



**ITEM NO. 14**

**FINANCIAL MANAGEMENT COMMITTEE AGENDA**

**Monday, May 18, 2026 at 12:30 PM**

**East Bay Dischargers Authority  
2651 Grant Avenue, San Lorenzo, CA**

**Committee Members: Young (Chair); Toy**

- FM1. Call to Order**
- FM2. Roll Call**
- FM3. Public Forum**
- FM4. Disbursements for March and April 2026**  
(The Committee will review the List of Disbursements.)
- FM5. Treasurer's Reports for March and April 2026**  
(The Committee will review the Treasurer's Report.)
- FM6. Third Quarter Expense Summary, Fiscal Year 2025/2026**  
(The Committee will review the FY 2025/2026 third quarter expenses.)
- FM7. Draft Fiscal Year 2026/2027 Budget Review**  
(The Committee will provide feedback to staff on the draft FY 2026/2027 Budget.)
- FM8. Approve Revisions to the Authority's Audit Policy**  
(The Committee will consider the item.)
- FM9. Authorization for the General Manager to Execute an Agreement with Nigro & Nigro, PC for Financial Audit Services in the Amount of \$57,000**  
(The Committee will consider the item.)
- FM10. Adjournment**

Any member of the public may address the Committee at the commencement of the meeting on any matter within the jurisdiction of the Committee. This should not relate to any item on the agenda. Each person addressing the Committee should limit their presentation to three minutes. Non-English speakers using a translator will have a time limit of six minutes. Any member of the public desiring to provide comments to the Committee on any agenda item should do so at the time the item is considered. Oral comments should be limited to three minutes per individual or ten minutes for an organization. Speaker's cards will be available and are to be completed prior to speaking.

In compliance with the Americans with Disabilities Act of 1990, if you need special assistance to participate in an Authority meeting, or you need a copy of the agenda, or the agenda packet, in an appropriate alternative format, please contact the Juanita Villasenor at [juanita@ebda.org](mailto:juanita@ebda.org) or (510) 278-5910. Notification of at least 48 hours prior to the meeting or time when services are needed will assist the

Agenda Explanation  
East Bay Dischargers Authority  
Financial Management Committee  
May 18, 2026

Authority staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.

In compliance with SB 343, related writings of open session items are available for public inspection at East Bay Dischargers Authority, 2651 Grant Avenue, San Lorenzo, CA 94580. For your convenience, agenda items are also posted on the East Bay Dischargers Authority website located at <http://www.ebda.org>.

**Next Scheduled Financial Management Committee is scheduled for  
June 15, 2026.**



**EAST BAY DISCHARGERS AUTHORITY**  
**List of Disbursements**  
**March 2026**

Check #	Payment Date	Invoice #	Vendor Name	Description	Invoice Amount	Disbursement Amount
10368	03/31/2026	39649	ANCHOR QEA, INC	FIRST MILE PROJECT - FEB	71,143.64	71,143.64
10361	03/16/2026	7249	ORO LOMA SANITARY DISTRICT	OLEPS O&M, ADMIN BUILDING, SKYWEST - JAN	54,113.84	54,113.84
10377	03/31/2026	3265	UNION SANITARY DISTRICT	UEPS O&M, PG&E, FM MAINTENANCE - JAN	37,258.65	37,258.65
10371	03/31/2026	404111	CITY OF SAN LEANDRO	MDF O&M, EFFLUENT MONITORING, FM MAINTENANCE - JAN	33,315.45	33,315.45
10370	03/31/2026	738221	CALTEST	LAB TESTING SERVICES NPDES AND NUTRIENTS - FEB	24,766.52	24,766.52
10366	03/16/2026	3	TEACH EARTH ACTION	HASPA COMMUNITY OUTREACH	22,100.00	22,100.00
10352	03/16/2026	INV-0000503208	BLACKBAUD	FINANCIAL EDGE SOFTWARE SUBSCRIPTION	16,186.07	16,186.07
10374	03/31/2026	7259	ORO LOMA SANITARY DISTRICT	OLEPS O&M, ADMIN BUILDING, SKYWEST - JAN	12,039.51	12,039.51
10362	03/16/2026	1001	PACIFIC WASTEWATER OPTIMIZATION	ENGINEERING SERVICES	8,800.00	8,800.00
10376	03/31/2026	20890	REGIONAL GOVERNMENT SERVICES	MANAGEMENT AND ADMINISTRATIVE SERVICES	7,796.20	7,796.20
10363	03/16/2026	EBDA02	PLANTIFY	HASPA COMMUNITY OUTREACH	3,445.00	3,445.00
10358	03/16/2026	EA08-0126	EOA, INC	CONSULTING SERVICES FOR NPDES PERMIT REISSUANCE	3,353.00	3,353.00
10353	03/16/2026	61243	CALCON	OLEPS - HYPO COMMUNICATIONS ISSUES	1,571.10	2,489.10
10353	03/16/2026	61306	CALCON	OPS CENTER - SCADA ALARM PROGRAM	588.00	
10353	03/16/2026	61242	CALCON	OPS CENTER - SCADA BACKUP & PROGRAMMING	330.00	
10351	03/16/2026	0226-26	BEECHER ENGINEERING, INC	ELECTRICAL ENGINEERING WORK ORDER 1 - SERVICES AS NEEDED	2,385.00	2,385.00
10349	03/16/2026	T201988	BAY AREA AIR QUALITY MGMT DISTRICT	OLEPS PERMIT TO OPERATE 5/1/26-5/1/27	2,270.00	2,270.00
10375	03/31/2026	253077	R-COMPUTER	COMPUTER SOFTWARE	2,196.18	2,196.18
10364	03/16/2026	19526	REDWOOD PUBLIC LAW, LLP	LEGAL SERVICES - FEB	1,952.63	1,952.63
10360	03/16/2026	06	GREENBELT ALLIANCE	HASPA COMMUNITY OUTREACH	1,930.44	1,930.44
10354	03/16/2026	52205709	CITY OF HAYWARD	EMPLOYEE BENEFIT PROGRAMS - MAR	1,829.53	1,829.53
10367	03/16/2026	4246-0445-5568-7627	U.S. BANK	PURCHASING CARD EXPENSES	1,771.28	1,771.28
10347	03/16/2026	415 76E-1659 033 8	AT&T	RETURN FINAL BILL CREDIT FOR MDF	1,451.16	1,451.16
10346	03/16/2026	3444185	ALLIANT INSURANCE	PUBLIC OFFICIAL BOND - ZIPKIN	875.00	875.00
10369	03/31/2026	3634	BAY POWER LLC	CONSULTING SERVICES OLEPS DIESEL ENGINE & GENERATOR	660.00	660.00
10355	03/16/2026	4168	DAVISON SYSTEMS, LLC	CMMS SUBSCRIPTION RENEWAL	500.00	500.00
10365	03/16/2026	499235	SOUTHERN COUNTIES LUBRICANTS LLC	HEPS PUMP OIL	498.96	498.96
10359	03/16/2026	9826745722	GRAINGER, INC	HEPS PUMP OILER SOLENOIDS	463.41	463.41
10372	03/31/2026	4607385-CAL	FLEX TECHNOLOGY GROUP LLC	COPIER USAGE AND MAINTENANCE	461.11	461.11
10356	03/16/2026	1011000001	EBMUD MDF	MDF WATER & SEWER SERVICE 12/19/25-02/21/26	289.92	289.92
10348	03/16/2026	8066147	BACWA	BACC PARTICIPATION FEE	262.36	262.36
10350	03/16/2026	15667	BAY AREA SECURITY SPECIALISTS, INC.	ADMIN OFFICE INTRUDER ALARM REPAIR	255.00	255.00
10373	03/31/2026	12561	MBC CUSTODIAL SERVICES INC	JANITORIAL SERVICES - MAR	208.00	208.00

**EAST BAY DISCHARGERS AUTHORITY**  
**List of Disbursements**  
**March 2026**

Check #	Payment Date	Invoice #	Vendor Name	Description	Invoice Amount	Disbursement Amount
10357	03/16/2026	44777800001	EBMUD	ADMIN WATER SERVICE 11/12/25-01/14/26	54.70	54.70
10323			BLACKBAUD	VOID CHECK	(16,186.07)	(16,186.07)
<b>TOTAL CHECKS</b>					<b>300,935.59</b>	<b>300,935.59</b>
<b>ELECTRONIC PAYMENTS</b>						
	03/03/2026	5105948980-0	PG&E	GAS & ELECTRIC SERVICE - FEB	38,900.07	38,900.07
	03/30/2026	--	ADP, LLC	PAYROLL PERIOD: 3/16-31/2026	23,102.09	23,102.09
	03/12/2026	--	ADP, LLC	PAYROLL PERIOD: 3/01-15/2026	19,509.94	19,509.94
	03/11/2026	100000018213478	CALPERS	HEALTH PREMIUMS - MAR	8,595.82	8,595.82
	03/12/2026	--	ADP, LLC	PAYROLL TAX 3/01-15/2026	6,697.43	6,697.43
	03/30/2026	--	ADP, LLC	PAYROLL TAX 3/16-31/2026	6,695.53	6,695.53
	03/18/2026	100000018210393	CALPERS	PENSION CONTRIBUTION, CLASSIC 3/01 - 15/2026	6,032.62	6,032.62
	03/04/2026	100000018179178	CALPERS	PENSION CONTRIBUTION, CLASSIC 2/16 - 28/2026	6,032.62	6,032.62
	03/04/2026	6487591	MISSION SQUARE	DEFERRED COMPENSATION CONTRIBUTION 2/28/2026	2,106.62	2,106.62
	03/18/2026	6739809	MISSION SQUARE	DEFERRED COMPENSATION CONTRIBUTION 3/15/2026	2,106.62	2,106.62
	03/25/2026	1003047984	STATE COMPENSATION INSURANCE FUND	WORKERS COMPENSATION PREMIUM - MAR	951.15	951.15
	03/03/2026	1003047983	STATE COMPENSATION INSURANCE FUND	WORKERS COMPENSATION PREMIUM - FEB	951.15	951.15
	03/04/2026	CD_001345084	RINGCENTRAL INC	ADMIN OFFICE DIGITAL PHONE SERVICE - FEB	208.95	208.95
	03/18/2026	100000018245735	CALPERS	PENSION CONTRIBUTION, PEPRA 3/01 - 15/2026	197.82	197.82
	03/04/2026	100000018227242	CALPERS	PENSION CONTRIBUTION, PEPRA 2/18 - 28/2026	197.82	197.82
	03/24/2026	60093	COMPUTER COURAGE	WEBSITE HOSTING - MAR	150.00	150.00
	03/02/2026	59599	COMPUTER COURAGE	WEBSITE HOSTING - FEB	150.00	150.00
	03/20/2026	80164	FOR2FI, INC	MDF TELEPHONE SERVICE	134.51	134.51
	03/04/2026	2603078547	INTERMEDIA.NET INC	EMAIL EXCHANGE HOSTING	113.38	113.38
	03/06/2026	--	ADP, LLC	PAYROLL FEES, 2/16-28/2026	112.85	112.85
	03/20/2026	--	ADP, LLC	PAYROLL FEES, 3/01-15/2026	97.45	97.45
	03/11/2026	--	WELLS FARGO BANK	BANK SERVICE CHARGE	90.11	90.11
	03/20/2026	6137416046	VERIZON WIRELESS	WIRELESS PHONE SERVICE - FEB	50.47	50.47
<b>TOTAL ELECTRONIC PAYMENTS</b>					<b>123,185.02</b>	<b>123,185.02</b>
<b>TOTAL DISBURSEMENTS</b>					<b>424,120.61</b>	<b>424,120.61</b>

