



MANILA COMMUNITY SERVICES DISTRICT

Agenda of Regular Meeting Tuesday October 21st, 2025 at 6:30 p.m.

Manila Community Center, 1611 Peninsula Drive Room A

Posted by Saturday October 18th, 2025 6:30 p.m.

This meeting is accessible remotely via Zoom <https://us02web.zoom.us/j/3742372467> and phone-in @ 669-900-6833. Unless otherwise noted, all items on the agenda are subject to action by the Board of Directors. Time specific items (if any) are noted on the applicable agenda item and will be discussed at that time or as soon after that time as practical. It is planned to record this meeting so that it is accessible by the public.

- 1) ROLL CALL, DETERMINE QUORUM:**
- 2) APPROVE AGENDA:**
- 3) PUBLIC INPUT / PETITIONS / ANNOUNCEMENTS:** *The public is invited to present petitions, make announcements, or provide other information to the Board on matters not on the agenda. The Board may uniformly impose a time limit of 3 minutes for individual presentation to ensure every subject is heard. By public law, the Board cannot take action on items not on the agenda.*
- 4) BUSINESS ITEMS:**
 - a. Receive for Discussion and Possible Action: Approval of Audit Proposals for FY25-27.**
 - b. Receive for Discussion and Possible Action: FY26 Q1 Budget Vs Actual**
 - c. Receive for Discussion and Possible Action: Draft Reserves Policies**
 - d. Receive for Discussion and Possible Action: Reserves Draw for Drainage Grant of up to \$75,000**
- 5) CONSENT CALENDAR:** *(Items may be pulled for future consideration) – Amendments or corrections should be received in writing prior to approval.*
 - a. Receive Disbursements: August 20th, 2025 - to date**
 - b. Draft Minutes of July 15th, 2025**
 - c. Draft Minutes of August 19th 2025**
- 6) BOARD DISCUSSION ITEMS:**
 - a. Committee Member Updates/Reports**
 - b. General Manager's Report:**
- 7) INCOMING COMMUNICATIONS:**
- 8) ADJOURNMENT:**

If open session items cannot be completed by 8:30 P.M., the meeting may be adjourned to the next regular meeting, or the Board may vote to extend the meeting. A request for disability-related modification or accommodation, including auxiliary aids of services, may be made by a person with a disability, who requires a modification or accommodation in order to participate in the public meeting, by contacting the Manila CSD General Manager at least 24 hours prior to commencement of the meeting.



Manila Community Services District Board of Directors
Agenda Summary

Approval of Audit Proposal for FY2025-2027

Summary:

The District has received (2) proposals in response to our Request for Proposals for Auditing Services (for a three-year contract):

Harshwal & Company, LLP (currently contracted for FY24 special work)

FY25: \$9,500

FY26: \$9,700

FY27: \$9,900

O'Connor and Company

FY25: \$14,000

FY26: \$14,000

FY27: \$15,000

FY28 and FY29 noted at 15,000 ea.

An engagement letter should be forthcoming for staff (or board) to execute after board approval.

Recommended Motion:

Staff recommends approving our currently contracted CPA, Harshwal & Company, LLP with the following motion:

I move/second to approve FY25-27 Audit Contract with Harshwal & Company, LLP as presented (or as amended).

Vote: _____

Attachments:

Harshwal & Company, LLP proposal

O'Connor and Company proposal



Manila Community Services District
Proposal to Provide Annual Audit Services
for the Fiscal Years Ending June 30, 2025, through June 30, 2027

Submitted by:



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

June 24, 2025

Contact Person

Managing Partner: Sanwar Harshwal, CPA

Cell Phone: (858) 784-1622

Federal Employer ID Number: 27-0741376

Email: sanwar@harshwal.com | Website: www.harshwal.com

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June 24, 2025

Manila Community Services District
ATTN: Christopher Drop, General Manager
1901 Park Street,
Manila, CA 95521

Dear Christopher Drop and Evaluation Committee Members,

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

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

We believe our firm is the best qualified to perform this engagement because our audit services are best performed by utilizing specialized resources and technical proficiency. Our expertise in governmental auditing and accounting combined with our vast access to resources empowers us to solve challenges encountered during the audit. Our highly trained engagement team will maintain a knowledgeable, yet, non-intrusive, approach to the audit to deliver an audit that is of exceptional quality that requires minimal disruptions of the Manila CSD's on-going operations.

Understanding of the Work to be Done:

We understand that you require us to conduct an audit of the financial statements of the Manila CSD, for the fiscal years ending June 30, 2025, through June 30, 2027, in accordance with generally accepted auditing standards set forth by the American Institute of Certified Public Accountants; *Government Auditing Standards* issued by the Comptroller General of the United States; the standards for financial audits as set forth by the U.S. General Accounting Office's Government Auditing Standards; and the State Controller's minimum audit requirements for California Special Districts. Detailed scope is given in the "Scope of Work" section.

Ability to Perform the Work Within Provided Time Frame:

Harshwal & Company, LLP is benchmarked for providing the work within the time frame requested. Our team is committed to completing the audit on time, as they are fully equipped with contemporary technology, which will add value to the successful and timely delivery of the audit. We are responsive and solution oriented, providing quick responses on matters that require immediate attention, hence enhancing the quality of our audit. We focus on staff continuity, which enables us to develop and maintain an in-depth understanding of your operations, management style, and operating practices, which ultimately allows us to offer you experienced resources, value-added services, specialization, and overall better personal service, which again unequivocally results in a timely submission of the audit report.

Why Harshwal & Company, LLP:

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

Client Confidentiality and Security:

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

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

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

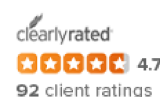
We thank you for your consideration and hope that you will provide us with the opportunity to serve your esteemed organization with our services.

Sincerely,

Harshwal & Company, LLP
Certified Public Accountants



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





FIRM'S QUALIFICATION

Harshwal & Company, LLP was founded fifteen (15) years ago and is a locally established firm of CPAs, offering auditing, accounting, management consulting, IT services, and other specialized services to various clients, which consist of special districts, state and local governments, counties, educational entities, tribes and tribal governments, housing authorities, and not-for-profit organizations throughout the United States. Our commitment to our clients has enabled the firm continued growth and success in developing and maintaining strong professional relationships. Our engagement team also has extensive experience in auditing and reviewing financial statements receiving GFOA and CSMFO awards.

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

Location of the Office

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

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

Staff Size & Organizational Structure

Audit Team	Manpower
Managing Partner	01
Independent Reviewer	01
Additional Partners	01
Audit Manager	02
Operations Manager	01
CPAs and Senior Staff	08
Additional Staff	12
Total	26





Proposal to Provide Annual Audit Services

Services Provided by the Firm

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

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

Equal Opportunity Employer

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

Independence

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





Proposal to Provide Annual Audit Services

Conflict of Interest Statement

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

No Subcontract

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

License to Practice in California

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

STATE OF CALIFORNIA
dca
DEPARTMENT OF CONSUMER AFFAIRS

CERTIFIED PUBLIC ACCOUNTANT PARTNERSHIP

REGISTRATION RECEIPT NO. PAR 7299 32832084

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

CALIFORNIA BOARD OF ACCOUNTANCY
2450 VENTURE OAKS WAY, SUITE 300
SACRAMENTO, CA 95833
TELEPHONE: (916) 263-3680
FACSIMILE: (916) 263-3672

VALID UNTIL OCTOBER 31, 2025

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

10/10/23
10/10/23

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

WABPAR 04/12/17

Firm's Most Recent External Quality Control (Peer) Review

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

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





Proposal to Provide Annual Audit Services



(650) 522-3094
peerreview@calcpa.org

June 06, 2024

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

Dear Sanwar Harshwal:

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

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

Thank you for your cooperation.

