



REGULAR BOARD MEETING AGENDA

2:00 PM Monday, August 17, 2026

UPUD Headquarters | 339 Main Street, Murphys, CA 95247

Please note: Closed Session is at 2:00pm and Open Session is at 3:00pm

OUR MISSION

Union Public Utility District is dedicated to protecting, enhancing, and developing our water resources to the highest beneficial use for our customers, while maintaining cost-conscious, reliable service and providing gainful employment through responsible management.

The Board Chambers are open to the public

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Administration Office at 209-728-3651. Notification in advance of the meeting will enable UPUD to make reasonable arrangements to ensure accessibility to this meeting. Any documents that are made available to the Board before or at the meeting, not privileged or otherwise protected from disclosure, and related to agenda items, will be made available at UPUD for review by the public.

ORDER OF BUSINESS

CALL TO ORDER/THE PLEDGE OF ALLEGIANCE

1. ROLL CALL
2. APPROVAL OF AGENDA

CLOSED SESSION

3. CLOSED SESSION PUBLIC COMMENT

4. CONVENE TO CLOSED SESSION

- a. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION (Gov. Code § 54956.9(d)(1))
Name of case: Michael Hatfield v. Union Public Utility District, Case No. 23CV46786
- b. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION (Significant exposure to litigation pursuant to Gov. Code § 54956.9(d)(2)): One Case

3:00 PM OPEN SESSION

5. RETURN TO OPEN SESSION:

- a. Report on Closed Session

6. GENERAL PUBLIC COMMENT

(LIMIT 5 MINUTES PER PERSON) Members of the public may address the Board on items not agendized. The public is encouraged to contact the General Manager or Board of Directors for consideration of items to be placed on the agenda. No action will be taken by the Board unless an item is agendized.

7. CONSENT AGENDA

Consent agenda items are expected to be routine and non-controversial. They will be acted upon by the Board at a time, without discussion. Any board member, staff member or interested party may request removal of an item from the consent agenda for later discussion.

- a. Approval of Minutes: June 15, 2026 – Regular Board Meeting
- b. Fund Balance Report – June 2026 and July 2026
- c. Balance Sheet & Income Statement – June 2026 and July 2026
- d. YTD Budget to Actuals – June 2026 and July 2026

8. NEW BUSINESS

- a. Discussion/Action Regarding FY24 Audit
(Shelley Scott, Financial Contractor & Jessica Self, General Manager)
- b. Discussion/Action Regarding Transitioning Banking Services – Removal of US Bank, addition of Five Star Bank
(Jessica Self, General Manager) **RES 2026-012**
- c. Discussion/Action Amending Union Public Utility District’s Conflict of Interest Code
(Jessica Self, General Manager) **RES 2026-013**

- d. Discussion/Direction Regarding Initiating a New Rate Study Focused on the Utica Fee
(Jessica Self, General Manager)

9. UPDATES

Discussion and Potential Direction Regarding Utica Water & Power Authority

10. REPORTS

- a. Operations Manager
- b. General Manager
- c. Board Updates

11. NEXT BOARD MEETINGS & EVENTS

- September 21, 2026 at 2:00 pm
- October 20, 2026 at 2:00 pm
- November 16, 2026 at 2:00 pm

12. ADJOURNMENT

PROCEDURAL NOTICES

LEVINE ACT PUBLIC PARTY/APPLICANT DISCLOSURE OBLIGATIONS: Applicants, parties, and their agents who have made campaign contributions totaling more than \$500 (aggregated) to a Board Member over the past 12 months must publicly disclose that fact for the official record of that agenda item. Disclosures must include the amount of the campaign contribution aggregated, and the name(s) of the campaign contributor(s) and Board member(s). The disclosure may be made either in writing to the Clerk prior to the agenda item consideration, or by verbal disclosure at the time of the agenda item consideration. The foregoing statements do not constitute legal advice, nor a recitation of all legal requirements and obligations of parties/applicants and their agents. Parties and agents are urged to consult with their own legal counsel regarding the requirements of the law.



Agenda Item

CLOSED
SESSION



Agenda Item

OPEN
SESSION

7 a

The background of the slide features a close-up photograph of water ripples, with a single droplet about to hit the surface at the top center. Overlaid on this is a large, circular gradient that transitions from light green on the left to light blue on the right. The text "Agenda Item" is centered within this circle in a dark blue, serif font.

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MINUTES

UNION PUBLIC UTILITY DISTRICT REGULAR BOARD MEETING

JUNE 15, 2026

Directors Present: Greg Rasmussen, President
Bruce Tallakson, Vice-President
Tom Quincy, Secretary
Eric Bottomley, Director

Directors Absent: Ralph Chick, Treasurer

Staff Present: Jessica Self, General Manager
Joe Darby, Operations Manager
Jenna Mayo, Executive Administrative Coordinator
Kelsey McCormick, Customer Service Representative

Others Present: Frank Splendorio, Best, Best & Krieger LLP
Catherine Hansford, Hansford Economic Consulting
Public at Large

ORDER OF BUSINESS

CALL TO ORDER/THE PLEDGE OF ALLEGIANCE

1. ROLL CALL

Director Rasmussen called the Regular Board Meeting to order at 2:00 PM and led the Pledge of Allegiance.

2. APPROVAL OF AGENDA

Motion: Director Tallakson
Second: Director Bottomley
Ayes: Directors Rasmussen, Tallakson, Quincy, and Bottomley

Nays: None
Absent: Director Chick
Abstained: None

CLOSED SESSION

3. **CLOSED SESSION:**

The Board recessed to Closed Session at 2:03 PM

- a. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION (Gov. Code § 54956.9(d)(1)) Name of case: Michael Hatfield v. Union Public Utility District, Case No. 23CV46786
- b. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION (Significant exposure to litigation pursuant to Gov. Code § 54956.9(d)(2)): One Case

4. **RETURN TO OPEN SESSION:** The meeting returned to open session at 3:25 PM

- a. Report on Closed Session

5. **REPORTABLE ACTION FROM CLOSED SESSION:** There was no reportable action.

6. **PUBLIC COMMENT:**

A member of the public read the following written statement on behalf of another member of the public, Mike Peirano. A written copy of the statement was submitted to the Board:

"As a UPUD customer I am concerned with the direction of Utica and the JPA. Our already strained district budgeted for the projected increase in UWPA fees without any indication there was an additional 450,000k plus needed moving forward this year. What many of us witnessed at the Utica meeting was pressure put on UPUD's two board members to make a decision on an additional increase in needed UWPA funds even with the serious concern of it draining UPUD's reserves moving forward.

There was tension thrown toward anyone challenging the increase and no room to postpone the decision leaving many customers not understanding what happened or the impact. Utica gave a presentation pointing fault at UPUD and their previous 218 with no ability for anyone to comment or even challenge the presentation and budget. I believe they knew UPUD's GM was not in attendance so it was easy to speak poorly UPUD. Utica's GM stated they are a non-profit numerous times (like that means anything today) and there is no choice but to fund what they are asking or the water will stop flowing. Utica's GM also stated a letter would have to be written to FERC detailing the lack of funds. It is my understanding Utica has to give board members time to address their own board before making that decision. Mr. Tallakson politely addressed UPUD's genuine concerns explaining the district is already strained and does not have a budget for the unprojected increase. There were at times unprofessional winks to board members and hostility toward the audience who was trying to understand the process. This does not encourage public attendance instead, shows lack of genuine concern for customers.

I believe Utica was aware UPUD's GM was not in attendance and used that to cause further strain between the Joint agreement. It is in our districts best interest to seriously consider looking into legally severing ties from the JPA.

The graphs from Utica's presentation on the Powerhouse was over 30 years. Things were drastically different then and so were the state and federal requirements. There needs to be a more realistic previous 5 year and projected 5 year moving forward. I believe that will show a much different financial picture. The electric industry has changed in 30 years and currently Hydro plants are very expensive to run. There is a huge financial burden with the Angels Powerhouse and Angels Pen Stock. The other is

Murphy's and the Murphy's Pen stock. I understood that Angels pen stock is at 30% and needs to be replaced at a \$3 million cost. The Murphy's Powerhouse and Murphy's penstock is another financial burden after what happened at Colgate. If the FERC exemption is not approved, where will the \$10 million come from?

Most of UPUD's customers do not understand the financial obligations with the Utica/JPA. They do however understand when their bill drastically increases. Many of us would like to see UPUD go back to the selling of Water and providing an affordable service to our already struggling community.

Murphy's Powerhouse is 73 years old. Angels Powerhouse is 86 years old. Taking water from the tunnel tap all the way down to the diversion off the Murphy's Creek and passing it on to the city of Angels can be an option. From there they can take it down to Ross reservoir into their treatment plant or with the possibility of UPUD sending it all the way down to Ross reservoir. The sphere of influence can be redrawn if needed up to the point where the diversion is on Murphy's Creek. UPUD could run it from the tunnel, tap all the way down to the diversion.

Extra water that UPUD owns can be sold to NCPA. Murphy's has existing water rights to supply its customers. Selling some of the water to NCPA will create revenue to put in our budget. Our district is unable to repair catastrophic infrastructure do to lack of funds. There are fire suppression systems in dire need of repair. UPUD needs to focus on our own stability and being solvent so we can provide a reliable service to our community for generations to come.

I'm calling on this board to make a long-term business decision to pull our district away from the JPA. I do not believe our board members from 30 years ago intended this JPA to operate as it has been doing or anticipated the hardships moving forward.

Our community is struggling especially the ones on social security. We have already been through a major increase in just the past few years and looking at moving out of the financial burden that has strained our district.

There's a good reason why PG&E got out of that system. They were looking and planning ahead. The financial liability through DSOD and FERC is astronomical especially for these small disadvantaged districts. If we do not look into other options for UPUD moving forward, there will be no district to manage in the future."

7. CONSENT AGENDA:

- a.** Approval of Minutes: May 18, 2026 – Regular Board Meeting
- b.** Fund Balance Report – May 2026
- c.** Balance Sheet & Income Statement – May 2026
- d.** YTD Budget to Actuals – May 2026
- e.** Legal Fees Year-to-Date Review
- f.** Readoption of Updated Memorandum of Understanding Between Union Public Utility District and SEIU

RES 2026-009

Motion: Director Tallakson
Second: Director Bottomley

Ayes: Directors Rasmussen, Tallakson, Quincy, and Bottomley
Nays: None
Absent: Director Chick
Abstained: None

MINUTE ENTRY. MOTION TO APPROVE THE CONSENT AGENDA AS PRESENTED.

8. **PUBLIC HEARING**

At the request of the Board, Agenda Item 9.a., Discussion/Action Regarding Leak Adjustment, was taken out of order and heard prior to Item 8.a., Public Hearing.

- a. Discussion/Action Regarding Adoption of Capacity and Connection Fees
(Matt Ospital, District Engineer & Catherine Hansford, Hansford Economic Consulting)

RES 2026-010

Motion: Director Tallakson
Second: Director Quincy
Ayes: Directors Rasmussen, Tallakson, Quincy, and Bottomley
Nays: None
Absent: Director Chick
Abstained: None

RESO NO. 2026-010. ADOPTION OF NEW CONNECTION & CAPACITY FEES FOR UPUD DOMESTIC AND RAW WATER SYSTEMS, AS PRESENTED.

- b. Presentation Regarding Status of Vacancies & Recruitments and Retention Efforts – AB 2561
(Jessica Self, General Manager)

General Manager Jessica Self presented the annual report required under AB 2561 regarding the District's current vacancies, recruitment activities, and employee retention efforts. The presentation included an overview of the District's two vacant Water Operator positions, recruitment methods, hiring challenges associated with required certifications and competition from neighboring agencies, and the District's retention strategies, including competitive compensation and benefits, work-life balance, and employee recognition. The Board received the presentation, and the Chair opened the item for public comment as required by AB 2561 prior to the adoption of the FY 2026-2027 Budget.

9. **NEW BUSINESS**

This item was considered earlier in the meeting prior to Item 8.a., Public Hearing.

- a. Discussion/Action Regarding Leak Adjustment
(Jenna Mayo, Executive Admin Coordinator & Joe Darby, Operations Manager)

Motion: Director Tallakson
Second: Director Quincy
Ayes: Directors Rasmussen, Tallakson, Quincy, and Bottomley
Nays: None
Absent: Director Chick
Abstained: None

MINUTE ENTRY. MOTION TO APPROVE ITEM 8A, APPROVING THE LEAK ADJUSTMENT, AS PRESENTED.

b. Discussion Regarding Legislative Affairs Update
(Jessica Self, General Manager)

General Manager Jessica Self provided a legislative affairs update, including a recap of the 2026 ACWA Spring Conference and participation in MCWRA Lobby Day, where meetings were held with state legislators and representatives to discuss water-related issues. She also provided updates on ACWA's Vision for Our Water Future initiative and reviewed pending legislation of interest to the District, including ACWA-sponsored SB 1153 relating to wildfire preparedness and emergency response planning and AB 2180 regarding Proposition 218 rate-setting procedures. The Board discussed the legislative updates and received the report.

c. Discussion/Action Regarding Personnel and Organizational Chart update
(Jessica Self, General Manager)

Motion: Director Tallakson
Second: Director Rasmussen
Ayes: Directors Rasmussen, Tallakson, Quincy, and Bottomley
Nays: None
Absent: Director Chick
Abstained: None

MINUTE ENTRY. MOTION TO APPROVE ITEM 8C, APPROVING PERSONNEL AND ORGANIZATIONAL CHART, AS PRESENTED.

d. Discussion/Action Regarding Adoption of FY26/27 Budget
(Jessica Self, General Manager)

RES 2026-011

Motion: Director Tallakson
Second: Director Bottomley
Ayes: Directors Rasmussen, Tallakson, Quincy, and Bottomley
Nays: None
Absent: Director Chick
Abstained: None

RESO NO. 2026-011. ADOPTION OF FY26/27 BUDGET, AS PRESENTED.

10. UPDATES

Discussion and Potential Direction Regarding Utica Water & Power Authority

Director Rasmussen reported that the UWPA Board had adopted its budget and inquired whether the powerhouse was operational. Operations Manager Joe Darby confirmed that it was. Director Tallakson also reported that the budget had been approved at the most recent UWPA meeting and noted that both he and Director Bottomley voted against its adoption because they believed the proposed budget was too aggressive. During public comment, Mike Peirano expressed concerns regarding the budget approval process and the manner in which the budget was advanced by UWPA management.

11. REPORTS

a. Operations Manager

The Operations Manager's report was presented to the Board by Operations Manager, Joe Darby.

b. General Manager

The General Manager's report was presented to the Board by General Manager, Jessica Self.

c. Board Updates

Director Bottomley suggested holding a staff summer gathering. Director Tallakson expressed his appreciation for District legal counsel, members of the public, General Manager Jessica Self, Operations Manager Joe Darby, and Hansford Economic Consultant Catherine Hansford for their continued efforts and contributions. Director Rasmussen thanked those who have been attending the UWPA meetings and acknowledged the challenges District staff have experienced related to recent communications, expressing his hope that the issues will be resolved.