**EAST BAY DISCHARGERS AUTHORITY**  
**List of Disbursements**  
**April 2026**

Check #	Payment Date	Invoice #	Vendor Name	Description	Invoice Amount	Disbursement Amount
10397	04/30/2026	40409	ANCHOR QEA, INC	FIRST MILE PROJECT	44,046.62	44,046.62
10396	04/15/2026	3267	UNION SANITARY DISTRICT	UEPS O&M, PG&E, FM MAINTENANCE - FEB	39,542.83	39,542.83
10381	04/15/2026	404254	CITY OF SAN LEANDRO	MDF O&M, EFFLUENT MONITORING, FM MAINTENANCE - FEB	29,907.29	29,907.29
10389	04/15/2026	7272	ORO LOMA SANITARY DISTRICT	OLEPS O&M, ADMIN BUILDING, SKYWEST - MAR	20,936.89	20,936.89
10403	04/30/2026	23230	D.W. NICHOLSON	OLEPS EMERGENCY OUTFALL CLEANING	11,387.69	11,387.69
10385	04/15/2026	07	GREENBELT ALLIANCE	HASPA COMMUNITY OUTREACH	9,216.13	9,216.13
10395	04/15/2026	4246-0445-5568-7627	U.S. BANK	PURCHASING CARD EXPENSES	8,280.86	8,280.86
10408	04/30/2026	1002	PACIFIC WASTEWATER OPTIMIZATION	ENGINEERING SERVICES	8,000.00	8,000.00
10390	04/15/2026	21241	PACIFIC ECORISK	NPDES TOXICITY TESTING	7,006.00	7,006.00
10378	04/15/2026	NO. 8	AZYURA	WATERBITS HOSTING, REPORTING AND DATA MANAGEMENT	5,250.00	5,250.00
10394	04/15/2026	E-02-01	SOTIRIOS L KOLLIAS	EBDA TILE INSTALL, HANDRAIL FABRICATION INSTALL & PAINT	4,740.00	4,740.00
10386	04/15/2026	76505	H.T. HARVEY	BIOSOLIDS SUITABILITY ASSESSMENT	3,147.75	3,147.75
10379	04/15/2026	61475	CALCON	HEPS REMOVED OBSOLETE PIPING & GAUGES	1,104.25	2,302.75
10379	04/15/2026	61474	CALCON	SKYWEST FACILITATE POND EQUIPMENT TEMP POWER	703.50	
10379	04/15/2026	61476	CALCON	OPS CENTER SCADA NETWORK SECURITY	495.00	
10402	04/30/2026	52205710	CITY OF HAYWARD	EMPLOYEE BENEFIT PROGRAMS - APR	1,829.53	1,829.53
10404	04/30/2026	440.1	DCM CONSULTING, INC	GEOTECHNICAL ENGINEERING SERVICES	1,560.00	1,560.00
10382	04/15/2026	INV134151	CRANE TECH INC	OLEPS ANNUAL INSPECTION & CERTIFICATION OF 15-TON BRIDGE CRANE	1,525.00	1,525.00
10388	04/15/2026	01-03/26	LINDA M. ADAMS	QUARTERLY HEALTH PREMIUM REIMBURSEMENT	1,381.74	1,381.74
10400	04/30/2026	8480	CAYUGA INFORMATION SYSTEMS	IT SERVICES - MAR	1,207.50	1,365.00
10400	04/30/2026	8479	CAYUGA INFORMATION SYSTEMS	IT SERVICES - FEB	157.50	
10393	04/15/2026	19954	REDWOOD PUBLIC LAW, LLP	LEGAL SERVICES - THRU MAR 31, 2026	1,022.00	1,022.00
10383	04/15/2026	34549	CROSSLINK NETWORKS	BACKUP WIRELESS INTERNET UPGRADE	890.00	890.00
10399	04/30/2026	739290	CALTEST ANALYTICAL LABORATORY	LAB TESTING SERVICES	664.16	664.16
10380	04/15/2026	01-03/26	CHARLES V. WEIR	QUARTERLY HEALTH PREMIUM REIMBURSEMENT	634.98	634.98
10387	04/15/2026	01-03/26	KARL D. ROYER	QUARTERLY HEALTH PREMIUM REIMBURSEMENT	634.98	634.98
10392	04/15/2026	8148843	PYE-BARKER FIRE (FORMERLY ARROW FIRE)	ANNUAL FIRE EXTINGUISHER INSPECTION & SERVICE	512.46	512.46
10405	04/30/2026	10110000001	EBMUD	MDF WATER & SEWER SERVICE	308.96	308.96
10407	04/30/2026	12602	MBC CUSTODIAL SERVICES INC	JANITORIAL SERVICES - APR	208.00	208.00
10398	04/30/2026	109361	AROUND THE BAY PEST CONTROL INC	MDF PEST CONTROL SERVICE	200.00	200.00
10391	04/15/2026	3107663080	PITNEY BOWES INC	DIGITAL MAILING SYSTEM QUARTERLY LEASE CHARGE	150.55	169.41
10391	04/15/2026	3107737491	PITNEY BOWES INC	DIGITAL MAILING SYSTEM LEASE PROPERTY TAX	18.86	
10401	04/30/2026	01-03/2026	CHRISTINE E WERME	QUARTERLY HEALTH PREMIUM REIMBURSEMENT	112.29	112.29
10406	04/30/2026	4631212-CAL	FLEX TECHNOLOGY GROUP LLC	KONICA MINOLTA COPIER USAGE/MAINTENANCE	29.79	29.79

**EAST BAY DISCHARGERS AUTHORITY**  
**List of Disbursements**  
**April 2026**

Check #	Payment Date	Invoice #	Vendor Name	Description	Invoice Amount	Disbursement Amount
10384	04/15/2026	9867232028	GRAINGER, INC	LINE MARKING PAINT SAFETY GREEN	10.14	10.14
<b>TOTAL CHECKS</b>					<b>206,823.25</b>	<b>206,823.25</b>
<b>ELECTRONIC PAYMENTS</b>						
	04/02/2026	5105948980-0	PG&E	GAS & ELECTRIC SERVICE	49,132.04	49,132.04
	04/29/2026	--	ADP, LLC	PAYROLL PERIOD: 4/16-30/2026	19,727.07	19,727.07
	04/14/2026	--	ADP, LLC	PAYROLL PERIOD: 4/01-15/2026	19,487.55	19,487.55
	04/06/2026	100000018244454	CALPERS	HEALTH PREMIUMS - APR	8,595.82	8,595.82
	04/29/2026	--	ADP, LLC	PAYROLL TAX 4/16-30/2026	6,695.55	6,695.55
	04/14/2026	--	ADP, LLC	PAYROLL TAX 4/01-15/2026	6,695.54	6,695.54
	04/02/2026	100000018210413	CALPERS	PENSION CONTRIBUTION, CLASSIC 3/16 - 31/2026	6,032.62	6,032.62
	04/16/2026	100000018241518	CALPERS	PENSION CONTRIBUTION, CLASSIC 4/01 - 15/2026	6,032.62	6,032.62
	04/01/2026	6588408	MISSION SQUARE	DEFERRED COMPENSATION CONTRIBUTION 3/31/2026	2,171.11	2,171.11
	04/22/2026	6754396	MISSION SQUARE	DEFERRED COMPENSATION CONTRIBUTION 4/15/2026	2,171.11	2,171.11
	04/27/2026	1003047985	STATE COMPENSATION INSURANCE FUND	WORKERS COMPENSATION PREMIUM - APR	951.15	951.15
	04/21/2026	CD_001365504	RINGCENTRAL INC	ADMIN OFFICE DIGITAL PHONE SERVICE - MAR	208.95	208.95
	04/16/2026	100000018241559	CALPERS	PENSION CONTRIBUTION, PEPRA 4/01 - 15/2026	197.82	197.82
	04/02/2026	100000018254940	CALPERS	PENSION CONTRIBUTION, PEPRA 3/16 - 31/2026	197.82	197.82
	04/28/2026	CD_001400638	RINGCENTRAL INC	ADMIN OFFICE DIGITAL PHONE SERVICE - APR	208.95	160.01
	04/28/2026	CM491581	RINGCENTRAL INC	CREDIT MEMO	(12.64)	
	04/28/2026	CM491557	RINGCENTRAL INC	CREDIT MEMO	(36.30)	
	04/28/2026	60343	COMPUTER COURAGE	WEBSITE HOSTING - APR	150.00	150.00
	04/14/2026	81523	FOR2FI	MDF TELEPHONE SERVICE - APR	134.51	134.51
	04/03/2026	--	ADP, LLC	PAYROLL FEES, 3/16-31/2026	112.85	112.85
	04/06/2026	2604041995	INTERMEDIA.NET INC	EMAIL EXCHANGE HOSTING	109.81	109.81
	04/17/2026	--	ADP, LLC	PAYROLL FEES, 4/01-15/2026	97.45	97.45
	04/13/2026	--	WELLS FARGO BANK	SERVICE CHARGE	81.23	81.23
	04/30/2026	--	FREMONT BANK	SERVICE CHARGE	54.88	54.88
	04/23/2026	6139955738	VERIZON WIRELESS	WIRELESS PHONE SERVICE - MAR	50.45	50.45
<b>TOTAL ELECTRONIC PAYMENTS</b>					<b>129,247.96</b>	<b>129,247.96</b>
<b>TOTAL DISBURSEMENTS</b>					<b>336,071.21</b>	<b>336,071.21</b>

**ITEM NO. FM5 TREASURER'S REPORTS MARCH AND APRIL 2026**

The Treasurer's Report summarizes the Authority's financial activities by fund, providing an overview of its financial status. A detailed presentation of transactions, including income and expenditures, along with current account balances for checking and investment accounts, can be found in the Supplemental Treasurer's Report.

