,117	507,000	523,820
01-5-4100-020	Overtime	3,856	5,612	622	146	225	468	236	658	0	8,500	9,560
Total Salaries & Wages		\$435,716	\$404,011	\$456,518	\$466,046	\$438,475	\$429,218	\$459,330	\$464,384	\$503,117	\$515,500	\$533,380
BENEFITS												
01-5-4100-061	PERS Contribution	52,240	28,092	56,178	58,853	74,857	40,148	57,202	78,254	71,336	68,000	75,190
01-5-4100-062	PERS UAL Payment	22,790	30,576	38,419	47,727	5,575	11,433	0	24,939	31,460	31,460	33,360
01-5-4100-070	SUI	2,569	2,463	2,671	3,159	3,341	3,773	0	0	1,409	2,285	2,375
01-5-4100-071	Medicare	6,528	5,904	6,939	6,582	6,939	6,531	7,287	7,808	9,206	8,295	9,575
01-5-4100-072	FICA	837	628	1,543	1,949	2,255	2,309	2,515	2,510	2,999	2,870	3,120
01-5-4100-192	P/R Fed & State Taxes	2,643	3,764	4,905	4,622	4,431	5,124	6,149	15,019	2,501	0	2,600
01-5-4100-075	Compensation Insurance	13,785	5,028	5,269	4,165	4,220	4,624	5,057	4,919	5,142	5,790	6,225
01-5-4100-090	Insurance	42,515	44,721	57,230	73,050	85,734	59,474	80,298	99,072	92,545	99,600	103,800
01-5-4100-097	Cell Phone Allowance	900	900	975	900	900	900	575	1,500	1,500	1,500	1,500
01-5-4100-099	Auto Expense Allowance	0	0	0	0	0	0	0	1,818	0	0	0
Total Benefits		\$144,807	\$122,075	\$174,129	\$201,007	\$188,252	\$134,317	\$159,083	\$235,839	\$218,098	\$219,800	\$237,745
Total Personnel Services		\$580,523	\$526,086	\$630,647	\$667,053	\$626,726	\$563,536	\$618,413	\$700,223	\$721,215	\$735,300	\$771,125



**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
ADMINISTRATIVE DEPARTMENT - GENERAL FUND - 01**

ACCOUNT NO.	GENERAL FUND (GF) ADMINISTRATIVE DEPARTMENT - 01	ACTUAL FY 2017/2018	ACTUAL FY 2018/19	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ACTUAL FY 2022/23	ACTUAL FY 2023/24	ACTUAL FY 2024/25	ESTIMATED FY 2025/26	2025/26 CURRENT BUDGET	2026/27 PRELIMINARY BUDGET
SERVICES & SUPPLIES												
01-5-4100-110	Communications	8,934	8,102	10,078	10,121	10,141	10,721	10,084	10,063	10,354	11,800	12,275
01-5-4100-150	Insurance	21,373	22,608	24,219	26,576	30,562	35,552	40,614	45,897	50,481	48,000	52,500
01-5-4100-170	Maintenance: Equipment	154	357	434	579	415	325	431	446	0	3,962	4,120
01-5-4100-173	Maint: Structures/ Improvements	10,507	6,799	6,058	5,623	5,555	12,826	7,043	3,956	4,873	14,050	14,615
01-5-4100-180	Memberships	6,858	6,990	7,827	3,877	7,934	8,651	8,643	9,337	9,891	9,900	10,295
01-5-4100-193	Bank Fees	4,262	4,631	3,916	4,074	4,817	4,888	5,454	5,475	5,599	6,450	6,710
01-5-4100-200	Office Expense	6,401	7,286	7,952	5,232	6,834	7,816	6,272	11,655	12,125	8,530	12,610
01-5-4100-202	Office Lease	0	0	0	0	0	0	0	323	119,051	119,051	120,100
01-5-4100-205	Outside UB Mail Service	19,082	0	1,231	27	0	898	0	0	0	1,000	1,040
01-5-4100-210	Postage	348	1,946	505	508	1,075	1,601	906	2,446	140	2,680	2,785
01-5-4100-218	Audit	21,775	20,200	19,820	21,975	21,620	22,340	23,000	36,800	28,080	28,080	29,205
01-5-4100-220	Professional Services	21,686	23,706	23,778	19,417	25,134	37,233	36,835	27,870	47,664	38,750	40,300
01-5-4100-221	Information Technology	6,178	8,846	7,175	3,749	2,363	619	718	360	11,604	5,000	7,065
01-5-4100-223	Legal Services	81,715	85,582	88,808	53,072	41,518	52,867	112,529	81,137	69,843	88,400	91,935
01-5-4100-225	Board Stipends	8,700	9,850	10,050	6,250	9,050	9,300	11,100	8,250	4,933	9,400	9,800
01-5-4100-226	Annual Software Maintenance	14,803	15,306	13,749	17,987	18,994	19,978	20,598	21,131	27,820	27,820	28,950
01-5-4100-230	Required Legal Notice	0	375	436	1,178	1,202	180	241	1,226	0	1,250	1,300
01-5-4100-235	Books/ Journals/ Subscriptions/ Software	6,794	546	341	1,654	470	596	3,910	3,468	3,984	5,200	5,500
01-5-4100-247	LAFCO Annual Charge	15,280	12,790	15,220	10,861	11,120	12,079	12,967	14,270	15,803	14,050	16,435
01-5-4100-248	Permits, Fees, Licenses	495	798	2,272	2,821	4,298	4,780	4,809	7,388	6,760	7,750	7,050
01-5-4100-260	Election Expense	0	549	0	22,845	0	10,684	0	5,895	0	0	10,000
01-5-4100-280	Private Vehicle/ Milage Expense	233	0	181	0	0	0	0	2,265	0	1,100	2,555
01-5-4100-283	Job Advertising Expense	0	412	2,400	0	2,444	1,105	569	1,759	1,015	1,250	1,300
01-5-4100-285	Classes/ Seminars/ Training Fee	2,159	2,959	3,045	1,284	5,196	5,313	7,551	7,730	1,041	15,050	15,650
01-5-4100-286	Board Member Travel	132	439	210	0	0	50	0	0	0	2,290	2,385
01-5-4100-290	Utilities	9,529	11,707	10,671	10,982	9,910	12,467	11,163	12,666	9,392	13,520	14,065
01-5-4100-297	Pass-thru: Delinquent Garbage/ Tax Roll	2,664	1,239	2,556	203	2,220	917	1,221	1,089	1,269	1,510	1,570
01-5-4100-320	Fixed Assets	6,096	5,369	0	0	0	0	5,507	0	0	0	0
01-5-4100-199	Claims & Settlements	0	0	0	0	0	0	0	0	0	0	0
Total Services & Supplies		\$276,254	\$259,007	\$263,388	\$246,456	\$233,745	\$273,786	\$333,038	\$318,058	\$444,615	\$484,853	\$522,115
Operating Crew Benefits & Direct Labor Cost Allocations												
01-5-4100-600	Leave time	0	27,682	31,352	40,861	54,807	29,044	35,187	66,688	105,004	76,050	80,000
01-5-4100-605	Salaries & Wages (Admin)	0	0	0	0	0	0	461	1,998	8,151	3,000	10,115
01-5-4100-601	PERS Contribution	0	23,478	29,785	34,202	30,886	30,017	24,576	32,440	33,062	48,000	49,600
01-5-4100-602	Medicare	0	3,448	3,676	3,884	3,676	4,089	4,510	4,399	4,547	7,050	7,335
01-5-4100-606	P/R Fed & State Taxes	0	0	0	0	0	0	8,643	0	3,425	4,680	4,865
01-5-4100-607	SUI	0	0	0	0	0	0	0	0	0	2,170	2,170
01-5-4100-603	Insurance	0	39,309	58,365	61,454	60,468	50,817	67,774	87,923	84,827	128,400	101,400
01-5-4100-080	Boot Allowance	750	1,000	1,000	1,000	1,000	1,000	1,200	2,100	1,500	1,500	1,560
01-5-4100-100	Clothing	3,963	6,463	6,362	6,491	5,141	6,779	6,088	5,914	8,292	8,500	8,850
01-5-4100-604	Standby	0	17,500	14,300	13,650	13,600	5,860	13,200	16,920	18,880	21,900	21,900
Total Operating Crew Benefits		\$4,713	\$118,879	\$144,839	\$161,542	\$169,578	\$127,606	\$161,638	\$218,382	\$267,688	\$301,250	\$287,795
Total Expenditures		\$861,491	\$903,972	\$1,038,874	\$1,075,051	\$1,030,050	\$964,928	\$1,113,089	\$1,236,663	\$1,433,518	\$1,521,403	\$1,581,035
OPERATING SURPLUS/(DEFICIT)		\$997,963	\$1,134,023	\$1,130,745	\$1,300,198	\$1,187,879	\$1,313,370	\$1,379,195	\$1,444,907	\$69,109	\$63,518	\$63,640
TRANSFERS & ENCUMBRANCES												
	Transfers In	0	0	0	46,263	19,120	0	0	0	0	0	0
	(Transfers Out) - Fire, Lighting, Parks & Rec (Property Taxes)	(1,028,792)	(1,099,004)	(1,242,499)	(1,226,852)	(1,230,363)	(1,256,915)	(1,352,384)	(949,870)	(247,023)	(266,443)	(76,607)
	Encumbrances - Sources of Funding	0	47,904	0	0	0	0	0	0	0	0	0
	Encumbrances - (Designated Funds)	0	(47,904)	0	0	0	0	0	0	(3,846)	(3,846)	0
NET TRANSFERS & ENCUMBRANCES		(\$1,028,792)	(\$1,099,004)	(\$1,242,499)	(\$1,180,589)	(\$1,211,243)	(\$1,256,915)	(\$1,352,384)	(\$949,870)	(\$250,869)	(\$270,289)	(\$76,607)
RESERVES												
	(Use of Reserves)	(30,829)		(111,754)		(23,364)				(181,760)	(206,771)	(12,967)
	Additions to Reserves		35,019		119,609		56,454	26,811	495,037			
	Other Adjustments											
RESERVES - INCREASE / (DECREASE)		(\$30,829)	\$35,019	(\$111,754)	\$119,609	(\$23,364)	\$56,454	\$26,811	\$495,037	(\$181,760)	(\$206,771)	(\$12,967)
NET BUDGETARY SOURCES/USES		\$0	(\$0)	\$0	(\$0)	\$0	(\$0)	(\$0)	\$0	\$0	\$0	\$0



FIRE BUDGET





**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
FIRE DEPARTMENT - GENERAL FUND - 01**

ACCOUNT NO.	GENERAL FUND (GF) FIRE DEPARTMENT - 01	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ACTUAL FY 2022/23	ACTUAL FY 2023/24	ACTUAL FY 2024/25	ESTIMATED FY 2025/26	2025/26 APPROVED BUDGET	2026/27 PRELIMINARY BUDGET
SOURCES OF FUNDS												
	Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Other Sources of Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Total Sources of Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
USES OF FUNDS												
PERSONNEL SERVICES												
	Salaries & Wages	\$92	\$20	\$0	\$0	\$181	\$0	\$0	\$0	\$0	\$0	\$0
	Benefits	\$5,723	\$7,641	\$7,803	\$13,687	\$848	\$638	\$815	\$2,292	\$180,711	\$189,270	\$0
	Personnel Services	\$5,816	\$7,662	\$7,803	\$13,687	\$1,029	\$638	\$815	\$2,292	\$180,711	\$189,270	\$0
	Services & Supplies	\$923,717	\$1,010,777	\$1,158,278	\$1,141,502	\$1,146,808	\$1,151,601	\$1,153,408	\$864,940	\$0	\$0	\$0
	Capital Overlay	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Administrative Cost Allocation	\$34,690	\$33,654	\$35,954	\$27,172	\$33,941	\$33,143	\$28,057	\$20,361	\$0	\$0	\$0
	Total Expenditures	\$964,222	\$1,052,092	\$1,202,035	\$1,182,361	\$1,181,778	\$1,185,381	\$1,182,280	\$887,593	\$180,711	\$189,270	\$0
	OPERATING SURPLUS/(DEFICIT)	(\$964,222)	(\$1,052,092)	(\$1,202,035)	(\$1,182,361)	(\$1,181,778)	(\$1,185,381)	(\$1,182,280)	(\$887,593)	(\$180,711)	(\$189,270)	\$0



**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
FIRE DEPARTMENT - GENERAL FUND - 01**

ACCOUNT NO.	GENERAL FUND (GF) FIRE DEPARTMENT - 01	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ACTUAL FY 2022/23	ACTUAL FY 2023/24	ACTUAL FY 2024/25	ESTIMATED FY 2025/26	2025/26 APPROVED BUDGET	2026/27 PRELIMINARY BUDGET
SOURCES OF FUNDS												
REVENUES												
Total Revenues		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OTHER SOURCES OF FUNDS												
Total Other Sources of Funds		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Sources of Funds		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
USES OF FUNDS												
PERSONNEL SERVICES												
SALARIES & WAGES												
01-5-4200-010	Salary & Wages	92	0	0	0	181	0	0	0	0	0	0
Total Salaries & Wages		\$92	\$20	\$0	\$0	\$181	\$0	\$0	\$0	\$0	\$0	\$0
BENEFITS												
01-5-4200-062	PERS UAL Payment	5,700	7,046	7,079	12,879	0	0	0	1,200	180,711	189,270	0
01-5-4200-062	Medicare	2	0	0	0	0	0	0	0	0	0	0
01-5-4200-075	FICA	0	0	0	0	0	0	0	0	0	0	0
01-5-4200-090	Insurance	19	1	0	0	0	0	0	0	0	0	0
	Operating Crew Benefits Allocation	0	594	724	808	848	638	815	1,092	0	0	0
Total Benefits		\$5,723	\$7,641	\$7,803	\$13,687	\$848	\$638	\$815	\$2,292	\$180,711	\$189,270	\$0
Total Personnel Services		\$5,816	\$7,662	\$7,803	\$13,687	\$1,029	\$638	\$815	\$2,292	\$180,711	\$189,270	\$0
SERVICES & SUPPLIES												
01-5-4200-077	JPA - Quarterly Payments	808,530	987,362	1,138,148	1,138,148	1,138,148	1,138,148	0	0	0	0	0
01-5-4200-100	Clothing	0	0	0	0	0	0	0	0	0	0	0
01-5-4200-220	Contract Fire and Emergency Services	0	0	0	0	0	0	1,151,000	853,000	0	0	0
01-5-4200-110	Communication	28,929	92	578	664	582	601	111	0	0	0	0
01-5-4200-170	Maintenance - Equipment	62	0	0	0	0	0	0	0	0	0	0
01-5-4200-173	Maintenance - Structure/ Improvements	1,262	1,378	0	0	0	0	0	0	0	0	0
01-5-4200-175	Operating Supplies	0	32	0	0	0	0	0	0	0	0	0
01-5-4200-200	Office Expense	0	34	323	0	93	213	0	80	0	0	0
01-5-4200-210	Postage	0	0	708	0	0	0	0	0	0	0	0
01-5-4200-220	Professional Services	16,165	17,150	14,750	0	5,294	9,351	138	11,204	0	0	0
01-5-4200-290	Utilities	3,193	4,353	3,771	2,207	2,101	1,603	1,355	656	0	0	0
01-5-4200-291	Sandbags	386	375	0	483	590	1,686	804	0	0	0	0
01-5-4200-320	Fixed Assets - Equipment	65,189	0	0	0	0	0	0	0	0	0	0
Total Services & Supplies		\$923,717	\$1,010,777	\$1,158,278	\$1,141,502	\$1,146,808	\$1,151,601	\$1,153,408	\$864,940	\$0	\$0	\$0
CAPITAL OVERLAY												
Total Capital Overlay		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ADMINISTRATIVE COST ALLOCATION												
01-5-4200-376	Allocated Overhead - Admin	34,690	33,654	35,954	27,172	33,941	33,143	28,057	20,361	0	0	0
Total Administrative Cost Allocation		\$34,690	\$33,654	\$35,954	\$27,172	\$33,941	\$33,143	\$28,057	\$20,361	\$0	\$0	\$0
Total Expenditures		\$964,222	\$1,052,092	\$1,202,035	\$1,182,361	\$1,181,778	\$1,185,381	\$1,182,280	\$887,593	\$180,711	\$189,270	\$0
OPERATING SURPLUS/(DEFICIT)		(\$964,222)	(\$1,052,092)	(\$1,202,035)	(\$1,182,361)	(\$1,181,778)	(\$1,185,381)	(\$1,182,280)	(\$887,593)	(\$180,711)	(\$189,270)	\$0
TRANSFERS & ENCUMBRANCES												
Transfers In - Property Taxes		964,222	1,052,092	1,202,035	1,182,360	1,192,030	1,197,394	1,294,670	887,593	180,711	189,270	0
(Transfers Out) - Water & Wastewater Funds						(10,252)	(12,013)	(112,390)			0	0
Encumbrances - Sources of Funding											0	0
Encumbrances - (Designated Funds)											0	0
NET TRANSFERS & ENCUMBRANCES		\$964,222	\$1,052,092	\$1,202,035	\$1,182,360	\$1,181,778	\$1,185,381	\$1,182,280	\$887,593	\$180,711	\$189,270	\$0