12. NEXT BOARD MEETINGS & EVENTS

- July 20, 2026 at 2:00 pm
- August 17, 2026 at 2:00 pm
- September 21, 2026 at 2:00 pm

13. ADJOURNMENT

The meeting adjourned at 5:36 PM

Respectfully Submitted:

ATTEST:

Tom E. Quincy, Board Secretary

Jenna Mayo, Clerk to the Board

7 b

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General Ledger
Fund Balance Report LAIF
June 2026

Account Number	Description	Beg Bal	Debits	Credits	End Bal
01	Water Fund				
01-00-1401	LAIF-Emergency Reserve	13,724.76	0.00	0.00	13,724.76
01	Water Fund	13,724.76	0.00	0.00	13,724.76
Asset Total		<u>13,724.76</u>	<u>0.00</u>	<u>0.00</u>	<u>13,724.76</u>
		_____	_____	_____	_____

General Ledger
Fund Balance Report CA CLASS
June 2026

Account Number	Description	Beg Bal	Debits	Credits	End Bal
01	Water Fund				
01-00-1501	CA CLASS - Emergency Reserve	1,033,015.86	3,140.78	0.00	1,036,156.64
01-00-1502	CA CLASS - Irrigation Reserve	223,447.48	679.37	0.00	224,126.85
01-00-1504	CA CLASS - UWPA Reserve	168,315.48	731.49	0.00	169,046.97
01-00-1506	CA CLASS - Operations Reserve	561,743.53	23,204.37	0.00	584,947.90
01-00-1507	CA CLASS - Capital Reserve	564,334.43	1,697.09	6,365.00	559,666.52
01	Water Fund	2,550,856.78	29,453.10	6,365.00	2,573,944.88
Asset Total		<u>2,550,856.78</u>	<u>29,453.10</u>	<u>6,365.00</u>	<u>2,573,944.88</u>
		<u> </u>	<u> </u>	<u> </u>	<u> </u>

General Ledger
Fund Balance Report BofS Money Market
June 2026

Account Number	Description	Beg Bal	Debits	Credits	End Bal
01	Water Fund				
01-00-1307	BofS Money Mrkt	464,213.92	726.57	120,947.00	343,993.49
01	Water Fund	464,213.92	726.57	120,947.00	343,993.49
Asset Total		464,213.92	726.57	120,947.00	343,993.49

7 c

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General Ledger

Balance Sheet

June 2026

Fund ALFRE

Account Type	Amount
01 - Water Fund	
Assets	
Cash & Investments	7,586,525.01
Debt Issuance Fee	397.50
Accounts Receivable	372,225.16
Inventory	0.00
Fixed Assets	4,842,605.39
Other Long Term Assets	0.00
CalPERS Pension Outflows	317,976.00
Grant Receivable	0.00
Total Assets:	13,119,729.06
Liabilities	
Accounts Payable	44,603.87
Long Term Loan - Everbank	1,373,102.50
Payroll Liabilities	27,052.18
Deferred Revenue	4,712.32
Compensated Absences	82,199.05
Bonds/Notes Payable-Current	24,590.17
CalPERS Pension -Liability Exp	589,703.00
CalPERS Pension - Inflows	26,948.00
Customer Assistance	0.00
Total Liabilities:	2,172,911.09
Fund Balance	
Fund Balance	7,733,697.49
Total Fund Balance:	7,733,697.49
Total Liabilities and Fund Balance:	9,906,608.58
Total Retained Earnings:	3,213,129.21
Total Fund Balance and Retained Earnings:	10,946,826.70
Total Liabilities, Fund Balance, and Retained Earnings:	13,119,737.79
Totals for Fund 01 - Water Fund:	(8.73)

Fund ALFRE

Account Type		Amount
02 - Utica		
Assets		
Cash & Investments		(397,750.00)
	Total Assets:	(397,750.00)
Liabilities		
Accounts Payable		0.00
	Total Liabilities:	0.00
Fund Balance		
Fund Balance		0.00
	Total Fund Balance:	0.00
	Total Liabilities and Fund Balance:	0.00
	Total Retained Earnings:	(397,750.00)
	Total Fund Balance and Retained Earnings:	(397,750.00)
	Total Liabilities, Fund Balance, and Retained Earnings:	(397,750.00)
	Totals for Fund 02 - Utica:	0.00

Fund ALFRE

Account Type		Amount
03 - Enterprise		
Assets		
Cash & Investments		(2,853,207.38)
	Total Assets:	<u>(2,853,207.38)</u>
Liabilities		
Accounts Payable		0.00
Payroll Liabilities		4.89
	Total Liabilities:	<u>4.89</u>
Fund Balance		
Fund Balance		0.00
	Total Fund Balance:	<u>0.00</u>
	Total Liabilities and Fund Balance:	<u>4.89</u>
	Total Retained Earnings:	<u>(2,853,212.27)</u>
	Total Fund Balance and Retained Earnings:	<u>(2,853,212.27)</u>
	Total Liabilities, Fund Balance, and Retained Earnings:	<u>(2,853,207.38)</u>
	Totals for Fund 03 - Enterprise:	<u>0.00</u>

Fund ALFRE

Account Type	Amount
06 - General	
Assets	
Cash & Investments	(1,065,382.47)
Total Assets:	(1,065,382.47)
Liabilities	
Accounts Payable	0.00
Payroll Liabilities	(6.23)
Customer Assistance	0.00
Total Liabilities:	(4,236.23)
Fund Balance	
Fund Balance	(8.73)
Total Fund Balance:	(8.73)
Total Liabilities and Fund Balance:	(4,244.96)
Total Retained Earnings:	(1,061,146.24)
Total Fund Balance and Retained Earnings:	(1,061,154.97)
Total Liabilities, Fund Balance, and Retained Earnings:	(1,065,391.20)
Totals for Fund 06 - General:	8.73

General Ledger
Revenues by Category
June 2026

Account Number	Description	One Year Prior Actual	Budget	Period Amt	End Bal
01	Water Fund				
01-01-4100	Domestic Water Revenue	-1,766,660.89	-2,015,568.00	-202,883.04	-2,102,583.34
01-01-4105	Irrigation Water Revenue	-172,867.99	-156,555.00	-21,335.46	-203,379.88
01-01-4106	Utica Conveyance Fees	-380,204.46	-407,000.00	-35,184.58	-405,942.87
01-01-4107	Utica Irrigation Water Sales	0.00	-157.00	0.00	0.00
01-01-4120	Hydrant Meter Revenue	-1,166.36	-2,000.00	-250.00	-1,375.00
01-01-4160	Penalties	-11,310.00	-10,000.00	-1,340.00	-2,460.00
01-01-4180	Other - Water Related	-7,239.00	-8,000.00	-365.00	-9,790.00
01-01-4189	Meter Reset Fees	-650.00	-1,000.00	0.00	-1,000.00
01-01-4190	Meter Connection Fees	-42,000.00	-14,000.00	0.00	-14,000.00
01-01-4195	Non-Operating Income	0.00	-1,000.00	0.00	-337.02
01-01-4200	Interest Earned	-20,824.32	-110,000.00	-8,617.67	-134,038.40
01-01-4300	County Taxes	-167,787.04	-165,000.00	0.00	-183,466.95
01-01-4420	Insurance Refund	-338.50	-33,052.00	0.00	-33,241.65
01-01-4440	Garage Rental Revenue	-1,380.00	-1,200.00	0.00	-920.00
01-01-4441	NCPA Facilities Use Agreement	-2,500.00	-2,500.00	0.00	-2,500.00
01-01-4460	Grant Income	-32,315.08	-141,087.00	0.00	-121,959.92
01	Water Fund	-2,607,243.64	-3,068,119.00	-269,975.75	-3,216,995.03
Revenue Total		-2,607,243.64	-3,068,119.00	-269,975.75	-3,216,995.03

7 d

The background of the slide is a close-up photograph of water ripples. A single water droplet is captured mid-fall, just above the surface, creating a series of concentric ripples that spread outwards. The water is a deep blue color, and the ripples are highlighted by light, creating a shimmering effect. In the center of the image, there is a semi-transparent circular area with a light blue-to-white gradient. Inside this circle, the words "Agenda Item" are written in a dark blue, serif font. The text is centered both horizontally and vertically within the circle.

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General Ledger

Budget Status
June 2026

Account Number		Description	Budget Amount	Period Amount	YTD Amount	YTD Var	Encumbered Amount	Available	% Available
Fund 02		Utica							
Dept 02-02	Utica	Water Purchase							
E13		Purchased Water							
02-02-6003		Water Purchased	407,000.00	0.00	397,750.00	9,250.00	0.00	9,250.00	2.27
		E13 Sub Totals:	407,000.00	0.00	397,750.00	9,250.00	0.00	9,250.00	2.27
		Expense Sub Totals:	407,000.00	0.00	397,750.00	9,250.00	0.00	9,250.00	2.27
		Dept 02 Sub Totals:	407,000.00	0.00	397,750.00	9,250.00	0.00		
		Fund Revenue Sub Totals:	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		Fund Expense Sub Totals:	407,000.00	0.00	397,750.00	9,250.00	0.00	9,250.00	2.27
		Fund 02 Sub Totals:	407,000.00	0.00	397,750.00	9,250.00	0.00		
Fund 03		Enterprise							
Dept 03-03	Treatment	Salary & Benefits							
E1		Labor	135,539.00	6,432.90	111,478.21	24,060.79	0.00	24,060.79	17.75
03-03-6100		Sick Pay	0.00	0.00	552.13	-552.13	0.00	-552.13	0.00
03-03-6101		Vacation Pay	0.00	0.00	4,694.63	-4,694.63	0.00	-4,694.63	0.00
03-03-6102		Overtime	20,000.00	1,458.21	18,650.77	1,349.23	0.00	1,349.23	6.75
03-03-6103		On Call Pay	11,000.00	812.50	10,262.50	737.50	0.00	737.50	6.70
03-03-6104		WT Cert Bonus	1,000.00	0.00	0.00	1,000.00	0.00	1,000.00	100.00
03-03-6105		Temp Labor	9,500.00	0.00	0.00	9,500.00	0.00	9,500.00	100.00
03-03-6106		COVID Bonus Pay	0.00	0.00	0.00	0.00	0.00	0.00	0.00
03-03-6107		FICA 7.65%	14,000.00	665.83	11,141.38	2,858.62	0.00	2,858.62	20.42
03-03-6108		Health Insurance	36,750.00	6,489.94	37,539.34	-789.34	0.00	-789.34	0.00
03-03-6109		Worker's Compensation	3,300.00	0.00	2,905.85	394.15	0.00	394.15	11.94
03-03-6110		CalPERS PR Expense	38,000.00	1,125.94	30,040.22	7,959.78	0.00	7,959.78	20.95
		E1 Sub Totals:	269,089.00	16,985.32	227,265.03	41,823.97	0.00	41,823.97	15.54

Account Number	Description	Budget Amount	Period Amount	YTD Amount	YTD Var	Encumbered Amount	Available	% Available
E10	Misc. Operating Expense							
03-03-6209	Uniforms	700.00	0.00	250.00	450.00	0.00	450.00	64.29
03-03-6220	CV Autogate Expense	1,000.00	48.04	497.99	502.01	0.00	502.01	50.20
03-03-6303	Unemployment Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	E10 Sub Totals:	1,700.00	48.04	747.99	952.01	0.00	952.01	56.00
E2	Utilities							
03-03-6204	Utilities	45,000.00	3,196.13	41,854.13	3,145.87	0.00	3,145.87	6.99
03-03-6500	Telephone	2,500.00	153.03	1,807.63	692.37	0.00	692.37	27.69
	E2 Sub Totals:	47,500.00	3,349.16	43,661.76	3,838.24	0.00	3,838.24	8.08
E3	Materials/Supplies							
03-03-6202	Supplies	126,744.00	346.35	118,619.11	8,124.89	0.00	8,124.89	6.41
	E3 Sub Totals:	126,744.00	346.35	118,619.11	8,124.89	0.00	8,124.89	6.41
E4	Professional Services							
03-03-6212	Water Analysis	22,000.00	691.00	16,694.00	5,306.00	0.00	5,306.00	24.12
03-03-6801	Professional Svc-Engineer	11,000.00	0.00	10,894.37	105.63	0.00	105.63	0.96
03-03-6804	Professional Svc-Other	35,000.00	452.02	12,342.86	22,657.14	0.00	22,657.14	64.73
	E4 Sub Totals:	68,000.00	1,143.02	39,931.23	28,068.77	0.00	28,068.77	41.28
E5	Vehicles/Equipment							
03-03-6200	Repairs & Maintenance	40,000.00	0.00	38,542.22	1,457.78	0.00	1,457.78	3.64
03-03-6201	Equipment Repairs	7,500.00	0.00	5,212.14	2,287.86	0.00	2,287.86	30.50
03-03-6208	Equipment Rental	2,500.00	0.00	0.00	2,500.00	0.00	2,500.00	100.00
03-03-6215	Equipment Purchase	8,000.00	546.59	546.59	7,453.41	0.00	7,453.41	93.17
	E5 Sub Totals:	58,000.00	546.59	44,300.95	13,699.05	0.00	13,699.05	23.62
E6	Capital Expenditure							
03-03-6205	Capital Exp/ Equip Pur >\$1K	1,711,554.00	145,272.43	1,375,241.15	336,312.85	0.00	336,312.85	19.65
	E6 Sub Totals:	1,711,554.00	145,272.43	1,375,241.15	336,312.85	0.00	336,312.85	19.65
E7	Training/Travel							
03-03-6216	Education & Training	5,000.00	0.00	1,690.00	3,310.00	0.00	3,310.00	66.20
03-03-6450	Travel & Mileage	1,000.00	0.00	0.00	1,000.00	0.00	1,000.00	100.00
	E7 Sub Totals:	6,000.00	0.00	1,690.00	4,310.00	0.00	4,310.00	71.83
E9	Permits/Fees							
03-03-6207	Permits & Fees	30,000.00	22,702.00	52,544.60	-22,544.60	0.00	-22,544.60	0.00
	E9 Sub Totals:	30,000.00	22,702.00	52,544.60	-22,544.60	0.00	-22,544.60	0.00