The average monthly yield for Local Agency Investment Fund (LAIF) is 3.81%, while the current 7-day yield for California Asset Management Program (CAMP) is 3.77%. The liquidity of both CAMP and LAIF allows for easy transfers to the checking account to meet the daily cash flow needs.

As of April 30, 2026, the Authority's total cash balance is \$4,663,653. Continuous oversight is essential as we move forward to ensure sustained financial health and meet any future obligations.

**Approval is recommended.**

**EAST BAY DISCHARGERS AUTHORITY**

**FINAL TREASURER'S REPORT**

**For the Period Ending March 31, 2026**

FUND	FUND DESCRIPTION	BEGINNING CASH BALANCE	DEBITS (INCREASE)	CREDITS (DECREASE)	ENDING CASH BALANCE
12	OPERATIONS & MAINTENANCE	\$ 2,400,286	\$ 109,879	\$ 248,175	\$ 2,261,990
13	PLANNING & SPECIAL STUDIES	\$ 221,387	\$ 41,408	\$ 124,760	\$ 138,034
14	RECLAMATION O & M (SKYWEST)	\$ 37,505	\$ -	\$ -	\$ 37,505
15	BRINE ACCEPTANCE	\$ 195,825	\$ -	\$ -	\$ 195,825
31	RENEWAL & REPLACEMENT	\$ 2,377,974	\$ 8,413	\$ 51,185	\$ 2,335,202
<b>TOTALS</b>		<b>\$ 5,232,976</b>	<b>\$ 159,700</b>	<b>\$ 424,121</b>	<b>\$ 4,968,555</b>

Ending Balance per STR

4,968,555

## SUPPLEMENTAL TREASURER'S REPORT

DATE	DESCRIPTION	RECEIPT	DISBURSEMENT	CAMP	LAIF	WELLS FARGO	ACCOUNT BALANCE				TOTAL CASH	
							FREMONT	CAMP	LAIF	WELLS FARGO		
02/28/26	BALANCE						933,189.80	2,672,875.37	1,527,163.04	99,747.39		5,232,975.60
03/02/26	DIVIDENDS	7,848.60		7,848.60			933,189.80	2,680,723.97	1,527,163.04	99,747.39		5,240,824.20
03/02/26	ELECTRONIC BILL PAY		150.00				933,039.80	2,680,723.97	1,527,163.04	99,747.39		5,240,674.20
03/03/26	ELECTRONIC BILL PAY		951.15				932,088.65	2,680,723.97	1,527,163.04	99,747.39		5,239,723.05
03/03/26	ELECTRONIC BILL PAY		38,900.07				893,188.58	2,680,723.97	1,527,163.04	99,747.39		5,200,822.98
03/04/26	ELECTRONIC BILL PAY		208.95				892,979.63	2,680,723.97	1,527,163.04	99,747.39		5,200,614.03
03/04/26	ELECTRONIC BILL PAY		113.38				892,866.25	2,680,723.97	1,527,163.04	99,747.39		5,200,500.65
03/04/26	ELECTRONIC BILL PAY		197.82				892,668.43	2,680,723.97	1,527,163.04	99,747.39		5,200,302.83
03/04/26	ELECTRONIC BILL PAY		2,106.62				890,561.81	2,680,723.97	1,527,163.04	99,747.39		5,198,196.21
03/04/26	ELECTRONIC BILL PAY		6,032.62				884,529.19	2,680,723.97	1,527,163.04	99,747.39		5,192,163.59
03/06/26	ELECTRONIC BILL PAY		112.85				884,416.34	2,680,723.97	1,527,163.04	99,747.39		5,192,050.74
03/11/26	ELECTRONIC BILL PAY		8,595.82				875,820.52	2,680,723.97	1,527,163.04	99,747.39		5,183,454.92
03/11/26	BANK SERVICE CHARGE		90.11			(90.11)	875,820.52	2,680,723.97	1,527,163.04	99,657.28		5,183,364.81
03/12/26	PAYROLL		19,509.94				856,310.58	2,680,723.97	1,527,163.04	99,657.28		5,163,854.87
03/12/26	PAYROLL TAX		6,697.43				849,613.15	2,680,723.97	1,527,163.04	99,657.28		5,157,157.44
03/16/26	CHECK DISBURSEMENT		127,276.40				722,336.75	2,680,723.97	1,527,163.04	99,657.28		5,029,881.04
03/16/26	VOID CHECK 10323		(16,186.07)				738,522.82	2,680,723.97	1,527,163.04	99,657.28		5,046,067.11
03/18/26	ELECTRONIC BILL PAY		197.82				738,325.00	2,680,723.97	1,527,163.04	99,657.28		5,045,869.29
03/18/26	ELECTRONIC BILL PAY		2,106.62				736,218.38	2,680,723.97	1,527,163.04	99,657.28		5,043,762.67
03/18/26	ELECTRONIC BILL PAY		6,032.62				730,185.76	2,680,723.97	1,527,163.04	99,657.28		5,037,730.05
03/20/26	ELECTRONIC BILL PAY		50.47				730,135.29	2,680,723.97	1,527,163.04	99,657.28		5,037,679.58
03/20/26	PAYROLL FEES		97.45				730,037.84	2,680,723.97	1,527,163.04	99,657.28		5,037,582.13
03/20/26	ELECTRONIC BILL PAY		134.51				729,903.33	2,680,723.97	1,527,163.04	99,657.28		5,037,447.62
03/24/26	ELECTRONIC BILL PAY		150.00				729,753.33	2,680,723.97	1,527,163.04	99,657.28		5,037,297.62
03/25/26	ELECTRONIC BILL PAY		951.15				728,802.18	2,680,723.97	1,527,163.04	99,657.28		5,036,346.47
03/30/26	PAYROLL TAX		6,695.53				722,106.65	2,680,723.97	1,527,163.04	99,657.28		5,029,650.94
03/30/26	PAYROLL		23,102.09				699,004.56	2,680,723.97	1,527,163.04	99,657.28		5,006,548.85
03/31/26	DEPOSIT - CSL	151,851.64					850,856.20	2,680,723.97	1,527,163.04	99,657.28		5,158,400.49
03/31/26	CHECK DISBURSEMENT		189,845.26				661,010.94	2,680,723.97	1,527,163.04	99,657.28		4,968,555.23
TRANSACTION TOTALS		159,700.24	424,120.61	7,848.60	-	(90.11)						
ACCOUNT BALANCE							661,010.94	2,680,723.97	1,527,163.04	99,657.28		4,968,555.23

Reconciliation - 3/31/2026

① Fremont Bank Statement	\$	881,583.73	
Less: Outstanding Checks		<u>220,572.79</u>	
	\$	<u>661,010.94</u>	
② CAMP Statement	\$	2,689,364.68	
Less: Accrual Income Dividend		<u>8,640.71</u>	
	\$	<u>2,680,723.97</u>	
③ LAIF Statement	\$	<u>1,527,163.04</u>	
④ Wells Fargo Bank Statement	\$	<u>99,657.28</u>	

The Supplemental Treasurer's Report is prepared monthly by the General Manager. It also serves as EBDA's cash and investments reconciliation.

**EAST BAY DISCHARGERS AUTHORITY**

**FINAL TREASURER'S REPORT**

**For the Period Ending April 30, 2026**

FUND	FUND DESCRIPTION	BEGINNING CASH BALANCE	DEBITS (INCREASE)	CREDITS (DECREASE)	ENDING CASH BALANCE
12	OPERATIONS & MAINTENANCE	\$ 2,261,990	\$ 18	\$ 264,542	\$ 1,997,466
13	PLANNING & SPECIAL STUDIES	\$ 138,034	\$ -	\$ 56,411	\$ 81,623
14	RECLAMATION O & M (SKYWEST)	\$ 37,505	\$ 12,000	\$ 2,379	\$ 47,126
15	BRINE ACCEPTANCE	\$ 195,825	\$ -	\$ -	\$ 195,825
31	RENEWAL & REPLACEMENT	\$ 2,335,202	\$ 19,151	\$ 12,740	\$ 2,341,613
<b>TOTALS</b>		<b>\$ 4,968,555</b>	<b>\$ 31,169</b>	<b>\$ 336,071</b>	<b>\$ 4,663,653</b>