Sincerely,

Peer Review Committee

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

cc: Justin Williams

Firm Number: 900005526362

Review Number: 603500



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

Peer Review
Program





Report on the Firm's System of Quality Control

February 29, 2024

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

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

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

Firm's Responsibility

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

Peer Reviewer's Responsibility

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

Required Selections and Considerations

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

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

Opinion

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

MUN CPAs, LLP

MUN CPAs, LLP





Proposal to Provide Annual Audit Services

Desk & Field Reviews

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

Disciplinary Action or Pending Litigation

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

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

Insurance Requirements

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

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

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





CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
07/02/2024

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

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

PRODUCER McGowanPRO 150 Speen Street Suite 102 Framingham, MA. 01701		CONTACT NAME: PHONE (A/C, No, Ext): 508-656-1300 FAX (A/C, No): 508-656-1399 E-MAIL ADDRESS:	
		INSURER(S) AFFORDING COVERAGE	
		INSURER A: Hanover Insurance Co.	
		INSURER B:	
		INSURER C:	
		INSURER D:	
		INSURER E:	
		INSURER F:	

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	GENERAL LIABILITY ☐ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☐ OCCUR ☐ _____ GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☐ PRO-JECT ☐ LOC						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
	AUTOMOBILE LIABILITY ☐ ANY AUTO ☐ ALL OWNED AUTOS ☐ SCHEDULED AUTOS ☐ HIRED AUTOS ☐ NON-OWNED AUTOS ☐ _____						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB ☐ OCCUR EXCESS LIAB ☐ CLAIMS-MADE DED ☐ RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICE/MEMBER EXCLUDED? ☐ Y/N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below						☐ WC STATUTORY LIMITS ☐ OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Professional Liability			LHN J467545 01	07/01/2024	07/01/2025	Limit of Liability: \$2,000,000 Aggregate: \$4,000,000

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

Retro Date: 09/30/2009

CERTIFICATE HOLDER

CANCELLATION

Harshwal & Company LLP 11405 W Bernardo Ct Suite A San Diego, CA 92127	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
---	---

ACORD 25 (2010/05)

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CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
06/22/2025

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.

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

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

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

Those usual to the Insured's Operations. The Business Liability Coverage Part includes a Blanket Additional Insured By Contract Endorsement, Form SL 30 32.

CERTIFICATE HOLDER

First Citizens Bank & Trust Co.
 Attn: SBA Loan Operations/DAC90
 PO Box 27568
 RALEIGH NC 27611

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

Susan L. Castaneda

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ACORD 25 (2016/03)

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FIRM'S TECHNICAL EXPERIENCE

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

s

Special Districts

- Sunrise Recreation & Park District
- Valley of the Moon Water District
- Humboldt Bay Harbor, Recreation and Conservation District
- Santa Clara County Vector Control District
- Burbank Sanitary District
- Goshen Community Services District
- Aromas Tri-County Fire Protection District
- Cypress Fire Protection District
- South Monterey County Fire Protection District
- Rodeo-Hercules Fire District
- Artesia Cemetery District
- Big Rock community service district
- Buena Park Library District
- Central Basin Municipal Water District
- Del Norte Library District
- Gasquet Community Services District
- Plumas County Community Development Commission
- San Dieguito River Park Joint Powers Authority
- Smith River Fire Protection District
- Guadalupe Coyote Resource Conservation District
- San Miguel Community Services District
- Yolo Local Agency Formation Commission
- Alameda County Fire Department
- SCC Center Fire Protection District
- Oakland-Alameda County Coliseum Authority
- Los Altos Hills County Fire District
- Santa Clara County Sanitation District 2-3
- Alameda County Community Development Department
- Paradise Recreation and Park District
- Mission Oak Park and Recreation District
- Saratoga Fire Protection District
- El Rancho Simi Cemetery District
- Lions Gate Community Service District
- Alameda County Law Library
- Fort Dick Fire Protection District
- Cupertino Sanitary District
- Border Coast Regional Airport Authority
- Del Norte Solid Waste Management Authority
- Coastside Fire Protection district
- Bardsdale Cemetery District
- Border Coast Regional Airport Authority
- Carmel Highlands Fire Protection District
- Crescent Fire Protection District
- Del Norte Local Transportation Commission
- Loma Prieta Resource Conservation District
- Perris Valley Cemetery District
- Redwood Empire Dispatch Communications Authority
- West Contra Costa Integrated Waste Management Authority
- First 5 Inyo County
- First 5 Santa Cruz County
- Ambrose Recreation and Park District
- South Santa Clara Co. Fire District
- Menlo Park Fire Protection District
- Los Medanos Community Health Care District
- Alameda County Housing and Community Development
- East Palo Alto Sanitary District
- Solano County Local Transportation Fund
- Fox Canyon Groundwater Management Agency





State and Local Governments

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

COUNTIES

County of Alameda

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

Del Norte County

- Del Norte County
- Del Norte County Solid Waste Management Authority

Santa Clara County

- Single Audit (Sub Contractor)
- County of Santa Clara JTPA Program
- Mental Health Short Doyle Program
- Sheriff's Department – Inmate Welfare Fund

County of San Mateo

- JTPA Program
- Menlo Park Fire Protection District
- Department of Community Services

Santa Cruz County

- Single Audit
- Mental Health - Short Doyle Program

Solano County

- City of Vallejo (Sub Contractor)
- Local Transportation Fund
- Mental Health - Short Doyal Program





Proposal to Provide Annual Audit Services

Contra Costa County

- Public Works Department
- Emergency Medical Services

Educational Entities

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

Housing Entities

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

Private Entities

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

Pension Plan Clients

- Akshaya Inc.(401K)
- Burning Man Project (401k) Plan
- Fulfilment Systems, Inc. (401)
- Hammer Prep (401k) Plan
- Kai Ming, Inc. (403B)
- Baker's (Retirement Plan-403 B)
- East Bay Agency for Children 403(b)
- Fundbox Inc. (401)
- Hog Island Oyster Company (401k) Plan
- Luxesphere Holdings, Inc. (401k) Plan





Proposal to Provide Annual Audit Services

- Kickapoo Tribe of Oklahoma (401K) Plan
- Mission Neighborhood Centers (403B) Plan
- Sysintelli, Inc. (401k) Plan
- The Athenian School (403B) Plan
- Native American Health Center, Inc. (403B)
- Skywalker Properties (401k) Plan
- Storage Pro (401k) Plan
- United Indian Health Services, Inc. (403B) Plan

Non-Profit Organizations

- Manzanita Charter School
- San Diego Civic Youth Ballet
- San Francisco Community Clinic Consortium
- Greater Farallones Association
- Santa Clara Teacher Housing Foundation
- Mother Lode Job Training
- Eden United Church of Christ
- Ruckus Society
- Hopi Credit Association
- Health and Human Resource Education Center
- California Hispanic Chambers of Commerce
- California Municipal Utilities Association
- New Bridge Foundation
- San Diego Organizing Project
- Family Paths, Inc.
- Santa Cruz County Parents Association
- Consolidated Tribal Health Project Inc.
- Mnc 1240 Valencia Inc.
- A & I Express Inc.
- A&I Transport Inc.
- Access Reproductive Justice
- Alameda County Deputy Sheriffs Activities League
- Baker's Palace
- California College of Communications, Inc.
- Center for Third World Organizing
- Center for Youth Development through Law
- Consolidated Tribal Health Project, Inc.
- Countywide Alcohol and Drug Services, Inc.
- Crowden Music Center
- Digital Democracy
- East Oakland Switchboard
- Family Bridges Inc.
- Gallup Inter-Tribal Indian Ceremonial Association, Inc.
- United Way of Santa Cruz County
- ICON Community Development Corporation
- Oakland Metropolitan Chamber of Commerce
- Gluon Solutions, Inc.
- Youth Together, Inc.
- TerraVerde Energy
- Luxesphere Holdings, Inc. and Subsidiaries
- FOOD FIRST/Institute for Food & Development
- Chinese for Affirmative Action
- RFHC Bay Pulgas Landowner, Inc.
- Institute for Molecular Medicine
- Key Educational Group
- Oakland Community Organizations, Inc.
- South County Community Health Center, Inc.
- Native American Health Center, Inc.
- Community Clinic Consortium
- Allen Temple Baptist Church
- American Federation of State, County & Municipal Employees Local 2428
- American Nonsmokers' Rights Foundation
- Anti Terror Project, Inc.
- Artequity Community
- California Hispanic Chambers of Commerce Foundation
- Carbon Offsets to Alleviate Property
- Centro Latino de San Francisco
- Community Health Partnership, Inc.
- Court Appointed Special Adocates Program, Inc.
- DayBreak Adult Care Centers
- Dominican Sisters Vision of Hope
- Eden Area Foundation
- Faith in Action Bay area
- Grand Lodge of California