Account Number	Description	Budget Amount	Period Amount	YTD Amount	YTD Var	Encumbered Amount	Available	% Available
	Expense Sub Totals:	2,318,587.00	190,392.91	1,904,001.82	414,585.18	0.00	414,585.18	17.88
	Dept 03 Sub Totals:	2,318,587.00	190,392.91	1,904,001.82	414,585.18	0.00		
Dept 03-04 Distribution								
E1	Salary & Benefits							
03-04-6100	Labor	311,500.00	16,237.87	286,446.04	25,053.96	0.00	25,053.96	8.04
03-04-6101	Sick Pay	0.00	750.88	7,581.81	-7,581.81	0.00	-7,581.81	0.00
03-04-6102	Vacation Pay	0.00	83.44	18,914.17	-18,914.17	0.00	-18,914.17	0.00
03-04-6103	Overtime	8,000.00	153.98	3,107.24	4,892.76	0.00	4,892.76	61.16
03-04-6104	On Call Pay	12,000.00	812.50	10,375.00	1,625.00	0.00	1,625.00	13.54
03-04-6105	TD Cert Bonus	1,000.00	0.00	500.00	500.00	0.00	500.00	50.00
03-04-6107	Temp Labor	0.00	0.00	0.00	0.00	0.00	0.00	0.00
03-04-6110	FICA	26,500.00	1,379.95	25,009.88	1,490.12	0.00	1,490.12	5.62
03-04-6300	Health Insurance	114,309.00	20,751.00	120,013.45	-5,704.45	0.00	-5,704.45	0.00
03-04-6301	Worker's Compensation	9,372.00	0.00	8,213.98	1,158.02	0.00	1,158.02	12.36
03-04-6400	CalPERS PR Expense	66,795.00	2,886.08	64,073.39	2,721.61	0.00	2,721.61	4.07
	E1 Sub Totals:	549,476.00	43,055.70	544,234.96	5,241.04	0.00	5,241.04	0.95
E10	Misc. Operating Expense							
03-04-6209	Uniforms	3,000.00	0.00	2,977.79	22.21	0.00	22.21	0.74
	E10 Sub Totals:	3,000.00	0.00	2,977.79	22.21	0.00	22.21	0.74
E2	Utilities							
03-04-6204	Utilities	6,000.00	212.40	5,128.75	871.25	0.00	871.25	14.52
03-04-6500	Telephone	4,000.00	333.26	3,962.71	37.29	0.00	37.29	0.93
	E2 Sub Totals:	10,000.00	545.66	9,091.46	908.54	0.00	908.54	9.09
E3	Materials/Supplies							
03-04-6202	Supplies	35,000.00	386.53	33,966.99	1,033.01	0.00	1,033.01	2.95
	E3 Sub Totals:	35,000.00	386.53	33,966.99	1,033.01	0.00	1,033.01	2.95
E4	Professional Services							
03-04-6212	Water Analysis	0.00	0.00	0.00	0.00	0.00	0.00	0.00
03-04-6801	Professional Svc-Engineer	50,000.00	10,750.53	59,967.82	-9,967.82	0.00	-9,967.82	0.00
03-04-6804	Professional Svc-Other	15,000.00	528.40	13,576.08	1,423.92	0.00	1,423.92	9.49
	E4 Sub Totals:	65,000.00	11,278.93	73,543.90	-8,543.90	0.00	-8,543.90	0.00
E5	Vehicles/Equipment							
03-04-6200	Repairs & Maintenance	8,000.00	0.00	7,468.25	531.75	0.00	531.75	6.65
03-04-6201	Equipment Repairs	7,500.00	0.00	3,354.70	4,145.30	0.00	4,145.30	55.27
03-04-6208	Equipment Rental	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Account Number	Description	Budget Amount	Period Amount	YTD Amount	YTD Var	Encumbered Amount	Available	% Available
03-04-6211	Gas, Oil & Fuel	15,000.00	128.48	9,206.73	5,793.27	0.00	5,793.27	38.62
03-04-6215	Equipment Purchase	4,000.00	0.00	779.39	3,220.61	0.00	3,220.61	80.52
	E5 Sub Totals:	34,500.00	128.48	20,809.07	13,690.93	0.00	13,690.93	39.68
E6	Capital Expenditure							
03-04-6205	Capital Exp/Equip Pur > \$1K	160,000.00	5,451.50	122,173.51	37,826.49	0.00	37,826.49	23.64
	E6 Sub Totals:	160,000.00	5,451.50	122,173.51	37,826.49	0.00	37,826.49	23.64
E7	Training/Travel							
03-04-6216	Education & Training	7,000.00	500.00	7,198.29	-198.29	0.00	-198.29	0.00
03-04-6450	Travel & Mileage	3,500.00	0.00	234.27	3,265.73	0.00	3,265.73	93.31
	E7 Sub Totals:	10,500.00	500.00	7,432.56	3,067.44	0.00	3,067.44	29.21
E8	Memberships							
03-04-6206	Memberships	8,000.00	0.00	7,992.48	7.52	0.00	7.52	0.09
	E8 Sub Totals:	8,000.00	0.00	7,992.48	7.52	0.00	7.52	0.09
E9	Permits/Fees							
03-04-6207	Permits & Fees	700.00	0.00	692.33	7.67	0.00	7.67	1.10
	E9 Sub Totals:	700.00	0.00	692.33	7.67	0.00	7.67	1.10
	Expense Sub Totals:	876,176.00	61,346.80	822,915.05	53,260.95	0.00	53,260.95	6.08
	Dept 04 Sub Totals:	876,176.00	61,346.80	822,915.05	53,260.95	0.00		
Dept 03-07 Irrigation								
E1	Salary & Benefits							
03-07-6100	Labor	57,461.00	3,463.64	49,818.01	7,642.99	0.00	7,642.99	13.30
03-07-6101	Sick Pay	0.00	0.00	0.00	0.00	0.00	0.00	0.00
03-07-6102	Vacation Pay	0.00	0.00	0.00	0.00	0.00	0.00	0.00
03-07-6103	Overtime	1,500.00	61.35	691.98	808.02	0.00	808.02	53.87
03-07-6104	On Call Pay	0.00	0.00	0.00	0.00	0.00	0.00	0.00
03-07-6105	TD Cert Bonus	0.00	0.00	0.00	0.00	0.00	0.00	0.00
03-07-6107	Temp Labor	0.00	0.00	0.00	0.00	0.00	0.00	0.00
03-07-6110	FICA	5,811.00	269.64	3,864.27	1,946.73	0.00	1,946.73	33.50
03-07-6300	Health Insurance	28,577.00	5,187.76	30,019.41	-1,442.41	0.00	-1,442.41	0.00
03-07-6301	Worker's Compensation	2,353.00	0.00	2,115.70	237.30	0.00	237.30	10.08
03-07-6400	CalPERS PR Expense	13,513.00	384.52	10,853.39	2,659.61	0.00	2,659.61	19.68
	E1 Sub Totals:	109,215.00	9,366.91	97,362.76	11,852.24	0.00	11,852.24	10.85
E10	Misc. Operating Expense							
03-07-6209	Uniforms	600.00	0.00	674.50	-74.50	0.00	-74.50	0.00

Account Number	Description	Budget Amount	Period Amount	YTD Amount	YTD Var	Encumbered Amount	Available	% Available
	E10 Sub Totals:	600.00	0.00	674.50	-74.50	0.00	-74.50	0.00
E2	Utilities							
03-07-6204	Utilities	1,500.00	53.09	1,282.17	217.83	0.00	217.83	14.52
03-07-6500	Telephone	1,000.00	83.31	991.43	8.57	0.00	8.57	0.86
	E2 Sub Totals:	2,500.00	136.40	2,273.60	226.40	0.00	226.40	9.06
E3	Materials/Supplies							
03-07-6202	Supplies	8,000.00	96.63	6,416.28	1,583.72	0.00	1,583.72	19.80
	E3 Sub Totals:	8,000.00	96.63	6,416.28	1,583.72	0.00	1,583.72	19.80
E4	Professional Services							
03-07-6212	Water Analysis	0.00	0.00	0.00	0.00	0.00	0.00	0.00
03-07-6801	Professional Svc-Engineer	3,000.00	0.00	677.62	2,322.38	0.00	2,322.38	77.41
03-07-6804	Professional Svc-Other	2,000.00	132.10	2,586.28	-586.28	0.00	-586.28	0.00
	E4 Sub Totals:	5,000.00	132.10	3,263.90	1,736.10	0.00	1,736.10	34.72
E5	Vehicles/Equipment							
03-07-6200	Repairs & Maintenance	2,000.00	0.00	89.40	1,910.60	0.00	1,910.60	95.53
03-07-6201	Equipment Repairs	1,500.00	0.00	838.66	661.34	0.00	661.34	44.09
03-07-6208	Equipment Rental	0.00	0.00	0.00	0.00	0.00	0.00	0.00
03-07-6211	Gas, Oil & Fuel	4,800.00	32.12	2,199.37	2,600.63	0.00	2,600.63	54.18
03-07-6215	Equipment Purchase to \$999	600.00	0.00	194.85	405.15	0.00	405.15	67.53
	E5 Sub Totals:	8,900.00	32.12	3,322.28	5,577.72	0.00	5,577.72	62.67
E6	Capital Expenditure							
03-07-6205	Capital Exp/Equip Pur > \$1K	20,000.00	1,362.87	12,027.08	7,972.92	0.00	7,972.92	39.86
	E6 Sub Totals:	20,000.00	1,362.87	12,027.08	7,972.92	0.00	7,972.92	39.86
E7	Training/Travel							
03-07-6216	Education & Training	1,300.00	500.00	500.00	800.00	0.00	800.00	61.54
03-07-6450	Travel & Mileage	140.00	0.00	140.00	0.00	0.00	0.00	0.00
	E7 Sub Totals:	1,440.00	500.00	640.00	800.00	0.00	800.00	55.56
E8	Memberships							
03-07-6206	Memberships	900.00	0.00	315.00	585.00	0.00	585.00	65.00
	E8 Sub Totals:	900.00	0.00	315.00	585.00	0.00	585.00	65.00
E9	Permits/Fees							
03-07-6207	Permits & Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	E9 Sub Totals:	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Account Number	Description	Budget Amount	Period Amount	YTD Amount	YTD Var	Encumbered Amount	Available	% Available
	Expense Sub Totals:	156,555.00	11,627.03	126,295.40	30,259.60	0.00	30,259.60	19.33
	Dept 07 Sub Totals:	156,555.00	11,627.03	126,295.40	30,259.60	0.00		
	Fund Revenue Sub Totals:	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Fund Expense Sub Totals:	3,351,318.00	263,366.74	2,853,212.27	498,105.73	0.00	498,105.73	14.86
	Fund 03 Sub Totals:	3,351,318.00	263,366.74	2,853,212.27	498,105.73	0.00		
Fund 06	General							
Dept 06-00 Administration	Customer Assistance							
E18	Customer Assistance	0.00	-345.00	-4,230.00	4,230.00	0.00	4,230.00	0.00
06-00-2000	E18 Sub Totals:	0.00	-345.00	-4,230.00	4,230.00	0.00	4,230.00	0.00
	Expense Sub Totals:	0.00	-345.00	-4,230.00	4,230.00	0.00	4,230.00	0.00
	Dept 00 Sub Totals:	0.00	-345.00	-4,230.00	4,230.00	0.00		
Dept 06-06	Salary & Benefits							
E1	Labor	330,000.00	23,318.14	275,553.23	54,446.77	0.00	54,446.77	16.50
06-06-6100	Sick Pay	0.00	572.64	14,799.00	-14,799.00	0.00	-14,799.00	0.00
06-06-6101	Vacation Pay	0.00	572.64	10,615.31	-10,615.31	0.00	-10,615.31	0.00
06-06-6102	Overtime	1,000.00	0.00	0.00	1,000.00	0.00	1,000.00	100.00
06-06-6103	FICA	29,000.00	2,015.60	24,753.07	4,246.93	0.00	4,246.93	14.64
06-06-6110	Health Insurance	49,925.00	7,017.30	49,232.85	692.15	0.00	692.15	1.39
06-06-6300	Worker's Compensation	3,500.00	0.00	2,739.32	760.68	0.00	760.68	21.73
06-06-6301	Health Benefits Adm Fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00
06-06-6304	CalPERS PR Expense	50,000.00	2,339.30	45,168.11	4,831.89	0.00	4,831.89	9.66
06-06-6400	E1 Sub Totals:	463,425.00	35,835.62	422,860.89	40,564.11	0.00	40,564.11	8.75
E10	Misc. Operating Expense							
06-06-6203	Copier Expense	3,700.00	313.18	3,485.76	214.24	0.00	214.24	5.79
06-06-6209	Uniforms	500.00	0.00	616.15	-116.15	0.00	-116.15	0.00
06-06-6210	Postage	9,500.00	877.85	11,230.43	-1,730.43	0.00	-1,730.43	0.00
06-06-6217	Late Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00
06-06-6302	General Insurance	70,000.00	0.00	84,559.10	-14,559.10	0.00	-14,559.10	0.00
06-06-6303	Unemployment Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.00
06-06-6805	Professional Svs - IT	21,000.00	3,706.28	27,213.16	-6,213.16	0.00	-6,213.16	0.00
06-06-6810	Communications	5,000.00	0.00	3,973.84	1,026.16	0.00	1,026.16	20.52

Account Number	Description	Budget Amount	Period Amount	YTD Amount	YTD Var	Encumbered Amount	Available	% Available
06-06-6901	Contingencies	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	E10 Sub Totals:	109,700.00	4,897.31	131,078.44	-21,378.44	0.00	-21,378.44	0.00
E11	Bad Debts							
06-06-6900	Bad Debts	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	E11 Sub Totals:	0.00	0.00	0.00	0.00	0.00	0.00	0.00
E14	Elections							
06-06-6850	Election Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	E14 Sub Totals:	0.00	0.00	0.00	0.00	0.00	0.00	0.00
E15	Interest Expense							
06-06-7102	Interest Expense-SRLF	0.00	0.00	0.00	0.00	0.00	0.00	0.00
06-06-7103	Interest Expense-All Points	0.00	0.00	0.00	0.00	0.00	0.00	0.00
06-06-7104	Interest Expense-West America	0.00	0.00	0.00	0.00	0.00	0.00	0.00
06-06-7105	Interest Expense-DG	0.00	0.00	0.00	0.00	0.00	0.00	0.00
06-06-7106	Interest Expense - Everbank	0.00	0.00	69,605.87	-69,605.87	0.00	-69,605.87	0.00
	E15 Sub Totals:	0.00	0.00	69,605.87	-69,605.87	0.00	-69,605.87	0.00
E16	Banking Expense							
06-06-6213	Bank Fees	12,000.00	623.26	10,053.31	1,946.69	0.00	1,946.69	16.22
06-06-6903	Customer Transaction Fee	18,000.00	1,323.00	20,815.84	-2,815.84	0.00	-2,815.84	0.00
	E16 Sub Totals:	30,000.00	1,946.26	30,869.15	-869.15	0.00	-869.15	0.00
E2	Utilities							
06-06-6204	Utilities	4,500.00	573.24	3,828.55	671.45	0.00	671.45	14.92
06-06-6500	Telephone	6,000.00	454.08	5,412.28	587.72	0.00	587.72	9.80
	E2 Sub Totals:	10,500.00	1,027.32	9,240.83	1,259.17	0.00	1,259.17	11.99
E3	Materials/Supplies							
06-06-6202	Supplies	12,000.00	1,217.12	14,543.01	-2,543.01	0.00	-2,543.01	0.00
	E3 Sub Totals:	12,000.00	1,217.12	14,543.01	-2,543.01	0.00	-2,543.01	0.00
E4	Professional Services							
06-06-6801	Professional Svc-Engineer	0.00	0.00	0.00	0.00	0.00	0.00	0.00
06-06-6802	Professional Svc-Legal	175,000.00	17,812.50	215,732.03	-40,732.03	0.00	-40,732.03	0.00
06-06-6803	Professional Svc-Accounting	12,000.00	36,000.00	36,450.00	-24,450.00	0.00	-24,450.00	0.00
06-06-6804	Professional Svc-Other	55,000.00	2,070.44	45,431.22	9,568.78	0.00	9,568.78	17.40
06-06-6806	Professional Svs - Software	36,000.00	6,734.60	18,222.62	17,777.38	0.00	17,777.38	49.38
	E4 Sub Totals:	278,000.00	62,617.54	315,835.87	-37,835.87	0.00	-37,835.87	0.00
E5	Vehicles/Equipment							

Account Number	Description	Budget Amount	Period Amount	YTD Amount	YTD Var	Encumbered Amount	Available	% Available
06-06-6200	Repairs & Maintenance	10,000.00	0.00	7,778.17	2,221.83	0.00	2,221.83	22.22
06-06-6201	Equipment Repairs	500.00	0.00	0.00	500.00	0.00	500.00	100.00
06-06-6208	Equipment Rental	0.00	0.00	0.00	0.00	0.00	0.00	0.00
06-06-6215	Equipment Purchases	7,000.00	1,165.32	6,406.48	593.52	0.00	593.52	8.48
	E5 Sub Totals:	17,500.00	1,165.32	14,184.65	3,315.35	0.00	3,315.35	18.94
E6	Capital Expenditure							
06-06-6205	Capital Exp/Equip Pur > \$1K	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	E6 Sub Totals:	0.00	0.00	0.00	0.00	0.00	0.00	0.00
E7	Training/Travel							
06-06-6216	Education & Training	6,000.00	1,000.00	12,672.95	-6,672.95	0.00	-6,672.95	0.00
06-06-6450	Travel & Mileage	15,000.00	2,233.24	10,963.14	4,036.86	0.00	4,036.86	26.91
	E7 Sub Totals:	21,000.00	3,233.24	23,636.09	-2,636.09	0.00	-2,636.09	0.00
E8	Memberships							
06-06-6206	Memberships	23,000.00	10,643.00	33,521.44	-10,521.44	0.00	-10,521.44	0.00
	E8 Sub Totals:	23,000.00	10,643.00	33,521.44	-10,521.44	0.00	-10,521.44	0.00
E9	Permits/Fees							
06-06-6207	Permits & Fees	800.00	0.00	0.00	800.00	0.00	800.00	100.00
	E9 Sub Totals:	800.00	0.00	0.00	800.00	0.00	800.00	100.00
	Expense Sub Totals:	965,925.00	122,582.73	1,065,376.24	-99,451.24	0.00	-99,451.24	0.00
	Dept 06 Sub Totals:	965,925.00	122,582.73	1,065,376.24	-99,451.24	0.00		
	Fund Revenue Sub Totals:	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Fund Expense Sub Totals:	965,925.00	122,237.73	1,061,146.24	-95,221.24	0.00	-95,221.24	0.00
	Fund 06 Sub Totals:	965,925.00	122,237.73	1,061,146.24	-95,221.24	0.00		

Account Number	Description	Budget Amount	Period Amount	YTD Amount	YTD Var	Encumbered Amount	Available	% Available
	Revenue Totals:	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Expense Totals:	4,724,243.00	385,604.47	4,312,108.51	412,134.49	0.00	412,134.49	8.72
	Report Totals:	4,724,243.00	385,604.47	4,312,108.51	412,134.49	0.00		

8 a

The background of the slide features a close-up photograph of water ripples, with a single droplet about to hit the surface at the top center. A semi-transparent circular overlay with a green-to-blue gradient is centered on the page, containing the text 'Agenda Item'.