Ending Balance per STR

4,663,653

# SUPPLEMENTAL TREASURER'S REPORT

DATE	DESCRIPTION	RECEIPT	DISBURSEMENT	CAMP	LAIF	WELLS FARGO	ACCOUNT BALANCE				TOTAL CASH
							FREMONT	CAMP	LAIF	WELLS FARGO	
03/31/26	BALANCE						661,010.94	2,680,723.97	1,527,163.04	99,657.28	4,968,555.23
04/01/26	DIVIDENDS	8,640.71		8,640.71			661,010.94	2,689,364.68	1,527,163.04	99,657.28	4,977,195.94
04/01/26	ELECTRONIC BILL PAY		2,171.11				658,839.83	2,689,364.68	1,527,163.04	99,657.28	4,975,024.83
04/02/26	ELECTRONIC BILL PAY		197.82				658,642.01	2,689,364.68	1,527,163.04	99,657.28	4,974,827.01
04/02/26	ELECTRONIC BILL PAY		6,032.62				652,609.39	2,689,364.68	1,527,163.04	99,657.28	4,968,794.39
04/02/26	ELECTRONIC BILL PAY		49,132.04				603,477.35	2,689,364.68	1,527,163.04	99,657.28	4,919,662.35
04/03/26	ELECTRONIC BILL PAY		112.85				603,364.50	2,689,364.68	1,527,163.04	99,657.28	4,919,549.50
04/06/26	ELECTRONIC BILL PAY		109.81				603,254.69	2,689,364.68	1,527,163.04	99,657.28	4,919,439.69
04/06/26	ELECTRONIC BILL PAY		8,595.82				594,658.87	2,689,364.68	1,527,163.04	99,657.28	4,910,843.87
04/07/26	DEPOSIT	17.95					594,676.82	2,689,364.68	1,527,163.04	99,657.28	4,910,861.82
04/13/26	BANK SERVICE CHARGE		81.23			(81.23)	594,676.82	2,689,364.68	1,527,163.04	99,576.05	4,910,780.59
04/14/26	ELECTRONIC BILL PAY		134.51				594,542.31	2,689,364.68	1,527,163.04	99,576.05	4,910,646.08
04/14/26	PAYROLL		19,487.55				575,054.76	2,689,364.68	1,527,163.04	99,576.05	4,891,158.53
04/14/26	PAYROLL TAX		6,695.54				568,359.22	2,689,364.68	1,527,163.04	99,576.05	4,884,462.99
04/15/26	CHECK DISBURSEMENT		137,111.21				431,248.01	2,689,364.68	1,527,163.04	99,576.05	4,747,351.78
04/15/26	INTEREST - LAIF	10,510.01			10,510.01		431,248.01	2,689,364.68	1,537,673.05	99,576.05	4,757,861.79
04/16/26	ELECTRONIC BILL PAY		6,032.62				425,215.39	2,689,364.68	1,537,673.05	99,576.05	4,751,829.17
04/16/26	ELECTRONIC BILL PAY		197.82				425,017.57	2,689,364.68	1,537,673.05	99,576.05	4,751,631.35
04/17/26	DEPOSIT - CITY OF HAYWARD	12,000.00					437,017.57	2,689,364.68	1,537,673.05	99,576.05	4,763,631.35
04/17/26	PAYROLL FEES		97.45				436,920.12	2,689,364.68	1,537,673.05	99,576.05	4,763,533.90
04/21/26	ELECTRONIC BILL PAY		208.95				436,711.17	2,689,364.68	1,537,673.05	99,576.05	4,763,324.95
04/22/26	ELECTRONIC BILL PAY		2,171.11				434,540.06	2,689,364.68	1,537,673.05	99,576.05	4,761,153.84
04/23/26	ELECTRONIC BILL PAY		50.45				434,489.61	2,689,364.68	1,537,673.05	99,576.05	4,761,103.39
04/27/26	ELECTRONIC BILL PAY		951.15				433,538.46	2,689,364.68	1,537,673.05	99,576.05	4,760,152.24
04/28/26	ELECTRONIC BILL PAY		160.01				433,378.45	2,689,364.68	1,537,673.05	99,576.05	4,759,992.23
04/28/26	ELECTRONIC BILL PAY		150.00				433,228.45	2,689,364.68	1,537,673.05	99,576.05	4,759,842.23
04/29/26	PAYROLL		19,727.07				413,501.38	2,689,364.68	1,537,673.05	99,576.05	4,740,115.16
04/29/26	PAYROLL TAX		6,695.55				406,805.83	2,689,364.68	1,537,673.05	99,576.05	4,733,419.61
04/30/26	BANK SERVICE CHARGE		54.88				406,750.95	2,689,364.68	1,537,673.05	99,576.05	4,733,364.73
04/30/26	CHECK DISBURSEMENT		69,712.04				337,038.91	2,689,364.68	1,537,673.05	99,576.05	4,663,652.69

TRANSACTION TOTALS	31,168.67	336,071.21	8,640.71	10,510.01	(81.23)	337,038.91	2,689,364.68	1,537,673.05	99,576.05	4,663,652.69
ACCOUNT BALANCE										

Reconciliation - 4/30/2026

① Fremont Bank Statement	\$ 412,212.67
Less: Outstanding Checks	75,173.76
	<u>\$ 337,038.91</u>
② CAMP Statement	\$ 2,697,727.49
Less: Accrual Income Dividend	8,362.81
	<u>\$ 2,689,364.68</u>
③ LAIF Statement	<u>\$ 1,537,673.05</u>
④ Wells Fargo Bank Statement	<u>\$ 99,576.05</u>

The Supplemental Treasurer's Report is prepared monthly by the General Manager. It also serves as EBDA's cash and investments reconciliation.

**ITEM NO. FM6 THIRD QUARTER EXPENSE SUMMARY, FISCAL YEAR 2025/2026**

**Recommendation**

For the Committee's information only; no action is required.

**Strategic Plan Linkage**

3. **Financial:** Develop financial strategies and practice sound fiscal management to ensure wise use of ratepayers' resources.
  - b. Proactively manage expenditures to stay within adopted budget.

**Background**

The Third Quarter Expense Summary for FY 2025/2026 is attached for the Committee's review. Expenses are presented by Program and by Account Code. These categories have been grouped to provide an overview of Authority expenses. The tables include discussion of particular items that varied significantly (>10%) from the budget.

**Discussion**

At the end of the third quarter, EBDA's spending is slightly under budget, with 70% spent at 75% through the year. Expenses are largely tracking below budgeted values because the budget conservatively assumes labor, energy, and chemical costs associated with a wet winter. This winter was relatively dry, leading to lower flows and associated expenditures.

# East Bay Dischargers Authority

## EXPENSE SUMMARY BY PROGRAM

FY 2025/2026 THROUGH MARCH 31, 2026 (75% of YEAR)

	YTD Expenses	Budget	Revenues	Variance	% of Budget	Explanations for Variance Over 10%
<b>O&amp;M EFFLUENT DISPOSAL</b>						
General Administration	\$1,108,355.00	\$1,645,044		(\$536,689)	67%	
Outfall & Force mains	\$83,083.64	\$227,120		(\$144,036)	37%	Low due to operational efficiencies and lack of need for force main repairs.
Marina Dechlor Facility	\$204,615.64	\$326,420		(\$121,804)	63%	Less wet weather than expected.
Oro Loma Pump Station	\$412,370.74	\$674,420		(\$262,049)	61%	Less wet weather than expected.
Hayward Pump Station	\$155,724.18	\$225,210		(\$69,486)	69%	
Union Pump Station	\$375,423.41	\$536,907		(\$161,484)	70%	
Bay & Effluent Monitoring	\$624,683.50	\$852,477		(\$227,794)	73%	
<b>TOTAL O&amp;M EFFLUENT DISPOSAL</b>	<b>\$2,964,256</b>	<b>\$4,487,598</b>	<b>\$0</b>	<b>(\$1,523,342)</b>	<b>66%</b>	
<b>SPECIAL PROJECTS</b>						
NPDES Permit Fees	\$695,490	\$704,490		(\$9,000)	99%	Annual fees paid.
NPDES Permit Issues	\$9,285	\$60,000		\$9,285	15%	Effort just beginning on NPDES permit reissuance process.
Regional Monitoring Program	\$180,911	\$292,298		(\$111,387)	62%	Paid three quarters. Annual fee did not increase as anticipated.
Alternative Monitoring and Reporting	\$25,963	\$34,617		(\$8,654)	75%	
Nutrient Surcharge	\$277,237	\$277,237		\$0	100%	Annual fees paid.
Air Toxics Pooled Emissions Study	\$84,250	\$84,164		\$86	100%	Annual fees paid.
Water Research Foundation	\$30,292	\$28,889		\$1,403	105%	Annual fees paid.
Biosolids Feasibility Study	\$43,342	\$79,830		(\$36,488)	54%	Project continues and expenses are likely to ramp up in future quarters.
Bruce Wolfe Memorial	\$0	\$1,000		(\$1,000)	0%	Will be paid in fourth quarter.
<b>TOTAL SPECIAL PROJECTS</b>	<b>\$1,346,770</b>	<b>\$1,562,525</b>	<b>\$0</b>	<b>(\$155,755)</b>	<b>86%</b>	
<b>TOTAL AGENCY-FUNDED PROGRAMS</b>	<b>\$4,311,026</b>	<b>\$6,050,123</b>	<b>\$0</b>	<b>(\$1,739,097)</b>	<b>71%</b>	
<b>WATER RECYCLING</b>						
Skywest Golf Course	\$45,654	\$48,000	\$45,654		95%	Repair of aging infrastructure and high chemical costs. All work is paid for out of the Skywest Fund, supported by City of Hayward recycled water fees.
<b>TOTAL WATER RECYCLING</b>	<b>\$45,654</b>	<b>\$48,000</b>	<b>\$45,654</b>		<b>95%</b>	
<b>BRINE ACCEPTANCE</b>						
Brine Acceptance	\$29,402	\$100,000	\$29,402			All work performed is reimbursed by Cargill.
<b>TOTAL BRINE ACCEPTANCE</b>	<b>\$29,402</b>	<b>\$100,000</b>	<b>\$29,402</b>			
<b>TOTAL ALL PROGRAMS</b>	<b>\$4,386,082</b>	<b>\$6,198,123</b>	<b>\$75,056</b>	<b>(\$1,887,097)</b>	<b>70%</b>	