LIGHTING BUDGET





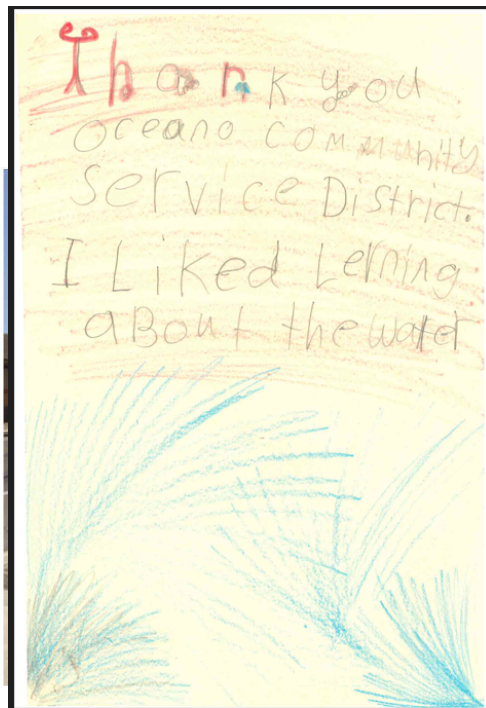
**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
LIGHTING - GENERAL FUND - 01**

ACCOUNT NO.	GENERAL FUND (GF) LIGHTING - 01	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ACTUAL FY 2022/23	ACTUAL FY 2023/24	ACTUAL FY 2024/25	ESTIMATED FY 2025/26	2025/26 CURRENT BUDGET	2026/27 PRELIMINARY BUDGET
SOURCES OF FUNDS												
	Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Other Sources of Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Total Sources of Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
USES OF FUNDS												
PERSONNEL SERVICES												
	Salaries & Wages	\$0	\$0	\$0	\$1,287	\$55	\$0	\$0	\$0	\$189	\$2,050	\$2,120
	Benefits	\$0	\$594	\$724	\$808	\$848	\$638	\$815	\$1,092	\$1,338	\$1,506	\$1,439
	Personnel Services	\$0	\$594	\$724	\$2,095	\$902	\$638	\$815	\$1,092	\$1,527	\$3,556	\$3,559
	Services & Supplies	\$30,898	\$37,904	\$30,752	\$33,339	\$28,339	\$49,886	\$35,250	\$35,734	\$36,641	\$41,080	\$42,724
	Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Administrative Cost	\$8,672	\$8,413	\$8,988	\$9,057	\$8,485	\$8,286	\$9,352	\$10,180	\$11,633	\$12,202	\$12,932
	Total Expenditures	\$39,570	\$46,912	\$40,464	\$44,491	\$37,726	\$58,810	\$45,417	\$47,006	\$49,801	\$56,838	\$59,215
	OPERATING SURPLUS/(DEFICIT)	(\$39,570)	(\$46,912)	(\$40,464)	(\$44,491)	(\$37,726)	(\$58,810)	(\$45,417)	(\$47,006)	(\$49,801)	(\$56,838)	(\$59,215)



OCEANO COMMUNITY SERVICES DISTRICT
 FUND LEVEL ANALYSIS
 LIGHTING - GENERAL FUND - FUND 01

ACCOUNT NO.	GENERAL FUND (GF) LIGHTING - 01	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ACTUAL FY 2022/23	ACTUAL FY 2023/24	ACTUAL FY 2024/25	ESTIMATED FY 2025/26	2025/26 CURRENT BUDGET	2026/27 PRELIMINARY BUDGET
SOURCES OF FUNDS												
REVENUES												
Total Revenues		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OTHER SOURCES OF FUNDS												
Total Other Sources of Funds		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Sources of Funds		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
USES OF FUNDS												
PERSONNEL SERVICES												
SALARIES & WAGES												
01-5-4195-010	Salaries & Wages	0	0	0	1,287	55	0	0	0	189	2,050	2,120
Total Salaries & Wages		\$0	\$0	\$0	\$1,287	\$55	\$0	\$0	\$0	\$189	\$2,050	\$2,120
BENEFITS												
	Operating Crew Benefits Allocation	0	594	724	808	848	638	815	1,092	1,338	1,506	1,439
Total Benefits		\$0	\$594	\$724	\$808	\$848	\$638	\$815	\$1,092	\$1,338	\$1,506	\$1,439
Total Personnel Services		\$0	\$594	\$724	\$2,095	\$902	\$638	\$815	\$1,092	\$1,527	\$3,556	\$3,559
SERVICES & SUPPLIES												
01-5-4195-175	Operating Supplies	0	0	559	47	334	6,147	20	292	1,180	2,600	2,704
01-5-4195-295	Street Lighting	30,898	37,904	30,193	33,292	28,004	32,273	35,230	35,442	35,461	38,480	40,020
01-5-4195-220	Professional Services	0	0	0	0	0	11,466	0	0	0	0	0
Total Services & Supplies		\$30,898	\$37,904	\$30,752	\$33,339	\$28,339	\$49,886	\$35,250	\$35,734	\$36,641	\$41,080	\$42,724
CAPITAL OUTLAY												
Total Capital Outlay		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ADMINISTRATIVE COST ALLOCATION												
01-5-4195-376	Administrative Cost Allocation	8,672	8,413	8,988	9,057	8,485	8,286	9,352	10,180	11,633	12,202	12,932
Total Administrative Cost Allocation		\$8,672	\$8,413	\$8,988	\$9,057	\$8,485	\$8,286	\$9,352	\$10,180	\$11,633	\$12,202	\$12,932
Total Expenditures		\$39,570	\$46,912	\$40,464	\$44,491	\$37,726	\$58,810	\$45,417	\$47,006	\$49,801	\$56,838	\$59,215
OPERATING SURPLUS/(DEFICIT)		(\$39,570)	(\$46,912)	(\$40,464)	(\$44,491)	(\$37,726)	(\$58,810)	(\$45,417)	(\$47,006)	(\$49,801)	(\$56,838)	(\$59,215)
TRANSFERS & ENCUMBRANCES												
	Transfers In - Property Taxes	39,570	46,912	40,464	44,492	38,333	59,521	52,065	47,006	49,801	56,838	59,215
	(Transfers Out)	0	0	0	0	(606)	(711)	(6,648)	0	0	0	0
	Encumbrances - Sources of Funding	0	0	0	0	0	0	0	0	0	0	0
	Encumbrances - (Designated)	0	0	0	0	0	0	0	0	0	0	0
NET TRANSFERS & ENCUMBRANCES		\$39,570	\$46,912	\$40,464	\$44,492	\$37,727	\$58,810	\$45,417	\$47,006	\$49,801	\$56,838	\$59,215



PARKS & RECREATION BUDGET





**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
PARKS & RECREATION - GENERAL FUND - 01**

ACCOUNT NO.	GENERAL FUND (GF) PARKS AND RECREATION DEPARTMENT - 01	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ACTUAL FY 2022/23	ACTUAL FY 2023/24	ACTUAL FY 2024/25	ESTIMATED FY 2025/26	2025/26 APPROVED BUDGET	2026/27 PRELIMINARY BUDGET
SOURCES OF FUNDS												
	Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Other Sources of Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$8,793	\$8,265	\$0	\$0	\$0
	Total Sources of Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$8,793	\$8,265	\$0	\$0	\$0
USES OF FUNDS												
	Salaries & Wages	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Personnel Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Services & Supplies	\$0	\$0	\$0	\$0	\$0	\$0	\$9,766	\$8,265	\$1,032	\$4,287	\$4,460
	Capital Overlay	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Administrative Cost Allocation	\$0	\$0	\$0	\$0	\$0	\$0	\$4,676	\$15,271	\$11,633	\$12,202	\$12,932
	Total Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$14,442	\$23,536	\$12,665	\$16,489	\$17,392
	OPERATING SURPLUS/(DEFICIT)	\$0	\$0	\$0	\$0	\$0	\$0	(\$5,649)	(\$15,271)	(\$12,665)	(\$16,489)	(\$17,392)



OCEANO COMMUNITY SERVICES DISTRICT
 FUND LEVEL ANALYSIS
 PARKS & RECREATION - GENERAL FUND - FUND 01

ACCOUNT NO.	GENERAL FUND (GF) PARKS & RECREATION - 01	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ACTUAL FY 2022/23	ACTUAL FY 2023/24	ACTUAL FY 2024/25	ESTIMATED FY 2025/26	2025/26 CURRENT BUDGET	2026/27 PRELIMINARY BUDGET
SOURCES OF FUNDS												
REVENUES												
Total Revenues		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OTHER SOURCES OF FUNDS												
01-4-3900-012	Parks Ca Grant Revenues	0	0	0	0	0	0	8,793	5,765	0	0	0
01-4-3900-012	SLO County Community Project Grant - Community Celebration	0	0	0	0	0	0	0	2,500	0	0	0
Total Other Sources of Funds		\$0	\$0	\$0	\$0	\$0	\$0	\$8,793	\$8,265	\$0	\$0	\$0
Total Sources of Funds		\$0	\$0	\$0	\$0	\$0	\$0	\$8,793	\$8,265	\$0	\$0	\$0
USES OF FUNDS												
PERSONNEL SERVICES												
SALARIES & WAGES												
01-5-4850-010	Salaries & Wages	0	0	0	0	0	0	0	0	0	0	0
Total Salaries & Wages		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BENEFITS												
01-5-4850-377	Operating Crew Benefits Allocation	0	0	0	0	0	0	0	0	0	0	0
Total Benefits		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Personnel Services		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SERVICES & SUPPLIES												
01-5-4850-301	Oceano Parks & Recreation Events	0	0	0	0	0	0	0	0	1,032	4,287	4,460
01-5-4850-302	SLO County Community Project Grant - Community Celebration Pop-Up Tent/ Banner	0	0	0	0	0	0	973	0	0	0	0
01-5-4850-302	Parks CA Grant Expenses	0	0	0	0	0	0	0	2,500	0	0	0
01-5-4850-302	OPARC Activities thru 12/31/2025	0	0	0	0	0	0	8,793	5,765	0	0	0
Total Services & Supplies		\$0	\$0	\$0	\$0	\$0	\$0	\$9,766	\$8,265	\$1,032	\$4,287	\$4,460
CAPITAL OUTLAY												
Total Capital Outlay		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ADMINISTRATIVE COST ALLOCATION												
01-5-4850-376	Administrative Cost Allocation	0	0	0	0	0	0	4,676	15,271	11,633	12,202	12,932
Total Administrative Cost Allocation		\$0	\$0	\$0	\$0	\$0	\$0	\$4,676	\$15,271	\$11,633	\$12,202	\$12,932
Total Expenditures		\$0	\$0	\$0	\$0	\$0	\$0	\$14,442	\$23,536	\$12,665	\$16,489	\$17,392
OPERATING SURPLUS/(DEFICIT)		\$0	\$0	\$0	\$0	\$0	\$0	(\$5,649)	(\$15,271)	(\$12,665)	(\$16,489)	(\$17,392)
TRANSFERS & ENCUMBRANCES												
	Transfers In - Property Taxes	0	0	0	0	0	0	5,649	15,271	16,511	20,335	17,392
	(Transfers Out)	0	0	0	0	0	0	0	0	0	0	0
	Encumbrances - Sources of Funding	0	0	0	0	0	0	0	0	0	0	0
	Encumbrances - (Designated)	0	0	0	0	0	0	0	0	(3,846)	(3,846)	0
NET TRANSFERS & ENCUMBRANCES		\$0	\$0	\$0	\$0	\$0	\$0	\$5,649	\$15,271	\$12,665	\$16,489	\$17,392



FACILITIES FUND





**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
FACILITIES - FUND 10**

ACCOUNT NO.	GENERAL FUND (GF) FACILITIES - 10	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ACTUAL FY 2022/23	ACTUAL FY 2023/24	ACTUAL FY 2024/25	ESTIMATED FY 2025/26	2025/26 CURRENT BUDGET	2026/27 PRELIMINARY BUDGET
SOURCES OF FUNDS												
	Revenues	\$169,127	\$162,852	\$152,627	\$163,053	\$150,596	\$157,029	\$166,469	\$108,773	\$29,000	\$14,200	\$29,000
	Other Sources of Funds	\$0	\$38,358	\$0	\$0	\$0	\$0	\$7,895	\$0	\$93,444	\$0	\$0
	Total Sources of Funds	\$169,127	\$201,210	\$152,627	\$163,053	\$150,596	\$157,029	\$174,364	\$108,773	\$122,444	\$14,200	\$29,000
USES OF FUNDS												
	Salaries & Wages	\$1,041	\$2,670	\$3,039	\$344	\$1,893	\$3,972	\$1,533	\$2,228	\$2,453	\$4,500	\$5,060
	Benefits	\$285	\$1,189	\$1,448	\$1,615	\$1,696	\$1,276	\$1,630	\$2,184	\$4,015	\$4,519	\$4,317
	Personnel Services	\$1,326	\$3,859	\$4,487	\$1,960	\$3,588	\$5,248	\$3,163	\$4,412	\$6,468	\$9,019	\$9,377
	Services & Supplies	\$60,161	\$7,970	\$8,060	\$14,276	\$13,294	\$33,704	\$12,555	\$14,211	\$20,588	\$4,000	\$23,870
	Capital Outlay	\$22,239	\$39,622	\$133,228	\$0	\$0	\$66,177	\$24,502	\$7,600	\$93,444	\$0	\$0
	Administrative Cost	\$34,690	\$33,654	\$35,954	\$18,115	\$30,941	\$33,143	\$14,029	\$15,271	\$17,450	\$18,302	\$19,399
	Total Expenditures	\$118,415	\$85,106	\$181,729	\$34,350	\$47,823	\$138,272	\$54,249	\$41,494	\$137,950	\$31,321	\$52,646
	OPERATING SURPLUS/(DEFICIT)	\$50,712	\$116,105	(\$29,102)	\$128,702	\$102,773	\$18,757	\$120,115	\$67,279	(\$15,506)	(\$17,121)	(\$23,646)
	TRANSFERS & ENCUMBRANCES											
	Transfers In - From Water Fund	31,500	31,500	31,500	31,500	31,500	31,500	55,373	31,500	39,000	39,000	39,000
	(Transfers Out)	(113,940)	(113,940)	(113,940)	(113,940)	(113,940)	(95,296)	(13,296)	0	0	0	0
	Encumbrances - Sources of Funding	0	0	0	0	0	0	0	0	0	0	0
	Encumbrances - (Designated Funds)	0	0	0	0	0	0	0	0	0	0	0
	NET TRANSFERS & ENCUMBRANCES	(\$82,440)	(\$82,440)	(\$82,440)	(\$82,440)	(\$82,440)	(\$63,796)	\$42,077	\$31,500	\$39,000	\$39,000	\$39,000
	RESERVES											
	(Use of Reserves)	(31,728)	0	(111,542)	0	0	(45,093)	0	0	0	0	0
	Additions to Reserves	0	33,665	0	46,262	20,333	0	162,192	98,779	23,494	21,879	15,354
	Other Adjustments - PFF's and Sheriff Facility Improvements	0	0	0	0	0	0	0	0	0	0	0
	RESERVES - INCREASE / (DECREASE)	(\$31,728)	\$33,665	(\$111,542)	\$46,262	\$20,333	(\$45,093)	\$162,192	\$98,779	\$23,494	\$21,879	\$15,354
	NET BUDGETARY SOURCES/USES	(\$0)	(\$0)	\$0	\$0	(\$0)	\$54	\$0	\$0	\$0	\$0	\$0