Agenda
Item

8 a

Agenda Item



DATE: August 17, 2026

TO: UPUD Board of Directors

FROM: Jessica Self, General Manager

SUBJECT: Receive and file the Union Public Utility District Audited Financial Statements for the FY24 Fiscal Year

RECOMMENDED ACTION:

Motion: _____ / _____ Receive and file the Union Public Utility District Audited Financial Statements for the Fiscal Year ending June 30, 2024, by the Auditing Firm of Ryan Jolley, CPA.

SUMMARY:

Staff are pleased to present the Independent Auditor's Report and Financial Statements for the Union Public Utility District for the fiscal year ending June 30, 2023, completed by the Bryant Jolley, CPA office. The purpose of the report is to provide the Board of Directors, District staff, ratepayers, bondholders, and other interested parties with useful information concerning the district's operations and financial position. The district is responsible for the accuracy, completeness, and fairness of the data presented in this report.

RATIONALE FOR AUDITING DELAY:

Staff wishes to emphasize that the delay in completing the FY24 audit was procedural in nature and did not reflect any concerns regarding the District's finances, internal controls, or fiscal stewardship.

The completion of the FY24 audit extended beyond the District's normal timeline due to a combination of internal transition-related factors and external scheduling constraints. During FY24, finance staff at the time were continuing to refine its financial close procedures while utilizing more advanced financial management software. At that time, month-end reconciliations were being completed through a more manual process to ensure the accuracy and completeness of financial records as staff worked to align established reconciliation practices with the capabilities of the newer Springbrook system. This approach required additional review and verification before financial information could be finalized for audit purposes.

In addition, the District experienced scheduling delays within the auditor's engagement timeline. As a result of the audit firm's substantial client workload during the period, portions of the audit process progressed more slowly than originally anticipated, extending the overall completion schedule. The District maintained ongoing communication with interested parties regarding the

audit timeline and consistently conveyed that the delay was administrative in nature and did not reflect any concerns related to the District's financial condition or fiscal management.

The District has since strengthened its financial reporting and audit preparation processes by implementing improved internal procedures, refining reconciliation practices, and enhancing coordination with external auditors throughout the year. These measures are intended to support a more efficient audit process and timely financial reporting going forward.

FY 25 AUDIT

The FY25 audit is currently in its final stages and is anticipated to be completed within the next month. Staff expects the FY25 audit results to be presented to the Board at the September Regular Board meeting, reflecting the progress made in establishing stronger financial management and audit readiness practices.

A copy of the Draft Audit and Management Letter is provided in your agenda packet for review.

Attachments: *UPUD FY 2024 Draft Audit Report*
 UPUD Management Letter

UNION PUBLIC UTILITY DISTRICT

MANAGEMENT REPORT

FOR THE YEAR ENDED JUNE 30, 2024

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RYAN P. JOLLEY

A PROFESSIONAL CORPORATION

CERTIFIED PUBLIC ACCOUNTANTS

Ryan P. Jolley C.P.A.
Bryant L. Jolley C.P.A.
Darryl L. Smith C.P.A.
Luis A. Perez C.P.A.
Brandon J. Lang C.P.A.
Lan T. Kimoto
Kali A. Kaakah

Board of Directors
Union Public Utility District
Murphys, California

We have audited the financial statements of the Union Public Utility District (District) for the year ended June 30, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter dated May 1, 2025. Professional standards require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2024. We noted no transactions entered into by District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the District's financial statements were:

- Management has determined the economic useful lives of fixed assets based on past history of similar types of assets, future plans as to their use, and other factors that impact their economic value to the District. We evaluated the key factors and assumptions used by management in computing depreciation expense and believe that it is reasonable in relation to the financial statements taken as a whole.
- Management's estimate of the net pension liability and related deferrals is based on actuarial valuations which include significant assumptions regarding discount rate, inflation, payroll growth, projected salary increases and investment rate of return. We evaluated the key factors and assumptions used to develop the liability and related deferrals in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated August 13, 2026.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Restriction on Use

This report is intended for the use of management, the Board of Directors, and others within the organization, and it's not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Ryan Foley". The signature is fluid and cursive, with the first name "Ryan" and last name "Foley" clearly distinguishable.

Fresno, California
August 13, 2026

UNION PUBLIC UTILITY DISTRICT

INDEPENDENT AUDITOR'S REPORT

AND

FINANCIAL STATEMENTS

JUNE 30, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Union Public Utility District
Murphys, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the Union Public Utility District (the "District") as of and for the year ended June 30, 2024, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the District, as of June 30, 2024, and the changes in its financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the Schedule of the District's Proportionate Share of Net Pension Liability and Schedule of Contributions on pages 22 and 23 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 13, 2026, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in black ink, appearing to read "Ryan Foley", with a stylized flourish at the end.

Fresno, California
August 13, 2026

UNION PUBLIC UTILITY DISTRICT

STATEMENT OF NET POSITION JUNE 30, 2024

ASSETS

Current assets

Cash and investments	\$ 2,935,256
Accounts receivable, net	225,493
Interest receivable	7,599
Prepays	<u>49,191</u>
Total current assets	<u>3,217,539</u>

Non-current assets

Property, plant, and equipment - net of accumulated depreciation	<u>4,842,605</u>
Total non-current assets	<u>4,842,605</u>

Total assets	<u>8,060,144</u>
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DEFERRED OUTFLOWS OF RESOURCES

317,976

LIABILITIES

Current liabilities

Accounts payable	66,862
Accrued wages payable	26,592
Current portion of long-term debt	<u>24,590</u>
Total current liabilities	<u>118,044</u>

Non-current liabilities

Compensated absences	82,199
Net pension liability	<u>589,703</u>
Total non-current liabilities	<u>671,902</u>

Total liabilities	<u>789,946</u>
-------------------	----------------

DEFERRED INFLOWS OF RESOURCES

26,948

NET POSITION

Net investment in capital assets	4,818,015
Unrestricted	<u>2,743,210</u>
Total net position	<u>\$ 7,561,225</u>

UNION PUBLIC UTILITY DISTRICT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION YEAR ENDED JUNE 30, 2024

Operating Revenue

Water sales	\$ 2,046,829
Transfer connection and meter fees	<u>58,000</u>
Total operating revenue	<u>2,104,829</u>

Operating Expense

Water treatment	697,033
Transmission and distribution	676,785
Administrative and customer services	899,520
Depreciation	<u>300,068</u>
Total operating expense	<u>2,573,406</u>

Operating income/(loss)	<u>(468,577)</u>
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Non-operating Revenue/(Expense)

Property taxes	162,918
Interest income	123,770
Other income	<u>5,035</u>
Total non-operating revenue/(expense)	<u>291,723</u>

Change in Net Position	(176,854)
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Net Position

Beginning of year	<u>7,738,079</u>
End of year	<u>\$ 7,561,225</u>

UNION PUBLIC UTILITY DISTRICT

STATEMENT OF CASH FLOWS YEAR ENDED JUNE 30, 2024

Operating Activities

Receipts from customers and users	\$ 2,091,906
Payments to suppliers for goods and services	(1,138,282)
Payments to employees for services	<u>(1,025,891)</u>
Net cash provided by/(used in) operating activities	<u>(72,267)</u>

Non-capital Financing Activities

Property taxes received	162,918
Other income	<u>5,035</u>
Net cash provided by non-capital financing activities	<u>167,953</u>

Capital and Related Financing Activities

Acquisition of capital assets	(470,055)
Loan proceeds	42,500
Principal paid on long-term debt	<u>(17,910)</u>
Net cash used in capital and related financing activities	<u>(445,465)</u>

Investing Activities

Interest received	<u>138,404</u>
Net cash provided by investing activities	<u>138,404</u>

Net Decrease in Cash and Investments (211,375)

Cash and Investments

Beginning of year	<u>3,146,631</u>
End of year	<u><u>\$ 2,935,256</u></u>

Cash Flows from Operating Activities

Operating income (loss)	\$ (468,577)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation	300,068
(Increase) Decrease in accounts receivable, net	(12,923)
(Increase) Decrease in prepaids	(6,941)
(Increase) Decrease in deferred outflows of resources	630
Increase (Decrease) in payables and accrued expenses	34,557
Increase (Decrease) in accrued wages payable	26,592
Increase (Decrease) in net pension liability	63,762
Increase (Decrease) in deferred inflows of resources	(16,763)
Increase (Decrease) in compensated absences	<u>7,328</u>

Net Cash Provided by/(Used in) Operating Activities \$ (72,267)

UNION PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2024

Note 1 – Summary of Significant Accounting Policies

The financial statements of the Union Public Utility District (District) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to enterprise funds of governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the District are described below:

Reporting Entity

The District was established July 23, 1946, for the purpose of supplying domestic and agricultural water to property within the District which includes the unincorporated communities of Murphys, Douglas Flat, Vallecito, Carson Hill and Six-Mile Village. The water supply and distribution system was acquired on January 1, 1961, from the Calaveras Water Users Association. Operations are conducted under provisions of the Community Services District Laws.

Basis of Accounting

The District accounts for its operations in an enterprise fund using the economic resources measurement focus and the accrual basis of accounting. A fund is an accounting entity with a self-balancing set of accounts established to record the financial position and results of operations of a specific government activity. The activities of enterprise funds closely resemble those of ongoing businesses in which the purpose is to conserve and add to basic resources while meeting operating expenses from current revenues. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

An enterprise fund distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the District's principal ongoing operations. The principal operating revenues of the District are charges to customers for water service. Operating expenses for the District include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Financial Statement Amounts

Cash and Investments – Cash and investments represent the District's cash bank accounts including, but not limited to, certificates of deposit, money market funds and cash management pools for reporting purposes in the Statement of Cash Flows. Additionally, investments with maturities of three months or less when purchased are included as cash equivalents in the Statement of Cash Flows.

Investments of the pool include only those investments authorized by the California Government Code such as, United States Treasury securities, agencies guaranteed by the United States Government, registered state warrants, and other investments. Investments primarily consist of deposits in the State of California Local Agency Investment Fund. Investments are stated at fair value.

Accounts Receivable – Billings for water services are sent monthly and are reflected on the accrual basis of accounting. Delinquent accounts are submitted to Calaveras County and are attached to the County tax rolls.

UNION PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2024

Note 1 – Summary of Significant Accounting Policies (Continued)

Capital Assets – Capital assets are defined by the government as assets with an initial individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Betterments and major improvements which significantly increase values, change capacities or extend useful lives are capitalized. Upon sale or retirement of fixed assets, the cost and related accumulated depreciation are removed from the respective accounts, and any resulting gain or loss is included in the results of operations.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Capital assets in service are depreciated using the straight-line method over the following estimated useful lives:

	Years
Water Treatment	25 - 50
Transmission and Distribution	25 - 50
Equipment	5 - 10

Compensated Absences – The District allows employees to accumulate unused vacation leave to a maximum of 400 hours. Upon termination, accumulated vacation that was not taken will be paid to the employee. Sick leave is not paid upon termination but will be paid only upon illness while in the employment of the District.

Vested or accumulated vacation leave time that is expected to be paid with expendable available financial resources is recorded as an expense and liability as the benefits accrue.

Long-Term Obligations – Long-term debt and other obligations are reported as District liabilities.

Pension Plan – All full-time District employees are members of the State of California Public Employees' Retirement System. The District's policy is to fund all pension costs accrued; such costs to be funded are determined annually as of July 1 by the System's actuary. See Note 6 for further discussion.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's Pension Plan and additions to/deductions from the District's Pension Plan's fiduciary net position have been determined on the same basis as they are reported by the District's Pension Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when they are due and payable in accordance with the benefit terms. Investments are reported at fair value.

UNION PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2024

Note 1 – Summary of Significant Accounting Policies (Continued)

Net Position – The financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

- Net Investment in Capital Assets – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.
- Restricted Net Position – This category presents external restrictions on net position imposed by creditors, grantors, contributors, laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- Unrestricted Net Position – This category represents net position of the District not restricted for any project or other purpose.

When an expense is incurred for the purposes for which there are both restricted and unrestricted net position available, it is the District's policy to apply those expenses to restricted net position to the extent such are available and then to unrestricted net position.

Revenues and Expenses – The District distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the District's principal ongoing operations. The principle operating revenues of the District are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Property Tax – Secured property taxes attach as an enforceable lien on property as of March 1. Taxes are payable in two installments on November 15 and March 15. Unsecured property taxes are payable in one installment on or before August 31. The County of Calaveras bills and collects the taxes for the District. Tax revenues are recognized by the District when billed.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

UNION PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2024

Note 2 – Cash and Investments

Cash and investments as of June 30, 2024 are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments	\$ 2,935,256
Total Cash and Investments	<u>\$ 2,935,256</u>

Cash and investments as of June 30, 2024 consist of the following:

Cash on hand	\$ 200
Deposits with financial institutions	127,629
California CLASS Government Investment Pool	2,802,297
Local Agency Investment Fund	<u>5,130</u>
Total Cash and Investments	<u>\$ 2,935,256</u>

Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that categorizes the inputs to valuation techniques used to measure fair value into three levels. The fair value hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described as follows: Level 1 inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date; Level 2 Inputs to valuation methodology include inputs – other than quoted prices included within Level 1 – that are observable for an asset or liability, either directly or indirectly; Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement. The asset's or liability's fair value measurement level within a fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The District's investments' fair value measurements are as follows at June 30, 2024:

	Fair Value Measurements	
	Fair Value	Level 2 Inputs
Investments by fair value level:		
Local Agency Investment Fund (LAIF)	\$ 5,130	\$ 5,130
California CLASS Government Investment Pool	<u>2,802,297</u>	<u>2,802,297</u>
Total Investments	<u>\$ 2,807,427</u>	<u>\$ 2,807,427</u>

UNION PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2024

Note 2 – Cash and Investments (Continued)

Investments Authorized by the District's Investment Policy

The California Government Code allows the District to invest in the following, provided the credit ratings of the issuers are acceptable to the District. The following also identifies certain provisions of the District and California Government Code that address interest rate risk, credit risk, and concentration of credit risk. The following table identifies the District's investments by type as authorized by the California Government Code:

	Maximum Maturity	Maximum Specified % of Portfolio	Minimum Quality Requirements	Government Code Sections
Joint Powers Authority Pool	N/A	None	Multiple ¹	53601(p)
Local Agency Investment Fund (LAIF)	N/A	None	None	16429.1

¹ A joint powers authority pool must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of \$500 million, and has at least five years' experience investing in instruments authorized by Section 53601, subdivisions (a) to (o).

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The following table shows the maturity date of each investment as of June 30, 2024:

<u>Investment Type</u>	<u>Total</u>	<u>Maturity Date</u>
Local Agency Investment Fund (LAIF)	\$ 5,130	N/A
California CLASS Government Investment Pool	<u>2,802,297</u>	N/A
Total	<u><u>\$ 2,807,427</u></u>	

UNION PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2024

Note 2 – Cash and Investments (Continued)

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the actual rating as of year-end for each investment type:

Investment Type	Total	Rating as of Year-End	
		AAAm	Not Rated
Local Agency Investment Fund (LAIF)	\$ 5,130	\$ -	\$ 5,130
California CLASS Government Investment Pool	<u>2,802,297</u>	<u>2,802,297</u>	<u>-</u>
Total Investments	<u>\$ 2,807,427</u>	<u>\$ 2,802,297</u>	<u>\$ 5,130</u>

Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There were no investments in any one issuer beyond maximums stipulated by the California Government Code.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. The District deposits are not secured with collateral securities by the financial institution holding its deposits. Deposits are insured by the Federal Deposit Insurance Corporation up to \$250,000. The District deposits at times exceed insured amounts due to temporary transfers to/from investment accounts. Management does not believe this temporary situation poses a significant risk.

UNION PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2024

Note 2 – Cash and Investments (Continued)

Custodial Credit Risk (Continued)

The custodial risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Certificates of Deposit are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per depositor per ownership category but are not protected by the Securities Investor Protection Corporation; Money Market Funds (and Instruments) are neither insured nor guaranteed by the FDIC or any other government agency; Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools.