Proposal to Provide Annual Audit Services

- Hopi Credit Associations
- IIT Kanpur
- IIT Bombay Heritage Foundation
- IIT Madras Foundation
- Maisha Meds, Inc.
- Mary Magdalene Community Services
- New Mexico Cancer Care Alliance
- Pacific Center for Human Growth
- Rwanda School Project
- San Francisco BayKeeper
- Solano Coalition for Better Health
- The Estria Foundation
- Tohatchi Area of Opportunity & Services, Inc.
- Women's Daytime Drop-In Center
- St. James Infirmary
- Redwood Region Economic Development Commission
- Veterans Accession House
- Heffernan Foundation
- Hiawatha Harris M.D, Inc.
- Just Cities Institutes
- Lakeshore Avenue Baptist Church
- Mission Language & Vocational School
- North County Lifeline Inc.
- Our Common Ground Inc.
- Pawnee Nation College
- Redwoods Rural Health Center
- Sikh Gurdwara San Jose
- Sustainable Economies Law Center
- Sustainable Sciences Institute
- V- Day
- Vascular Cures and Pacific Vascular Research Institute
- El Centro de Libertad/The Freedom Center
- San Carlos Apache Relending Enterprise
- Chinese for Affirmative Action

Tribes and Tribal Entities

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

Experience with GAAP and GAS Accounting and Reporting

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





Proposal to Provide Annual Audit Services

Single Audit Experience

Harshwal & Company, LLP works with numerous organizations that receive extensive governmental funding and are subject to auditing under Uniform Grant Guidance, formerly known as OMB Circular A-133 guidelines. We utilize standardized audit programs from the federal government's Compliance Supplement to ensure that our procedures meet the federal standards. Our audit programs are continually updated to reflect the revisions of OMB. Our Uniform Guidance risk-based approach focuses on areas of higher risk of noncompliance. Such approach truly reflects the federal government intent by concentrating on the following three steps:



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

- Department of Health and Human Services
- Corporation for National and Community Services
- Department of Agriculture
- Department of Housing and Urban Development
- Department of Transportation
- Environmental Protection Agency
- Department of Commerce
- Department of Labor
- Department of Homeland Security
- Department of Justice
- Department of Treasury
- U.S. Department of the Interior
- Department of Energy





REFERENCES

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

1. Humboldt Bay Harbor, Recreation and Conservation District

- **Principal Contact:** Larry Oetker, Executive Director
- **Services:** Audit of the Financial Statements and FTR
- **Address:** 601 Startare Drive, Eureka, CA 95501
- **Phone Number:** (707) 443-0801 Ext. 115
- **E-Mail:** loetker@humboltdbay.org

2. Buena Park Library District

- **Principal Contact:** Marina Tutty, Business Officer
- **Services:** Audit of the Financial Statements and FTR
- **Address:** 7150 La Palma Avenue, Buena Park, CA 90620
- **Phone Number:** (714) 826-4100
- **E-Mail:** businessofficer@buenapark.lib.ca.us

3. Valley of the Moon Water District

- **Principal Contact:** Oscar Madrigal, Finance Manager
- **Services:** Audit of the Financial Statements and FTR.
- **Address:** 19039 Bay Street P.O. Box 280, El Verano, California 95433-0280
- **Phone Number:** (707) 996-1037
- **E-Mail:** omadrigal@vomwd.org





BUENA PARK LIBRARY DISTRICT

ESTABLISHED IN 1919

Re: Professional Reference for Harshwal & Company, LLP.

To Whom It May Concern:

I am writing this letter to recommend to you the excellent services provided by Harshwal & Company, LLP (HCLLP).

Buena Park Library District has been engaged with HCLLP to perform financial statement audit and has had a great working relationship and experience. The HCLLP team is knowledgeable, professional, and easy to work with. They are very responsive and solution-oriented. Also, they do critical research so they would give the best solutions for critical issues.

I appreciate their willingness to help with any questions we may have, responding promptly and courteously.

They utilize the latest technology to provide the most up-to-date information to serve our organization. I have found HCLLP cost-competitive with their peers, due to the time efficiencies generated by their investment in computerized and electronic work papers. In short, they ensure that we are satisfied and happy and are willing to go the extra mile.

I highly recommend HCLLP for its excellent staff, integrity, and performance.

Please feel free to contact me directly at 714-826-4100 (ext. 130) with any questions you may have.

Sincerely,

Marina Tutty
Business Officer
businessofficer@buenapark.lib.ca.us
Buena Park Library District





STAFF QUALIFICATIONS AND EXPERIENCE

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

Staff Continuity over the Term of the Agreement

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

Proposed Audit Team's Directory

Name of Team Member	Role	Experience
Sanwar Harshwal, CPA, CIA, CISA, CFE	Managing Partner	40+ Years
Garima Pathak, CA	Audit Manager	8+ Years
Samson Reda, CPA	Senior Auditor	10+ Years
Albert Hwu, CPA	Senior Auditor	10+ Years
Kinjal Patel, CPA	Senior Auditor	7+ Years
Poonam Sharma, CPA	Senior Auditor	7+ Years

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

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





Audit Team Responsibilities

<u>Name/Position</u>	<u>Responsibility</u>
Sanwar Harshwal, CPA Managing Partner	Sanwar Harshwal will be the principal in charge of administration, reviews, planning of the audit, approval of the audit scope and work, and review of work and liaison with the Manila CSD. He is responsible for conducting the fieldwork, coordination of the audit plan, and ensuring that the plan formulated has been effectively followed and managed. He will coordinate with the manager and supervisor for proper field work progress. He will also manage and organize the audit team's effort and ensure the various audit components are performed efficiently. He also has the responsibility for meeting with the Manila CSD's management to keep them informed regarding the progress of the audit. The responsibility also extends to ensure smooth interaction of the firm with the Manila CSD. He has final authority in the conduct of the engagement, and assumes full responsibility for the work performed.
Garima Pathak, CA Audit Manager	Garima Pathak will serve as an audit manager and provide the Manila CSD staff with updates to summarize our progress against the project timeline, and update the status of upcoming deliverables. She will also document discussions leading to important policy decisions and/or the choice of critical assumptions used in constructing the analysis and report.
Samson Reda, CPA Senior Auditor	Samson Reda, is a senior auditor and is in charge of the fieldwork. He will be responsible for preparation and maintenance of various work-papers required for audit report preparation.
Albert Hwu, CPA Senior Auditor	Albert Hwu is a senior auditor in the firm's audit group providing auditing services to governmental organizations. Mr. Hwu will serve as the on-site lead auditor and will be in the field. He will assist in directing the staff and specialize in the timely completion of the audit.
Kinjal Patel, CPA Senior Auditor	Kinjal Patel, is a senior auditor and will perform studies, tests, reviews, and analysis of accounts and financial transactions and will be responsible for preparation of various work-paper.
Poonam Sharma, CPA Senior Auditor	Poonam Sharma will be responsible for coordinating the efforts of our staff throughout fieldwork and managing on-site audit procedures. She will be available to answer any of your technical questions.

Overall Supervision to be Exercised

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





Audit Team Resumes

SANWAR HARSHWAL, CPA, CIA, CISA, CFE

Managing Partner

Sanwar Harshwal is the managing partner of Harshwal & Company, LLP. He is a globetrotter and a trained technical speaker on auditing and global accounting standards, IT and internal controls, on fraud prevention, and on examinations and internal audits. With over 40+ years of experience with governmental auditing engagements, Mr. Harshwal is also a leading expert on emerging accounting challenges for special districts. Mr. Harshwal has attended AICPA seminars on GASB's New Financial Reporting Model and Financial Statements of special districts.