**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
FACILITIES - FUND 10**

ACCOUNT NO.	GENERAL FUND (GF) FACILITIES - 10	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ACTUAL FY 2022/23	ACTUAL FY 2023/24	ACTUAL FY 2024/25	ESTIMATED FY 2025/26	2025/26 CURRENT BUDGET	2026/27 PRELIMINARY BUDGET
SOURCES OF FUNDS												
REVENUES												
10-4-3257-000	Utility Reimbursement	1,202	2,209	1,947	1,579	1,546	2,887	2,585	2,633	17,000	2,200	17,000
10-4-3258-000	Old Fire Station Rent	10,725	10,725	10,725	11,775	12,000	12,000	12,000	12,000	12,000	12,000	12,000
10-4-3259-000	Fire Rent	15,000	15,000	15,000	15,000	15,000	15,000	0	0	0	0	0
10-4-3260-000	Lease - Sheriff Facility	113,940	113,940	113,940	113,940	113,940	122,175	129,792	76,432	0	0	0
	Public Facilities Fees	27,280	20,060	10,158	20,528	7,878	2,387	22,092	4,718	0	0	0
10-4-3300-003	Interest Income	980	919	857	231	232	2,579	0	12,990	0	0	0
Total Revenues		\$169,127	\$162,852	\$152,627	\$163,053	\$150,596	\$157,029	\$166,469	\$108,773	\$29,000	\$14,200	\$29,000
OTHER SOURCES OF FUNDS												
	Nuclear Power Preparedness - Emergency Generator	0	38,358	0	0	0	0	0	0	0	0	0
	Electric Vehicle Charging Stations Grant/ Rebate	0	0	0	0	0	0	7,895	0	0	0	0
10-4-3261-000	PEG Funding - Boardroom Upgrades	0	0	0	0	0	0	0	0	93,444	0	0
Total Other Sources of Funds		\$0	\$38,358	\$0	\$0	\$0	\$0	\$7,895	\$0	\$93,444	\$0	\$0
Total Sources of Funds		\$169,127	\$201,210	\$152,627	\$163,053	\$150,596	\$157,029	\$174,364	\$108,773	\$122,444	\$14,200	\$29,000
USES OF FUNDS												
SALARIES & WAGES												
10-5-4300-010	Salary & Wages	807	1,834	2,925	344	1,891	3,654	1,533	2,228	2,453	4,500	5,060
Total Salaries & Wages		\$1,041	\$2,670	\$3,039	\$344	\$1,893	\$3,972	\$1,533	\$2,228	\$2,453	\$4,500	\$5,060
BENEFITS												
	Operating Crew Overhead	0	1,189	1,448	1,615	1,696	1,276	1,630	2,184	4,015	4,519	4,317
Total Benefits		\$285	\$1,189	\$1,448	\$1,615	\$1,696	\$1,276	\$1,630	\$2,184	\$4,015	\$4,519	\$4,317
Total Personnel Services		\$1,326	\$3,859	\$4,487	\$1,960	\$3,588	\$5,248	\$3,163	\$4,412	\$6,468	\$9,019	\$9,377
SERVICES & SUPPLIES												
10-5-4300-110	Communication	25	33	27	28	23	33	29	29	0	0	0
10-5-4300-163	Maint: Structure/ Improvements	40,683	3,148	2,599	9,389	10,237	4,848	9,692	13,434	17,000	3,000	20,120
10-5-4300-173	So: Maint. Structures/ Improvements	18,590	2,465	4,659	4,860	3,034	4,414	2,460	748	3,588	1,000	3,750
10-5-4300-220	Professional Services	550	1,505	775	0	0	24,409	374	0	0	0	0
10-5-4300-290	Utilities	118	0	0	0	0	0	0	0	0	0	0
Total Services & Supplies		\$60,161	\$7,970	\$8,060	\$14,276	\$13,294	\$33,704	\$12,555	\$14,211	\$20,588	\$4,000	\$23,870



**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
FACILITIES - FUND 10**

ACCOUNT NO.	GENERAL FUND (GF) FACILITIES - 10	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ACTUAL FY 2022/23	ACTUAL FY 2023/24	ACTUAL FY 2024/25	ESTIMATED FY 2025/26	2025/26 CURRENT BUDGET	2026/27 PRELIMINARY BUDGET
CAPITAL OUTLAY												
10-5-4300-320	Fixed Assets	0	0	12,800	0	0	0	0	0	0	0	0
10-5-4300-366	Emergency Generator Project	22,239	39,622	120,428	0	0	0	0	0	0	0	0
	HVAC System	0	0	0	0	0	0	7,600	0	0	0	0
	Office Remodel & Parking Lot Resurface Project	0	0	0	0	0	66,177	6,356	0	0	0	0
	Boardroom Upgrades	0	0	0	0	0	0	0	93,444	0	0	0
	Total Capital Outlay	\$22,239	\$39,622	\$133,228	\$0	\$0	\$66,177	\$24,502	\$7,600	\$93,444	\$0	\$0
ADMINISTRATIVE COST ALLOCATION												
10-5-4300-376	Admin Allocation	34,690	33,654	35,954	18,115	30,941	33,143	14,029	15,271	17,450	18,302	19,399
	Total Administrative Cost Allocation	\$34,690	\$33,654	\$35,954	\$18,115	\$30,941	\$33,143	\$14,029	\$15,271	\$17,450	\$18,302	\$19,399
	Total Expenditures	\$118,415	\$85,106	\$181,729	\$34,350	\$47,823	\$138,272	\$54,249	\$41,494	\$137,950	\$31,321	\$52,646
	OPERATING SURPLUS/(DEFICIT)	\$50,712	\$116,105	(\$29,102)	\$128,702	\$102,773	\$18,757	\$120,115	\$67,279	(\$15,506)	(\$17,121)	(\$23,646)
TRANSFERS & ENCUMBRANCES												
	Transfers In - From Water Fund	31,500	31,500	31,500	31,500	31,500	31,500	55,373	31,500	39,000	39,000	39,000
	(Transfers Out)	(113,940)	(113,940)	(113,940)	(113,940)	(113,940)	(95,296)	(13,296)	0	0	0	0
	Encumbrances - Sources of Funding	0	0	0	0	0	0	0	0	0	0	0
	Encumbrances - (Designated Funds)	0	0	0	0	0	0	0	0	0	0	0
	NET TRANSFERS & ENCUMBRANCES	(\$82,440)	(\$82,440)	(\$82,440)	(\$82,440)	(\$82,440)	(\$63,796)	\$42,077	\$31,500	\$39,000	\$39,000	\$39,000
RESERVES												
	(Use of Reserves)	(31,728)		(111,542)			(45,093)					0
	Additions to Reserves		33,665		46,262	20,333		162,192	98,779	23,494	21,879	15,354
	Other Adjustments - PFF's and Sheriff's Carpet to County of SLO (Divestiture)							0				0
	RESERVES - INCREASE / (DECREASE)	(\$31,728)	\$33,665	(\$111,542)	\$46,262	\$20,333	(\$45,093)	\$162,192	\$98,779	\$23,494	\$21,879	\$15,354
	NET BUDGETARY SOURCES/USES	(\$0)	(\$0)	\$0	\$0	(\$0)	\$54	\$0	\$0	\$0	\$0	\$0



**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
ENTERPRISE FUNDS**

ACCOUNT NO.	ENTERPRISE FUNDS	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ACTUAL FY 2022/23	ACTUAL FY 2023/24	ACTUAL FY 2024/25	ESTIMATED FY 2025/26	2025/26 CURRENT BUDGET	2026/27 PRELIMINARY BUDGET
SOURCES OF FUNDS												
	Water Rate Revenue	\$2,298,272	\$2,369,720	\$2,628,292	\$2,913,584	\$3,147,959	\$3,820,103	\$4,927,882	\$3,402,557	\$3,822,027	\$3,819,985	\$4,133,648
	Wastewater Rate Revenue	\$393,600	\$398,818	\$403,257	\$402,314	\$403,128	\$408,496	\$469,333	\$454,057	\$789,377	\$871,354	\$1,407,171
	Solid Waste Franchisee Fee Revenue	\$92,784	\$94,892	\$85,384	\$61,222	\$52,896	\$72,392	\$93,018	\$74,540	\$190,277	\$129,819	\$198,299
	Equipment (Funded by the three Enterprise Funds)	\$102,115	\$54,418	\$56,370	\$25,894	\$32,123	\$22,302	\$19,330	\$84,868	\$13,474	\$27,944	\$28,905
	Total Sources of Funds	\$2,886,771	\$2,917,848	\$3,173,303	\$3,403,014	\$3,636,107	\$4,323,294	\$5,509,563	\$4,016,022	\$4,815,155	\$4,849,102	\$5,768,023
USES OF FUNDS												
	Water	\$2,348,851	\$2,535,876	\$2,867,972	\$2,676,056	\$2,415,834	\$3,543,762	\$4,622,960	\$3,407,621	\$3,612,380	\$3,762,292	\$3,999,051
	Wastewater	\$526,358	\$564,942	\$490,149	\$406,868	\$438,930	\$471,342	\$442,162	\$644,012	\$677,074	\$806,674	\$1,187,719
	Solid Waste	\$75,838	\$95,573	\$107,025	\$81,608	\$139,085	\$122,099	\$116,109	\$109,087	\$123,197	\$136,996	\$157,524
	Equipment	\$104,922	\$21,423	\$18,018	\$8,228	\$14,757	\$16,972	\$143,025	\$76,029	\$9,449	\$23,920	\$24,880
	Total Expenditures	\$3,055,969	\$3,217,815	\$3,483,164	\$3,172,760	\$3,008,606	\$4,154,176	\$5,324,256	\$4,236,749	\$4,422,100	\$4,729,882	\$5,369,174
OPERATING SURPLUS/(DEFICIT)												
	Water	(\$50,579)	(\$166,156)	(\$239,680)	\$237,528	\$732,125	\$276,341	\$304,922	(\$5,064)	\$209,647	\$57,693	\$134,597
	Wastewater	(\$132,758)	(\$166,124)	(\$86,892)	(\$4,554)	(\$35,802)	(\$62,846)	\$27,171	(\$189,955)	\$112,303	\$64,680	\$219,452
	Solid Waste	\$16,946	(\$681)	(\$21,641)	(\$20,386)	(\$86,189)	(\$49,707)	(\$23,091)	(\$34,547)	\$67,080	(\$7,177)	\$40,775
	Equipment	(\$2,807)	\$32,995	\$38,352	\$17,666	\$17,367	\$5,329	(\$123,695)	\$8,839	\$4,025	\$4,024	\$4,025
	OPERATING SURPLUS/(DEFICIT)	(\$169,198)	(\$299,966)	(\$309,861)	\$230,254	\$627,501	\$169,118	\$185,307	(\$220,727)	\$393,055	\$119,220	\$398,849
TRANSFERS & ENCUMBRANCES												
	Transfers In	146,440	121,440	121,440	121,440	135,937	119,782	166,276	9,396	7,500	0	0
	(Transfers Out)	(141,116)	(93,418)	(95,370)	(64,894)	(32,124)	(64,145)	(161,340)	(82,868)	(66,944)	(66,944)	(67,905)
	Encumbrances - Sources of Funding	0	0	0	0	0	0	0	0	600,000	600,000	0
	Encumbrances - (Designated Funds)	0	0	0	0	0	0	(122,000)	0	(1,072,409)	(1,072,409)	0
	NET TRANSFERS & ENCUMBRANCES	\$5,324	\$28,022	\$26,070	\$56,546	\$103,813	\$55,637	(\$117,064)	(\$73,472)	(\$531,853)	(\$539,353)	(\$67,905)
RESERVES												
	(Use of Reserves)	(163,874)	(271,943)	(283,791)					(294,199)	(138,798)	(420,133)	0
	Additions to Reserves				286,800	731,314	224,755	68,243			0	330,943
	Other Adjustments										0	0
	RESERVES - INCREASE / (DECREASE)	(\$163,874)	(\$271,943)	(\$283,791)	\$286,800	\$731,314	\$224,755	\$68,243	(\$294,199)	(\$138,798)	(\$420,133)	\$330,943
	NET BUDGETARY SOURCES/USES	\$0	(\$1)	\$0	(\$0)	\$0	\$0	(\$0)	\$0	\$0	\$0	\$1



WATER FUND





**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
WATER FUND - 02**

ACCOUNT NO.	WATER FUND WATER DEPARTMENT - 02	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ACTUAL FY 2022/23	ACTUAL FY 2023/24	ACTUAL FY 2024/25	ESTIMATED FY 2025/26	2025/26 CURRENT BUDGET	2026/27 PRELIMINARY BUDGET
SOURCES OF FUNDS												
	Revenues (Water Rate Revenue)	\$2,298,272	\$2,265,403	\$2,496,145	\$2,744,996	\$3,006,672	\$3,037,904	\$3,450,373	\$3,633,357	\$3,822,027	\$3,819,985	\$4,133,648
	Other Sources of Funds	\$0	\$104,318	\$132,147	\$168,588	\$141,287	\$782,199	\$1,477,509	\$148,376	\$0	\$0	\$0
	Total Sources of Funds	\$2,298,272	\$2,369,720	\$2,628,292	\$2,913,584	\$3,147,959	\$3,820,103	\$4,927,882	\$3,781,733	\$3,822,027	\$3,819,985	\$4,133,648
USES OF FUNDS												
	Salaries & Wages	\$149,429	\$163,191	\$173,399	\$192,583	\$151,297	\$198,182	\$216,849	\$194,575	\$213,942	\$305,250	\$317,493
	Benefits	\$50,000	\$75,740	\$131,079	\$108,821	\$113,844	\$88,669	\$112,004	\$146,653	\$178,520	\$200,700	\$189,009
	Personnel Services	\$199,429	\$238,932	\$304,478	\$301,405	\$265,141	\$286,852	\$328,853	\$341,228	\$392,462	\$505,950	\$506,502
	Services & Supplies	\$1,515,358	\$1,650,517	\$1,772,606	\$1,630,366	\$1,546,439	\$1,835,094	\$1,979,003	\$2,318,185	\$2,187,702	\$2,193,890	\$2,397,605
	Capital Outlay	\$243,804	\$267,821	\$386,406	\$200,848	\$156,169	\$905,512	\$1,699,958	\$554,544	\$280,217	\$276,360	\$265,000
	Debt Service	\$0	\$0	\$0	\$0	\$13,249	\$19,162	\$54,005	\$54,000	\$54,000	\$54,000	\$54,000
	Administrative Cost	\$390,260	\$378,606	\$404,482	\$543,437	\$434,835	\$497,142	\$561,142	\$610,821	\$697,999	\$732,092	\$775,944
	Total Expenditures	\$2,348,851	\$2,535,876	\$2,867,972	\$2,676,056	\$2,415,834	\$3,543,762	\$4,622,960	\$3,878,778	\$3,612,380	\$3,762,292	\$3,999,051
	OPERATING SURPLUS/(DEFICIT)	(\$50,579)	(\$166,156)	(\$239,680)	\$237,528	\$732,125	\$276,341	\$304,922	(\$97,045)	\$209,647	\$57,693	\$134,597
	TRANSFERS & ENCUMBRANCES											
	Transfers In - From General & Solid Waste Funds	0	0	0	0	14,497	11,325	105,857	1,896	0	0	0
	(Transfers Out) - To General, Solid Waste, Equipment	(91,641)	(71,375)	(72,595)	(53,727)	(18,270)	(51,685)	(79,965)	(47,133)	(54,894)	(54,894)	(55,440)
	Encumbrances - Sources of Funding	0	0	0	0	0	0	0	0	600,000	600,000	0
	Encumbrances - (Designated Funds)	0	0	0	0	0	0	(69,540)	0	(893,715)	(893,715)	0
	NET TRANSFERS & ENCUMBRANCES	(\$91,641)	(\$71,375)	(\$72,595)	(\$53,727)	(\$3,773)	(\$40,360)	(\$43,648)	(\$45,237)	(\$348,609)	(\$348,609)	(\$55,440)
	RESERVES											
	(Use of Reserves)	(142,220)	(237,530)	(312,275)	0	0	0	0	(142,282)	(138,962)	(290,916)	0
	Additions to Reserves	0	0	0	183,801	728,352	235,981	261,274	0	0	0	79,157
	Other Adjustments	0	0	0	0	0	0	0	0	0	0	0
	RESERVES - INCREASE / (DECREASE)	(\$142,220)	(\$237,530)	(\$312,275)	\$183,801	\$728,352	\$235,981	\$261,274	(\$142,282)	(\$138,962)	(\$290,916)	\$79,157
	NET BUDGETARY SOURCES/USES	(\$0)	\$1	\$0	(\$0)	(\$0)	(\$0)	\$0	\$0	\$0	\$0	(\$0)