Investment in State Investment Pool – The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

California CLASS Prime Fund Local Government Investment Pool (CLASS Prime) – The California Cooperative Liquid Assets Securities System, doing business as the "California CLASS", is a California joint powers authority created pursuant to Title 1, Division 7, Chapter 5 of the California Government Code. As a joint powers authority, California CLASS provides professionally managed pooled investment programs for Participants. California CLASS is governed by a Board of Trustees and is sponsored by the California Special Districts Association (CSDA) and the League of California Cities (Cal Cities and together with CSDA, the Sponsors). The District is a voluntary participant in CLASS Prime, CLASS Prime is a California CLASS investment pool that provides public agencies the opportunity to invest funds on a cooperative basis in rated pools that are managed in accordance with state law with the primary objectives of offering participants safety, daily and next-day liquidity, and optimized returns. California GLASS is managed as a stable NAV pool but does not meet all the specific criteria outlined in GASB 79 paragraph 4, therefore participants report their investments in the pool at fair value, provided by California CLASS.

UNION PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2024

Note 3 – Property, Plant and Equipment

The details of property, plant and equipment at June 30 are as follows:

	Balance July 1, 2023	Additions	Retirements	Balance June 30, 2024
Capital assets, not being depreciated				
Land	\$ 117,464	\$ -	\$ -	\$ 117,464
Construction in progress	86,179	337,372	(18,758)	404,793
Total capital assets, not being depreciated	<u>203,643</u>	<u>337,372</u>	<u>(18,758)</u>	<u>522,257</u>
Capital assets, being depreciated				
Treatment plant	7,108,061	-	-	7,108,061
Utility system - infrastructure	3,494,876	4,826	-	3,499,702
Donated property	232,427	-	-	232,427
Buildings and equipment	850,888	146,615	-	997,503
Total capital assets, being depreciated	<u>11,686,252</u>	<u>151,441</u>	<u>-</u>	<u>11,837,693</u>
Less accumulated depreciation for				
Treatment plant	(4,261,282)	(177,890)	-	(4,439,172)
Utility system - infrastructure	(2,198,230)	(67,017)	-	(2,265,247)
Donated property	(148,771)	(4,649)	-	(153,420)
Buildings and equipment	(608,994)	(50,512)	-	(659,506)
Total accumulated depreciation	<u>(7,217,277)</u>	<u>(300,068)</u>	<u>-</u>	<u>(7,517,345)</u>
Total capital assets, being depreciated, net	<u>4,468,975</u>	<u>(148,627)</u>	<u>-</u>	<u>4,320,348</u>
Total capital assets, net	<u>\$ 4,672,618</u>	<u>\$ 188,745</u>	<u>\$ (18,758)</u>	<u>\$ 4,842,605</u>

Note 4 – Long-Term Debt

The following is a summary of the changes in other non-current liabilities at June 30, 2024:

	Balance July 1, 2023	Additions	Retirements	Balance June 30, 2024	Current Portion
<i>Direct Borrowing:</i>					
Loan Payable	\$ -	\$ 42,500	\$ (17,910)	\$ 24,590	\$ 24,590
Total Business-Type Activity Debt	<u>\$ -</u>	<u>\$ 42,500</u>	<u>\$ (17,910)</u>	<u>\$ 24,590</u>	<u>\$ 24,590</u>
	Balance July 1, 2023	Additions	Retirements	Balance June 30, 2024	
Compensated absences	<u>\$ 74,871</u>	<u>\$ 7,328</u>	<u>\$ -</u>	<u>\$ 82,199</u>	
Net Pension Liability	<u>\$ 525,941</u>	<u>\$ 63,762</u>	<u>\$ -</u>	<u>\$ 589,703</u>	

UNION PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2024

Note 4 – Long-Term Debt (continued)

Loan Payable

In February 2024, the District entered into an installment loan agreement in the amount of \$42,500 with the First Business Speciality to finance the purchase of a vacumm trailer. Terms of the loan include: a 10-month term with annual interest of 2.453%; monthly debt service payments, including principal and interest, total \$3,542, commencing on March 2024 and maturing on December 2024.

The future debt service requirements for the loan payable is as follows:

Years ending June 30,	Principal	Interest	Total
2025	\$ 24,590	\$ 201	\$ 24,791
	<u>\$ 24,590</u>	<u>\$ 201</u>	<u>\$ 24,791</u>

Note 5 – Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The District reports one item, \$317,976 in deferred outflows related to net pension liability in the Statement of Net Position. See Note 6 for details.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District reports one item, \$26,948 in deferred inflows related to net pension liability in the Statement of Net Position. See Note 6 for details.

Note 6 – Defined Benefit Pension Plan

General Information about the Pension Plan

Plan Description – The District’s defined benefit pension plan, the California Public Employees’ Retirement System (CalPERS), provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. CalPERS is part of the Public Agency portion of the CalPERS, an agent multiple-employer plan administered by CalPERS, which acts as a common investment and administrative agent for participating public employers within the State of California. A menu of benefit provisions as well as other requirements is established by State statutes within the Public Employees Retirement Law. The District selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through local ordinance. CalPERS issues a separate comprehensive financial report. Copies of the CalPERS’ annual financial report may be obtained from the CalPERS Executive Office – 400 P Street – Sacramento, CA 95814.

UNION PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2024

Note 6 – Defined Benefit Pension Plan (Continued)

Funding Policy – Active plan members in the District’s defined pension plan are required to contribute 7% of their annual salary. The District has elected to make the employee contribution and the District is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration. The required employer contribution rate for fiscal year 2024 was 7.680-10.100%. The contribution requirements of the plan members are established by State statute and the employer contribution rate is established and may be amended by CalPERS.

The Plans’ provisions and benefits in effect at June 30, 2024, are summarized as follows:

	Miscellaneous	PEPRA
	Prior to January 1, 2013	January 1, 2013 and after
Hire Date		
Benefit Formula	2.0% at 60; maximum 2% COLA	2.0% at 62; maximum 2% COLA
Benefit Vesting Schedule	36 mos.	36 mos.
Benefit Payments	monthly for life	monthly for life
Retirement Age	60	62
Monthly Benefits, as a % of Eligible Compensation	2.00%	2.00%
Required Employee Contribution Rates	7.00%	7.75%
Required Employer Contribution Rates	10.100%	7.680%

Contributions – Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all employers be determined on an annual basis by the actuary and shall be effective on July 1 following notice of change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2024, the contributions recognized as part of the pension expense was \$85,528.

UNION PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2024

Note 6 – Defined Benefit Pension Plan (Continued)

Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2024, the District reported net pension liabilities for its proportionate shares of the net pension liability as follows:

	<u>Proportionate Share of Net Pension Liability</u>
Total Net Pension Liability - Miscellaneous	\$ 589,703

General Information about the Pension Plan

The District's net pension liability is measured as the proportionate share of the net pension liability. The net pension liability of each Plan is measured as of June 30, 2022, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022 rolled forward to June 30, 2023 using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The District's proportionate share of the net pension liability for the Plan as of June 30, 2023 and 2024 was as follows:

	<u>Miscellaneous</u>
Proportion – June 30, 2023	0.01124%
Proportion – June 30, 2024	0.01179%
Change – Increase/(Decrease)	0.00055%

For the year ended June 30, 2024, the District recognized pension expense of \$146,807. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 99,176	\$ -
Changes in assumptions	35,603	-
Differences in projected and actual experience	30,125	(4,673)
Differences between employer's contributions and proportionate share of contributions	-	(22,275)
Differences between projected and actual investment earnings	95,479	-
Change in employer's proportion	57,593	-
Total	<u>\$ 317,976</u>	<u>\$ (26,948)</u>

UNION PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2024

Note 6 – Defined Benefit Pension Plan (Continued)

\$99,176 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	
2025	\$ 65,805
2026	47,986
2027	75,320
2028	2,741
Thereafter	-

Actuarial Assumptions – The collective total pension liability for the June 30, 2023 measurement period was determined by an actuarial valuation as of June 30, 2022, with update procedures used to roll forward the total pension liability to June 30, 2023. The collective total pension liability was based on the following assumptions:

Valuation Date	June 30, 2022
Measurement Date	June 30, 2023
Actuarial Cost Method	Entry-Age Normal Cost Method in accordance with the requirements of GASB Statement No. 68
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Payroll Growth	2.30%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table	Derived using CalPERS' ¹ Membership Date for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.3% until Purchasing Power Protection Allowance Floor on Purchasing Power applies

¹ The mortality table was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report that can be found on the CalPERS website.

UNION PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2024

Note 6 – Defined Benefit Pension Plan (Continued)

Change of assumptions – None.

Discount rate – The discount rate used to measure the total pension liability for PERF C was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected rate of returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated and, combined with risk estimates, are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return.

The long-term expected real rates of return by asset class can be found in CalPERS' Comprehensive Annual Financial Report for the fiscal year ended June 30, 2023.

UNION PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2024

Note 6 – Defined Benefit Pension Plan (Continued)

The table below reflects long-term expected real rates of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

Asset Class	Assumed Asset Allocation	Real Return Years 1-10 ^{1,2}
Global equity - cap-weighted	30%	4.45%
Global equity - non-cap-weighted	12%	3.84%
Private equity	13%	7.28%
Treasury	5%	27.00%
Mortgage-back securities	5%	50.00%
Investment grade corporates	10%	1.56%
High Yield	5%	2.27%
Emerging market debt	5%	2.48%
Private debt	5%	3.57%
Real assets	15%	3.21%
Leverage	-5%	-59.00%
Total	100%	

(1) An expected inflation of 2.30% used for this period.

(2) Figures are based on the 2021-22 Asset Liability Management study.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the District’s proportionate share of the net pension liability for each Plan, calculating using the discount rate of each Plan, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.90%) or 1-percentage point higher (7.90%) than the current rate:

	1% Decrease (5.9%)	Current Discount Rate (6.9%)	1% Increase (7.9%)
Net Pension Liability	\$ 957,084	\$ 589,703	\$ 287,318

Pension Plan Fiduciary Net Position – Detailed information about each pension plan’s fiduciary net position is available in the separately issue CalPERS financial reports.

Payable to the Pension Plan – At June 30, 2024, the District has no amount to report as outstanding amount of contributions to the pension plan required for the year ended June 30, 2024.

Note 7 – Compensated Absences

All earned vacation hours, holiday, and compensating time is payable upon termination or retirement and are accrued as compensated absences. Compensated absences liability is calculated in accordance with GASB Statement No. 16.

UNION PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2024

Note 8 – Risk Management

The District is exposed to various risks of loss to torts; theft of, damage of, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District pays an annual premium for its general insurance coverage. The District continues to carry commercial insurance for all other risks of loss, including workers' compensation, and employee health and accident insurance.

Note 9 – Subsequent Events

The District evaluated subsequent events for recognition and disclosure through August 13, 2026, the date which these financial statements were available to be issued. Management concluded that no material subsequent events have occurred since June 30, 2024, that required recognition or disclosure in such financial statements.

REQUIRED SUPPLEMENTAL INFORMATION

UNION PUBLIC UTILITY DISTRICT

REQUIRED SUPPLEMENTAL INFORMATION SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY LAST 10 YEARS* AS OF JUNE 30, 2024

	Proportion of the net	Proportionate share of the	Covered - employee	Proportionate share of the net pension liability as a percentage of covered-employee	Plan's fiduciary net position as a percentage of the Total Pension	
	pension liability	net pension liability	payroll	payroll	Plan's fiduciary net position	Liability
2015	0.52800%	\$ 328,685	\$ 343,105	95.80%	\$ 936,016	74.01%
2016	0.01047%	\$ 287,410	\$ 421,728	68.15%	\$ 1,106,275	79.37%
2017	0.01048%	\$ 364,105	\$ 302,326	120.43%	\$ 1,203,767	76.78%
2018	0.01062%	\$ 418,565	\$ 314,078	133.27%	\$ 1,453,770	77.64%
2019	0.01027%	\$ 386,997	\$ 395,123	97.94%	\$ 1,629,807	80.81%
2020	0.01029%	\$ 412,186	\$ 388,755	97.94%	\$ 1,652,399	80.04%
2021	0.01037%	\$ 437,453	\$ 404,924	108.03%	\$ 1,795,158	80.41%
2022	0.00808%	\$ 153,412	\$ 394,023	38.93%	\$ 2,200,413	93.48%
2023	0.01124%	\$ 525,941	\$ 544,573	96.58%	\$ 1,977,262	78.99%
2024	0.01179%	\$ 589,703	\$ 607,127	97.13%	\$ 2,126,686	78.29%

Changes of Assumptions: None

UNION PUBLIC UTILITY DISTRICT

REQUIRED SUPPLEMENTAL INFORMATION

SCHEDULE OF CONTRIBUTIONS

LAST 10 YEAR*

AS OF JUNE 30, 2024

	Contractually required contribution (actuarially determined)	Contributions in relation to the actuarially determined contributions	Contributions deficiency (excess)	Covered-employee payroll	Contributions as a percentage of covered- employee payroll
2015	\$ 53,888	\$ (53,888)	\$ -	\$ 343,105	15.71%
2016	\$ 53,291	\$ (53,291)	\$ -	\$ 421,728	12.64%
2017	\$ 51,659	\$ (51,659)	\$ -	\$ 302,326	17.09%
2018	\$ 53,479	\$ (53,479)	\$ -	\$ 314,078	17.03%
2019	\$ 56,704	\$ (56,704)	\$ -	\$ 395,123	14.35%
2020	\$ 68,152	\$ (68,152)	\$ -	\$ 388,755	17.53%
2021	\$ 78,787	\$ (78,787)	\$ -	\$ 404,924	19.46%
2022	\$ 59,294	\$ (59,294)	\$ -	\$ 394,023	15.05%
2023	\$ 69,924	\$ (69,924)	\$ -	\$ 544,573	12.84%
2024	\$ 85,528	\$ (85,528)	\$ -	\$ 607,127	14.09%

RYAN P. JOLLEY

A PROFESSIONAL CORPORATION

CERTIFIED PUBLIC ACCOUNTANTS

Ryan P. Jolley C.P.A.
Bryant L. Jolley C.P.A.
Darryl L. Smith C.P.A.
Luis A. Perez C.P.A.
Brandon J. Lang C.P.A.
Lan T. Kimoto
Kali A. Kaakah

INDEPENDENT AUDITOR'S 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*

To the Board of Directors
Union Public Utility District

We have audited, in accordance with the 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, the financial statements of the Union Public Utility District (the "District"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated August 13, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2024-001 and 2024-002 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Union Public Utility District's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Union Public Utility District's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Union Public Utility District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink, appearing to read "Ryan Jolley", with a stylized flourish at the end.

Fresno, California
August 13, 2026

UNION PUBLIC UTILITY DISTRICT

SCHEDULE OF FINDINGS AS OF JUNE 30, 2024

2024-001: Internal Controls over Financial Reporting (Material Weakness)

Criteria

A strong system of internal controls and management review requires that general ledger account balances be properly reconciled to a subsidiary ledger or other adequate supporting documentation on a periodic basis, as well as during the year-end financial close process in order to accurately and completely close the current year general ledger in a timely manner. Management is responsible for maintaining its accounting records in accordance with account principles generally accepted in the United States of America (U.S. GAAP).

Condition

We have determined that processes utilized for closing and reporting of financial activity for the fiscal year ended June 30, 2024 were not effective, which contributed to the delayed accounting close of the District's trial balance and unpreparedness for the audit. Specific financial statement areas that required corrections and adjustments throughout the process included:

- Cash and investments
- Fixed assets and related depreciation
- Prepaids
- Accounts payable
- Accounts and interest receivable
- Loan issuance and payments
- No oversight over year-end closing
- Compensated absences, wages payable and related expenses

Cause

The District did not have adequate controls and procedures in place for the year-end close process.

Effect

The financial statements as initially presented to the auditors contained material misstatements that required adjustments.

Recommendation

We recommend that the District perform the following steps in order to address the matters described above.

- Create a closing checklist to assist with the preparation of audit schedules that are complete, accurate, and reconciled to the District's general ledger account balances. Additionally, ensure that a system is in place to allow the District to perform this in a timely matter.