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

Education:

- B.S. Business Accounting
- Bachelor of Law

Certification:

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

Professional Membership:

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





Proposal to Provide Annual Audit Services

GARIMA PATHAK, CA **Audit Manager**

Garima Pathak is our audit manager and has been employed with Harshwal & Company, LLP for 8+ years. She has been engaged in numerous audits of special districts, educational entities, state and local governments, tribes and tribal governments, housing authorities, and not-for-profit organizations. Garima has 5+ years of experience working with all types of exempt organizations including 501(c) (3), 501(c) (4), 501(c) (6), and 501(c) (7). Garima has provided tax compliance services to clients in the retail, real estate, and not-for-profit industries. She concentrates on real estate clients, focusing on low-income housing, including both for profit and not-for-profit entities. Garima has a passion for her not-for-profit clients and the industry at large, providing them with hands-on tax compliance services including Form 990 filings. She has proficient knowledge of using CaseWare, CaseView, CaseWare IDEA Software and other automated tools.

Education:

- Bachelors in Commerce

Certification:

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

SAMSON REDA, CPA **Senior Auditor**

Samson Reda is a senior auditor at Harshwal & Company, LLP and has 10+ years of experience in auditing and providing accounting services to special districts, educational entities, state and local governments, housing authorities, not-for-profit organizations, and tribes and tribal governments. He is an expert in data analysis and reconciliation and his experience includes auditing, the recording and analysis of account transactions; establishing accounting records; reconciliation of cash balances; implementation of accounting controls; and statistical reports.

He also conducts sampling, testing and is well experienced in performing audits in accordance with attestation standards established by the AICPA. He has proficient knowledge of using CaseWare, CaseView, CaseWare IDEA and other automated tools. He will assist in directing the staff and specialize in the timely completion of the audit.

Education:

- BA in Accounting

Certification:

- Certified Public Accountant

ALBERT HWU, CPA **Senior Auditor**

Albert Hwu is a senior auditor and has been employed with Harshwal & Company, LLP for 10+ years. He has been engaged with several audits and accounting engagements of special districts, educational entities, state and local governments, housing authorities, not-for-profit organizations, and tribes and tribal governments. Mr. Hwu is proficient in the operating nuances of accounting and auditing packages and demonstrates up-to-date knowledge of auditing and accounting pronouncements.





Proposal to Provide Annual Audit Services

Albert has worked on financial and compliance engagements under the Single Audit Act of 1984 and OMB Circular (Uniform Guidance). He performs audit testing activities; documents processes and findings; verifies assets and liabilities in accordance with audit programs; follows documentation standards; and prepares clear, concise, and orderly working papers. He has proficient knowledge of using CaseWare, CaseView, CaseWare IDEA software and other automated tools.

Education:

- Bachelors of Science in Accounting

Certification:

- Certified Public Accountant

Professional Membership:

- Member of AICPA

KINJAL PATEL, CPA

Senior Auditor

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

Education:

- Master of Business Administration in Accounting

Certification:

- Certified Public Accountant - State of California (CPA)

POONAM SHARMA, CPA

Senior Auditor

Poonam Sharma is serving the firm as senior auditor. She has been engaged with several audits and accounting engagements of special districts, tribes and tribal governments, not-for-profit organizations, educational entities, state and local governments, and housing authorities. Poonam is proficient in the operating nuances of accounting and auditing packages and demonstrates up-to-date knowledge of auditing and accounting pronouncements. She prepares and adjusts work papers from the client's trial balance, executes day-to-day activities of audit engagements for multiple clients, and interacts with client personnel. She performs audit testing activities; documents processes and findings; verifies assets and liabilities in accordance with audit programs; follows documentation standards; and prepares clear, concise, and orderly working papers. She has proficient knowledge of using CaseWare, CaseView, CaseWare IDEA software and other automated tools.

Education:

- Master of Business Administration in Accounting





Proposal to Provide Annual Audit Services

Certification:

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

Continuing Professional Education (CPE)

Harshwal & Company, LLP places a strong emphasis on lifelong learning and recognizes the importance of developing our professionals to best serve our clients. Because we are committed to the industries we serve, we provide our professionals with specific, ongoing training. This investment ensures our people stay current on the unique challenges and opportunities within the industry sectors so that they are in the best position to help clients address these issues.

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

Audit Team Member	Governmental CPE	Non-Governmental CPE
Sanwar Harshwal, CPA, CIA, CISA, CFE	140	124
Garima Pathak, CA	84	57
Samson Reda, CPA	80	56
Albert Hwu, CPA	108	55
Kinjal Patel, CPA	58	28
Poonam Sharma, CPA	83	40





AUDIT APPROACH

Scope of the Work:

At Harshwal & Company, LLP, our professionals have extensive experience performing audits of special districts and our team has a broad understanding of the work environment that is necessary to conduct an audit of the Manila Community Services District. We understand that you require us to conduct an audit of the financial statements of the Manila CSD for the fiscal years ending June 30, 2025, through June 30, 2027, in accordance with generally accepted auditing standards set forth by the American Institute of Certified Public Accountants; *Government Auditing Standards* issued by the Comptroller General of the United States; the standards for financial audits as set forth by the U.S. General Accounting Office's *Government Auditing Standards*; and the State Controller's minimum audit requirements for California Special Districts. We will adhere to the requirements of the RFP and will be performing the following tasks (including, but not limited to):

- We will perform financial audit of the Manila CSD.
- Our audit will include all funds of the Manila CSD which consist of water distribution, wastewater collection and treatment, parks and community center and pass-through capital grant activity for water, wastewater, park improvements, and drainage.
- We will provide a management letter.
- We will prepare and submit the Financial Transactions Report (FTR) to the State Controller's Office.

Understanding of the Project to be Performed

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

During this phase, we hope to establish the timetable for the examination and identify dates for future meetings to report on our progress in the examination. Shortly thereafter, the partners and an audit manager will meet with the Manila CSD Manager or Finance Director to be able to obtain a more detailed outline of the Manila CSD's financial systems and processes. This will help us to determine the extent and concentration of our audit effort, obtain knowledge and an understanding of the legal and reporting requirements by obtaining pertinent statutes, regulations, charter provisions, bond coverage and other requirements. The meeting will serve as a guideline to prepare and outline our audit-planning memorandum and the audit plan. Upon completion of the audit plan, we will meet with the Manila CSD Officials to go over our plan. During the meeting, we hope to share our understanding of the audit approach and fine-tune the dates of commencement, the assistance available to us, and the assistance the Manila CSD may need from us, and the introduction of the audit team seniors to the Manila CSD Officials. In the next step, a conference will be initiated by the audit team to be assigned. The conference will serve as a platform to share our audit plan and programs, discuss areas of concern, identify audit teams and dates, and address any and all pertinent questions from our staff.





Specific Audit Approach

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

Audit Planning — Interim Phase

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

Risk Assessment — Interim Phase

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

Control Testing — Interim Phase

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

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

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





Proposal to Provide Annual Audit Services

Substantive Procedures — Year End Phase

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

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

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

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

Drawing Audit Samples (for tests of compliance)

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

Audit Sizes and Statistical Sampling Techniques

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

Rules and Regulations

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





Proposal to Provide Annual Audit Services

Working Paper Retention and Access to Working Papers

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

Technological Advantages

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

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

Secure Data File Transfer System: In order to improve audit efficiency, workflow management software plays an essential role between your organization and our engagement team. We employ a secure data file transfer system called **Suralink**. Suralink's dynamic request list is integrated with our secure file hosting system for seamless document-request coordination. It means all our requests are in one place, updated in real-time, and accessible only by our engagement team working on your audit and the Manila CSD's employees who are granted access.

You, as a client, no longer have to manually maintain a spreadsheet amongst several people only to repeat the process in a day or two. This not only makes the operation more cost-efficient; it enables you and your team to spend your time getting the job done, not reconciling a messy list of outstanding items. The Suralink dashboard, as shown below, allows you to visualize the process of the document-request fulfillment. With this innovative tool, clients can manage workflow through a centralized individual who can assign and delegate requests to other employees; track project activity by assigned individual, due date, and status with a user friendly, easy-to-use, dashboard interface; quickly view and monitor project progress with an at-a-glance report feature; and access how-to videos and training materials through the enhanced learning center.