OCEANO COMMUNITY SERVICES DISTRICT
 FUND LEVEL ANALYSIS
 WATER FUND - 02

ACCOUNT NO.	WATER FUND WATER DEPARTMENT - 02	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ACTUAL FY 2022/23	ACTUAL FY 2023/24	ACTUAL FY 2024/25	ESTIMATED FY 2025/26	2025/26 CURRENT BUDGET	2026/27 PRELIMINARY BUDGET
SOURCES OF FUNDS												
REVENUES												
02-4-3200-000	Water Rate Revenue - PROP 218	1,700,274	1,677,126	1,779,573	2,330,778	2,757,779	2,888,209	3,169,951	3,278,834	3,566,018	3,571,834	3,883,427
02-4-3203-000/001	Revenue Accrual	2,144	4,652	39,742	11,122	14,882	8,669	60,450	23,559	0	0	0
02-4-3204-000	Sales: Lopez	475,743	457,660	487,270	307,184	0	0	0	0	0	0	0
02-4-3206-000	Front Footage Fees	8,160	0	26,030	13,518	34,381	4,080	4,814	8,160	24,480	24,480	24,480
02-4-3207-000	Sales: U/B Courtesy Notice	4,240	4,322	4,345	4,235	3,817	3,810	3,623	3,424	3,316	3,700	3,550
02-4-3208-000	Delinquent U/B Acct Fees	25,470	28,481	23,305	210	29,778	62,425	81,482	72,377	63,198	65,000	67,600
02-4-3209-000	Capacity Charges	27,758	28,741	56,904	23,246	82,265	22,844	15,259	129,980	40,704	40,704	40,704
02-4-3210-000	Meter Fees	8,296	6,750	16,818	10,840	20,250	12,150	8,100	32,400	8,100	8,100	8,100
02-4-3211-000	Lopez Connection Fees	5,000	5,000	10,000	4,000	14,000	4,000	2,000	0	6,000	6,000	6,000
02-4-3212-000	New Account Setup Fee	2,421	2,700	3,180	4,530	4,980	4,650	4,350	4,770	3,960	4,500	4,120
02-4-3217-297	Wheeling/Fire Protection	24,390	22,622	21,383	22,952	21,520	20,993	21,871	25,354	24,411	25,000	25,000
02-4-3230-350	Reimbursement - New Development	3,315	4,852	3,916	2,804	9,308	2,214	9,627	1,868	11,150	11,150	11,150
02-4-3255-000	Inspection Fees	150	150	275	200	450	300	150	575	300	300	300
02-4-3300-000	Interest Income	146	149	150	147	118	30	65,878	31,707	65,553	54,217	54,217
02-4-3900-000	Other Income	2,957	0	0	1,852	919	0	313	859	0	0	0
02-4-3905-000	Claims & Settlements	0	0	0	0	0	0	944	15,406	0	0	0
02-4-3224-000	Backflow Fees	0	0	0	1,903	1,880	1,953	617	4,084	4,837	5,000	5,000
Total Revenues		\$2,298,272	\$2,265,403	\$2,496,145	\$2,744,996	\$3,006,672	\$3,037,904	\$3,450,373	\$3,633,357	\$3,822,027	\$3,819,985	\$4,133,648
OTHER SOURCES OF FUNDS												
	WRRP Grant Phase #1	0	104,318	132,147	0	0	0	0	0	0	0	0
	WRRP Grant Phase #2	0	0	0	168,588	0	0	0	0	0	0	0
	Prop 1: Stormwater Recapture	0	0	0	0	135,396	266,146	1,252,509	148,376	0	0	0
	Prop 1: WRRP #1-1 & #1-9	0	0	0	0	5,891	248,053	0	0	0	0	0
	Rental Income (Sheriff Building Transfer 15/16)	0	0	0	0	0	0	0	0	0	0	0
	Small Community Drought Grant - WRRP Project 1-1 & 1-9	0	0	0	0	0	268,000	0	0	0	0	0
	CDBG Grant - Water Tank Rehab Project	0	0	0	0	0	0	225,000	0	0	0	0
Total Other Sources of Funds		\$0	\$104,318	\$132,147	\$168,588	\$141,287	\$782,199	\$1,477,509	\$148,376	\$0	\$0	\$0
Total Sources of Funds		\$2,298,272	\$2,369,720	\$2,628,292	\$2,913,584	\$3,147,959	\$3,820,103	\$4,927,882	\$3,781,733	\$3,822,027	\$3,819,985	\$4,133,648
USES OF FUNDS												
PERSONNEL SERVICES												
UTILITIES STAFF: SALARIES & WAGES												
02-5-4400-010	Salaries and Wages	129,274	127,908	162,702	183,977	144,253	189,142	206,971	174,772	201,399	265,000	275,308
02-5-4400-020	Overtime	20,155	35,283	10,697	8,606	7,045	9,040	9,878	19,803	12,543	40,250	42,185
Total Salaries & Wages		\$149,429	\$163,191	\$173,399	\$192,583	\$151,297	\$198,182	\$216,849	\$194,575	\$213,942	\$305,250	\$317,493
UTILITIES STAFF: BENEFITS												
02-5-4400-075	Workers Compensation Insurance	0	4,000	6,873	5,411	5,297	6,937	7,687	6,887	7,199	7,900	4,820
	Operating Crew Benefits Allocation	0	71,740	92,697	103,387	108,530	81,662	104,317	139,766	171,321	192,800	184,189
Total Benefits		\$50,000	\$75,740	\$131,079	\$108,821	\$113,844	\$88,669	\$112,004	\$146,653	\$178,520	\$200,700	\$189,009
Total Personnel Services		\$199,429	\$238,932	\$304,478	\$301,405	\$265,141	\$286,852	\$328,853	\$341,228	\$392,462	\$505,950	\$506,502



**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
WATER FUND - 02**

ACCOUNT NO.	WATER FUND WATER DEPARTMENT - 02	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ACTUAL FY 2022/23	ACTUAL FY 2023/24	ACTUAL FY 2024/25	ESTIMATED FY 2025/26	2025/26 CURRENT BUDGET	2026/27 PRELIMINARY BUDGET
SERVICES & SUPPLIES												
02-5-4400-110	Communications	2,516	3,267	2,682	2,917	2,649	2,921	2,465	2,490	2,231	3,120	3,245
02-5-4400-163	Maint: Structures/ Improvements	640	10,643	6,052	3,005	1,378	5,817	1,856	15,241	45,875	19,295	48,000
02-5-4400-164	Paving	0	0	1,390	3,181	1,175	5,112	2,084	1,713	5,745	5,410	6,000
02-5-4400-170	Maintenance - Equipment	3,545	3,902	2,792	3,139	2,738	2,814	155	2,788	1,698	3,640	3,785
02-5-4400-173	Maint: Shared Structures/ Improvements	8,094	13,912	2,410	4,865	480	2,625	3,818	4,171	18,321	10,400	19,055
02-5-4400-175	System Parts/ Operating Supplies	8,861	13,971	5,263	13,982	8,515	6,875	18,318	18,277	39,011	19,590	40,570
02-5-4400-176	Water Meters	10,247	10,992	12,498	21,537	22,981	23,896	23,770	26,257	50,000	50,000	50,000
02-5-4400-177	Safety Expense	0	8	0	0	11	1,012	781	54	3,114	1,095	3,240
02-5-4400-178	Chemicals	627	3,600	676	0	4,830	1,391	6,828	1,638	1,804	7,500	7,500
02-5-4400-180	Membership	1,927	1,490	1,497	2,525	2,366	2,398	2,489	2,260	2,811	3,900	4,050
02-5-4400-200	Office Expense	376	475	347	0	574	741	941	425	856	1,050	1,095
02-5-4400-205	Outside UB Mail Service	0	7,063	7,352	9,787	10,088	7,026	9,090	8,696	10,030	10,815	11,250
02-5-4400-220	Professional Services	13,191	14,657	17,644	23,661	16,115	45,624	96,142	92,581	34,282	42,640	45,345
02-5-4400-221	Information Technology	0	0	507	192	0	0	0	0	0	600	625
02-5-4400-222	Contracted Engineering	686	1,965	1,928	3,620	1,953	2,802	3,302	4,349	2,128	5,200	5,400
02-5-4400-226	Engineering & Other Reimbursements	4,660	9,458	3,222	11,903	6,370	6,568	7,697	17,373	18,953	14,900	19,700
02-5-4400-230	Legal Notices	567	0	0	892	58	1,080	2,166	3,379	1,490	1,040	1,550
02-5-4400-241	Rents/ Leases - Equipment	0	0	0	0	0	2,063	177	0	3,923	1,450	4,100
02-5-4400-248	Permits, Fees, Licenses	7,381	8,831	7,096	6,216	10,212	13,271	13,232	19,045	21,850	21,850	22,745
02-5-4400-250	Small Tools and Instruments	32	1,412	1,959	0	281	390	697	866	0	1,200	1,200
02-5-4400-285	Classes/ Seminars	2,118	150	2,367	449	4,052	3,188	952	2,031	2,904	3,200	3,350
02-5-4400-261	Water Supply - Lopez	441,331	472,914	462,693	499,934	521,318	531,120	527,159	767,594	608,955	608,955	670,000
02-5-4400-262	Water Supply - State Water	871,102	953,953	1,101,264	913,511	809,075	1,026,248	1,126,227	1,171,170	1,222,915	1,222,915	1,285,000
02-5-4400-290	Utilities - Groundwater Pumping	10,926	2,346	9,972	9,621	38,653	31,238	10,941	24,432	27,351	36,400	37,800
02-5-4400-297	Pass-Thru: Crest/Christie/AG	25,807	19,407	24,143	23,169	22,025	23,677	19,187	28,945	24,411	23,455	24,000
02-5-4400-380	NCMA TG	31,149	32,684	41,969	53,636	49,091	48,865	67,411	73,050	37,044	60,320	65,000
02-5-4400-387	Interest Expense - Interfund	1,085	1,010	934	249	156	2,697	12,195	13,041	0	2,500	2,500
02-5-4400-499	Claim & Settlements	18,614	5,025	21,396	1,516	9,297	12,291	2,812	16,319	0	11,450	11,450
Total Services & Supplies		\$1,515,358	\$1,650,517	\$1,772,606	\$1,630,366	\$1,546,439	\$1,835,094	\$1,979,003	\$2,318,185	\$2,187,702	\$2,193,890	\$2,397,605
CAPITAL OUTLAY												
02-5-4400-354	CIP - Overlay	0	0	0	25,200	2,405	0	0	0	0	0	0
02-5-4400-358	CIP - Lagoon Waterline	123,486	12,020	0	0	0	0	0	0	0	0	0
02-5-4400-366	CIP - Storage Tank O&M	0	0	0	0	12,477	6,311	0	0	0	0	0
02-5-4400-440	CIP - Well #8	0	10,042	16,507	0	0	7,251	21,546	0	0	0	0
02-5-4400-441	CPI - Well #5	0	0	0	0	0	0	0	0	0	0	0
02-5-4400-441	CPI - Well #4	0	0	0	0	0	0	0	0	0	0	0
02-5-4400-442	CIP - Air Park Drive Relocation	43,101	20,575	3,125	0	0	0	0	0	0	0	0
02-5-4400-443	CIP - HWY One Relocation	26,531	119,024	19,407	0	0	0	0	0	0	0	0
02-5-4400-444	CIP - WRRP	43,630	104,318	132,174	175,648	0	0	0	0	0	0	0
02-5-4400-445	CIP - Facilities Yard	7,057	0	0	0	0	0	0	0	0	0	0
02-5-4400-446	CIP - Norswing	0	1,842	215,193	0	0	0	0	0	0	0	0
02-5-4400-437	CIP - Water Tank Renovation	0	0	0	0	0	28,715	384,903	252,550	0	0	0
02-5-4400-320	CIP - WRRP 1-4,5,7,8,10	0	0	0	0	0	0	0	0	11,314	11,314	0
02-5-4400-320	CIP - 21st St Valve Replacement	0	0	0	0	0	0	41,000	0	0	0	0
02-5-4400-361	Prop 1: Stormwater Recapture	0	0	0	0	135,396	224,103	1,252,509	170,659	0	0	0
02-5-4400-320	Prop 1: & Small Community Grant: WRRP 1-1 & 1-9	0	0	0	0	5,891	552,394	0	0	0	0	0
02-5-4400-449	Halcyon/KenMar Consolidation	0	0	0	0	0	0	0	2,038	0	0	0
02-5-4400-320	CIP Engineering	0	0	0	0	0	0	0	55,532	0	0	0
02-5-4400-320	Utility Yard Office	0	0	0	0	0	0	0	63,742	0	0	0
02-5-4400-320	1 Million-Gallon Tank - ATS	0	0	0	0	0	0	0	10,023	0	0	0
02-5-4400-320	Prop 1 Round 2 IRWM Grant	0	0	0	0	0	0	0	0	0	0	0
02-5-4400-320	Annual CIP Projects	0	0	0	0	0	86,738	0	0	230,046	230,046	265,000
02-5-4400-320	Well House #8	0	0	0	0	0	0	0	0	38,857	35,000	0
Total Capital Outlay		\$243,804	\$267,821	\$386,406	\$200,848	\$156,169	\$905,512	\$1,699,958	\$554,544	\$280,217	\$276,360	\$265,000
DEBT SERVICE												
02-5-4400-310	CaIPERS UAL Funding	0	0	0	0	13,249	19,162	54,005	54,000	54,000	54,000	54,000
Total Debt Service		\$0	\$0	\$0	\$0	\$13,249	\$19,162	\$54,005	\$54,000	\$54,000	\$54,000	\$54,000
ADMINISTRATIVE COST ALLOCATION												
02-5-4400-376	Administrative Cost Allocation	390,260	378,606	404,482	543,437	434,835	497,142	561,142	610,821	697,999	732,092	775,944
Total Administrative Cost Allocation		\$390,260	\$378,606	\$404,482	\$543,437	\$434,835	\$497,142	\$561,142	\$610,821	\$697,999	\$732,092	\$775,944
Total Expenditures		\$2,348,851	\$2,535,876	\$2,867,972	\$2,676,056	\$2,415,834	\$3,543,762	\$4,622,960	\$3,878,778	\$3,612,380	\$3,762,292	\$3,999,051