Management Response

The District concurs with your independent audit findings and staff are working on a process, which may include establishing a closing process, establishing a timeline, and/or enlisting additional support, possibly through part-time accounting personnel.

UNION PUBLIC UTILITY DISTRICT

SCHEDULE OF FINDINGS AS OF JUNE 30, 2024

Finding 2024-002: Cash & Investments (Material Weakness)

Criteria

Certain deficiencies in the internal control system over financial reporting could adversely affect an entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

Condition

There was a failure to perform bank reconciliations accurately and timely for the June 30, 2024 fiscal year. Bank reconciliations for the fiscal year were not completed until July 2026..

Cause

The overall process for cash and investment reconciliations was not being completed properly. Bank reconciliations were not being prepared or reviewed timely. Unfamiliarity with the bank reconciliation process lead to inconsistencies in how transactions were being recorded.

Effect

Untimely preparation and review of bank reconciliations increases the risk that errors go undetected. Cash and investment balances as presented are not reflective of their true balances.

Recommendation

Management concurs with the auditor recommendations regarding the cash and investment reconciliation procedures. Further, the District recognizes that staffing changes and outdated reconciliation processes contributed to the delayed reconciliations and expects that all backlogs will be cleared within the next 60 days. Moving forward, the District will complete monthly reconciliations within 30 days of month-end and the reconciliations will be reviewed by the General Manager and Board Treasurer.

8 b

The background of the slide features a close-up photograph of water ripples, with a single droplet captured mid-fall at the top center. Overlaid on this is a large, circular gradient that transitions from a light green on the left to a light blue on the right. The text "Agenda Item" is centered within this circle in a dark blue, serif font.

Agenda
Item

8 b

Agenda Item



DATE: June 15, 2026

TO: UPUD Board of Directors

FROM: Jessica Self, General Manager

SUBJECT: Discussion/Action Adding Five Star Bank and Removing US Bank

RECOMMENDED ACTION:

Motion: _____ / _____ to approve Resolution 2026-012, Addition of Five Star Bank and Removal of US Bank

SUMMARY:

In response to our commitment to enhancing operational efficiency and reducing costs, the UPUD staff has undertaken a review of our current banking arrangements. Following careful consideration, we propose the following actions:

- We propose to keep the current checking account at Bank of Stockton, a local bank for cash deposits and petty cash needs.
- We propose to close the checking account currently held with US Bank.
- We propose to establish a new primary checking account with Five Star Bank

If approved by the UPUD Board of Directors, a copy of this resolution will be formally communicated to Five Star Bank and US Bank to provide notice of the actions taken.

FINANCIAL CONSIDERATIONS:

UPUD Staff anticipate a drastic decrease in banking fees, potentially up to \$11,000 annually.

Attachments:

Resolution No. 2026-012 Addition of Five Star Bank and Removal of US Bank

**UNION PUBLIC UTILITY DISTRICT
BOARD OF DIRECTORS**

**RESOLUTION NO. 2026-012
ADDITION OF FIVE STAR BANK AND REMOVAL OF
US BANK**

WHEREAS, it has been determined by the Board of Directors of Union Public Utility District that there is a need to optimize banking services to reduce costs and improve efficiency; and

WHEREAS, Five Star Bank has been identified as a suitable banking institution offering lower bank fees and favorable terms compared to US Bank to meet the financial needs of the District; and

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Board of Directors of the Union Public Utility District shall remove the checking account with US Bank.
2. The Board of Directors of the Union Public Utility District shall establish a new checking account with the Five Star Bank, which shall serve as the primary banking institution for the District.
3. The General Manager is authorized and directed to take all necessary actions to close accounts with US Bank, and to establish the new checking account with Five Star Bank.
4. Authorized signatories for Bank of Stockton Include:
 - a. Jessica (Self) Gerkensmeyer, General Manager
 - b. Lisa Biedinger, Customer Service Representative
 - c. Bruce Tallakson, Director
 - d. Tom Quincy, Director
 - e. Ralph (Rocky) Chick, Director
 - f. Eric Bottomley, Director
 - g. Greg Rasmussen, Director

BE IT FURTHER RESOLVED THAT a copy of this resolution shall be provided to the Bank of Stockton, El Dorado Savings Bank, and US Bank as notice of the actions taken herein.

PASSED, APPROVED, AND ADOPTED this 17th day of August, 2026

AYES:

NOES:

ABSENT:

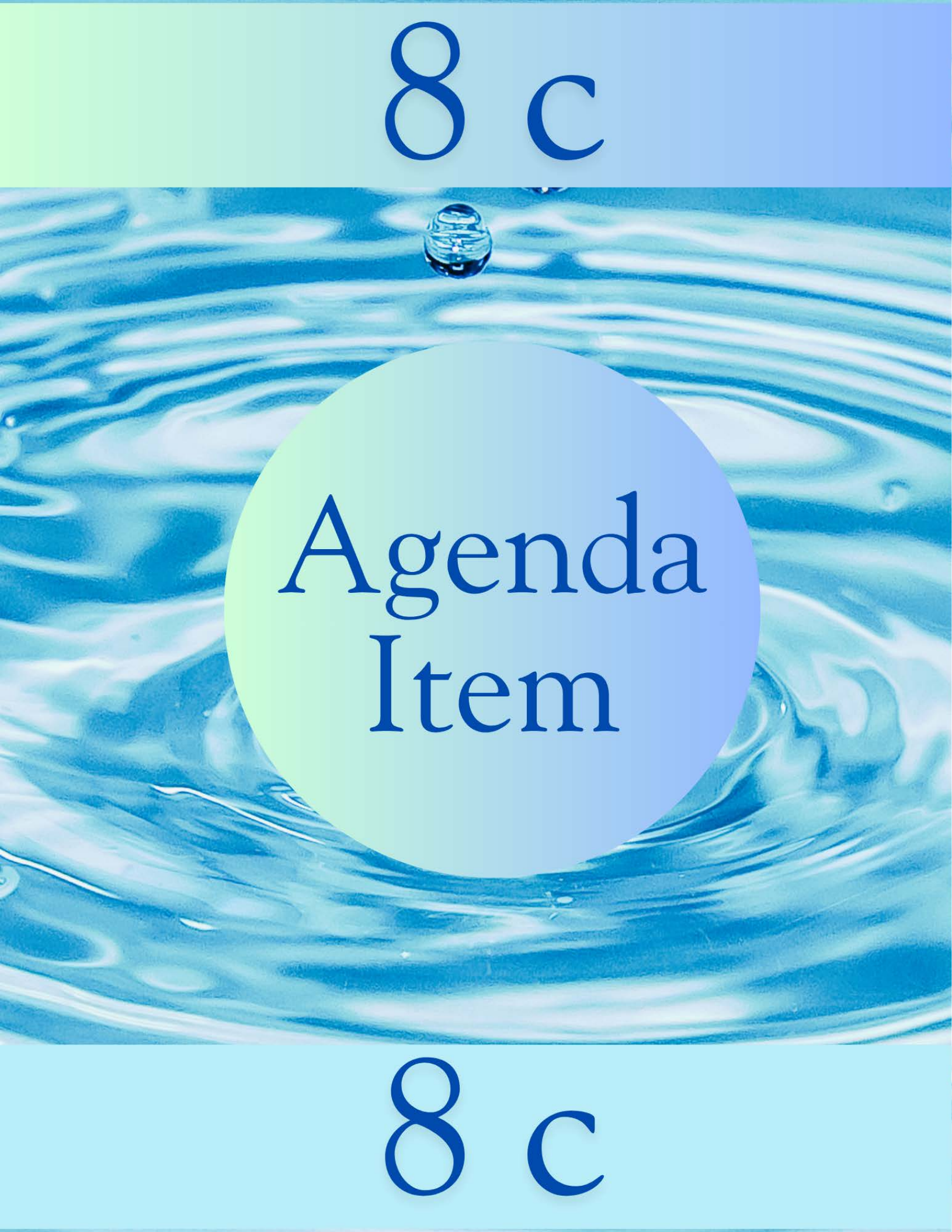
ABSTAIN:

Greg Rasmussen, President
Union Public Utility District

I hereby certify that the within and foregoing is a full, true, and correct copy of the Resolution which was duly passed and adopted at a regular meeting of the Board of Directors of the Union Public Utility District on the 17th day of August 2026

Jenna Mayo
Clerk to the Board

8 c

The background of the slide features a close-up photograph of water ripples, with a single droplet captured mid-fall at the top center. Overlaid on this is a large, circular gradient that transitions from a light green on the left to a light blue on the right. The text 'Agenda Item' is centered within this circle in a dark blue, serif font.

Agenda Item

8 c

Agenda Item



DATE: August 17, 2026

TO: UPUD Board of Directors

FROM: Jessica Self, General Manager

SUBJECT: Adopt Resolution 2026-013 Amending Union Public Utility District's Conflict of Interest Code

RECOMMENDED ACTION:

Motion: _____ / _____ to approve Resolution 2026-013, recommending approval of the UPUD Fiscal Year 2027 budget.

RECOMMENDATION:

It is recommended that the Board of Directors adopt Resolution No. _____ amending the Conflict of Interest Code of Union Public Utility District.

BACKGROUND:

The Political Reform Act requires every local government agency to review its Conflict of Interest Code biennially. A copy of Union Public Utility District's current Conflict of Interest Code is attached and has not been revised since 2022, but has been reviewed biennially with no changes made. Review of the Code shows that it must be amended to revise disclosure categories, delete titles of positions that have been abolished and/or positions that no longer make or participate in making governmental decisions, declares officials that manage the investment of public funds, designate update the language to reflect newly passed SB 852 revising form 700 filing requirements for Public Officials who manage public investments and also makes other technical changes.

The Act further requires that an agency regularly review and update its Code as necessary when directed by the code-reviewing body or when change is necessitated by changed circumstances (Sections 87306 and 87306.5).

CONCLUSION:

Adopt Resolution No. _____ amending the Conflict of Interest Code of Union Public Utility District and directing that such amendment be submitted to the Calaveras County Board of Supervisors as Union Public Utility District's code-reviewing body (Gov. Code § 82011) requesting approval of the amendment as required under Government Code section 87303.

FINANCING: There is no financial impact to the district.

Attachments: Attached is a redline version of the proposed amended Code showing the revisions made to the Conflict of Interest Code

UNION PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS

RESOLUTION NO. 2026-013

RESOLUTION ADOPTING A CONFLICT OF INTEREST CODE AND APPENDIX OF DESIGNATED POSITIONS

WHEREAS, pursuant to the provision of the Political Reform Act (Govt. Code §81000, *et seq.*), the Union Public Utility District is required to adopt a Conflict of Interest Code and Appendix of designated positions; and

WHEREAS, biennial review of the Appendix to the Conflict of Interest Code is required by state law and changes to the designated positions and disclosure categories and thereafter adopt necessary amendments.

NOW, THEREFORE, BE IT RESOLVED that the Conflict of Interest Code and list of designated positions and disclosure categories as set forth in the Appendix to the Conflict of Interest Code attached hereto is hereby adopted.

ON A MOTION by Director _____, seconded by Director _____, the foregoing Resolution was duly passed and adopted by the Board of Directors of the Union Public Utility District of the County of Calaveras, State of California this 17th day of August 2026 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Greg Rasmussen

Union Public Utility District

Board President

ATTEST:

Thomas E. Quincy, Secretary
Union Public Utility District
Board of Directors

I hereby certify that the within and foregoing is a full, true, and correct copy of the Resolution which was duly passed and adopted at a regular meeting of the Board of Directors of the Union Public Utility District on the 17th day of August, 2026.

Jenna Mayo, Clerk to the
Union Public Utility District Board

CONFLICT OF INTEREST CODE
OF THE
UNION PUBLIC UTILITY DISTRICT
(Amended August 17, 2026)

The Political Reform Act, (Government Code Sections 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 California Code of Regulation Section 18730) that contains the terms of a standard model conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing Section 18730 may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendix designating positions and establishing disclosure categories shall constitute the conflict of interest code of the Union Public Utility District (District).

Officials Who Manage Public Investments shall electronically file their statements of economic interests directly with the Fair Political Practices Commission. Individuals holding designated positions shall file their statements of economic interests with the District, which will make the statements available for public inspection and reproduction. (Government Code Section 81008.)

APPENDIX

CONFLICT OF INTEREST CODE **OF THE** **UNION PUBLIC UTILITY DISTRICT** **(Amended August 17, 2026)**

PART “A”

OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

District Officials who manage public investments, as defined by 2 California Code of Regulations Section 18700.3, are NOT subject to Union Public Utility District's Code, but must file disclosure statements under Government Code section 87200 et seq. [Regs. § 18730(b)(3)] These positions are listed here for informational purposes only.

It has been determined that the positions listed below are officials who manage public investments¹:

Board of Directors and Alternates
General Manager

¹ Individuals holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by § 87200.

CONFLICT-OF-INTEREST CODE
APPENDIX A - DESIGNATED POSITIONS

<u>Designated Positions</u>	<u>Disclosure Category</u>
Construction & Distribution Superintendent	1, 2
Executive Administrative Coordinator	2
General Counsel	1, 2
Operations Manager	1, 2
Consultants	1, 2

APPENDIX B - DISCLOSURE CATEGORIES

Disclosure Category 1

Designated positions assigned to this category shall report:

Interests in real property located within or not more than two miles outside the boundaries of the

jurisdiction or within two miles of any land owned or used by the District.**Disclosure Category 2**

Designated positions assigned to this category shall report:

Investments and business positions in business entities, and sources of income, including loans, gifts and travel payments, from sources of the type that provide services, supplies, materials, machinery, or equipment to the District. Such sources include, but are not limited to, engineering and construction firms.

NOTICE OF INTENTION TO AMEND THE CONFLICT OF INTEREST CODE OF THE UNION PUBLIC UTILITY DISTRICT

NOTICE IS HEREBY GIVEN that the Board of Directors of the Union Public Utility District intends to amend Union Public Utility District's Conflict of Interest Code (the "Code") pursuant to Government Code section 87306.

The Appendix of the Code designates those employees, members, officers, and consultants who make or participate in the making of decisions and are subject to the disclosure requirements of Union Public Utility District's Code. Union Public Utility District's proposed amendment includes new positions that must be designated, revise disclosure categories, deletes positions that have been abolished and/or positions that no longer make or participate in making governmental decisions, declares officials that manage the investment of public funds, update the language to reflect newly passed SB 852 revising form 700 filing requirements for Public Officials who manage public investments and also makes other technical changes.

The proposed amended Code will be considered by the Board of Directors on August 17, 2026, at 3:00 p.m. at the Union Public Utility District, 339 Main Street, Murphys, California. Any interested person may be present and comment at the public meeting or may submit written comments concerning the proposed amendment. Any comments or inquiries should be directed to the attention of Jenna Mayo, Executive Administrative Coordinator, Union Public Utility District, 339 Main Street, Murphys, CA 95247; customerservice@upudwater.org. Written comments must be submitted no later than August 17, 2026, at 3:00 p.m.

The proposed amended Code may be reviewed at, and copies obtained from, the office of the Executive Administrative Coordinator, during regular business hours.

Amend 2 Cal. Code Regs., Section 18754 to read:

§ 18730. Provisions of Conflict of Interest Codes.

(a) Incorporation by reference of the terms of this regulation along with the designation of employees and the formulation of disclosure categories in the Appendix referred to below constitute the adoption and promulgation of a conflict of interest code within the meaning of Section 87300 or the amendment of a conflict of interest code within the meaning of Section 87306 if the terms of this regulation are substituted for terms of a conflict of interest code already in effect. A code so amended or adopted and promulgated requires the reporting of reportable items in a manner substantially equivalent to the requirements of article 2 of chapter 7 of the Political Reform Act, Sections 81000, et seq. The requirements of a conflict of interest code are in addition to other requirements of the Political Reform Act, such as the general prohibition against conflicts of interest contained in Section 87100, and to other state or local laws pertaining to conflicts of interest.

(b) The terms of a conflict of interest code amended or adopted and promulgated pursuant to this regulation are as follows:

(1) Section 1. Definitions.