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





Proposal to Provide Annual Audit Services

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

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

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

Use of Artificial Intelligence and Other Emerging Technologies

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

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

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





Proposal to Provide Annual Audit Services

Management Letter

Communication with management is crucial since it is essential to hear your concerns and comprehend the financial records to have a complete and thorough understanding of business operations. Management confirmation is required on all information contained within the financial statements to ensure that they are true and accurate and that all information has been properly disclosed. We will review all significant audit findings with the Manila CSD as the work proceeds and once on complete of our audit procedures. It is standard practice for our firm to produce a management letter in conjunction with each engagement. The audit process provides an opportunity to assess performance and trends, to identify opportunities to improve internal controls and/or accounting efficiency, and spot emerging needs or opportunities.

By reporting these conditions and opening them up for discussion, the management letter can play an important role in maintaining the future financial health of the organization. If we become aware of any irregularities, illegal acts, or indications of illegal acts, we will make an immediate verbal and written report of such findings to the Manila CSD's Council. The report will be discussed with the members responsible for the financial statements before submitting it to the Board Members. At the completion of the interim work, we will provide a management letter to the Superintendent (or designee) detailing all findings and recommendations noted as of the date of the completion of the interim work. We may substitute a copy of all written findings for the management letter.

Timeline for Completion of the Project

Harshwal & Company, LLP is prepared to meet the deadlines required for the year 2025.

Milestones	Tentative Timeline
Preliminary work and planning	Just after contract award
Interim audit fieldwork	August, 2025
Final audit fieldwork to be completed	Last week of October 2025 or before
Draft audit report and management letter for review	2nd week of November 2025 or before
Final audit report and management letter	Last week of November 2025 or before

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





Proposal to Provide Annual Audit Services

AUDIT FEES

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

Summarized below are the professional fees for the Manila CSD's audit services for the FY June 30, 2025, through June 30, 2027:

Audit Area - Description	FY 2025	FY 2026	FY 2027
Financial Audit of the Manila CSD.....	\$ 9,500.00	\$ 9,700.00	\$ 9,900.00
<i>Total Fees</i>	\$ 9,500.00	\$ 9,700.00	\$ 9,900.00

- *If a single audit is applicable, we will charge \$4,500.00 for the first major program and \$3,000.00 for each additional major program.*
- *We are well-equipped to perform audits on a remote basis. We will provide our audit services on a remote basis.*

Rates by Partners, Manager and Staff

Our Estimated Hours for FY 2025:			
Description - Team Composition	Est. Hours	Hourly Rates	Total
Managing Partner	5	\$195	\$ 975.00
Manager	14	150	2,100.00
Senior Auditor	23	100	2,300.00
Staff Auditor	51	75	3,825.00
Clerical Staff	5	60	300.00
<i>Total</i>	98		\$ 9,500.00

Rates for Additional Professional Services

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

Manner of Payment

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





Proposal to Provide Annual Audit Services

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

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

Benefits of Choosing Harshwal & Company, LLP

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

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

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

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

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



August 15, 2025

Manila Community Services District
Christopher Drop, General Manager
1901 Park Street
Manila, CA 95521
Email: manilacsd1@sbcglobal.net

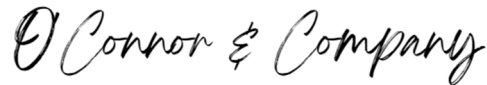
Dear Christopher Drop:

We understand the importance of price in the decision you are now making, and have based our fee on our best estimates of time and out-of-pocket expenses.

Our estimate assumes that Manila Community Services District's personnel will provide us with all information we request in our Client Participation List, in the format requested, and send it to us 30 days prior to scheduling the audit field work. If you have insufficient personnel or time to prepare these items, we can assist you in this area and we will discuss with you the additional time required and estimated fee for these services.

We believe that our proposal fee is both reasonable and fair. We are prepared to discuss it further with you should you have any concern in this area.

Sincerely,



O'Connor & Company

Attachments (2)

- Attachment A: Audit Work Cost Proposal
- Attachment B: Hourly Rates and Maximum Fee

Manila Community Services District
RFP for Auditing Services – Proposed Fees

ATTACHMENT A

Audit Cost Proposal

	<u>Hours</u>	<u>Rates</u>	<u>Estimated amount</u>
Director	20	\$ 210	\$ 4,200
Audit Manager	20	160	3,200
Senior Accountant	45	110	4,950
Admin	<u>10</u>	<u>110</u>	<u>1,100</u>
	95		13,450
Travel, copies, postage, out-of-pocket expenses, etc.			<u>550</u>
Estimated Audit Fees for 2024-2025			<u>\$ 14,000</u>
Estimated Audit Fees for 2025-2026			<u>\$ 14,000</u>
Estimated Audit Fees for 2026-2027			<u>\$ 15,000</u>
Estimated Audit Fees for 2027-2028			<u>\$ 15,000</u>
Estimated Audit Fees for 2028-2029			<u>\$ 15,000</u>

**Expenses and incidentals, such as mileage and travel are charged each month with billing that includes the total for all services and expenses. These costs are included in the total audit fees. We accept payment via paper check, EFT, as well as online payments via e-check and credit card.*

ATTACHMENT B

**Our Hourly Rates and Maximum
Fee to Perform this Engagement**

The audit fees assume reasonable access to O'Connor & Company professional staff at no additional cost throughout the fiscal year. This includes time that we may spend answering technical questions related to the audit. The fees contemplate that the books will be closed and ready for audit, that substantially all adjusting entries will be made by Manila Community Services District staff prior to the start of final fieldwork, and Manila Community Services District staff will provide supporting schedules and reconciliations for all significant asset and liability balances.

If additional time is needed for us to assist Manila Community Services District in the resolution or investigation of accounting errors, discrepancies, or reconciliation issues, assistance in the preparation of year end schedules, to research accounting questions unrelated to the audit, or to reflect in our work papers entries made after the start of the audit, we will perform such additional work at our standard hourly rates.

If there is a matter that is outside the scope of the audit which takes up more than an hour of time or possibly requires research on our part, we will inform Manila Community Services District and come to an agreement about additional costs, prior to billing outside the scope of the audit for special accounting work we may perform.

<u>Position</u>	<u>2025 Standard Hourly Rates</u>
Director	\$210
Audit Director/Audit Manager	\$160
Audit Supervisor	\$130-160
Senior Accountant	\$120
Staff Auditor	\$110
Administrator	\$110



Manila Community Services District Board of Directors
Agenda Summary

FY26 Q1 Budget Vs Actual

Summary:

Presented herein is the budget performance vs. actual as of Sept 30, 2025, or the close of Q1 for fiscal year 2026.

As we close 25% of the year, we would expect 25% reported in revenues and expenses – excepting those that are upfront or annualized (like property insurance and tax allocations). These annualized amounts are noted in the report and tend to flatten out as the year progresses.

Please note that water/wastewater revenues do not yet capture the recent rate increases for Q1 but depict ~25% due to tax allocations. The new rates are effective Q2, onward.

There are a few overages represented and for consideration of adjustment:

Water Purchases (HBMWD) are about 3% higher or \$8,737/yr more than budgeted.

P&L insurance came in about 4% higher at \$853/yr.

Park Payroll is artificially over budget this quarter requiring journal entries to correct.

Staff recommends board-approved budget adjustments as follows:

Water Purchases from \$93,244 to \$101,981

P&L Insurance increase of \$853 total, distributed across depts as budgeted.

Recommended Motion:

Staff recommends the board receive and file as presented with budget amendments made by formal action.

Alternate Motion:

The board receive and file as presented with budget amendments at a future meeting.