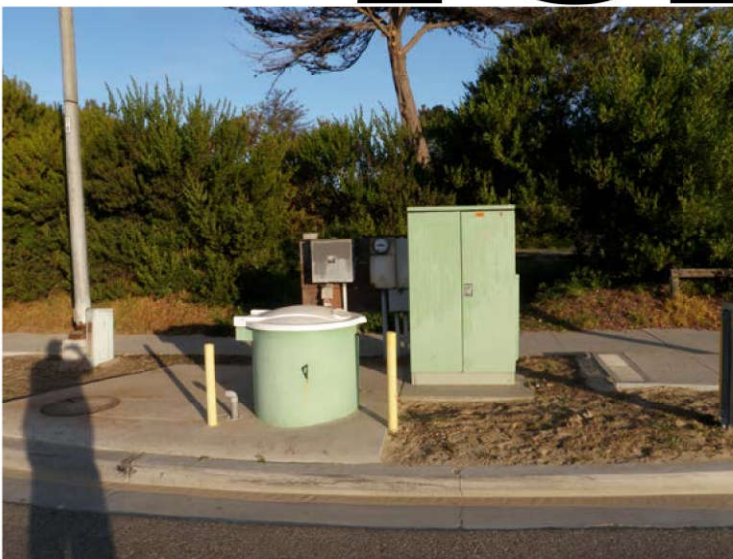


OCEANO COMMUNITY SERVICES DISTRICT
 FUND LEVEL ANALYSIS
 WATER FUND - 02

ACCOUNT NO.	WATER FUND WATER DEPARTMENT - 02	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ACTUAL FY 2022/23	ACTUAL FY 2023/24	ACTUAL FY 2024/25	ESTIMATED FY 2025/26	2025/26 CURRENT BUDGET	2026/27 PRELIMINARY BUDGET
OPERATING SURPLUS/(DEFICIT)		(\$50,579)	(\$166,156)	(\$239,680)	\$237,528	\$732,125	\$276,341	\$304,922	(\$97,045)	\$209,647	\$57,693	\$134,597
TRANSFERS & ENCUMBRANCES												
	Transfers In- From General & Solid Waste Fund	0	0	0	0	14,497	11,325	105,857	1,896	0	0	0
	(Transfers Out) - To General, Solid Waste, Equipment	(91,641)	(71,375)	(72,595)	(53,727)	(18,270)	(51,685)	(79,965)	(47,133)	(54,894)	(54,894)	(55,440)
	Encumbrances - Sources of Funding	0	0	0	0	0	0	0	0	600,000	600,000	0
	Encumbrances - (Designated Funds)	0	0	0	0	0	0	(69,540)	0	(893,715)	(893,715)	0
NET TRANSFERS & ENCUMBRANCES		(\$91,641)	(\$71,375)	(\$72,595)	(\$53,727)	(\$3,773)	(\$40,360)	(\$43,648)	(\$45,237)	(\$348,609)	(\$348,609)	(\$55,440)
RESERVES												
	(Use of Reserves)	(142,220)	(237,530)	(312,275)					(142,282)	(138,962)	(290,916)	0
	Additions to Reserves				183,801	728,352	235,981	261,274				79,157
	Use of Prior Year FBA											0
	Other Adjustments											0
RESERVES - INCREASE / (DECREASE)		(\$142,220)	(\$237,530)	(\$312,275)	\$183,801	\$728,352	\$235,981	\$261,274	(\$142,282)	(\$138,962)	(\$290,916)	\$79,157
NET BUDGETARY SOURCES/USES		\$0	(\$1)	\$0	\$0	\$0	\$0	(\$0)	(\$0)	\$0	\$0	\$0



WASTE WATER FUND





**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
WASTEWATER DEPARTMENT - FUND - 03**

ACCOUNT NO.	WASTEWATER FUND WASTEWATER DEPARTMENT - 03	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ACTUAL FY 2022/23	ACTUAL FY 2023/24	ACTUAL FY 2024/25	ESTIMATED FY 2025/26	2025/26 CURRENT BUDGET	2026/27 PRELIMINARY BUDGET
SOURCES OF FUNDS												
	Revenues (Wastewater Rates)	\$393,600	\$398,818	\$400,445	\$401,678	\$403,008	\$408,496	\$469,333	\$450,583	\$789,377	\$871,354	\$1,407,171
	Other Sources of Funds	\$0	\$0	\$2,812	\$636	\$120	\$0	\$0	\$463	\$0	\$0	\$0
	Total Sources of Funds	\$393,600	\$398,818	\$403,257	\$402,314	\$403,128	\$408,496	\$469,333	\$451,046	\$789,377	\$871,354	\$1,407,171
USES OF FUNDS												
PERSONNEL SERVICES												
	Salaries & Wages	\$45,086	\$52,247	\$51,063	\$52,397	\$72,098	\$63,076	\$56,411	\$75,160	\$65,955	\$118,840	\$124,075
	Benefits	\$24,468	\$32,444	\$60,792	\$41,784	\$43,573	\$34,508	\$43,367	\$56,347	\$68,359	\$76,900	\$78,311
	Personnel Services	\$69,554	\$84,691	\$111,855	\$94,181	\$115,671	\$97,584	\$99,778	\$131,507	\$134,314	\$195,740	\$202,386
	Services & Supplies	\$23,905	\$42,760	\$18,429	\$24,469	\$27,226	\$27,141	\$34,815	\$75,622	\$50,603	\$91,310	\$104,550
	Capital Outlay	\$86,002	\$100,952	\$325	\$16,500	\$0	\$5,609	\$0	\$329,273	\$11,000	\$20,000	\$330,000
	Debt Service	\$0	\$0	\$0	\$0	\$6,624	\$9,580	\$26,998	\$26,980	\$103,074	\$103,074	\$130,480
	Administrative Cost	\$346,898	\$336,539	\$359,540	\$271,718	\$289,409	\$331,428	\$280,571	\$305,410	\$378,083	\$396,550	\$420,303
	Total Expenditures	\$526,358	\$564,942	\$490,149	\$406,868	\$438,930	\$471,342	\$442,162	\$868,792	\$677,074	\$806,674	\$1,187,719
	OPERATING SURPLUS/(DEFICIT)	(\$132,758)	(\$166,124)	(\$86,892)	(\$4,554)	(\$35,802)	(\$62,846)	\$27,171	(\$417,746)	\$112,303	\$64,680	\$219,452
TRANSFERS & ENCUMBRANCES												
	Transfers In	113,940	113,940	113,940	113,940	113,940	100,957	52,919	0	0	0	0
	(Transfers Out) - To Equipment Fund	(42,433)	(19,460)	(20,070)	(10,276)	(12,749)	(8,851)	(28,585)	(32,888)	(11,090)	(11,090)	(11,470)
	Encumbrances - Sources of Funding	0	0	0	0	0	0	0	0	0	0	0
	Encumbrances - (Designated Funds)	0	0	0	0	0	0	(48,800)	0	(174,693)	(174,693)	0
	NET TRANSFERS & ENCUMBRANCES	\$71,507	\$94,480	\$93,870	\$103,664	\$101,191	\$92,106	(\$24,466)	(\$32,888)	(\$185,783)	(\$185,783)	(\$11,470)
RESERVES												
	Prior Year FBA	0	0	0	0	0	0	0	0	0	0	0
	(Use of Reserves)	(61,251)	(71,644)	0	0	0	0	0	(450,634)	(73,480)	(121,103)	0
	Additions to Reserves	0	0	6,978	99,109	65,390	29,260	2,705	0	0	0	207,982
	Other Adjustments	0	0	0	0	0	0	0	0	0	0	0
	RESERVES - INCREASE / (DECREASE)	(\$61,251)	(\$71,644)	\$6,978	\$99,109	\$65,390	\$29,260	\$2,705	(\$450,634)	(\$73,480)	(\$121,103)	\$207,982
	NET BUDGETARY SOURCES/USES	\$0	(\$1)	\$0	(\$0)	\$1	\$0	\$0	(\$0)	\$0	\$0	(\$0)



**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
WASTEWATER DEPARTMENT - FUND 03**

ACCOUNT NO.	WASTEWATER FUND WASTEWATER DEPARTMENT - 03	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ACTUAL FY 2022/23	ACTUAL FY 2023/24	ACTUAL FY 2024/25	ESTIMATED FY 2025/26	2025/26 CURRENT BUDGET	2026/27 PRELIMINARY BUDGET
SOURCES OF FUNDS												
REVENUES												
03-4-3210-000	Wastewater Rate Revenue - PROP 218	391,280	393,827	389,883	393,490	390,449	400,281	400,873	402,610	720,811	810,548	1,346,365
03-4-3203-000/001	Revenue Accrual	282	347	(33)	923	(182)	(22)	0	838	0	0	0
03-4-3211-000	Wastewater Connections	2,500	2,525	5,000	2,000	6,225	2,000	1,000	9,500	2,000	2,000	2,000
03-4-3230-000	Sales: Miscellaneous	0	314	0	0	624	363	1,391	1,096	0	0	0
03-4-3255-000	Inspection Fees	125	125	250	150	375	100	50	500	100	100	100
03-4-3256-000	FOG Program	900	1,680	5,345	5,115	5,517	5,775	5,580	5,417	5,400	8,200	8,200
03-4-3257-000	Interest Income	0	0	0	0	0	0	60,439	30,622	61,066	50,506	50,506
Total Revenues		\$393,600	\$398,818	\$400,445	\$401,678	\$403,008	\$408,496	\$469,333	\$450,583	\$789,377	\$871,354	\$1,407,171
OTHER SOURCES OF FUNDS												
03-4-3900-000	Other Income	0	0	2,812	636	120	0	0	463	0	0	0
Total Other Sources of Funds		\$0	\$0	\$2,812	\$636	\$120	\$0	\$0	\$463	\$0	\$0	\$0
Total Sources of Funds		\$393,600	\$398,818	\$403,257	\$402,314	\$403,128	\$408,496	\$469,333	\$451,046	\$789,377	\$871,354	\$1,407,171
USES OF FUNDS												
PERSONNEL SERVICES												
UTILITIES STAFF: SALARIES & WAGES												
03-5-4500-010	Salaries and Wages	39,094	40,564	47,819	50,429	69,718	59,981	52,711	68,829	61,819	101,575	106,000
03-5-4500-020	Overtime	5,992	11,683	3,244	1,968	2,380	3,096	3,700	6,331	4,136	17,265	18,075
Total Salaries & Wages		\$45,086	\$52,247	\$51,063	\$52,397	\$72,098	\$63,076	\$56,411	\$75,160	\$65,955	\$118,840	\$124,075
UTILITIES STAFF: BENEFITS												
03-5-4500-061	CalPERS UAL	4,983	0	0	0	0	0	0	0	0	0	0
03-5-4500-071	Medicare	708	0	0	13	1	0	0	0	0	0	0
03-5-4500-075	Workers Compensation Insurance	0	2,286	3,832	2,999	2,873	3,885	4,248	3,935	4,114	4,600	9,240
03-5-4500-090	Insurance	6,968	0	0	0	0	0	0	0	0	0	0
	Operating Crew Benefits Allocation	0	26,120	34,761	38,770	40,699	30,623	39,119	52,412	64,245	72,300	69,071
Total Benefits		\$24,468	\$32,444	\$60,792	\$41,784	\$43,573	\$34,508	\$43,367	\$56,347	\$68,359	\$76,900	\$78,311
Total Personnel Services		\$69,554	\$84,691	\$111,855	\$94,181	\$115,671	\$97,584	\$99,778	\$131,507	\$134,314	\$195,740	\$202,386
SERVICES & SUPPLIES												
03-5-4500-100	Clothing	0	0	0	0	0	0	0	0	0	0	0
03-5-4500-110	Communication	320	433	355	370	511	381	400	358	363	5,500	5,720
03-5-4500-163	Maint: Sewer Structures/ Improvements	6,807	12,164	1,536	7,096	1,971	750	7,485	1,968	5,633	10,400	10,815
03-5-4500-170	Maintenance: Equipment	205	1,310	133	824	1,479	4,413	3,753	200	0	5,000	5,200
03-5-4500-171	Maintenance: Vehicles	64	0	95	0	2,048	0	405	0	97	3,745	3,895
03-5-4500-172	Gas and Oil	0	0	0	0	0	0	0	0	0	3,640	3,785
03-5-4500-173	Maint: Structures/ Improvements	1,620	2,589	527	0	921	506	0	7,315	8,760	7,655	9,115
03-5-4500-175	System Parts/ Operating Supplies	1,728	1,379	1,388	2,664	2,696	2,578	2,957	5,162	2,826	8,570	8,950
03-5-4500-177	Safety Expense	283	8	0	0	793	330	1,276	14,491	3,340	15,000	15,000
03-5-4500-180	Memberships	469	0	331	919	733	706	722	415	202	475	495
03-5-4500-200	Office Expense	0	31	79	24	309	0	77	2,087	133	555	575
03-5-4500-205	Outside UB Mailing Expense	0	7,079	7,352	7,328	8,103	7,026	9,016	8,696	10,030	10,000	10,400
03-5-4500-220	Professional Services	530	11,279	0	0	0	0	0	29,257	0	1,100	1,155
03-5-4500-222	Contracted Engineering	630	140	808	260	0	410	168	453	586	3,000	3,120
03-5-4500-226	Engineering & Other Reimbursables	(70)	560	0	245	0	0	0	0	0	0	0
03-5-4500-241	Rents & Leases/ Equipment	6,140	0	0	0	0	5,141	0	0	11,769	3,120	12,250
03-5-4500-248	Regulatory Permits & Fees	2,588	2,836	3,249	3,530	4,179	3,453	3,796	3,945	5,500	5,500	5,720
03-5-4500-250	Small Tools & Instruments	32	50	162	0	0	0	0	0	0	0	0
03-5-4500-285	Classes/ Seminars/ Training Fees	570	0	181	0	2,524	430	0	65	0	2,950	3,065
03-5-4500-290	Utilities	805	2,108	1,010	1,207	960	1,017	1,170	1,210	1,364	2,775	2,885
03-5-4500-320	Fixed Assets - Equipment	0	0	0	0	0	0	3,590	0	0	0	0
03-5-4500-390	Bad Debt Expense	0	255	1,223	0	0	0	0	0	0	350	350
03-5-4500-499	Claims & Settlements	810	540	0	0	0	0	0	0	0	1,975	2,055
Total Services & Supplies		\$23,905	\$42,760	\$18,429	\$24,469	\$27,226	\$27,141	\$34,815	\$75,622	\$50,603	\$91,310	\$104,550