The definitions contained in the Political Reform Act of 1974, regulations of the Fair Political Practices Commission (Regulations 18110, et seq.), and any amendments to the Act or regulations, are incorporated by reference into this conflict of interest code.

(2) Section 2. Designated Employees. The persons holding positions listed in the Appendix are designated employees. It has been determined that these persons make or participate in the making of decisions which may foreseeably have a material effect on economic interests.

1 (3) Section 3. Disclosure Categories.

2 This code does not establish any disclosure obligation for those designated employees
3 who are also specified in Section 87200 if they are designated in this code in that same capacity
4 or if the geographical jurisdiction of this agency is the same as or is wholly included within the
5 jurisdiction in which those persons must report their economic interests pursuant to article 2 of
6 chapter 7 of the Political Reform Act, Sections 87200, et seq. In addition, this code does not
7 establish any disclosure obligation for any designated employees who are designated in a conflict
8 of interest code for another agency, if all of the following apply:

9 (A) The geographical jurisdiction of this agency is the same as or is wholly included
10 within the jurisdiction of the other agency;

11 (B) The disclosure assigned in the code of the other agency is the same as that required
12 under article 2 of chapter 7 of the Political Reform Act, Section 87200; and

13 (C) The filing officer is the same for both agencies. [FN1]

14 Such persons are covered by this code for disqualification purposes only. With respect to
15 all other designated employees, the disclosure categories set forth in the Appendix specify which
16 kinds of economic interests are reportable. Such a designated employee shall disclose in the
17 employee's statement of economic interests those economic interests the employee has which are
18 of the kind described in the disclosure categories to which the employee is assigned in the
19 Appendix. It has been determined that the economic interests set forth in a designated employee's
20 disclosure categories are the kinds of economic interests which the employee foreseeably can
21 affect materially through the conduct of the employee's office.

22 (4) Section 4. Statements of Economic Interests: Place of Filing.

1 The code reviewing body shall instruct all designated employees within its code to file
2 statements of economic interests with the agency or with the code reviewing body, as provided
3 by the code reviewing body in the agency's conflict of interest code or with the Fair Political
4 Practices Commission using the Commission's electronic filing system as required under Section
5 87500. [FN2]

6 (5) Section 5. Statements of Economic Interests: Time of Filing.

7 (A) Initial Statements. All designated employees employed by the agency on the effective
8 date of this code, as originally adopted, promulgated and approved by the code reviewing body,
9 shall file statements within 30 days after the effective date of this code. Thereafter, each person
10 already in a position when it is designated by an amendment to this code shall file an initial
11 statement within 30 days after the effective date of the amendment.

12 (B) Assuming Office Statements. All persons assuming designated positions after the
13 effective date of this code shall file statements within 30 days after assuming the designated
14 positions, or if subject to State Senate confirmation, 30 days after being nominated or appointed.

15 (C) Annual Statements. All designated employees shall file statements no later than April
16 1. If a person reports for military service as defined in the Servicemember's Civil Relief Act, the
17 deadline for the annual statement of economic interests is 30 days following the person's return
18 to office, provided the person, or someone authorized to represent the person's interests, notifies
19 the filing officer in writing prior to the applicable filing deadline that the person is subject to that
20 federal statute and is unable to meet the applicable deadline, and provides the filing officer
21 verification of the person's military status.

22 (D) Leaving Office Statements. All persons who leave designated positions shall file
23 statements within 30 days after leaving office.

1 (5.5) Section 5.5. Statements for Persons Who Resign Prior to Assuming Office.

2 Any person who resigns within 12 months of initial appointment, or within 30 days of the
3 date of notice provided by the filing officer to file an assuming office statement, is not deemed to
4 have assumed office or left office, provided the person did not make or participate in the making
5 of, or use the person's position to influence any decision and did not receive or become entitled
6 to receive any form of payment as a result of the person's appointment. Such persons shall not
7 file either an assuming or leaving office statement.

8 (A) Any person who resigns a position within 30 days of the date of a notice from the
9 filing officer shall do both of the following:

10 (1) File a written resignation with the appointing power; and

11 (2) File a written statement with the filing officer declaring under penalty of perjury that
12 during the period between appointment and resignation the person did not make, participate in
13 the making, or use the position to influence any decision of the agency or receive, or become
14 entitled to receive, any form of payment by virtue of being appointed to the position.

15 (6) Section 6. Contents of and Period Covered by Statements of Economic Interests.

16 (A) Contents of Initial Statements. Initial statements shall disclose any reportable
17 investments, interests in real property and business positions held on the effective date of the
18 code and income received during the 12 months prior to the effective date of the code.

19 (B) Contents of Assuming Office Statements.

20 Assuming office statements shall disclose any reportable investments, interests in real
21 property and business positions held on the date of assuming office or, if subject to State Senate
22 confirmation or appointment, on the date of nomination, and income received during the 12

1 months prior to the date of assuming office or the date of being appointed or nominated,
2 respectively.

3 (C) Contents of Annual Statements. Annual statements shall disclose any reportable
4 investments, interests in real property, income and business positions held or received during the
5 previous calendar year provided, however, that the period covered by an employee's first annual
6 statement shall begin on the effective date of the code or the date of assuming office whichever
7 is later, or for a board or commission member subject to Section 87302.6, the day after the
8 closing date of the most recent statement filed by the member pursuant to Regulation 18754.

9 (D) Contents of Leaving Office Statements.

10 Leaving office statements shall disclose reportable investments, interests in real property,
11 income and business positions held or received during the period between the closing date of the
12 last statement filed and the date of leaving office.

13 (7) Section 7. Manner of Reporting.

14 Statements of economic interests shall be made on forms prescribed by the Fair Political
15 Practices Commission and supplied by the agency, and shall contain the following information:

16 (A) Investment and Real Property Disclosure.

17 When an investment or an interest in real property [FN3] is required to be reported,
18 [FN4] the statement shall contain the following:

- 19 1. A statement of the nature of the investment or interest;
- 20 2. The name of the business entity in which each investment is held, and a general
21 description of the business activity in which the business entity is engaged;
- 22 3. The address or other precise location of the real property;

1 4. A statement whether the fair market value of the investment or interest in real property
2 equals or exceeds \$2,000, exceeds \$10,000, exceeds \$100,000, or exceeds \$1,000,000.

3 (B) Personal Income Disclosure. When personal income is required to be reported, [FN5]
4 the statement shall contain:

5 1. The name and address of each source of income aggregating \$500 or more in value, or
6 \$50 or more in value if the income was a gift, and a general description of the business activity,
7 if any, of each source;

8 2. A statement whether the aggregate value of income from each source, or in the case of
9 a loan, the highest amount owed to each source, was \$1,000 or less, greater than \$1,000, greater
10 than \$10,000, or greater than \$100,000;

11 3. A description of the consideration, if any, for which the income was received;

12 4. In the case of a gift, the name, address and business activity of the donor and any
13 intermediary through which the gift was made; a description of the gift; the amount or value of
14 the gift; and the date on which the gift was received;

15 5. In the case of a loan, the annual interest rate and the security, if any, given for the loan
16 and the term of the loan.

17 (C) Business Entity Income Disclosure. When income of a business entity, including
18 income of a sole proprietorship, is required to be reported, [FN6] the statement shall contain:

19 1. The name, address, and a general description of the business activity of the business
20 entity;

21 2. The name of every person from whom the business entity received payments if the
22 filer's pro rata share of gross receipts from such person was equal to or greater than \$10,000.

1 (D) Business Position Disclosure. When business positions are required to be reported, a
2 designated employee shall list the name and address of each business entity in which the
3 employee is a director, officer, partner, trustee, employee, or in which the employee holds any
4 position of management, a description of the business activity in which the business entity is
5 engaged, and the designated employee's position with the business entity.

6 (E) Acquisition or Disposal During Reporting Period. In the case of an annual or leaving
7 office statement, if an investment or an interest in real property was partially or wholly acquired
8 or disposed of during the period covered by the statement, the statement shall contain the date of
9 acquisition or disposal.

10 (8) Section 8. Prohibition on Receipt of Honoraria.

11 (A) No member of a state board or commission, and no designated employee of a state or
12 local government agency, shall accept any honorarium from any source, if the member or
13 employee would be required to report the receipt of income or gifts from that source on the
14 member's or employee's statement of economic interests.

15 (B) This section shall not apply to any part-time member of the governing board of any
16 public institution of higher education, unless the member is also an elected official.

17 (C) Subdivisions (a), (b), and (c) of Section 89501 shall apply to the prohibitions in this
18 section.

19 (D) This section shall not limit or prohibit payments, advances, or reimbursements for
20 travel and related lodging and subsistence authorized by Section 89506.

21 (8.1) Section 8.1. Prohibition on Receipt of Gifts in Excess of \$590.

22 (A) No member of a state board or commission, and no designated employee of a state or
23 local government agency, shall accept gifts with a total value of more than \$590 in a calendar

1 year from any single source, if the member or employee would be required to report the receipt
2 of income or gifts from that source on the member's or employee's statement of economic
3 interests.

4 (B) This section shall not apply to any part-time member of the governing board of any
5 public institution of higher education, unless the member is also an elected official.

6 (C) Subdivisions (e), (f), and (g) of Section 89503 shall apply to the prohibitions in this
7 section.

8 (8.2) Section 8.2. Loans to Public Officials.

9 (A) No elected officer of a state or local government agency shall, from the date of the
10 election to office through the date that the officer vacates office, receive a personal loan from
11 any officer, employee, member, or consultant of the state or local government agency in which
12 the elected officer holds office or over which the elected officer's agency has direction and
13 control.

14 (B) No public official who is exempt from the state civil service system pursuant to
15 subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while
16 he or she holds office, receive a personal loan from any officer, employee, member, or consultant
17 of the state or local government agency in which the public official holds office or over which
18 the public official's agency has direction and control. This subdivision shall not apply to loans
19 made to a public official whose duties are solely secretarial, clerical, or manual.

20 (C) No elected officer of a state or local government agency shall, from the date of the
21 election to office through the date that the officer vacates office, receive a personal loan from
22 any person who has a contract with the state or local government agency to which that elected
23 officer has been elected or over which that elected officer's agency has direction and control.

1 This subdivision shall not apply to loans made by banks or other financial institutions or to any
2 indebtedness created as part of a retail installment or credit card transaction, if the loan is made
3 or the indebtedness created in the lender's regular course of business on terms available to
4 members of the public without regard to the elected officer's official status.

5 (D) No public official who is exempt from the state civil service system pursuant to
6 subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while
7 the official holds office, receive a personal loan from any person who has a contract with the
8 state or local government agency to which that elected officer has been elected or over which
9 that elected officer's agency has direction and control. This subdivision shall not apply to loans
10 made by banks or other financial institutions or to any indebtedness created as part of a retail
11 installment or credit card transaction, if the loan is made or the indebtedness created in the
12 lender's regular course of business on terms available to members of the public without regard to
13 the elected officer's official status. This subdivision shall not apply to loans made to a public
14 official whose duties are solely secretarial, clerical, or manual.

15 (E) This section shall not apply to the following:

16 1. Loans made to the campaign committee of an elected officer or candidate for elective
17 office.

18 2. Loans made by a public official's spouse, child, parent, grandparent, grandchild,
19 brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first
20 cousin, or the spouse of any such persons, provided that the person making the loan is not acting
21 as an agent or intermediary for any person not otherwise exempted under this section.

22 3. Loans from a person which, in the aggregate, do not exceed \$500 at any given time.

1 4. Loans made, or offered in writing, before January 1, 1998. 9(8.3) Section 8.3. Loan
2 Terms.

3 (A) Except as set forth in subdivision (B), no elected officer of a state or local
4 government agency shall, from the date of the officer's election to office through the date the
5 officer vacates office, receive a personal loan of \$500 or more, except when the loan is in writing
6 and clearly states the terms of the loan, including the parties to the loan agreement, date of the
7 loan, amount of the loan, term of the loan, date or dates when payments shall be due on the loan
8 and the amount of the payments, and the rate of interest paid on the loan.

9 (B) This section shall not apply to the following types of loans:

10 1. Loans made to the campaign committee of the elected officer.

11 2. Loans made to the elected officer by his or her spouse, child, parent, grandparent,
12 grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt,
13 uncle, or first cousin, or the spouse of any such person, provided that the person making the loan
14 is not acting as an agent or intermediary for any person not otherwise exempted under this
15 section.

16 3. Loans made, or offered in writing, before January 1, 1998. (C) Nothing in this section
17 shall exempt any person from any other provision of Title 9 of the Government Code.

18 (8.4) Section 8.4. Personal Loans.

19 (A) Except as set forth in subdivision (B), a personal loan received by any designated
20 employee shall become a gift to the designated employee for the purposes of this section in the
21 following circumstances:

22 1. If the loan has a defined date or dates for repayment, when the statute of limitations for
23 filing an action for default has expired.

2. If the loan has no defined date or dates for repayment, when one year has elapsed from the later of the following:

- a. The date the loan was made.
- b. The date the last payment of \$100 or more was made on the loan.
- c. The date upon which the debtor has made payments on the loan aggregating to less than \$250 during the previous 12 months.

(B) This section shall not apply to the following types of loans:

1. A loan made to the campaign committee of an elected officer or a candidate for elective office.
2. A loan that would otherwise not be a gift as defined in this title.
3. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor has taken reasonable action to collect the balance due.
4. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor, based on reasonable business considerations, has not undertaken collection action. Except in a criminal action, a creditor who claims that a loan is not a gift on the basis of this paragraph has the burden of proving that the decision for not taking collection action was based on reasonable business considerations.
5. A loan made to a debtor who has filed for bankruptcy and the loan is ultimately discharged in bankruptcy.

(C) Nothing in this section shall exempt any person from any other provisions of Title 9 of the Government Code.

(9) Section 9. Disqualification.

1 No designated employee shall make, participate in making, or in any way attempt to use
2 the employee's official position to influence the making of any governmental decision which the
3 employee knows or has reason to know will have a reasonably foreseeable material financial
4 effect, distinguishable from its effect on the public generally, on the official or a member of the
5 official's immediate family or on:

6 (A) Any business entity in which the designated employee has a direct or indirect
7 investment worth \$2,000 or more;

8 (B) Any real property in which the designated employee has a direct or indirect interest
9 worth \$2,000 or more;

10 (C) Any source of income, other than gifts and other than loans by a commercial lending
11 institution in the regular course of business on terms available to the public without regard to
12 official status, aggregating \$500 or more in value provided to, received by or promised to the
13 designated employee within 12 months prior to the time when the decision is made;

14 (D) Any business entity in which the designated employee is a director, officer, partner,
15 trustee, employee, or holds any position of management; or

16 (E) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating
17 \$590 or more provided to, received by, or promised to the designated employee within 12
18 months prior to the time when the decision is made.

19 (9.3) Section 9.3. Legally Required Participation.

20 No designated employee shall be prevented from making or participating in the making
21 of any decision to the extent the employee's participation is legally required for the decision to be
22 made. The fact that the vote of a designated employee who is on a voting body is needed to break
23 a tie does not make the employees' participation legally required for purposes of this section.

1 (9.5) Section 9.5. Disqualification of State Officers and Employees.

2 In addition to the general disqualification provisions of section 9, no state administrative
3 official shall make, participate in making, or use the official's position to influence any
4 governmental decision directly relating to any contract where the state administrative official
5 knows or has reason to know that any party to the contract is a person with whom the state
6 administrative official, or any member of the official's immediate family has, within 12 months
7 prior to the time when the official action is to be taken:

8 (A) Engaged in a business transaction or transactions on terms not available to members
9 of the public, regarding any investment or interest in real property; or

10 (B) Engaged in a business transaction or transactions on terms not available to members
11 of the public regarding the rendering of goods or services totaling in value \$1,000 or more.

12 (10) Section 10. Disclosure of Disqualifying Interest.

13 When a designated employee determines that the employee should not make a
14 governmental decision because the employee has a disqualifying interest in it, the determination
15 not to act may be accompanied by disclosure of the disqualifying interest.

16 (11) Section 11. Assistance of the Commission and Counsel.

17 Any designated employee who is unsure of the duties under this code may request
18 assistance from the Fair Political Practices Commission pursuant to Section 83114 and
19 Regulations 18329 and 18329.5 or from the attorney for the employee's agency, provided that
20 nothing in this section requires the attorney for the agency to issue any formal or informal
21 opinion.