## East Bay Dischargers Authority

### EXPENSE SUMMARY BY ACCOUNT

FY 2025/2026 THROUGH MARCH 31, 2026 (75% OF YEAR)

	YTD Expenses	Budget	Revenues (Cargill & Skywest)	Variance	% of Budget	Explanations for Variance Over 10%
4010 - Salary	\$494,616	\$701,730	\$16,568	(\$223,682)	68%	
4020 - Benefits	\$242,817	\$364,313		(\$121,496)	67%	
4030 - Commissioner Compensation	\$25,275	\$50,000		(\$24,725)	51%	Budget assumes maximum number of meetings.
4070 - Insurance	\$106,684	\$95,450	\$6,500	\$4,734	105%	
4080 - Memberships & Subscriptions	\$177,346	\$178,449		(\$1,103)	99%	Several annual memberships paid in full.
4100 - Supplies, Variable	\$241,666	\$431,000		(\$189,334)	56%	Less wet weather than expected, and therefore less chemical and diesel use.
4100 - Supplies, Fixed	\$11,059	\$12,000		(\$941)	92%	Computer upgrades due to windows 11 compatibility issues.
4110 - Contract Services	\$51,373	\$81,683		(\$30,310)	63%	Software license fees will be paid in fourth quarter.
4120 - Professional Services	\$448,393	\$756,404	\$26,261	(\$334,272)	56%	Several professional services engagements have not been needed, including actuarial services for the Authority's CERBT. Additional spending on several projects (e.g. biosolids) is anticipated in the fourth quarter.
4140 - Rents & Fees	\$986,935	\$995,627	\$1,500	(\$10,192)	99%	Annual fees paid.
4141 - NPDES Fines	\$0	\$9,000		(\$9,000)	0%	Reserve funds in case of enforcement.
4150 - Maintenance & Repair	\$493,542	\$939,500	\$21,077	(\$467,035)	50%	Less wet weather than expected.
4160 - Monitoring	\$369,014	\$577,967	\$3,150	(\$212,103)	63%	RMP annual fee did not increase as anticipated.
4170 - Travel	\$8,860	\$18,000		(\$9,140)	49%	Lower conference travel than projected.
4191 - Utility, Variable	\$726,532	\$987,000		(\$260,468)	74%	
4210 - Other	\$1,969	\$0		\$1,969	0%	Various fees (ADP, Benefit Programs, Bank).
<b>TOTAL ALL ACCOUNTS</b>	<b>\$4,386,082</b>	<b>\$6,198,123</b>	<b>\$75,056</b>	<b>(\$1,887,097)</b>	<b>70%</b>	

## **ITEM NO. FM7 DRAFT FISCAL YEAR 2026/2027 BUDGET REVIEW**

### **Recommendation**

For the Committee's information only; no action is required.

### **Strategic Plan Linkage**

3. **Financial:** Develop financial strategies and practice sound fiscal management to ensure wise use of ratepayers' resources.
  - a. Proactively manage expenditures to stay within adopted budget.

### **Background**

The Authority's Amended and Restated JPA states the following:

The Commission will adopt an annual or biennial budget for the ensuing Fiscal Year(s) prior to July 1. The budget will include sufficient detail to constitute a fiscal control guideline, specify cash flow requirements from each Agency, grant reimbursements, and cash receipts and expenditures to be made for Operation and Maintenance Costs, Planning and Special Studies Costs, and Capital Costs for the Facilities, and other necessary and appropriate expenditures.

In February 2026, the Personnel Committee reviewed budgetary assumptions related to salary and benefits. In March 2026, the Financial Management Committee reviewed other budget considerations for FY 2026/2027.

### **Discussion**

The Draft FY 2026/2027 Budget is presented in the following format:

1. By Program
2. By Account Number
3. Allocation to Member Agencies

Staff is interested in feedback from the Committee on the utility of each of these presentation formats. Note that projects that are reimbursable, including the First Mile Horizontal Levee Project funded by EPA, and the Cargill Brine Project funded by Cargill, are shown separately to more clearly identify funding expectations for the Member Agencies.

Staff is proposing a 5.1% increase to EBDA's operations and maintenance (O&M) budget. While the outfall and force main O&M budget is decreasing, that savings is more than offset by the following increases:

- Salary and benefits costs are expected to increase by about 8% overall. This includes a 3% cost of living adjustment for salaries, along with higher health insurance premiums, and increased pension obligations. In addition, EBDA's Administration Manager has announced her intention to retire at the end of FY

2026/2027. To ensure continuity of service and adequate training in that key position, this draft budget assumes a three-month overlap between a new hire and the retiring Administration Manager.

- The Authority's insurance programs experienced a 25% increase in FY25/26. For FY26/27, costs are expected to rise further due to increased exposures, loss development, and insurance market conditions.
- PG&E costs are expected to continue to increase.
- Use of sodium hypochlorite (hypo) for disinfection has increased over the past year as staff works to prevent fecal coliform exceedances. Given that the cost of the chemical has also been rising, staff has recommended an increase EBDA's hypo budget.

Overall, staff is proposing a 10.5% increase in the budget as compared to FY 2025/2026, or approximately \$700k. \$300k of that is to support EBDA's efforts associated with the Jess Ranch Composting Project, which will be discussed with the Commission in Closed Session at the May 21 meeting.

Additional increases in Fund 13 (Special Projects) include the following:

- As discussed previously with the Commission and outlined in Item No. OM5, the budget includes \$85k for EBDA's contribution to the Advanced Quantitative Precipitation Information (AQPI) Project - \$25k for a one-time reimbursement of Sonoma Water's cost to install the C-band radar, and \$60k for the Center for Western Weather and Water Extremes (CW3E) at the Scripps Institution for Oceanography, UC San Diego to maintain the radar systems and program.
- EBDA's National Pollutant Discharge Elimination System (NPDES) permit is set to expire in August 2027 per its five-year cycle, and the renewal application and Report of Waste Discharge (ROWD) are due to the Regional Water Quality Control Board in November 2026. This draft budget assumes \$90,000 for consultant support for developing the permit application and ROWD. This work began in FY 2025/2026 through a contract with EOA, Inc.

## FISCAL YEAR 2026/2027 BUDGET BY FUND

FUND NO	PROGRAM DESCRIPTION	EBDA'S		DOLLAR CHANGE from FY 25/26 to FY 26/27	PERCENTAGE CHANGE from FY 25/26 to FY 26/27	Explanations for Changes of 10% or more
		TOTAL PROPOSED BUDGET FY 2026/2027	AGENCY REVENUES for FY 2025/2026			
<b>12</b>	<b>O&amp;M EFFLUENT DISPOSAL</b>					
12 06	General Administration	\$ 1,821,300	\$ 1,645,046	\$ 176,254	9.7%	
12 10	Outfall & Force mains	\$ 224,500	\$ 244,210	\$ (19,710)	-8.8%	
12 14	Marina Dechlor Facility	\$ 332,000	\$ 331,420	\$ 580	0.2%	
12 16	Oro Loma Pump Station	\$ 679,000	\$ 678,420	\$ 580	0.1%	
12 18	Hayward Pump Station	\$ 235,500	\$ 225,210	\$ 10,290	4.4%	
12 20	Union Pump Station	\$ 567,200	\$ 536,907	\$ 30,293	5.3%	
12 21	Bay & Effluent Monitoring	\$ 895,000	\$ 852,477	\$ 42,523	4.8%	
	<b>TOTAL FUND # 12 EXPENSES</b>	\$ 4,754,500	\$ 4,513,690	\$ 240,810	5.1%	
<b>13</b>	<b>SPECIAL PROJECTS</b>					
13 36	NPDES Permit Fees	\$ 718,400	\$ 718,400	\$ 0	0.0%	
13 37	NPDES Permit Issues	\$ 110,000	\$ 20,000	\$ 90,000	81.8%	NPDES permit reissuance included for this FY
13 48	Regional Monitoring Program	\$ 248,500	\$ 292,298	\$ (43,798)	-17.6%	Budget was higher last year due to a shift in timing for calendar year installments.
13 49	Nutrient Surcharge	\$ 287,300	\$ 277,237	\$ 10,063	3.5%	
13 46	Alternative Monitoring & Reporting	\$ 35,700	\$ 34,617	\$ 1,083	3.0%	
13 53	Water Research Foundation	\$ 31,300	\$ 28,889	\$ 2,411	7.7%	
13 XX	Special Studies	\$ 401,800	\$ 1,000	\$ 400,800	99.8%	Addition of funds for biosolids, AQPI
13 50	Air Toxics Pooled Emissions Study	\$ 84,200	\$ 84,164	\$ 36	0.0%	
	<b>TOTAL FUND # 13 EXPENSES</b>	\$ 1,917,200	\$ 1,456,605	\$ 460,595	24.0%	
	Rounding Contingency	\$ 2,300	\$ -	\$ -		
	<b>TOTAL EXPENSES</b>	<b>\$ 6,674,000</b>	\$ 5,970,294	\$ 703,706	10.5%	