**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
WASTEWATER DEPARTMENT - FUND 03**

ACCOUNT NO.	WASTEWATER FUND WASTEWATER DEPARTMENT - 03	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ACTUAL FY 2022/23	ACTUAL FY 2023/24	ACTUAL FY 2024/25	ESTIMATED FY 2025/26	2025/26 CURRENT BUDGET	2026/27 PRELIMINARY BUDGET
CAPITAL OUTLAY												
03-5-4500-354	CIP - Overlay	0	0	0	16,500	0	0	0	0	0	0	0
03-5-4500-442	CIP - Air Park Drive Relocation	14,294	30,862	0	0	0	0	0	0	0	0	0
03-5-4500-443	CIP - HWY One Relocation	64,651	64,152	325	0	0	0	0	0	0	0	0
03-5-4500-445	CIP - Facilities Yard	7,057	0	0	0	0	0	0	0	0	0	0
03-5-4500-446	CIP - Lift Station Motor	0	5,938	0	0	0	5,609	0	0	0	0	0
03-5-4500-446	CIP - Engineering MKN	0	0	0	0	0	0	283,552	0	0	0	0
03-5-4500-320	CIP - Utility Yard Office	0	0	0	0	0	0	30,561	0	0	0	0
03-5-4500-320	CIP - Tierra Nueva Manhole	0	0	0	0	0	0	15,160	0	0	0	0
03-5-4500-320	CIP - Beach St Sewer Lateral Replacement	0	0	0	0	0	0	0	11,000	20,000	0	0
02-5-4400-320	Annual CIP Projects	0	0	0	0	0	0	0	0	0	0	330,000
Total Capital Outlay		\$86,002	\$100,952	\$325	\$16,500	\$0	\$5,609	\$0	\$329,273	\$11,000	\$20,000	\$330,000
DEBT SERVICE												
03-5-4500-310	CalPERS UAL Funding	0	0	0	0	6,624	9,580	26,998	26,980	26,980	26,980	26,980
	Vehicle Loan - Cleaning Truck	0	0	0	0	0	0	0	76,094	76,094	76,094	103,500
Total Debt Service		\$0	\$0	\$0	\$0	\$6,624	\$9,580	\$26,998	\$26,980	\$103,074	\$103,074	\$130,480
ADMINISTRATIVE COST ALLOCATION												
03-5-4500-376	Administrative Cost Allocation	346,898	336,539	359,540	271,718	289,409	331,428	280,571	305,410	378,083	396,550	420,303
Total Administrative Cost Allocation		\$346,898	\$336,539	\$359,540	\$271,718	\$289,409	\$331,428	\$280,571	\$305,410	\$378,083	\$396,550	\$420,303
Total Expenditures		\$526,358	\$564,942	\$490,149	\$406,868	\$438,930	\$471,342	\$442,162	\$868,792	\$677,074	\$806,674	\$1,187,719
OPERATING SURPLUS/(DEFICIT)		(\$132,758)	(\$166,124)	(\$86,892)	(\$4,554)	(\$35,802)	(\$62,846)	\$27,171	(\$417,746)	\$112,303	\$64,680	\$219,452
TRANSFERS & ENCUMBRANCES												
	Transfers In - From Solid Waste Fund	113,940	113,940	113,940	113,940	113,940	100,957	52,919	0	0	0	0
	(Transfers Out) - Equipment Fund	(42,433)	(19,460)	(20,070)	(10,276)	(12,749)	(8,851)	(28,585)	(32,888)	(11,090)	(11,090)	(11,470)
	Encumbrances - Sources of Funding	0	0	0	0	0	0	0	0	0	0	0
	Encumbrances - (Designated Funds)	0	0	0	0	0	0	(48,800)	0	(174,693)	(174,693)	0
NET TRANSFERS & ENCUMBRANCES		\$71,507	\$94,480	\$93,870	\$103,664	\$101,191	\$92,106	(\$24,466)	(\$32,888)	(\$185,783)	(\$185,783)	(\$11,470)
RESERVES												
	Prior Year FBA											0
	(Use of Reserves)	(61,251)	(71,644)						(450,634)	(73,480)	(121,103)	0
	Additions to Reserves			6,978	99,109	65,390	29,260	2,705				207,982
	Other Adjustments											0
RESERVES - INCREASE / (DECREASE)		(\$61,251)	(\$71,644)	\$6,978	\$99,109	\$65,390	\$29,260	\$2,705	(\$450,634)	(\$73,480)	(\$121,103)	\$207,982
NET BUDGETARY SOURCES/USES		(\$0)	\$1	\$0	\$0	(\$1)	(\$0)	\$0	\$0	\$0	\$0	\$0



GARBAGE FUND





**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
SOLID WASTE FUND - 06**

ACCOUNT NO.	SOLID WASTE FUND SOLID WASTE DEPARTMENT - 06	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ACTUAL FY 2022/23	ACTUAL FY 2023/24	ACTUAL FY 2024/25	ESTIMATED FY 2025/26	2025/26 CURRENT BUDGET	2026/27 PRELIMINARY BUDGET
SOURCES OF FUNDS												
	Revenues (Franchisee Fees)	\$92,784	\$94,892	\$85,384	\$61,222	\$52,896	\$72,392	\$81,368	\$124,572	\$190,277	\$129,819	\$198,299
	Other Sources of Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$11,650	\$0	\$0	\$0	\$0
	Total Sources of Funds	\$92,784	\$94,892	\$85,384	\$61,222	\$52,896	\$72,392	\$93,018	\$124,572	\$190,277	\$129,819	\$198,299
USES OF FUNDS												
	Salaries & Wages	\$6,899	\$10,758	\$13,968	\$6,434	\$17,096	\$16,086	\$21,884	\$16,998	\$16,388	\$34,000	\$42,500
	Benefits	\$3,600	\$13,005	\$18,648	\$16,906	\$17,723	\$13,685	\$17,311	\$22,732	\$27,704	\$31,625	\$30,380
	Personnel Services	\$10,499	\$23,763	\$32,616	\$23,341	\$34,819	\$29,770	\$39,195	\$39,730	\$44,092	\$65,625	\$72,880
	Services & Supplies	\$13,304	\$21,330	\$20,478	\$13,640	\$53,355	\$45,615	\$16,641	\$22,895	\$21,715	\$20,565	\$21,615
	Capital Outlay	\$0	\$0	\$0	\$8,399	\$0	\$0	\$22,864	\$10,189	\$10,857	\$2,000	\$11,300
	Administrative Cost	\$52,035	\$50,481	\$53,931	\$36,229	\$50,911	\$46,714	\$37,409	\$40,721	\$46,533	\$48,806	\$51,730
	Total Expenditures	\$75,838	\$95,573	\$107,025	\$81,608	\$139,085	\$122,099	\$116,109	\$113,535	\$123,197	\$136,996	\$157,524
	OPERATING SURPLUS/(DEFICIT)	\$16,946	(\$681)	(\$21,641)	(\$20,386)	(\$86,189)	(\$49,707)	(\$23,091)	\$11,037	\$67,080	(\$7,177)	\$40,775
	TRANSFERS & ENCUMBRANCES											
	Transfers In - From Water Fund	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	0	0
	(Transfers Out) - Equipment Fund	(7,042)	(2,583)	(2,705)	(891)	(1,105)	(3,609)	(52,790)	(2,847)	(960)	(960)	(995)
	Encumbrances - Sources of Funding	0	0	0	0	0	0	0	0	0	0	0
	Encumbrances - (Designated Funds)	0	0	0	0	0	0	(3,660)	0	(4,001)	(4,001)	0
	NET TRANSFERS & ENCUMBRANCES	\$458	\$4,917	\$4,795	\$6,609	\$6,395	\$3,891	(\$48,950)	\$4,653	\$2,539	(\$4,961)	(\$995)
	RESERVES											
	Prior Year FBA	0	0	0	0	0	0	0	0	0	0	0
	(Use of Reserves)	0	0	(16,846)	(13,777)	(79,794)	(45,815)	(72,041)	0	0	(12,138)	0
	Additions to Reserves	17,404	4,236	0	0	0	0	0	15,690	69,619	0	39,780
	Other Adjustments	0	0	0	0	0	0	0	0	0	0	0
	RESERVES - INCREASE / (DECREASE)	\$17,404	\$4,236	(\$16,846)	(\$13,777)	(\$79,794)	(\$45,815)	(\$72,041)	\$15,690	\$69,619	(\$12,138)	\$39,780
	NET BUDGETARY SOURCES/USES	(\$0)	\$0	\$0	(\$0)	\$0	\$0	\$0	(\$0)	\$0	\$0	(\$0)



**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
SOLID WASTE FUND - 06**

ACCOUNT NO.	SOLID WASTE FUND SOLID WASTE DEPARTMENT - 06	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/2022	ACTUAL FY 2022/23	ACTUAL FY 2023/24	ACTUAL FY 2024/25	ESTIMATED FY 2025/26	2025/26 CURRENT BUDGET	2026/27 PRELIMINARY BUDGET
SOURCES OF FUNDS												
REVENUES												
06-4-3230-000	Solid Waste: Misc Income	0	275	0	113	360	45	266	420	0	0	0
06-4-3300-003	Interest Income	106	91	76	18	9	120	2,800	5,155	9,545	7,894	7,894
06-4-3501-000	Franchise Fees	84,923	86,647	76,636	52,705	44,082	62,006	67,151	107,511	168,867	110,000	178,000
06-4-3501-741	Landfill Savings Payment	7,756	7,880	8,672	8,386	8,445	10,221	11,151	11,486	11,865	11,925	12,405
Total Revenues		\$92,784	\$94,892	\$85,384	\$61,222	\$52,896	\$72,392	\$81,368	\$124,572	\$190,277	\$129,819	\$198,299
OTHER SOURCES OF FUNDS												
	SLO County Off-Highway Motor Vehicle Grant	0	0	0	0	0	0	11,650	0	0	0	0
Total Other Sources of Funds		\$0	\$0	\$0	\$0	\$0	\$0	\$11,650	\$0	\$0	\$0	\$0
Total Sources of Funds		\$92,784	\$94,892	\$85,384	\$61,222	\$52,896	\$72,392	\$93,018	\$124,572	\$190,277	\$129,819	\$198,299
USES OF FUNDS												
PERSONNEL SERVICES												
UTILITIES STAFF: SALARIES & WAGES												
06-5-4900-010	Salaries & Wages	6,762	10,553	13,954	6,434	17,096	16,068	21,884	16,913	16,388	34,000	42,500
06-5-4900-020	Overtime Wages	138	205	14	0	0	18	0	85	0	0	0
Total Salaries & Wages		\$6,899	\$10,758	\$13,968	\$6,434	\$17,096	\$16,086	\$21,884	\$16,998	\$16,388	\$34,000	\$42,500
UTILITIES STAFF: BENEFITS												
06-5-4900-061	PERS Contributions	734	0	0	0	0	0	0	0	0	0	0
06-5-4900-063	Pension Expense	1,671	564	3,206	0	0	0	0	0	0	0	0
06-5-4900-071	Medicare	109	0	0	2	2	0	0	0	0	0	0
06-5-4900-072	FICA	0	0	0	0	0	0	0	0	0	0	0
06-5-4900-075	Compensation Insurance	0	686	958	749	763	925	1,011	894	935	1,500	1,600
06-5-4900-090	Insurance	1,086	0	0	0	0	0	0	0	0	0	0
	Operating Crew Benefits Allocation	0	11,755	14,484	16,154	16,958	12,760	16,300	21,838	26,769	30,125	28,780
Total Benefits		\$3,600	\$13,005	\$18,648	\$16,906	\$17,723	\$13,685	\$17,311	\$22,732	\$27,704	\$31,625	\$30,380
Total Personnel Services		\$10,499	\$23,763	\$32,616	\$23,341	\$34,819	\$29,770	\$39,195	\$39,730	\$44,092	\$65,625	\$72,880



**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
SOLID WASTE FUND - 06**

ACCOUNT NO.	SOLID WASTE FUND SOLID WASTE DEPARTMENT - 06	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/2022	ACTUAL FY 2022/23	ACTUAL FY 2023/24	ACTUAL FY 2024/25	ESTIMATED FY 2025/26	2025/26 CURRENT BUDGET	2026/27 PRELIMINARY BUDGET
SERVICES & SUPPLIES												
06-5-4900-100	Clothing	0	0	0	0	0	0	0	0	0	0	0
06-5-4900-110	Communication	148	650	389	620	633	622	632	615	167	1,050	1,095
06-5-4900-170	Maintenance - EQ/CANS	0	13	0	0	0	0	0	0	0	0	0
06-5-4900-171	Maintenance - Vehicles	14	0	85	0	0	0	0	0	0	0	0
06-5-4900-172	Gas and Oil	0	0	0	0	0	0	0	0	0	0	0
06-5-4900-173	Maint - Shared Structures/ Improvements	110	154	397	119	105	220	20	0	3,295	575	600
06-5-4900-175	Operating Supplies	0	840	0	16	0	0	24	503	34	315	330
06-5-4900-200	Office Expense	0	0	261	0	0	986	0	129	171	315	300
06-5-4900-210	Postage	33	462	0	0	226	0	0	0	0	315	300
06-5-4900-219	Special Admin Expense	450	0	0	0	36,105	18,332	0	0	0	0	0
06-5-4900-220	Professional Services	2,512	7,823	3,819	3,385	6,127	15,455	5,696	11,648	8,048	7,400	8,370
06-5-4900-230	Legal Notices	77	0	0	0	179	0	0	0	0	0	0
06-5-4900-290	Utilities	0	1,408	5,547	0	0	0	0	0	0	595	620
06-5-4900-291	School Outreach Programs	9,980	9,980	9,980	9,500	9,980	10,000	10,000	10,000	10,000	10,000	10,000
06-5-4900-320	Fixed Assets	0	0	0	0	0	0	269	0	0	0	0
Total Services & Supplies		\$13,304	\$21,330	\$20,478	\$13,640	\$53,355	\$45,615	\$16,641	\$22,895	\$21,715	\$20,565	\$21,615
CAPITAL OUTLAY												
06-5-4900-320	Trash Cans	0	0	0	8,399	0	0	13,065	0	10,857	2,000	11,300
06-5-4900-320	Tranah Cans - SLO County Off - Highway Motor Vehicle Grant	0	0	0	0	0	0	9,799	0	0	0	0
06-5-4900-320	Utility Yard Office	0	0	0	0	0	0	0	10,189	0	0	0
Total Capital Outlay		\$0	\$0	\$0	\$8,399	\$0	\$0	\$22,864	\$10,189	\$10,857	\$2,000	\$11,300
ADMINISTRATIVE COST ALLOCATION												
06-5-4900-376	Administrative Cost Allocation	52,035	50,481	53,931	36,229	50,911	46,714	37,409	40,721	46,533	48,806	51,730
Total Administrative Cost Allocation		\$52,035	\$50,481	\$53,931	\$36,229	\$50,911	\$46,714	\$37,409	\$40,721	\$46,533	\$48,806	\$51,730
Total Expenditures		\$75,838	\$95,573	\$107,025	\$81,608	\$139,085	\$122,099	\$116,109	\$113,535	\$123,197	\$136,996	\$157,524
OPERATING SURPLUS/(DEFICIT)		\$16,946	(\$681)	(\$21,641)	(\$20,386)	(\$86,189)	(\$49,707)	(\$23,091)	\$11,037	\$67,080	(\$7,177)	\$40,775
TRANSFERS & ENCUMBRANCES												
	Transfers In - From Water Fund	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	0	0
	(Transfers Out) - Equipment Fund	(7,042)	(2,583)	(2,705)	(891)	(1,105)	(3,609)	(52,790)	(2,847)	(960)	(960)	(995)
	Encumbrances - Sources of Funding							0	0	0	0	0
	Encumbrances - (Designated Funds)							(3,660)	0	(4,001)	(4,001)	0
NET TRANSFERS & ENCUMBRANCES		\$458	\$4,917	\$4,795	\$6,609	\$6,395	\$3,891	(\$48,950)	\$4,653	\$2,539	(\$4,961)	(\$995)
RESERVES												
	(Use of Reserves)			(16,846)	(13,777)	(79,794)	(45,815)	(72,041)			(12,138)	0
	Additions to Reserves	17,404	4,236						15,690	69,619	0	39,780
	Other Adjustments										0	0
RESERVES - INCREASE / (DECREASE)		\$17,404	\$4,236	(\$16,846)	(\$13,777)	(\$79,794)	(\$45,815)	(\$72,041)	\$15,690	\$69,619	(\$12,138)	\$39,780
NET BUDGETARY SOURCES/USES		\$0	(\$0)	\$0	\$0	(\$0)	(\$0)	(\$0)	\$0	\$0	\$0	\$0