Vote:_____

Attachments:

FY26 Budget Vs Actual

Manila Community Services District												1:11 PM	
Profit & Loss Budget vs. Actual												10/07/2025	
July through September 2025												Accrual Basis	
						Looking for 25% (except annualized)							
							Jul - Sep 25	Budget	\$ Over Budget	% of Budget			
Ordinary Income/Expense													
					Income								
					40000 · Water Income								
					40100 · Residential	57,988.76							
					40300 · Penalty - Late Charges	1,590.00							
					40500 · Miscellaneous	4,420.00	4,500.00	-80.00	98.22%	annualized tax portion			
					40000 · Water Income - Other	0.00	241,910.00	-241,910.00	0.0%				
					Total 40000 · Water Income	63,998.76	246,410.00	-182,411.24	25.97%				
					41000 · Sewer Income								
					41100 · Residential	51,112.23							
					41400 · Penalty - Late Charges	1,565.00							
					41500 · Miscellaneous	4,000.00	4,500.00	-500.00	88.89%	annualized tax portion			
					41700 · New Installation	2,927.59							
					41000 · Sewer Income - Other	0.00	199,618.00	-199,618.00	0.0%				
					Total 41000 · Sewer Income	59,604.82	204,118.00	-144,513.18	29.2%				
					D40800 · Drainage Income								
					D40850 · Drainage Income Tax Allocation	3,000.00	3,000.00	0.00	100.0%				
					Total D40800 · Drainage Income	3,000.00	3,000.00	0.00	100.0%	annualized			
					M40800 · Community Center Income								
					M40805 · Tenants	25,092.00							
					M40800 · Community Center Income - Other	0.00	100,869.00	-100,869.00	0.0%				
					Total M40800 · Community Center Income	25,092.00	100,869.00	-75,777.00	24.88%				
					P40700 · Park Income								
					P40780 · Tax Allocation	18,500.00	18,500.00	0.00	100.0%				
					P40790 · Leases	1,500.00	1,500.00	0.00	100.0%				
					P40700 · Park Income - Other	0.00	500.00	-500.00	0.0%				
					Total P40700 · Park Income	20,000.00	20,500.00	-500.00	97.56%	annualized			
					PW40690 · PUBLIC WORKS INCOME (Tax Alloc)	2,500.00	2,500.00	0.00	100.0%				
					Total Income	174,195.58	577,397.00	-403,201.42	30.17%				

[illegible]

					Looking for 25% (except annualized)						
						Jul - Sep 25	Budget	\$ Over Budget	% of Budget		
					62800 · Vehicle Repairs	88.19					
					62850 · Vehicle Fuel	289.76					
					62000 · Operating & Maintenance - Water - Other	0.00	26,951.00	-26,951.00	0.0%		
					Total 62000 · Operating & Maintenance - Water	2,858.26	26,951.00	-24,092.74	10.61%		
					65000 · Professional Services - Water						
					65501 · Rate Study - Water	450.00					
					65000 · Professional Services - Water - Other	0.00	4,000.00	-4,000.00	0.0%		
					Total 65000 · Professional Services - Water	450.00	4,000.00	-3,550.00	11.25%		
					68000 · Utilities						
					68100 · Telephone & Communications	489.56					
					68300 · Trash Removal	217.02					
					68000 · Utilities - Other	171.01	3,000.00	-2,828.99	5.7%		
					Total 68000 · Utilities	877.59	3,000.00	-2,122.41	29.25%		
					68400 · Propane	1,493.54					
					Total 60000 · Water Dept. Expense	38,975.42	171,316.00	-132,340.58	22.75%		
					66900 · Reconciliation Discrepancies	-86.17					
					80000 · Sewer Dept. Expense						
					80100 · Payroll - Sewer						
					80110 · Administration	10,230.54	19,755.00	-9,524.46	51.79%		
					80111 · Board Wages	237.50					
					80120 · Staff	11,665.12					
					80123 · Sick Wages	278.40					
					80125 · Holiday Wages	623.16					
					80140 * wokers comp	1,268.79					
					80150 · Insurance Benefits	3,597.93					
					80100 · Payroll - Sewer - Other	0.00	114,386.00	-114,386.00	0.0%		
					Total 80100 · Payroll - Sewer	27,901.44	134,141.00	-106,239.56	20.8%		
					81000 · Administration - Sewer						
					81100 · Bank Expense	154.99					
					81250 · Licenses & Dues	150.00					
					81275 · Insurance P&L	4,797.95	4,627.00	170.95	103.7%		
					81300 · Office Supplies	332.87					
					81350 · Office Equipment	-81.26					

[illegible]

						Looking for 25% (except annualized)											
							Jul - Sep 25	Budget	\$ Over Budget	% of Budget							
						Total M82000 · Administration	11,897.09	17,819.00	-5,921.91	66.77%							
						M83000 · O&M MCC and Park											
						M83800 · Vehicle Repairs	88.19										
						M83850 · Vehicle Fuel	98.22										
						M83000 · O&M MCC and Park - Other	1,471.36	29,532.00	-28,060.64	4.98%							
						Total M83000 · O&M MCC and Park	1,657.77	29,532.00	-27,874.23	5.61%							
						M85000 · Professional Services	0.00	5,000.00	-5,000.00	0.0%							
						M88000 · Utilities											
						M88300 · Trash Removal	862.73										
						M88000 · Utilities - Other	0.00	4,000.00	-4,000.00	0.0%							
						Total M88000 · Utilities	862.73	4,000.00	-3,137.27	21.57%							
						Total M80000 · Community Center Expense	21,924.98	108,451.00	-86,526.02	20.22%							
						P70000 · Park Expense											
						P71000 · Park Payroll											
						P71150 · Board Wages	237.50										
						P71200 · Staff	742.48										
						P7140* worker comp	1,268.79										
						P71500 · Benefits	430.97										
						P71000 · Park Payroll - Other	2,512.76	8,118.00	-5,605.24	30.95%							
						Total P71000 · Park Payroll	5,192.50	8,118.00	-2,925.50	63.96%	to be corrected via GJE						
						P72000 · Administration											
						P72275 · Insurance P&L	2,398.97	2,314.00	84.97	103.67%							
						P72300 · Office Supplies	-330.18				QB Refund						
						P72000 · Administration - Other	0.00	6,250.00	-6,250.00	0.0%							
						Total P72000 · Administration	2,068.79	8,564.00	-6,495.21	24.16%							
						P73000 · O&M											
						P73800 · Vehicle Repairs	88.17										
						P78350 · Vehicle Fuel	98.22										
						Total P73000 · O&M	186.39										
						P75000 · Professional Services	0.00	1,000.00	-1,000.00	0.0%							
						P78000 · Utilities											
						P78300 · Trash Removal	67.82										
						P78000 · Utilities - Other	0.00	1,875.00	-1,875.00	0.0%							

							Looking for 25% (except annualized)							
								Jul - Sep 25	Budget		\$ Over Budget	% of Budget		
							Total P78000 · Utilities	67.82	1,875.00		-1,807.18	3.62%		
							Total P70000 · Park Expense	7,515.50	19,557.00		-12,041.50	38.43%		
							PW69000 · Public Works Expense							
							PW69300 · Operating & Maintenance	0.00	2,180.00		-2,180.00	0.0%		
							PW69800 · Utilities	0.00	620.00		-620.00	0.0%		
							Total PW69000 · Public Works Expense	0.00	2,800.00		-2,800.00	0.0%		
							Total Expense	129,246.72	523,430.00		-394,183.28	24.69%		
							Net Ordinary Income	19,180.68	-39,277.00		58,457.68	-48.83%		
							Other Income/Expense							
							Other Income							
							90000 · Interest Earned	1,148.51						
							90200 · Interest Income	0.00	8,863.00		-8,863.00	0.0%		
							Total Other Income	1,148.51	8,863.00		-7,714.49	12.96%		
							Net Other Income	1,148.51	8,863.00		-7,714.49	12.96%		
							Net Income	20,329.19	-30,414.00		50,743.19	-66.84%		



Manila Community Services District Board of Directors

Agenda Summary

Receive for Discussion and Possible Action: Draft Reserves Policy

Summary:

During the budget and rate study hearings, the board asked staff to report back on a Reserves Policy recommendation. There are generally (5) types of reserves and Manila CSD currently maintains (3). The Capital Improvement Reserve was the only reserve with a target, based on quarterly deposits of >6,000 and was later tied to items identified in our 2017 Capital Improvement Plan (~\$250,000). These projects made their way to grant planning and award. All items from the plan (except for a backhoe and shop addition) have been executed and funded by grants. Needs have changed for the remaining items.