## FISCAL YEAR 2026/2027 BUDGET BY FUND

FUND NO	PROGRAM DESCRIPTION	EBDA'S TOTAL PROPOSED BUDGET FY 2026/2027	AGENCY REVENUES for FY 2025/2026	DOLLAR CHANGE from FY 25/26 to FY 26/27	PERCENTAGE CHANGE from FY 25/26 to FY 26/27
<b>GRANTS</b>					
13	77 EPA Nature-based Solutions Grant	\$ -	\$ -	\$ -	0.0%
<b>TOTAL GRANT EXPENSES</b>		<b>\$ -</b>	<b>\$ -</b>		
<b>14 WATER RECYCLING EXPENSES</b>					
14	80 Skywest	\$ 48,000	\$ 48,000	\$ -	0.0%
<b>TOTAL FUND # 14 EXPENSES</b>		<b>\$ 48,000</b>	<b>\$ 48,000</b>	<b>\$ -</b>	<b>0.0%</b>
<b>REVENUES</b>					
City of Hayward		\$ 48,000	\$ 48,000		0.0%
<b>TOTAL FUND # 14 REVENUES</b>		<b>\$ 48,000</b>	<b>\$ 48,000</b>		<b>0.0%</b>
<b>15 BRINE ACCEPTANCE EXPENSES</b>					
15	68 Mixed Sea Salt Brine (Cargill)	\$ -	\$ -	\$ -	0.0%
15	83 Zone 7 Brine (DSRSD)	\$ -	\$ -	\$ -	0.0%
<b>TOTAL FUND # 15 EXPENSES</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.0%</b>
<b>REVENUES</b>					
Cargill		\$ -	\$ -		0.0%
Dublin-San Ramon Services District		\$ 20,000	\$ 20,000		0.0%
<b>TOTAL FUND # 15 REVENUES</b>		<b>\$ 20,000</b>	<b>\$ 20,000</b>	<b>\$ -</b>	<b>0.0%</b>
<b>31 RENEWAL &amp; REPLACEMENT FUND</b>					
Contribution to R&R Fund		\$ 750,000	\$ 750,000		0.0%
<b>TOTAL FUND #31 EXPENSES</b>		<b>\$ 750,000</b>	<b>\$ 750,000</b>		<b>0.0%</b>

## FISCAL YEAR 2026/2027 BUDGET BY ACCOUNT

ACCOUNT NUMBER	ACCOUNT TITLE	EBDA'S TOTAL PROPOSED BUDGET FY 2026/2027	OUTSIDE REVENUES and CARRYOVERS FY 2026/2027	AGENCY-FOCUSED PRIOR YEAR-TO-CURRENT YEAR COMPARISON*				Explanations for Changes of 10% or more
				AGENCY REVENUES for FY 2026/2027	AGENCY REVENUES for FY 2025/2026	DOLLAR CHANGE from FY 25/26 to FY 26/27	PERCENTAGE CHANGE from FY 25/26 to FY 26/27	
4010	Salary	\$ 771,400	\$ -	\$ 771,400	\$ 701,730	\$ 69,670	9.0%	
4020	Benefits	\$ 423,500	\$ -	\$ 423,500	\$ 364,314	\$ 59,186	14.0%	Succession planning for Administration Manager
4030	Commissioner Compensation	\$ 50,000	\$ -	\$ 50,000	\$ 50,000	\$ -	0.0%	
4070	Insurance	\$ 122,700	\$ 7,000	\$ 115,700	\$ 88,450	\$ 27,250	23.6%	Increase in premiums
4080	Memberships & Subscriptions	\$ 186,800	\$ -	\$ 186,800	\$ 178,450	\$ 8,350	4.5%	
4100	Supplies, Fixed	\$ 16,000	\$ -	\$ 16,000	\$ 12,000	\$ 4,000	25.0%	Desk and PC for new Administrative Assistant
4100	Supplies, Variable	\$ 470,000	\$ -	\$ 470,000	\$ 440,000	\$ 30,000	6.4%	
4110	Contract Services	\$ 83,800	\$ 4,500	\$ 79,300	\$ 77,183	\$ 2,117	2.7%	
4120	Professional Services	\$ 1,076,700	\$ 24,300	\$ 1,052,400	\$ 553,664	\$ 498,736	47.4%	Addition of funds for biosolids, AQPI
4140	Rents & Fees	\$ 1,019,600	\$ 1,500	\$ 1,018,100	\$ 1,008,037	\$ 10,063	1.0%	
4141	NPDES Fines	\$ 9,000	\$ -	\$ 9,000	\$ 9,000	\$ -	0.0%	
4150	Maintenance & Repair	\$ 943,000	\$ 29,000	\$ 914,000	\$ 910,500	\$ 3,500	0.4%	
4160	Monitoring	\$ 541,200	\$ 5,000	\$ 536,200	\$ 572,967	\$ (36,767)	-6.9%	
4170	Travel & Training	\$ 20,000	\$ -	\$ 20,000	\$ 18,000	\$ 2,000	10.0%	Increase in conference opportunities and addition of new staff member
4191	Utility, Variable (PG&E)	\$ 1,007,000	\$ 1,000	\$ 1,006,000	\$ 986,000	\$ 20,000	2.0%	
4200	Acquisitions & Other	\$ 3,000	\$ 1,000	\$ 2,000	\$ -	\$ 2,000	0.0%	
	Rounding Contingency	\$ 3,600	\$ -	\$ 3,600				
<b>SUBTOTAL ALL ACCOUNTS</b>		<b>\$ 6,747,300</b>	<b>\$ 73,300</b>	<b>\$ 6,674,000</b>	<b>\$ 5,970,294</b>	<b>\$ 703,706</b>	<b>10.5%</b>	
<b>CONTRIBUTION TO R&amp;R FUND</b>		<b>\$ 750,000</b>		<b>\$ 750,000</b>	<b>\$ 750,000</b>	<b>\$ -</b>	<b>0.0%</b>	
<b>TOTAL EXPENDITURES</b>		<b>\$ 7,497,300</b>	<b>\$ 73,300</b>	<b>\$ 7,424,000</b>	<b>\$ 6,720,294</b>	<b>\$ 703,706</b>	<b>9.5%</b>	

\* Includes all agencies (Members and LAVWMA)

**ESTIMATED ANNUAL INVOICES TO THE EBDA AGENCIES FOR FISCAL YEAR 2026/2027**

	Member Agency Allocations					Subtotal	Non-Member	Grand Total
	San Leandro	Oro Loma	CVSan	Hayward	USD		Allocation	
Special Study Rate	13.0%	18.0%	6.0%	30.0%	33.0%	100.0%	LAVWMA varies*	100.0%
Variable Rate	9.0%	15.4%	6.6%	22.6%	46.3%	100.0%	LAVWMA varies*	100.0%
Variable Rate - MAs w/o CSL	-	17.0%	7.3%	24.9%	50.9%	100.0%	LAVWMA varies*	100.0%
Fixed Rate	13.7%	19.1%	10.3%	14.7%	42.1%	100.0%	LAVWMA varies*	100.0%
Fixed Rate - MAs w/o CSL	-	22.2%	11.9%	17.1%	48.8%	100.0%	LAVWMA varies*	100.0%
RRF	varies	22.2%	11.9%	17.1%	48.8%	100.0%	LAVWMA varies*	100.0%
Regional Monitoring Program	6.7%	8.3%	3.6%	31.2%	29.9%	79.6%	20.4%	100.0%
Nutrient Surcharge	7.9%	3.7%	1.8%	19.6%	52.4%	85.3%	14.7%	100.0%
NPDES	7.1%	12.1%	6.5%	17.2%	30.6%	73.4%	26.6%	100.0%
Alternative Monitoring and Reporting	16.7%	10.8%	5.8%	16.7%	16.7%	66.7%	33.3%	100.0%
Air Toxics Emissions Study	10%	16%	9%	23%	42%	100.0%	0%	100.0%
Biosolids	7%	10%	3%	10%	47%	78.9%	21%	100.0%

\*Per LAVWMA Agreement, LAVWMA pays an extra 5% for sodium hypochlorite and a proportional share of force main. LAVWMA'S contribution is deducted first. The remaining portion is allocated among Member Agencies by percentages identified.

	CASTRO VALLEY					MEMBER AGENCY TOTALS	LIVERMORE AMADOR VALLEY WATER MANAGEMENT AGENCY		NON-MEMBER AND OTHER REVENUES TOTALS	GRAND TOTAL
	CITY OF SAN LEANDRO	ORO LOMA SANITARY DISTRICT	VALLEY SANITARY DISTRICT	CITY OF HAYWARD	UNION SANITARY DISTRICT		OTHER REVENUES			
<b>O&amp;M</b>										
O&M Fixed Charges w/San Leandro	\$ 227,300	\$ 316,600	\$ 170,400	\$ 243,500	\$ 696,300	\$ 1,654,100	\$ 584,200	\$ 584,200	\$ 2,238,300	
O&M Fixed Charges w/o San Leandro	-	25,700	13,800	19,800	56,500	115,800	10,600	10,600	126,400	
O&M Variable Charges w/San Leandro	55,600	95,200	41,000	139,500	285,300	616,600	148,700	148,700	765,300	
O&M Variable Charges w/o San Leandro	-	256,000	110,200	375,000	767,300	1,508,500	116,800	116,800	1,625,300	
<b>Total O&amp;M</b>	<b>\$ 282,900</b>	<b>\$ 693,500</b>	<b>\$ 335,400</b>	<b>\$ 777,800</b>	<b>\$ 1,805,400</b>	<b>\$ 3,895,000</b>	<b>\$ 860,300</b>	<b>\$ -</b>	<b>\$ 860,300</b>	<b>\$ 4,755,300</b>
Last year	\$ 262,038	\$ 678,906	\$ 327,440	\$ 739,898	\$ 1,680,525	\$ 3,688,807	\$ 824,883	\$ -	\$ 824,883	\$ 4,513,690
<b>Special Projects</b>										
NPDES Permit	58,500	99,900	53,800	142,200	253,600	\$ 608,000	220,600	\$ 220,600	\$ 828,600	
Regional Monitoring Program	16,600	20,600	8,900	77,500	74,400	198,000	50,700	50,700	248,700	
Nutrient Surcharge	22,800	10,500	5,300	56,200	150,500	245,300	42,200	42,200	287,500	
Alternative Monitoring and Reporting	6,000	3,900	2,100	6,000	6,000	24,000	11,900	11,900	35,900	
Water Research Foundation	2,900	4,900	2,100	7,100	14,500	31,500	-	-	31,500	
Air Toxics Study	6,300	11,400	3,800	13,600	28,800	63,900	20,500	20,500	84,400	
Special Studies Fee	29,800	44,200	15,900	48,600	182,400	320,900	81,200	81,200	402,100	
<b>Total Special Projects</b>	<b>\$ 142,900</b>	<b>\$ 195,400</b>	<b>\$ 91,900</b>	<b>\$ 351,200</b>	<b>\$ 710,200</b>	<b>\$ 1,491,600</b>	<b>\$ 427,100</b>	<b>\$ -</b>	<b>\$ 427,100</b>	<b>\$ 1,918,700</b>
Last Year	\$ 105,717	\$ 148,442	\$ 73,344	\$ 294,355	\$ 493,549	\$ 1,115,408	\$ 341,197	\$ -	\$ 824,883	\$ 4,513,690
<b>Total Operating Budget</b>						<b>\$ 5,386,600</b>	<b>\$ 1,287,400</b>	<b>\$ 1,287,400</b>	<b>\$ 6,674,000</b>	
Last Year						\$ 4,804,215		\$ 1,477,079	\$ 6,281,294	
<b>Renewal and Replacement Fund</b>										
RRF Contribution		166,500	89,250	128,250	366,000	750,000	-	-	750,000	
<b>Total RRF</b>	<b>\$ -</b>	<b>\$ 166,500</b>	<b>\$ 89,250</b>	<b>\$ 128,250</b>	<b>\$ 366,000</b>	<b>\$ 750,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 750,000</b>	
Last Year	\$ -	\$ 166,500	\$ 89,250	\$ 128,250	\$ 366,000	\$ 750,000	\$ -	\$ -	\$ 750,000	
<b>Programs with Other Funding</b>										
EPA Grant - Nature-based Solutions Skywest						-	Reimbursement 48,000	48,000	48,000	
Mixed Sea Salt Brine (Cargill)						-	Reimbursement			
<b>Total</b>						<b>\$ -</b>	<b>\$ 48,000</b>	<b>\$ 48,000</b>	<b>\$ 48,000</b>	
Last Year						\$ -	\$ 236,000	\$ 236,000	\$ 236,000	
<b>Grand Total for FY 2026/2027</b>	<b>\$ 425,800</b>	<b>\$ 1,055,400</b>	<b>\$ 516,550</b>	<b>\$ 1,257,250</b>	<b>\$ 2,881,600</b>	<b>\$ 6,136,600</b>	<b>\$ 1,287,400</b>	<b>\$ 48,000</b>	<b>\$ 1,335,400</b>	<b>\$ 7,472,000</b>
Grand Total FY 2025/2026	\$ 367,755	\$ 993,848	\$ 490,034	\$ 1,162,503	\$ 2,540,074	\$ 5,554,215	\$ 1,166,079	\$ 459,000	\$ 1,625,079	\$ 7,179,294