EQUIPMENT FUND





**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
EQUIPMENT FUND - 12**

ACCOUNT NO.	EQUIPMENT FUND - 12	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ACTUAL FY 2022/23	ACTUAL FY 2023/24	ACTUAL FY 2024/25	ESTIMEATED FY 2025/26	2025/26 CURRENT BUDGET	2026/27 PRELIMINARY BUDGET
SOURCES OF FUNDS												
	Revenues	\$102,115	\$54,418	\$56,370	\$25,894	\$32,123	\$22,302	\$19,330	\$84,868	\$13,474	\$27,944	\$28,905
	Other Sources of Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Total Sources of Funds	\$102,115	\$54,418	\$56,370	\$25,894	\$32,123	\$22,302	\$19,330	\$84,868	\$13,474	\$27,944	\$28,905
USES OF FUNDS												
	Salaries & Wages	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Personnel Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Services & Supplies	\$8,150	\$11,854	\$17,894	\$8,228	\$14,757	\$16,972	\$12,050	\$11,034	\$9,449	\$23,920	\$24,880
	Capital Outlay	\$86,833	\$0	\$0	\$0	\$0	\$0	\$130,975	\$64,995	\$0	\$0	\$0
	Debt Service	\$9,939	\$9,569	\$124	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Total Expenditures	\$104,922	\$21,423	\$18,018	\$8,228	\$14,757	\$16,972	\$143,025	\$76,029	\$9,449	\$23,920	\$24,880
	OPERATING SURPLUS/(DEFICIT)	(\$2,807)	\$32,995	\$38,352	\$17,666	\$17,367	\$5,329	(\$123,695)	\$8,839	\$4,025	\$4,024	\$4,025
	TRANSFERS & ENCUMBRANCES											
	Transfers In	25,000	0	0	0	0	0	0	0	0	0	0
	(Transfers Out)	0	0	0	0	0	0	0	0	0	0	0
	Encumbrances - Sources of Funding	0	0	0	0	0	0	0	0	0	0	0
	Encumbrances - (Designated Funds)	0	0	0	0	0	0	0	0	0	0	0
	NET TRANSFERS & ENCUMBRANCES	\$25,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	RESERVES											
	(Use of Reserves)	0	0	0	0	0	0	(123,695)	0	0	0	0
	Additions to Reserves	22,193	32,995	38,352	17,666	17,367	5,329	0	8,839	4,024	4,024	4,024
	Other Adjustments	0	0	0	0	0	0	0	0	0	0	0
	RESERVES - INCREASE / (DECREASE)	\$22,193	\$32,995	\$38,352	\$17,666	\$17,367	\$5,329	(\$123,695)	\$8,839	\$4,024	\$4,024	\$4,024
	NET BUDGETARY SOURCES/USES	(\$0)	\$0	\$0	(\$0)	\$0	(\$0)	(\$0)	\$0	(\$1)	\$0	(\$1)



**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
EQUIPMENT FUND - 12**

ACCOUNT NO.	EQUIPMENT FUND - 12	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ACTUAL FY 2022/23	ACTUAL FY 2023/24	ACTUAL FY 2024/25	ESTIMATED FY 2025/26	2025/26 CURRENT BUDGET	2026/27 PRELIMINARY BUDGET
SOURCES OF FUNDS												
REVENUES												
12-4-3800-001	Lease Revenue from Water	52,641	32,375	33,595	14,727	18,270	12,685	9,988	47,133	7,664	15,894	16,440
12-4-3800-002	Lease Revenue from Sewer	42,433	19,460	20,070	10,276	12,749	8,851	6,969	32,888	5,347	11,090	11,470
12-4-3800-005	Lease Revenue from Garbage	7,042	2,583	2,705	891	1,105	766	603	2,847	463	960	995
12-4-3800-003	Insurance Proceeds	0	0	0	0	0	0	0	0	0	0	0
12-4-3800-004	Surplus Sales	0	0	0	0	0	0	1,770	0	0	0	0
12-4-3800-007	Rebate Revenue	0	0	0	0	0	0	0	2,000	0	0	0
Total Revenues		\$102,115	\$54,418	\$56,370	\$25,894	\$32,123	\$22,302	\$19,330	\$84,868	\$13,474	\$27,944	\$28,905
OTHER SOURCES OF FUNDS												
Total Other Sources of Funds		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Sources of Funds		\$102,115	\$54,418	\$56,370	\$25,894	\$32,123	\$22,302	\$19,330	\$84,868	\$13,474	\$27,944	\$28,905
USES OF FUNDS												
SALARIES & WAGES												
Total Salaries & Wages		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BENEFITS												
Total Benefits		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Personnel Services		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SERVICES & SUPPLIES												
12-5-4350-171	Maintenance - Vehicles	1,254	3,218	10,484	3,011	6,674	5,489	2,942	5,005	3,272	8,320	8,655
12-5-4350-172	Fuel	6,896	8,637	7,410	5,217	8,083	11,483	9,108	6,029	6,177	15,600	16,225
Total Services & Supplies		\$8,150	\$11,854	\$17,894	\$8,228	\$14,757	\$16,972	\$12,050	\$11,034	\$9,449	\$23,920	\$24,880
CAPITAL OUTLAY												
Fixed Assets		86,833	0	0	0	0	0	130,975	64,995	0	0	0
Total Capital Outlay		\$86,833	\$0	\$0	\$0	\$0	\$0	\$130,975	\$64,995	\$0	\$0	\$0
DEBT SERVICE												
12-5-4350-320	Equipment Lease	9,067	9,067	0	0	0	0	0	0	0	0	0
12-5-4350-386	Interest Expense	872	502	124	0	0	0	0	0	0	0	0
Total Debt Service		\$9,939	\$9,569	\$124	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenditures		\$104,922	\$21,423	\$18,018	\$8,228	\$14,757	\$16,972	\$143,025	\$76,029	\$9,449	\$23,920	\$24,880
OPERATING SURPLUS/(DEFICIT)		(\$2,807)	\$32,995	\$38,352	\$17,666	\$17,367	\$5,329	(\$123,695)	\$8,839	\$4,025	\$4,024	\$4,025
TRANSFERS & ENCUMBRANCES												
Transfers In		25,000	0	0	0	0	0	0	0	0	0	0
(Transfers Out)		0	0	0	0	0	0	0	0	0	0	0
Encumbrances - Sources of Funding		0	0	0	0	0	0	0	0	0	0	0
Encumbrances - (Designated Funds)		0	0	0	0	0	0	0	0	0	0	0
NET TRANSFERS & ENCUMBRANCES		\$25,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
RESERVES												
(Use of Reserves)								(123,695)				
Additions to Reserves		22,193	32,995	38,352	17,666	17,367	5,329		8,839	4,025	4,024	4,024
Other Adjustments												
RESERVES - INCREASE / (DECREASE)		\$22,193	\$32,995	\$38,352	\$17,666	\$17,367	\$5,329	(\$123,695)	\$8,839	\$4,025	\$4,024	\$4,024
NET BUDGETARY SOURCES/USES		\$0	(\$0)	\$0	\$0	(\$0)	\$0	\$0	\$0	\$0	\$0	\$1

**OCEANO COMMUNITY SERVICES DISTRICT
PLAN OF PAYMENT AND COMPENSATION
SALARY SCHEDULE**
For the Fiscal Year Ending June 30, 2027

Step Differential: Step:	A Step #1	2.50% B Step #2	2.50% C Step #3	5.00% D Step #4	5.00% E Step #5	5.00% F Step #6	5.00% G Step #7	5.00% Longevity Step #8
General Manager								
Hourly	\$ 82.88	\$ 84.95	\$ 87.08	\$ 91.43	\$ 96.00	\$ 100.80	\$ 105.84	N/A
Annual	\$172,390	\$176,696	\$181,126	\$190,174	\$199,680	\$209,664	\$220,147	
Business and Accounting Manager I								
Hourly	\$ 32.01	\$ 32.81	\$ 33.63	\$ 35.31	\$ 37.08	\$ 38.93	\$ 40.88	\$ 42.92
Annual	\$66,581	\$68,245	\$69,950	\$73,445	\$77,126	\$80,974	\$85,030	\$89,274
Business and Accounting Manager II								
Hourly	\$ 38.39	\$ 39.35	\$ 40.33	\$ 42.35	\$ 44.47	\$ 46.69	\$ 49.02	\$ 51.47
Annual	\$79,851	\$81,848	\$83,886	\$88,088	\$92,498	\$97,115	\$101,962	\$107,058
Business and Accounting Manager III								
Hourly	\$ 52.00	\$ 53.30	\$ 54.63	\$ 57.36	\$ 60.23	\$ 63.24	\$ 66.40	\$ 69.72
Annual	\$108,160	\$110,864	\$113,630	\$119,309	\$125,278	\$131,539	\$138,112	\$145,018
Account Administrator I								
Hourly	\$ 24.01	\$ 24.61	\$ 25.23	\$ 26.49	\$ 27.81	\$ 29.20	\$ 30.66	\$ 32.19
Annual	\$49,941	\$51,189	\$52,478	\$55,099	\$57,845	\$60,736	\$63,773	\$66,955
Account Administrator II								
Hourly	\$ 25.80	\$ 26.45	\$ 27.11	\$ 28.47	\$ 29.89	\$ 31.38	\$ 32.95	\$ 34.60
Annual	\$53,664	\$55,016	\$56,389	\$59,218	\$62,171	\$65,270	\$68,536	\$71,968
Account Administrator III								
Hourly	\$ 27.74	\$ 28.43	\$ 29.14	\$ 30.60	\$ 32.13	\$ 33.74	\$ 35.43	\$ 37.20
Annual	\$57,699	\$59,134	\$60,611	\$63,648	\$66,830	\$70,179	\$73,694	\$77,376
Utilities System Manager								
Hourly	\$ 52.00	\$ 53.30	\$ 54.63	\$ 57.36	\$ 60.23	\$ 63.24	\$ 66.40	\$ 69.72
Annual	\$108,160	\$110,864	\$113,630	\$119,309	\$125,278	\$131,539	\$138,112	\$145,018
Lead Operator								
Hourly	\$ 33.80	\$ 34.65	\$ 35.52	\$ 37.30	\$ 39.17	\$ 41.13	\$ 43.19	\$ 45.35
Annual	\$70,304	\$72,072	\$73,882	\$77,584	\$81,474	\$85,550	\$89,835	\$94,328
Utilities Operator I								
Hourly	\$ 25.35	\$ 25.98	\$ 26.63	\$ 27.96	\$ 29.36	\$ 30.83	\$ 32.37	\$ 33.99
Annual	\$52,728	\$54,038	\$55,390	\$58,157	\$61,069	\$64,126	\$67,330	\$70,699
Utilities Operator II								
Hourly	\$ 27.25	\$ 27.93	\$ 28.63	\$ 30.06	\$ 31.56	\$ 33.14	\$ 34.80	\$ 36.54
Annual	\$56,680	\$58,094	\$59,550	\$62,525	\$65,645	\$68,931	\$72,384	\$76,003
Utilities Operator III								
Hourly	\$ 29.29	\$ 30.02	\$ 30.77	\$ 32.31	\$ 33.93	\$ 35.63	\$ 37.41	\$ 39.28
Annual	\$60,923	\$62,442	\$64,002	\$67,205	\$70,574	\$74,110	\$77,813	\$81,702
Operator In Training								
Hourly	\$ 23.59	\$ 24.18	\$ 24.78	\$ 26.02	\$ 27.32	\$ 28.69	\$ 30.12	\$ 31.63
Annual	\$ 49,067	\$ 50,294	\$ 51,542	\$ 54,122	\$ 56,826	\$ 59,675	\$ 62,650	\$ 65,790
Position Allocation List Approved Positions:								
	Permanent	Temporary	Full Time	Part Time	Part Time Hours			
General Manager	1	0	1	0	n/a			
Business and Accounting Manager I/II/III	1	0	1	0	n/a			
Account Administrator I/II/III	3	0	2	1	=< 24/wk			
Utilities System Manager	1	0	1	0	n/a			
Lead Operator/ Utilities Operator I/II/III / OIT	4	0	4	0	n/a			
Total	10	0	9	1	n/a			

**OCEANO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2026-
DETERMINATION OF APPROPRIATION LIMITATION FOR FISCAL YEAR 2026-27**

WHEREAS, Article XIII B of the California Constitution specifies that appropriations made by governmental entities may increase annually by the change in population and the California per-capita income; and

WHEREAS, it has been determined by the State Department of Finance that the California per-capita income increase shall be used; and

WHEREAS, the percent change in the California per-capita income is 1.0495% and the percent change in the population of the unincorporated area of San Luis Obispo County is 0.2% (Population converted to a ratio is computed as follows: $\{0.2+100\} / 100 = 1.002$).

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED by the Board of Directors, Oceano Community Services District, San Luis Obispo County, California, as follows:

1. That the ratio of change is and is determined as follows: $1.0495 \times 1.002 = 1.0516$
2. That the 2026-27 appropriation limit is and is determined as follows:

2025-26 Limitation	\$ 1,739,387
2026-27 Ratio of Change	<u>1.0516</u>
2026-27 Appropriation Limitation	1,829,139
2026-27 Appropriation Subject to Limitation	(\$56,258)
2026-27 Appropriations Under Limit	 \$1,772,881

3. No further adjustment to the 2026-27 appropriation limitation has been made of mandated costs. However, any new mandated costs or increases in existing mandated costs would increase the limitation by the amount of "Proceeds of Taxes" used to finance mandates in fiscal year 2026-27.

Upon motion of _____, seconded by _____, and on the following roll call vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAINING:



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

Date: June 10, 2026
To: Board of Directors
From: Allinson Melendez, Account Administrator I
Via: Carey Casciola, Business and Accounting Manager
Subject: **Agenda Item #10(B):** Hold a Public Hearing for consideration of approving a resolution to collect delinquent customer accounts on the 2026-27 property tax bills

Recommendation

It is recommended that the Oceano Community Services District Board of Directors:

1. Review the agenda material
2. Open the Public Hearing
3. Close the Public Hearing
4. Adopt the attached Resolution to collect delinquent customer accounts on the 2026-27 property tax bills

Discussion

On May 13, 2026, the OCSD Board set June 10, 2026, as the annual public hearing in accordance with state law to consider collecting delinquent bills from customers who have not paid for District services. State law enables the District to collect delinquent charges on property tax bills. The attached report identifies customers who have outstanding solid waste, water, and wastewater bills this year. In addition, the 2026-27 tax roll timeline provided by the County Auditor-Controller-Treasurer-Tax Collector (CACTTC) and a sample of the letter sent to customers with delinquent solid-waste bills and water/sewer bills are also attached. The public hearing was [noticed](#) in the Tribune and posted on the District's website. This is the fifteenth year the District will participate in placing delinquent accounts and other charges on property tax bills, and to date, it has proved fruitful as a means to collect overdue payments from property owners.

Property owners were noticed by certified mail that the last date to pay their delinquent solid-waste bill to South County Sanitary Services, Inc (SCSS) is June 15, 2026 and to OCSD on July 17, 2026. Any payments made on or before the due date will be removed from the attached list.

Other Agency Involvement

SCSS provides solid-waste and recycling services within Oceano based on a franchise agreement with the District. SCSS has identified the customers who have not paid bills, and pursuant to the franchise agreement, the District is obligated to coordinate collection on property tax bills. The CACTTC will be collecting the delinquent bills with property taxes.