22 (12) Section 12. Violations.

1 This code has the force and effect of law. Designated employees violating any provision
2 of this code are subject to the administrative, criminal and civil sanctions provided in the
3 Political 13Reform Act, Sections 81000-91014. In addition, a decision in relation to which a
4 violation of the disqualification provisions of this code or of Section 87100 or 87450 has
5 occurred may be set aside as void pursuant to Section 91003.

6
7 1 Designated employees who are required to file statements of economic interests under
8 any other agency's conflict of interest code, or under article 2 for a different
9 jurisdiction, may expand their statement of economic interests to cover reportable
10 interests in both jurisdictions, and file copies of this expanded statement with both
11 entities in lieu of filing separate and distinct statements, provided that each copy of
12 such expanded statement filed in place of an original is signed and verified by the
13 designated employee as if it were an original. See Section 81004.

14 2 See Section 81010 and Regulation 18115 for the duties of filing officers and persons
15 in agencies who make and retain copies of statements and forward the originals to the
16 filing officer.

17 3 For the purpose of disclosure only (not disqualification), an interest in real property
18 does not include the principal residence of the filer.

19 4 Investments and interests in real property which have a fair market value of less than
20 \$2,000 are not investments and interests in real property within the meaning of the
21 Political Reform Act. However, investments or interests in real property of an
22 individual include those held by the individual's spouse and dependent children as
23 well as a pro rata share of any investment or interest in real property of any business

entity or trust in which the individual, spouse and dependent children own, in the aggregate, a direct, indirect or beneficial interest of 10 percent or greater.

5 A designated employee's income includes the employee's community property interest in the income of the employee's spouse but does not include salary or reimbursement for expenses received from a state, local or federal government agency.

6 Income of a business entity is reportable if the direct, indirect or beneficial interest of the filer and the filer's spouse in the business entity aggregates a 10 percent or greater interest. In addition, the disclosure of persons who are clients or customers of a business entity is required only if the clients or customers are within one of the disclosure categories of the filer.

NOTE: Authority cited: Section 83112, Government Code. Reference: Sections 87103(e), 87300-87302, 89501, 89502 and 89503, Government Code.

CONFLICT OF INTEREST CODE
OF THE
UNION PUBLIC UTILITY DISTRICT
(Amended August 17, 2026)

The Political Reform Act, (Government Code Sections 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 California Code of Regulation Section 18730) that contains the terms of a standard model conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing Section 18730 may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendix designating positions and establishing disclosure categories shall constitute the conflict of interest code of the Union Public Utility District (District).

Officials Who Manage Public Investments shall electronically file their statements of economic interests directly with the Fair Political Practices Commission. Individuals holding designated positions shall file their statements of economic interests with the District, which will make the statements available for public inspection and reproduction. (Government Code Section 81008.)

APPENDIX

CONFLICT OF INTEREST CODE OF THE UNION PUBLIC UTILITY DISTRICT (Amended August 17, 2026)

PART “A”

OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

District Officials who manage public investments, as defined by 2 California Code of Regulations Section 18700.3, are NOT subject to Union Public Utility District’s Code, but must file disclosure statements under Government Code section 87200 et seq. [Regs. § 18730(b)(3)] These positions are listed here for informational purposes only.

It has been determined that the positions listed below are officials who manage public investments¹:

Board of Directors and Alternates
General Manager

¹ Individuals holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by § 87200.

CONFLICT-OF-INTEREST CODE
APPENDIX A - DESIGNATED POSITIONS

<u>Designated Positions</u>	<u>Disclosure Category</u>
Board members [Redesignated as 87200 filer]	1 and 2
General Manager [Redesignated as 87200 filer]	1 and 2
<u>Construction & Distribution Superintendent</u>	<u>1, 2</u>
District Manager	1 and 2
<u>Executive Administrative Coordinator</u>	<u>2</u>
<u>General Counsel</u>	<u>1, 2</u>
Office Manager	1 and 2
<u>Operations Manager</u>	<u>1, 2</u>
Consultants	1, and 2

APPENDIX B - DISCLOSURE CATEGORIES

Disclosure Category 1

Designated positions assigned to this category shall report:
Interests in real property located within or not more than two miles outside the boundaries of the jurisdiction or within two miles of any land owned or used by the District.

Disclosure Category 2

Designated positions assigned to this category shall report:
Investments and business positions in business entities, and sources of income, including loans, gifts and travel payments, from sources of the type that provide services, supplies, materials, machinery, or equipment to the District. Such sources include, but are not limited to, engineering and construction firms.

8 d

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Agenda Item



DATE: August 17, 2026

TO: UPUD Board of Directors

FROM: Jessica Self, General Manager

SUBJECT: Consideration of Initiating a Proposition 218 Rate Study focused on the Utica Water & Power Authority Fee

RECOMMENDED ACTION:

Motion: _____ / _____ by minute entry authoring the General Manager to approve the contract with NBS to conduct a Proposition 218 rate study for the Union Public Utility District focused on the Utica Water & Power Authority Fees and Reserve

SUMMARY:

The Utica Water and Power Authority (UWPA) has projected a significant budget shortfall during the current fiscal year. Under the Joint Powers Agreement governing UWPA operations, the Union Public Utility District (UPUD) and the City of Angels are responsible for sharing UWPA financial shortfalls equally. As a result, the projected UWPA budget shortfall of \$450,000 will require UPUD to contribute an additional \$225,000 beyond its currently budgeted contribution of \$447,000. Combined, the UWPA Board is requesting \$672,000 from UPUD this fiscal year, which amounts to a 50.34% increase from what is scheduled in the adopted Proposition 218 UPUD rate schedule.

In addition to this unexpected obligation, UPUD's existing rate structure already incorporates scheduled annual increases to the Utica fee component, including a 10% increase in contributions established through the District's current rate study. While these planned increases were intended to address ongoing operational needs and inflationary pressures, they were not designed to absorb the magnitude of the current UWPA funding shortfall.

Absent a rate adjustment, the additional financial obligation is expected to completely exhaust the UPUD reserves that have been established for Utica-related obligations. Staff believes it is prudent to address this issue proactively to maintain the long-term financial stability of the Utica program, preserve appropriate reserve levels, and ensure fiscal responsibility to protect UPUD-specific reserves and operations.

DISCUSSION:

Staff recommends initiating a new Proposition 218 rate study focused solely on the Utica fee portion of customer rates. The purpose of the study would be to evaluate the revenue needed to:

- Address the District's share of the current UWPA budget shortfall;
- Rebuild and maintain appropriate Utica reserves;
- Ensure rates remain aligned with the cost of providing Utica-related services to UPUD customers.
- Ensure that reserves established for UPUD operations, emergencies, and capital improvement projects are not utilized to fund UWPA budget shortfalls, thereby preserving the financial resources necessary to support UPUD-specific services and infrastructure needs.

Importantly, staff is **not recommending any changes to the UPUD-operated portion of water rates**. The proposed study would evaluate adjustments only to the Utica fee component that is already separately identified within the District's overall rate structure. All other rate components would remain unchanged and continue to follow the schedule previously adopted by the Board.

Staff also recommends evaluating the implementation of a separately identified Utica charge on a separate customer bill. This recommendation is based on guidance received from Proposition 218 legal counsel and is intended to improve transparency regarding the costs associated with UWPA operations. By separately displaying the Utica charge with a separate bill, customers would have a clearer understanding of the costs of UWPA versus those associated with UPUD's direct operations. This approach would better distinguish the financial responsibilities of the two agencies and provide greater visibility into the revenues collected for Utica-only purposes.

CONSULTANT SELECTION

For efficiency and cost effectiveness, staff recommends utilizing NBS Government Finance Group to conduct the proposed rate study. As the consultant that prepared the District's current rate study, NBS already possesses a strong understanding of UPUD's rate structure, financial records, and Proposition 218 requirements, including the Utica fee component. NBS is also familiar with UPUD's participation in the Utica Water and Power Authority Joint Powers Agreement and the associated cost allocation framework. This familiarity will allow NBS to efficiently leverage existing District data and prior analyses, minimize duplication of effort, reduce project costs, and expedite completion of the study.

CONCLUSION

The unexpected UWPA budget shortfall creates a significant financial obligation for UPUD that was not contemplated in the District's current rate structure. Initiating a Proposition 218 rate study focused exclusively on the Utica fee component will allow the District to evaluate options for recovering these costs, restoring reserves, maintaining financial stability, and improving transparency for ratepayers. Staff therefore recommends authorization to proceed with the study and engage NBS Government Finance Group to perform the necessary analysis and prepare future rate recommendations for Board consideration.

FINANCIAL CONSIDERATIONS:

If approved the estimated NBS Consulting cost will not exceed \$32,675, not including legal review, and District staff time.

Attachments: NBS Proposal for the Union Public Utility District Water Rate Study Updates



32605 Temecula Parkway, Suite 316
Temecula, CA 92592
Toll free: 800.676.7516

www.nbsgov.com

August 11, 2026

Jessica Self
General Manager
Union Public Utility District
339 Main Street
Murphys, CA 95247

RE: Proposal for Water Rate Study Evaluation and Update

Dear Jessica:

Thank you for the opportunity to support Union Public Utility District (District) with this update to the Water Rate Study in light of changes to the Utica Water and Power Authority Fees.

We appreciate your consideration and look forward to continuing our partnership with Union Public Utility District.

If it would be helpful to walk through the approach together, I'd be happy to connect. I can be reached at 800.676.7516 or smares@nbsgov.com. We look forward to working with you to move this forward.

Sincerely,

A handwritten signature in blue ink that reads 'Sara Mares'. The signature is written in a cursive, flowing style.

Sara Mares
Chief Operating Officer

SCOPE OF SERVICES

The following describes the proposed Work Plan for completion of this Scope of Services:

Water Rate Study Evaluation and Update

NBS will work cooperatively with District staff, management and the Board of Directors to analyze and evaluate changes to the Utica Water and Power Authority (Utica) fees and how those changes impact the assumptions made in the 2024 water rate study.

TASK 1. KICKOFF MEETING AND DATA COLLECTION

NBS will hold a kick-off meeting with District staff at the beginning of the project. The kick-off meeting will be used to review and discuss the data related to the Utica fees, current fund balances and other data pertinent to the analysis and evaluation.

TASK 2. FINANCIAL PLAN

NBS will begin with the financial plan prepared in the 2024 water rate study, using current fund balances and adjusting for changes in the Utica fees. NBS will evaluate the sufficiency of existing reserve funds, target reserves, and reserve fund policies in light of the changes to the Utica fees. We will provide recommendations for reserve fund targets that are tailored to the District's specific needs. Updates to the budgeted CIP and O&M are not included.

TASK 3. RATE DESIGN ANALYSIS

NBS will review the rates established with the 2024 water rate study analyze and evaluate rate impacts resulting from the changes in the Utica fees. Without changing the cost of service analysis, the rate design may be considered as needed to ensure clarity for District customers.

TASK 4. PREPARE A TECHNICAL MEMORANDUM

NBS will prepare a draft technical memorandum that summarizes the issues and data, documents the analysis and evaluation and makes recommendations for actions resulting from the study.

TASK 5. MEETINGS AND PRESENTATIONS

NBS plans to provide support to the District in public meetings to support the analysis, evaluation and ultimate implementation process as needed. We will also plan to meet with District staff to review results and recommendations throughout the project. The following meetings and presentations are anticipated for this study:

5.1 Meetings with District Staff – NBS proposes to hold progress meetings with District staff via conference call or web meeting format. These meetings will be used to review initial work products and gain input from Staff on the direction of the study. Prior to the public meetings, we also expect to have regular phone conversations with District staff to discuss how the study is proceeding, solicit input from Staff, and to review and discuss the study's initial results and work products. In addition, NBS will work

with District Staff to discuss and understand talking points while continuously providing guidance on how to manage questions for community members to ensure a clear and transparent message.

5.2 Other Public Workshops/Presentations – NBS rate study staff will provide up to three (3) public workshops¹ including with a District Committee Board of Directors. The rate team will prepare a PowerPoint presentation for these meetings, which will include visual aids, graphics, charts and additional worksheets or handouts. In these presentations, NBS will present study results, recommendations, receive input and guidance on the direction of the study and answer questions. Our team will work with District Staff to create an agenda and develop presentations that allow for clear and insightful presentations.

TASK 6. NOTICE OF PUBLIC HEARING MAILING (OPTIONAL)

NBS will create a mailing list using the most recent County Assessor secured roll data available, combining that with the District’s customer database. Duplicates will be removed to create a comprehensive mailing list. NBS will also draft the Notice to property owners subject to the proposed Fee. Final form of the Notice will be reviewed and approved by legal counsel and District staff.

Should the District opt to utilize the AB 2257 administrative remedies process, NBS will support that effort by assisting legal counsel to respond to any written objections, as needed.

PROFESSIONAL FEES

Our professional fees are based on our understanding of the District’s needs and the effort we believe is necessary to complete the scope of services described in our proposal. Work will be performed at a fee of **\$32,675**, which includes in person public meetings and optional notice mailing.

PROJECT BUDGET: UNION PUBLIC UTILITY DISTRICT					
Study Tasks	Consultant Labor (Hours)			Grand Totals	
	Senior Review (Highstreet)	Director (Mares)	NBS Analyst	Consultant Labor (Hrs.)	Consultant Costs (\$)
Hourly Rate	\$300	\$275	\$150		
Water Rate Study					
Task 1 – Kick-off Meeting & Data Collection	2.0	4.0	4.0	10.0	\$ 2,300
Task 2 – Financial Plan	4.0	10.0	4.0	18.0	4,550
Task 3 – Rate Design Analysis	4.0	8.0	2.0	14.0	3,700
Task 4 – Prepare Technical Memorandum	4.0	6.0	3.0	13.0	3,300
Task 5 – Meetings and Presentations					
5.1 – Meetings with Agency Staff	8.0	8.0	-	16.0	4,600
5.2 – Public Workshops/Presentations (3 meetings)	3.0	24.0	4.5	31.5	8,175
Task 6 – Notice of Public Hearing Mailing ¹ (Optional)	2.0	4.0	5.0	11.0	2,450
Travel Costs for (3) In-Person Meetings (not to exceed) ²					3,600
GRAND TOTAL	27.0	64.0	22.5	113.5	\$ 32,675
Additional Optional In Person Visits					
Additional Costs for Optional Site Visits and Presentations					
Labor Cost Per Visit/Presentation (NBS PM)					\$ 2,200
Travel Expenses per Meeting (not to exceed)					1,200
Total: Per Optional Visit/Presentation					\$ 3,400

1. Mailing expenses excluded. NBS passes through mailing expense at cost without markup. Cost will depend on design choices and length of notice.

2. Travel-related cost and direct reimbursable expenses; all other expenses are included in labor rates. This will be zero if all meetings are attended virtually.

¹ The number of meetings/presentations that NBS provides can be adjusted as necessary by District staff. We plan to discuss the number of meetings and plans for presentation at the kick-off meeting and adjust throughout the process as needed.

Additional services requested, such as additional public meetings or additional rate or fee alternatives, can be provided based on the hourly labor rates included in the table above. All tasks would be mutually agreed upon by NBS and the District prior to proceeding.

HOURLY RATES

We applied the following hourly rates to derive the overall pricing for the requested scope of services. Our hourly rates are inclusive of all costs associated with professional time, such as travel, document production, and incidentals. The following rates will apply for the duration of our contract:

Title	Hourly Rate
Senior Review	\$300
Director	\$275
Associate Director / Engineer	\$225
Senior Consultant	\$200
Consultant	\$175
Senior Project Analyst	\$165
Project Analyst	\$150
Project Resource Analyst	\$130
Clerical / Support	\$110

TERMS

Services will be invoiced monthly. Expenses will be itemized and included in the next regular invoice. If the project is prematurely terminated by either party, NBS shall receive payment for work completed. Payment shall be made within 30 days of submittal of an invoice. If payment is not received within 90 days, simple interest will begin to accrue at the rate of 1.5% per month. Either party can cancel consulting contract with 30 days' written notice.

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UPDATES



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REPORTS