**ITEM NO. FM8 APPROVE REVISIONS TO THE AUTHORITY'S AUDIT POLICY**

**Recommendation**

Approve revisions to the Authority's Audit Policy.

**Strategic Plan Linkage**

3. **Financial:** Develop financial strategies and practice sound fiscal management to ensure wise use of ratepayers' resources.

**Background**

In May 2019, the Commission adopted Policy 1.3 Finance – Audit. Review of this policy has been conducted annually, with revisions most recently adopted in 2024.

**Discussion**

As part of its annual review of the Audit Policy, staff is recommending revising the policy to reflect that the process for selecting new auditors is to use a Request for Proposals process, not a bidding process. This is consistent with EBDA's Purchasing Policy and does not constitute a change in practice, only a correction to how the process is captured in the Audit Policy.

Redline and clean versions of proposed Audit Policy revisions are attached for Commission consideration.

**POLICY NUMBER:** 1.3

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**NAME OF POLICY:** Finance - Audit

---

**ADOPTED:** May 21, 2026

**LAST REVIEWED:** June 25, 2025

**LAST REVISED:** July 18, 2024

**~~PREVIOUSLY REVISED:~~** ~~May 16, 2019 (Initial Adoption of a New Policy)~~

---

**PURPOSE:** The purpose of the Audit Policy is to ensure that EBDA's financial information adheres to Generally Accepted Accounting Principles (GAAP), and that the independent auditors conform to the Independence Standard promulgated in the U.S. Government Accountability Office's *Generally Accepted Government Auditing Standards (GAGAS)*.

---

**POLICY:** It is the policy of the Authority that an annual financial audit will be performed by an independent public accounting firm with an Independent Auditor's Report to be included along with EBDA's fiscal year-end financial statements.

The audit will consist of review of EBDA's financial records and procedures in accordance with GAAP. The audit shall take place as soon as practical after EBDA staff closes the books for the fiscal year. The results of the audit will be presented to the Commission within six months of the end of the fiscal year.

The independent audit firm will be selected through a competitive Request for Proposals (RFP) bidding process at least once every five years. In no case will price serve as the sole criterion for the selection of an independent audit firm.

Professional standards allow independent auditors to perform certain types of non-audit services for their clients. A common example of this would be the annual preparation of the Financial Transactions Report to the State Controller's Office; preparation of this report by the independent audit firm is approved within this policy when this is the most efficient means of generating the Financial Transactions Report. Any other significant non-audit services will be approved in advance by the Commission.

**POLICY NUMBER:** 1.3

---

**NAME OF POLICY:** Finance - Audit

---

**ADOPTED:** May 21, 2026

**LAST REVIEWED:** June 25, 2025

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**ITEM NO. FM9 AUTHORIZATION FOR THE GENERAL MANAGER TO EXECUTE AN AGREEMENT WITH NIGRO & NIGRO, PC FOR FINANCIAL AUDIT SERVICES IN THE AMOUNT OF \$57,000**

**Recommendation**

Approve the General Manager execute an agreement with Nigro & Nigro, PC for financial audit services.

**Background**

Each year, an independent auditor reviews the Authority's financial documents and internal controls. In March 2021, following a competitive process, the Authority awarded a contract to Cropper Accountancy Corporation for independent auditing services. The contract approved audit services for FY 2020/2021, FY 2021/2022 and FY 2022/2023. The Commission authorized two optional extensions for FY 2023/2024 and FY 2024/2025, which were exercised.

Per Authority's Audit Policy (see Item No. FM8), the Authority conducts a competitive process at least once every five years to select a new independent auditor.

**Discussion**

In accordance with the Audit Policy, which encourages rotation of audit firms to ensure independence, EBDA sought a new firm for auditing services beginning with FY 2025/2026. Staff issued a request for proposals for auditing services in March 2026. Staff received four proposals from auditing firms. Following proposal review, interviews, and reference checks, staff is recommending award to Nigro & Nigro, PC (Nigro & Nigro). Nigro & Nigro has significant experience providing auditing and other financial services to special districts and sanitary districts, and their clients speak very highly of their services.

Nigro & Nigro proposed a maximum price for auditing services of \$19,000 per year. Staff is recommending approval of a three-year contract, for a total of \$57,000. Two additional annual options may be exercised at the discretion of the Commission.

**TECHNICAL PROPOSAL  
FOR  
PROFESSIONAL AUDITING SERVICES**

**East Bay Dischargers Authority**

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

**NIGRO & NIGRO<sup>PC</sup>**

***Respectfully Submitted on April 10, 2026 by:***

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

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**Walnut Creek:** 2121 N. California Blvd. #290, Walnut Creek, CA 94596 • P: (844) 557-3111 • F: (844) 557-3444

*Let's Work Together!*



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

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April 10, 2026

Ms. Juanita Villasenor, Administration Manager  
East Bay Dischargers Authority  
2651 Grant Ave  
San Lorenzo, CA 94580

Dear Ms. Villasenor:

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

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

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

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

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

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

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

Sincerely,



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



## LICENSE TO PRACTICE IN CALIFORNIA

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

## PROFILE OF THE FIRM

### Statement of Independence

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

### Experience

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

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

Areas of specialization include:

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

# PROFILE OF THE FIRM (CONTINUED)

## Size of Our Firm

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

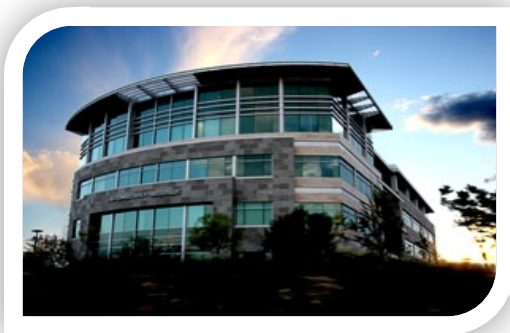
Position	Number of Employees	Number of Licensed CPA's
<b>Partner*</b>	9	9
<b>Senior Manager</b>	1	1
<b>Manager</b>	5	5
<b>Supervisor</b>	5	-
<b>Senior Associates</b>	8	-
<b>Support Staff</b>	3	-
<b>Total</b>	<b>40</b>	<b>15</b>

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

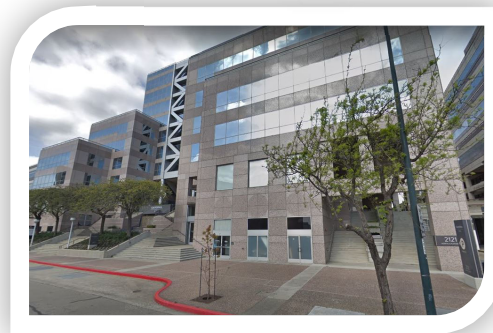
## Size and Location of Offices

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

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



MURRIETA OFFICE



WALNUT CREEK OFFICE

## Range of Activities Performed

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

## PROFILE OF THE FIRM (CONTINUED)

### Peer Review

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

### Meet Your Audit Leadership Team

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

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

# Paul J. Kaymark, CPA

## Lead/Technical Review Audit Partner

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

### Audit Services:

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

### Consulting Services:

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

### Special District Accounting:

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

### Financial Reporting:

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

### Some Agencies Served:

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



**California Special Districts Association**  
*Districts Stronger Together*

CSDA Workshop Speaker



### Education:

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

### Licenses and Certifications:

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

### Professional Affiliations:

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

### Continuing Education:

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

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



<b>Water and Wastewater Clients Audited and/or Consulted With Over My Career</b>
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**Water and Wastewater**

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

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**Water and Wastewater, continued**