Other Financial Considerations



Oceano Community Services District

Board of Directors Meeting

The County also adds a charge for collection to the property tax. As a result, the District is not charged County costs.

Results

Coordination with the County on delinquent accounts is cost effective to the District.

Attachments:

1. Tax roll 2026-27 tax roll timeline
2. Water and Wastewater Letter to Customers
3. Solid Waste Letter to Customers
4. Resolution
5. List of delinquent bills

2026/27 TAX ROLL PROCEDURES

05/14/26	PREPARE and MAIL LETTERS
05/15/26	MAIL NOTICE OF PUBLIC HEARING TO PROPERTY OWNERS & PROVIDE TO TRIBUNE WITH DIRECTION FOR PUBLICATION
3rd week of May	FIRST NEWSPAPER NOTICE FOR PUBLIC HEARING ON 6/10 REGULAR MEETING PER GOVERNMENT CODE SECTION 61115(b) AND 6066
4th week of May	SECOND NEWSPAPER NOTICE FOR PUBLIC HEARING ON 6/10 REGULAR MEETING PER GOVERNMENT CODE SECTION 61115(b) AND 6066
06/03/26	COMPLETE DRAFT AGENDA MATERIAL FOR 6/10 REGULAR MEETING (RESOLUTION)
06/05/26	COMPLETE FINAL AGENDA MATERIAL FOR 6/10 REGULAR MEETING (RESOLUTION)
06/05/26	BOARD OF DIRECTORS MEETING: NOTICE OF PUBLIC HEARING
06/15/26	GARBAGE PAYMENT DUE
07/17/26	OCSD PAYMENT DUE
07/20/26	RESOLUTION CONFIRMING THE CHARGES AGAINST PROPERTY OWNERS WITH REPORT AND SUBMIT TO COUNTY AUDITOR
08/04/26	FINAL FUND PROOF SUBMISSION TO SLO COUNTY FOR ROLL YEAR 2026/27
08/10/26	FINAL DEADLINE FOR ALL DIRECT CHARGE FUNDS TO BE SIGNED APPROVED AND RETURNED TO THE AUDITOR-CONTROLLER'S OFFICE

Parcel #:

000-000-000

Owner Name

Address

City, State Zip Code

Regarding Service Address:

0000 Street

OCEANO, CA 93445

Dear Customer:

County records show that you are, and at all times referenced herein have been, the recorded owner of the property listed above. Your account for this service address is past due for water and sewer provided by OCEANO COMMUNITY SERVICES DISTRICT.

Please be advised that if the charges specified in this letter are not paid in full and received (post marks do not count) by OCSD by 4:00 p.m. on July 17, 2026, then the amount of the charges, penalties, and delinquencies may be filed with the County Auditor to be placed on the parcel's property tax bill for collection.

The owner of the property in which services are furnished shall be responsible for the payment of all rates, charges and fees, including penalties, thereon regarding such furnished services. Unpaid obligations shall run with the land, shall create a lien on the property.

Your current amount due is \$ 0.00.

Therefore, please accept this letter as a demand for immediate payment.

The OCSD Board of Directors will hold a public hearing at their regular meeting of June 10, 2026, starting at 6:00 p.m. located at 1655 Front Street, Oceano, CA The hearing will provide you with the opportunity to testify and present to the Board of Directors any objections or protests to the charges and/or their collection on the parcel's property tax bill.

If you have any questions, or need additional information, please feel free to call me at (805) 481-6730. Please see the reverse side of this letter for a copy of the notice published in the newspaper pursuant to Government Code Sections 61115(b) and 6066.

Sincerely,

Oceano Community Services District

Allinson Melendez, Account Administrator
Carey Casciola, Business and Accounting Manager

Parcel #:

000-000-000

Owner Name

Address

City, State Zip Code

Regarding Service Address:

0000 Street

OCEANO, CA 93445

Dear Customer:

County records show that you are, and at all times referenced herein have been, the recorded owner of the property listed above. Your account for this service address is past due for garbage service provided by SOUTH COUNTY SANITARY.

Please be advised that if the charges specified in this letter are not paid in full and received (post marks do not count) by South County Sanitary by 4:00 p.m. on June 15, 2026, then the amount of the charges, penalties, and delinquencies may be filed with the County Auditor to be placed on the parcel's property tax bill for collection.

The owner of the property in which services are furnished shall be responsible for the payment of all rates, charges and fees, including penalties, thereon regarding such furnished services. Unpaid obligations shall run with the land, shall create a lien on the property.

Your current amount due is \$ 0.00.

Therefore, please accept this letter as a demand for immediate payment.

The OCSD Board of Directors will hold a public hearing at their regular meeting of June 10, 2026, starting at 6:00 p.m. located at 1655 Front Street, Oceano, CA The hearing will provide you with the opportunity to testify and present to the Board of Directors any objections or protests to the charges and/or their collection on the parcel's property tax bill.

If you have any questions, or need additional information, please feel free to call me at (805) 481-6730. Please see the reverse side of this letter for a copy of the notice published in the newspaper pursuant to Government Code Sections 61115(b) and 6066.

Sincerely,

Oceano Community Services District
Allinson Melendez, Account Administrator
Carey Casciola, Business and Accounting Manager

OCEANO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2026 - ____

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE OCEANO COMMUNITY SERVICES DISTRICT DIRECTING STAFF TO PLACE A LIEN ON PROPERTIES PURSUANT TO GOVERNMENT CODE 61110 ET SEQ.

WHEREAS, Government Code section 61115 provides the Board of Directors may recover any charges and penalties for services and facilities that the District provides by recording in the office of the County Recorder a report of the charges and penalties due, and the name and last known address of the person liable for those charges and penalties; and that from the time of recordation of the report, the amount of the charges and penalties constitutes a lien against all real property of the delinquent property owner in the county; and

WHEREAS, the Oceano Community Services District (“District”) has determined that it is appropriate to collect the charges, delinquencies, and any related penalties for the affected properties on the tax roll in the same manner as property taxes in accordance with California Government Code Section 61115(b); and

WHEREAS, the General Manager of the District has prepared and filed a written report (“Report”) with the Board of Directors of the District that describes these certain parcels of real property subject to the charges, delinquencies, and any related penalties to be imposed thereon; and

WHEREAS, the General Manager of the District has (1) caused notice of the filing of the Report proposing to have such charges, delinquencies, and any related penalties to be collected on the tax roll in the same manner as property taxes; and (2) caused notice of the time and date of hearing to consider such Report by (a) mailing notice to each affected property owner and (b) publishing notice in a newspaper of general circulation, all in accordance with California Government Code Section 61115(b); and

WHEREAS, at the time stated in the notice, the Board of Directors conducted the public hearing and considered all objections and protests to the Report and revised the charges, delinquencies, and any related penalties deemed appropriate by the Board of Directors following the hearing; and

WHEREAS, the District has determined to adopt the Report, as revised or unrevised, and collect the charges, delinquencies, and any related penalties on the tax roll, which charges, delinquencies, and any related penalties shall constitute a lien against the parcel or parcels of land described in the Report in accordance with California Government Code Sections 61115 *et seq.*

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE OCEANO COMMUNITY SERVICES DISTRICT DOES HEREBY RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

1. The District Board of Directors finds and determines that the charges, delinquencies, and any related penalties shall be imposed on and shall constitute a lien against each parcel or parcels of land as set forth and described in the Report.
2. The General Manager is authorized to modify the Report to reflect any payments received after the date of the public hearing and prior to filing this Resolution and Report pursuant to Section 3 below.
3. On or before August 10, 2026, the General Manager must file the Report with the San Luis Obispo County Auditor/Controller/Treasurer/Tax Collector who must enter the amount of the charges, delinquencies, and related penalties against each affected parcel of real property as they appear on the current assessment roll. The Auditor/Controller/Treasurer/Tax Collector must include the amount of the charges on the tax bills for each affect parcel of real property and collect the charges in the same manner as property taxes pursuant to Government Code 61115(b).

Upon the motion of _____, seconded by _____ and upon the following roll call vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

The foregoing Resolution is hereby passed and adopted this 10 day of June, 2026.

Oceano CSD, President

ATTEST:

OCSD CUSTOMERS

<u>Customer Name</u>	<u>Parcel No.</u>	<u>Service Address</u>	<u>Mailing Address</u>		<u>Total</u>
OLDEMEYER, ROBERT	062-087-007	2081 PASO ROBLES	199 S ALPINE ST	ARROYO GRANDE, CA 93420	67.91
MUNOZ, RALPH & REBECCA	062-102-025	2478 PASO ROBLES	2316 PINEDALE AVE	FRESON, CA 93711	81.27
NICHOLS, LUCAS	062-074-017	1658 S ELM	9366 RIBERENA CIR	ATASCADERO, CA 93422	264.11
ABNEY, ROBERT	062-305-009	2000 CASITAS ST	1358 16TH ST	OCEANO, CA 93445	541.43
CABANERO, AUSTIN	062-092-008	2183 OCEAN ST	623 CERRO VISTA LN	ARROYO GRANDE, CA 93420	56.68
GRIEB, GARY	062-089-025	1877 19TH	670 BLACK RIDGE LA	NIPOMO, CA 93444	255.74
NICHOLSON, CHAD	062-086-013	1841 BEACH	PO BOX 11	SAN LUIS OBISPO, CA 93406	121.67
TERREL, RANDAL	062-101-012	2471 PASO ROBLES	PO BOX 44	PIXLEY, CA 93256	149.95
CHAVEZ, ISIDRO & MARIA	062-111-001	1740 BEACH	PO BOX 674	OCEANO, CA 93445	79.68
MARTINEZ, DIANA	062-117-008	2150 CIENAGA ST #201	1633 VIA RUBIO	SANTA MARIA, CA 93458	727.73
PARDUBSKY, CHRISTINE	062-272-018	1633 FRONT ST #18	710 ASHLAND LN	NIPOMO, CA 93444	146.29
TOTAL:					2,492.46

SANITARY CUSTOMERS

<u>Customer Name</u>	<u>Parcel No.</u>	<u>Service Address</u>	<u>Mailing Address</u>		<u>Total</u>
MASON, DOUGLAS	062-121-026	2240 BEACH ST	2240 BEACH ST	OCEANO, CA 93445	925.32
LUNA, SANDRA	062-081-018	1521 PASO ROBLES ST	237 TOWN CENTER #311	SANTA MARIA, CA 93458	550.22
BENOIT, SHERIE	910-004-621	2700 CIENAGA ST SPC 67	2700 CIENAGA ST SPC 67	OCEANO, CA 93445	434.72
ODGERS, AIDA	062-021-014	1352 22ND ST	1352 22ND ST	OCEANO, CA 93445	373.76
CHAVEZ, ISIDRO & MARIA	062-091-023	1650 22ND ST	PO BOX 674	OCEANO, CA 93475-0674	348.44
SCHNEIDER, JANET	910-004-927	2700 CIENAGA ST SPC 23	2700 CIENAGA ST SPC 23	OCEANO, CA 93445	265.86
WILKINS, BRANDY	062-081-018	1517 PASO ROBLES ST	237 TOWN CENTER #311	SANTA MARIA, CA 93458	248.48
LOPEZ, JOSEPH C	062-102-020	2491 OCEAN ST	PO BOX 419	ARROYO GRANDE, CA 93421-0419	215.48
TUCKER, JOHN	061-041-020	608 MENDEL DR	284 LONGVIEW LANE	SAN LUIS OBISPO, CA 93405	215.34
HUGHES, BROOKE	062-065-021	2166 VISTA ST	2166 VISTA ST	OCEANO, CA 93445	134.26
GCAT 2022-NQM5 TRUST	061-072-027	300 UTAH AVE	601 OFFICE CENTER DR STE 100	FORT WASHINGTON, PA 19034	69.56
TOTAL:					3,781.44



Oceano Community Services District

1655 Front Street | P.O. Box 599 | Oceano, CA 93475

(805) 481-6730 | FAX (805) 481-6836

Date: June 10, 2026

To: Board of Directors

From: Carey Casciola, Business and Accounting Manager

Subject: **Agenda Item #10(C): District Vacancies Report Pursuant to Assembly Bill 2561**

Recommendation

It is recommended that the Board of Directors hold a public hearing on the District's vacancies and recruitment and retention efforts, including a presentation from the District's representative bargaining units, pursuant to Assembly Bill (AB) 2561.

Discussion

AB 2561 was enacted in 2024 and requires public agencies to report on staffing vacancies and recruitment and retention efforts, including any challenges and potential policy obstacles to recruitment. AB 2561 also provides that if vacancy rates in any recognized employee bargaining unit exceed 20% of positions, agencies must provide further specified information if requested by the bargaining unit. Further, AB 2561 requires agencies to provide an opportunity to bargaining units to present their perspectives at the hearing.

Recruitment and retention of staff is important, and the District prioritizes a positive workplace culture and investment in staff development and training along with competitive compensation packages commensurate with other local agencies. The District has one represented bargaining group, the Service Employees International Union (SEIU), representing five full-time equivalent positions (FTEs) and one part-time equivalent position. The District's recognized bargaining group was notified of this hearing and informed that they may provide a presentation at the conclusion of this report but were not able to attend and provided the attached letter. Additionally, the District has 3 unrepresented management FTEs. Commensurate with AB 2561, this report provides data on District employment vacancies as of the end of last year, December 31, 2025.

Vacancies

Position vacancies may occur for various reasons throughout any given year, including internal promotion or transfer of a staff member, retirements, resignations, terminations, or due to approval of a new position. When vacancies occur, staff work with the affected department to fill the position(s) to maintain operations; ensure continued quality, efficient services to the community; and to reduce the



Oceano Community Services District

Board of Directors Meeting

need for overtime. Total vacancies by bargaining group as of December 31, 2025, are listed in the chart below:

Employee Bargaining Group	Total Number of Vacancies	FY 2025/26 Final Budget - Position Allocation	Vacancy Rate
SEIU	0	7	0%
Unrepresented	0	3	0%
Total	0	10	0%

Other Agency Involvement

None.

Other Financial Considerations

There is no fiscal impact associated with this report.

Results

Reviewing the District's vacancies helps to ensure the District is appropriately staffed and that high vacancy rates do not affect District operations or customer service.

Attachment: 1. Letter from SEIU



BOARD OF DIRECTORS

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Vice President

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SERVICE EMPLOYEES
INTERNATIONAL UNION

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350 S. HOPE AVE # A103
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SANTA MARIA, CA 93454
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June 3, 2026

SEIU Local 620 Written Comment for AB 2561 Public Hearing on
Public Sector Vacancies, Recruitment, and Retention.

Dear President Gibson and Board of Directors,

Thank you for the opportunity to provide comment on behalf of SEIU
Local 620.

We want to acknowledge and commend the District for its continued
focus on maintaining a low vacancy rate within our bargaining unit.
This is an important achievement, and we sincerely appreciate the
dedication and effort that goes into maintaining our much-needed
public sector positions. Every vacancy addressed directly supports
our members by easing workloads on an already lean crew, and helps
to maintain the high quality of services the community depends on.

Public sector workers are the foundation of our communities,
performing essential work that our neighbors rely on every single
day. Sustaining competitive wages, strengthening training and
promotional pathways, and ensuring manageable workloads are
essential to supporting long-term workforce stability.

SEIU remains committed to collaborating with the District to ensure
that employees have the tools and support they need to excel. We
appreciate the transparency provided through Assembly Bill 2561
reporting, and we look forward to continuing our partnership in
making the Oceano Community Services District a place where
dedicated public employees continue to choose to build and grow
their careers.

Thank you for your time and for your ongoing service to our
community.

Sincerely,

Nicole Bryant
Field Representative
SEIU Local 620
nicole@seiulocal620.org