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

# Jared Solmosen, CPA

## Engagement Audit Partner

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



### Audit Services:

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

### Consulting Services:

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

### Special District Accounting:

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

### Financial Reporting:

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

### Other Agencies Served:

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

### Education:

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

### Licenses and Certifications:

- Certified Public Accountant, California

### Continuing Education:

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

### Additional Areas:

- Tax preparation
- QuickBooks knowledge

# Stacy Macias, CPA

## Senior Audit Manager – Federal Compliance

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

### Audit Services:

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

### Consulting Services:

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

### Financial Reporting:

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

### Additional Areas:

- Tax preparation
- QuickBooks knowledge

### Other Agencies Served:

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



### Education:

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

### Licenses and Certifications:

- Certified Public Accountant, California

### Continuing Education:

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

# Anabel Cruz, CPA

## Audit Manager

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

### Audit Services:

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

### Consulting Services:

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

### Financial Reporting:

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

### Other Agencies Served:

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



### Education:

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

### Licenses and Certifications:

- Certified Public Accountant, California

### Continuing Education:

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

# Tyler Cook

## Audit Supervisor/IT Auditor

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

### Audit Services:

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

### Consulting Services:

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

### Financial Reporting:

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

### Other Agencies Served:

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



### Education:

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

### Licenses and Certifications:

- CPA License Candidate

### Continuing Education:

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

# Angelina Paunkov

## Audit Senior

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



### Audit Services:

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

### Consulting Services:

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

### Financial Reporting:

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

### Other Agencies Served:

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

### Education:

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

### Licenses and Certifications:

- CPA License Candidate

### Continuing Education:

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

# Valeria Castaneda

## Audit Staff

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

### Audit Services:

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

### Consulting Services:

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

### Financial Reporting:

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

### Other Agencies Served:

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



### Education:

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

### Licenses and Certifications:

- CPA License Candidate

### Continuing Education:

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

# Alejandra Melero

## Audit Staff

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

### Audit Services:

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

### Consulting Services:

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

### Financial Reporting:

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

### Other Agencies Served:

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



### Education:

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

### Licenses and Certifications:

- CPA License Candidate

### Continuing Education:

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

## PROFILE OF THE FIRM (CONTINUED)


### Training & Resources

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

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

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

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



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

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

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

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

## PROFILE OF THE FIRM (CONTINUED)

### Similar Engagements with Other Water/ Wastewater Special Districts

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

Please contact our clients for a Reference of our services!

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

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

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

Our State Water Contractor clients:

Palmdale Water District – Viridiana Iguaran, CFO (661) 456-1075

Littlerock Creek Irrigation District – Gina Burroughs, OM (661) 944-2015

San Gorgonio Pass Water Agency – Thomas Todd, CFO (951) 845-2577

Water & Wastewater District

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

ACFR Preparation Clients:

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

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

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

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

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

Other Water District Clients:

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

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

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

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

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

## OUR FOUR PILLARS OF AN AUDIT ENGAGEMENT

### WHAT MAKES US DIFFERENT FROM OTHER AUDITORS!!!

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

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

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

## COMMUNICATION

### Clarifies Expectations and Scope:

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

### Enhances Efficiency:

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

### Builds Trust and Professional Relationships:

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

### Supports Accurate and Reliable Reporting:

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

## COLLABORATION

### Improves Efficiency and Accuracy:

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

### Enhances Risk Assessment:

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

### Facilitates Timely Issue Resolution:

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

### Promotes Transparency and Trust:

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

## CONTINUITY

### **Improved Audit Efficiency:**

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

### **Enhanced Audit Quality:**

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

### **Stronger Client Relationships:**

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

### **Reduced Risk of Errors or Omissions:**

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

## HOW DO WE MAKE YOU BETTER!!!

### **Client-Centric Mindset:**

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

### **Encourages Open Dialogue:**

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

### **Enhances Trust and Relationships:**

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

### **Drives Continuous Improvement:**

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

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



# SAUSALITO-MARIN CITY SANITARY DISTRICT

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

*General Manager*  
Jeffrey Kingston

*Office Manager/Board Secretary*  
Catherine A. Bondanza

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

March 31, 2025

To Whom it May Concern:

**Re: Reference Letter for Nigro & Nigro, PC**

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

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

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

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

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

Sincerely,

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

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

## SCOPE OF THE AUDIT

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

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

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

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

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

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

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

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

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

## SCOPE OF THE AUDIT(CONTINUED)

### Segmentation of Engagement

#### ***STEP 1: Planning***

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

#### ***STEP 2: Interim Field Work***

##### **Internal Control Documentation**

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

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

#### ***STEP 3: Final Fieldwork***

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

##### **Assess Risks and Design Procedures**

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

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

##### **Interim and Year End Testing**

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

#### ***STEP 4: Audit Completion***

##### ***Preparation of Audit Report and Management Letter***

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

## SCOPE OF THE AUDIT (CONTINUED)

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

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

Date/Segment	Total Hours			Total
	Partner/Manager	Supervisor	Staff/Admin	
<b>Apr/Jun</b>				
Preliminary planning and fieldwork	2	8	8	18
<b>Apr/Jun</b>				
Interim fieldwork	6	10	12	28
<b>Sept/Oct</b>				
Final fieldwork, report preparation, review, finalization, and presentation	16	14	20	50
<b>Total hours</b>	<b>24</b>	<b>32</b>	<b>40</b>	<b>96</b>
Preliminary planning and fieldwork	2	8	8	18
Control	6	10	12	28
Substantive	10	10	20	40
Reporting	6	4	0	10
	24	32	40	96

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

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

### Type and Extent of Analytical Procedures to be Used

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

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

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

## SPECIFIC AUDIT APPROACH (CONTINUED)

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

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

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

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

### Approach to be Taken in Drawing Audit Samples

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

### Use of Technology/Remote Proficiency

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

### Proposing Firm Warranties

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



Paul J. Kaymark, CPA  
Audit Services Partner

**COST PROPOSAL  
FOR  
PROFESSIONAL AUDITING SERVICES**

**East Bay Dischargers Authority**

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



***Respectfully Submitted on April 10, 2026 by:***

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

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

## Proposed Pricing Per Professional Staff Member

Professional	Hours	Rates		Total
		Standard	Quoted	
Partner	8.00	\$ 275.00	\$ 250.00	\$ 2,000.00
Managers	16.00	250.00	225.00	3,600.00
Seniors	32.00	225.00	200.00	6,400.00
Staff Members	40.00	200.00	175.00	7,000.00
Admin	-	125.00	100.00	-
<b>Subtotal</b>	<b>96.00</b>			<b>19,000.00</b>
<b>Out-of-Pocket - Included in Rates (We Are Local)</b>				<b>-</b>
<b>Total Max</b>				<b>\$ 19,000.00</b>

Fiscal Year	FY 2026	FY 2027	FY 2028	Total
District Financials	\$ 18,500	\$ 18,500	\$ 18,500	\$ 55,500
State Controller's Report	500	500	500	1,500
<b>Total</b>	<b>\$ 19,000</b>	<b>\$ 19,000</b>	<b>\$ 19,000</b>	<b>\$ 57,000</b>

Same Price for FY 2029 to FY 2031

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

## ADDITIONAL INFORMATION

### Testimonial

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

*Deana Miller  
Accounting Manager  
PolyCera, Inc.*

### Fraud Hotline



Throughout the audit process, we will make available our fraud hotline reporting service at no additional charge over the period of the contract to ensure the Authority has an effective anti-fraud program.



# **ADDITIONAL DOCUMENTS**



## Report on the Firm's System of Quality Control

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

We have reviewed the system of quality control for the accounting and auditing practice of Nigro & Nigro, PC, (the firm) in effect for the year ended August 31, 2023. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

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

### Firm's Responsibility

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

### Peer Reviewer's Responsibility

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

### Required Selection and Considerations

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

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

## Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Nigro & Nigro, PC in effect for the year ended August 31, 2023, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency (ies)* or *fail*. Nigro & Nigro, PC has received a peer review rating of *pass*.

*Spafford & Hardy, Inc.*

May 1, 2024



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

1/7/2026

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

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

<b>PRODUCER</b> <b>Tower Insurance Associates, Inc.</b> <b>4244 Overland Avenue</b> <b>Culver City, CA 90230</b> <b>License #: 0229561</b>	<b>CONTACT NAME:</b> Anna Soto-Long <b>PHONE (A/C, No. Ext):</b> (310)837-6101 <b>E-MAIL ADDRESS:</b> Anna@Tower90230.com	<b>FAX (A/C, No.):</b> (310)837-7559	
	<b>INSURER(S) AFFORDING COVERAGE</b>		<b>NAIC #</b>
<b>INSURED</b> <b>Nigro &amp; Nigro PC</b> <b>25220 Hancock Ave Ste 400</b> <b>Murrieta, CA 92562-0903</b>	<b>INSURER A:</b> Hartford Underwriters Insurance Company		<b>30104</b>
	<b>INSURER B:</b> Fusion		
	<b>INSURER C:</b>		
	<b>INSURER D:</b>		
	<b>INSURER E:</b>		
	<b>INSURER F:</b>		

**COVERAGES**

CERTIFICATE NUMBER: 00013566-250107150915

REVISION NUMBER: 3

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			72SBABM4SGH	12/3/2025	12/3/2026	EACH OCCURRENCE \$ <b>2,000,000</b> DAMAGE TO RENTED PREMISES (Ea occurrence) \$ <b>1,000,000</b> MED EXP (Any one person) \$ <b>10,000</b> PERSONAL & ADV INJURY \$ <b>2,000,000</b> GENERAL AGGREGATE \$ <b>4,000,000</b> PRODUCTS - COMP/OP AGG \$ <b>4,000,000</b> \$
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$			72SBABM4SGH	12/3/2025	12/3/2026	EACH OCCURRENCE \$ <b>3,000,000</b> AGGREGATE \$ <b>3,000,000</b> \$
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A				PER STATUTE OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
B	<b>Cyber</b>			POL-360-40870330-00	10/30/2025	10/30/2026	<b>1,000,000</b>

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

**PROOF OF INSURANCE****CERTIFICATE HOLDER**

**Nigro & Nigro, PC**  
**P.O. Box 1247**  
**Murrieta, CA 92564**

**CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

(ASL)

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