Recently, the district withdrew funds for the Park Per Capita and CNRA drainage grant as gap funding, detailed in the attached spreadsheet.

- **Operational Reserves (Checking Account/General Fund):**

Target is generally recommended as 2 to 12 months of expenses (80,000 – 480,000). Holding a 12-month reserve is ambitious. Today we operate between 60% and 80% of a 2-month reserve (before the rate increase). Staff expects to achieve close to 100% of a 2-month reserve target as the year progresses. There exists other funds at the county treasury that may also be available for operational reserves.

- **Capital Improvement (Enterprise Fund)**

Target is normally to a Capital Improvement Plan. Resolution 2008.08 codified our last target. A new CIP is necessary to consider targets to fund the repair, replacement, or acquisition of capital assets. The district also has Prudent reserves collected from connection fees that may also be appropriate for capital investments. **Recommendations would be to direct staff to author a 5 or 10-year Capital Improvement/Replacement Plan for future adoption and funding considerations.**

- **Emergency/Contingency:**

Target is difficult to define - depending on risk factors, critical facilities and availability of other funding. **Published recommendations are about 10% to 20% of annual budget** (\$62,000 to \$123,000). The district is currently at about 75% of this target with liquid assets from accounts 2523 and LAIF and over 200% if CIP funds were included. We have used CIP funds in the past for reimbursing our checking account for emergency purchases. Most emergency expenses the district currently faces are water system leaks that cost between 2,000-5,000 and usually funded directly from the O&M budget. These could be mitigated with additional equipment (capital addition) or capital replacement of the distribution system (grant funding required).

Other reserve types:

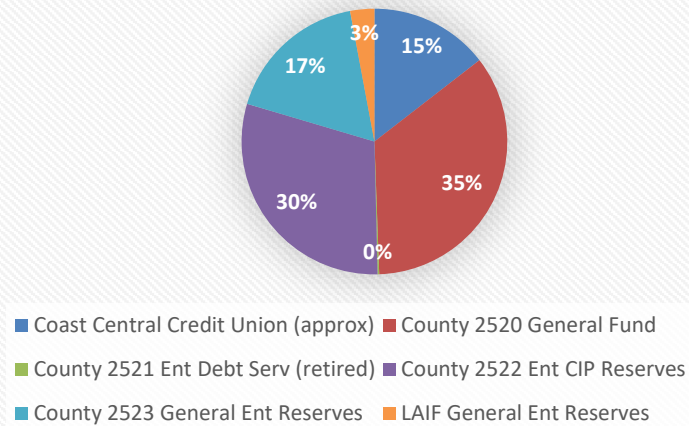
- Debt Service: The district retired all debt in 2018 with no current reserve obligations and a minor cash balance.
- Special Purpose (board designated special projects): current reserve obligation: Teen fund.

Manila CSD has the following accounts (see attached spreadsheet for balances and restrictions):

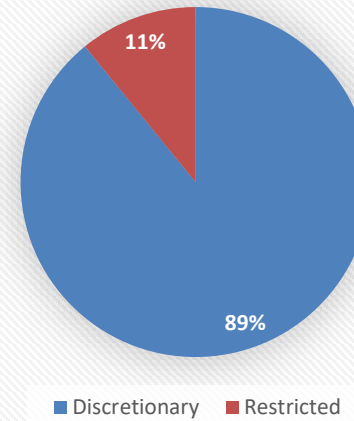
- Operational Reserves: Coast Central Credit Union (checking account)
- General Fund Reserves: Humboldt County Treasury 2520
- Debt Service (retired): Humboldt County Treasury 2521
- Capital Improvements: Humboldt County Treasury 2522
- Prudent Reserves: Humboldt County Treasury 2523
- Local Area Investment Fund: State pool of 2300+ special districts (LAIF)

	FYE 2025			vs. 2020	drawn	% of Target			
	Total	Restricted	Liquid			1 month	2 month	3 month	4 month
Coast Central Credit Union (approx)	65,000	-	65,000			173%	87%	58%	43%
County 2520 General Fund	156,454	24,674	131,780	176%	40,000				
County 2521 Ent Debt Serv (retired)	896	-	896						
County 2522 Ent CIP Reserves	134,214	-	134,214	136%					
County 2523 General Ent Reserves	78,310	24,100	54,210	49%	95,410	27%	95 k should have been GF of a 20% emergency target w/ 2523		
LAIF General Ent Reserves	13,174		13,174	105%		75%			
Total Cash Reserves	448,047	48,774	399,273	105%	135,410	498%	of a 20% emergency target		
Discretionary	399,273								
Restricted	48,774								
	448,047								

Total Reserves 450,000



Total Reserves 450,000





Manila Community Services District Board of Directors
Agenda Summary

Receive for Discussion and Possible Action: Reserves Draw for Drainage Grant of up to \$75,000

Summary:

The District's \$2.5m Drainage Grant - 100% grant funded by CNRA – is approaching completion. As we prepare to record easements and close the project, the district will be required to fund the remaining 10% (retention to contractors) until final reimbursement. This amounts to ~\$250,000 but we've negotiated this down to \$75,000 (based on 50% of our general fund). We expect this drawdown to be reimbursed prior to March 2026.

The district previously funded \$95,410 from Prudent Reserves at the onset of this project and was reimbursed by CNRA (these funds were used for operational cash needs pending the rate increase).

This action is to approve the draw of up to \$75,000 from our reserves to pay contractor invoices as they are received. Staff requests some flexibility in the payment methods.

Recommended Motion:

The board move/second to approve gap funding of drainage grant in the amount not to exceed \$75,000 from reserves.

Vote:_____

Attachments:

Manila Community Services District

10/17/2025 12:22 PM

Register: 10117 · Coast Central Checking

From 08/20/2025 through 10/17/2025

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
08/20/2025			12750 · Prop 2 Accoun...	Deposit		X	234,928.00	300,740.66
08/20/2025			12750 · Prop 2 Accoun...	Deposit		X	90,459.00	391,199.66
08/20/2025		STEVE'S SEPTIC S...	80000 · Sewer Dept. E...	ACH paid onli...	595.00	X		390,604.66
08/21/2025		QuickBooks Payroll ...	-split-	Created by Pay...	6,494.88	X		384,109.78
08/22/2025			12999 · Undeposited F...	Deposit		X	8,364.00	392,473.78
08/22/2025			12000 · Accounts Rece...	Deposit		X	11,633.83	404,107.61
08/22/2025		EFTPS	-split-	94-1653492	2,492.90	X		401,614.71
08/22/2025		DROP*, CHRISTOP...	22000 · Accounts Paya...	Reimbursement...	74.27	X		401,540.44
08/22/2025	2909	GHD	22000 · Accounts Paya...		34,037.20	X		367,503.24
08/22/2025	2910	Wahlund Constructio...	22000 · Accounts Paya...		200,890.75	X		166,612.49
08/22/2025	2911	GHD	22000 · Accounts Paya...	INV 380-0072...	7,857.45	X		158,755.04
08/22/2025	2912	Wahlund Constructio...	22000 · Accounts Paya...	INV 5 Enginee...	82,601.55	X		76,153.49
08/22/2025	2913	Wahlund Constructio...	22000 · Accounts Paya...	INV1 Engineer'...	412,722.28	X		-336,568.79
08/22/2025	2914	Bear River Band TH...	22000 · Accounts Paya...	Inv 07112025 ...	1,050.00			-337,618.79
08/22/2025	2916	SDRMA	22000 · Accounts Paya...	Inv 78484 Wor...	5,075.15	X		-342,693.94
08/22/2025	2917	VALLEY PACIFIC ...	22000 · Accounts Paya...	10366	344.68	X		-343,038.62
08/22/2025	DD2239	BACHEMIN, CYNT...	-split-	Direct Deposit		X		-343,038.62
08/22/2025	DD2240	BRODERICK, JOHN J	-split-	Direct Deposit		X		-343,038.62
08/22/2025	DD2241	DROP, CHRISTOP...	-split-	Direct Deposit		X		-343,038.62
08/22/2025	DD2242	FAULK-KELLOGG,...	-split-	Direct Deposit		X		-343,038.62
08/22/2025	DD2243	KITTLESON, KEN...	-split-	Direct Deposit		X		-343,038.62
08/22/2025	DD2244	Muniz**, Danielle	-split-	Direct Deposit		X		-343,038.62
08/22/2025	DD2245	RYAN, MEGHAN	-split-	Direct Deposit		X		-343,038.62
08/22/2025	DD2246	WATSON, ALISHA L	-split-	Direct Deposit		X		-343,038.62
08/22/2025			10200 · Coast Central ...	Funds Transfer ...		X	412,722.28	69,683.66
08/26/2025		Debit Card- CCCU	-split-	Costco	206.90	X		69,476.76
08/28/2025		DROP, CHRISTOP...	M80000 · Community ...	shafers ace har...	117.68	X		69,359.08
08/28/2025			10200 · Coast Central ...	Funds Transfer...		X	180.00	69,539.08
08/29/2025		SDRMA MB	60000 · Water Dept. E...	Auto-pay Septe...	2,937.57	X		66,601.51
08/29/2025	2918	BLUE STAR GAS	22000 · Accounts Paya...	MANDIS	1,493.54	X		65,107.97
08/29/2025	2919	CBS LEASING CO...	22000 · Accounts Paya...	003-0610693-0...	283.24	X		64,824.73
08/29/2025	2920	HUMBOLDT BAY ...	22000 · Accounts Paya...	July 1-July 31, ...	8,473.96	X		56,350.77
08/29/2025	2921	PPG Paints	22000 · Accounts Paya...	INV 80092002...	201.92	X		56,148.85
08/29/2025	2922	RECOLOGY HUMB...	22000 · Accounts Paya...	CUST 060790...	678.16			55,470.69
08/29/2025	2923	Restif Cleaning Servi...	22000 · Accounts Paya...	Bathroom Clea...	360.00	X		55,110.69
08/29/2025	2924	UNDERGROUND S...	22000 · Accounts Paya...	152394	300.00	X		54,810.69
08/29/2025	2925	VALLEY PACIFIC ...	22000 · Accounts Paya...	10366	383.08	X		54,427.61
08/31/2025			12000 · Accounts Rece...	Deposit		X	4,142.56	58,570.17
08/31/2025			12000 · Accounts Rece...	Deposit		X	8,638.68	67,208.85
08/31/2025			12000 · Accounts Rece...	Deposit		X	1,982.90	69,191.75

Manila Community Services District

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From 08/20/2025 through 10/17/2025

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
08/31/2025			90000 · Interest Earned	Interest		X	21.58	69,213.33
08/31/2025			60000 · Water Dept. E...	Service Charge	65.00	X		69,148.33
08/31/2025	Dep Ref		66900 · Reconciliation ...	Balance Adjust...		X	86.17	69,234.50
09/02/2025		Nuvei (Paya)	-split-	Card/Ach proc...	137.65	X		69,096.85
09/03/2025			12000 · Accounts Rece...	Deposit		X	1,914.16	71,011.01
09/03/2025			-split-	Deposit		X	180.00	71,191.01
09/03/2025			-split-	Deposit		X	32,000.00	103,191.01
09/04/2025		QuickBooks Payroll ...	-split-	Created by Pay...	6,180.40	X		97,010.61
09/05/2025		EFTPS	-split-	94-1653492	2,336.26	X		94,674.35
09/05/2025		Debit Card- CCCU	80000 · Sewer Dept. E...	Crust busters	1,665.00	X		93,009.35
09/05/2025	DD2247	DROP, CHRISTOP...	-split-	Direct Deposit		X		93,009.35
09/05/2025	DD2248	KITTLESON, KEN...	-split-	Direct Deposit		X		93,009.35
09/05/2025	DD2249	WATSON, ALISHA L	-split-	Direct Deposit		X		93,009.35
09/08/2025		VERIZON WIRELE...	-split-	Account #3420...	114.00	X		92,895.35
09/08/2025	2926	BLUE STAR GAS	22000 · Accounts Paya...	MANDIS	428.91	X		92,466.44
09/08/2025	2927	GHD	22000 · Accounts Paya...	INV 380-0077...	15,422.10	X		77,044.34
09/08/2025	2928	HENSEL'S ACE HA...	22000 · Accounts Paya...	CUST 351	87.05	X		76,957.29
09/08/2025	2929	HUMBOLDT BAY ...	22000 · Accounts Paya...	August 1-29, 2...	8,676.09	X		68,281.20
09/08/2025	2930	MCNEILL, BRIAN	22000 · Accounts Paya...	Inv 975821	450.00	X		67,831.20
09/08/2025	2931	GHD	22000 · Accounts Paya...	INV 380-0072...	967.50	X		66,863.70
09/08/2025	2932	GHD	22000 · Accounts Paya...	INV 380-0044...	222.50	X		66,641.20
09/08/2025	2933	BADGER METER	22000 · Accounts Paya...	Statement Bea...	792.15	X		65,849.05
09/08/2025	2934	McCAMPBELL AN...	22000 · Accounts Paya...	INV 2507F96 ...	530.00	X		65,319.05
09/08/2025	2935	SDRMA	22000 · Accounts Paya...	Inv 78017 P&L...	23,989.73	X		41,329.32
09/08/2025	2936	Microbac Laboraorie...	22000 · Accounts Paya...	August Stateme...	627.00	X		40,702.32
09/08/2025			10200 · Coast Central ...	Funds Transfer...		X	15,422.10	56,124.42
09/08/2025			10200 · Coast Central ...	Funds Transfer ...		X	967.50	57,091.92
09/12/2025	2937	KITTLESON, KEN*	22000 · Accounts Paya...	Reimbursement	352.74	X		56,739.18
09/14/2025		Debit Card- CCCU	-split-	Go Daddy	371.53	X		56,367.65
09/18/2025		OPTIMUM	-split-	paid online ACH	407.99	X		55,959.66
09/18/2025		OPTIMUM*	80000 · Sewer Dept. E...	paid online Ac...	74.67	X		55,884.99
09/18/2025		QuickBooks Payroll ...	-split-	Created by Pay...	6,247.15	X		49,637.84
09/19/2025			12000 · Accounts Rece...	Deposit		X	86.00	49,723.84
09/19/2025		EFTPS	-split-	94-1653492	2,362.82			47,361.02
09/19/2025	DD2250	DROP, CHRISTOP...	-split-	Direct Deposit		X		47,361.02
09/19/2025	DD2251	KITTLESON, KEN...	-split-	Direct Deposit		X		47,361.02
09/19/2025	DD2252	Muniz**, Danielle	-split-	Direct Deposit		X		47,361.02
09/19/2025	DD2253	WATSON, ALISHA L	-split-	Direct Deposit		X		47,361.02
09/25/2025			12999 · Undeposited F...	Deposit		X	8,364.00	55,725.02
09/25/2025			12000 · Accounts Rece...	Deposit		X	2,702.96	58,427.98

Manila Community Services District

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From 08/20/2025 through 10/17/2025

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
09/25/2025			12000 · Accounts Rece...	Deposit		X	3,436.31	61,864.29
09/25/2025			12000 · Accounts Rece...	Deposit		X	5,747.61	67,611.90
09/25/2025			12999 · Undeposited F...	Deposit		X	140.00	67,751.90
09/25/2025			12000 · Accounts Rece...	Returned ACH ...	99.36	X		67,652.54
09/29/2025		Debit Card- CCCU	-split-	Amazon	48.97	X		67,603.57
09/29/2025		Debit Card- CCCU	60000 · Water Dept. E...	Amazon	104.18			67,499.39
09/29/2025		Debit Card- CCCU	80000 · Sewer Dept. E...	Amazon	65.25			67,434.14
09/29/2025		Debit Card- CCCU	-split-	Amazon	182.04	X		67,252.10
09/29/2025			10200 · Coast Central ...	Funds Transfer...		X	1,050.00	68,302.10
09/29/2025			10200 · Coast Central ...	Funds Transfer...		X	530.00	68,832.10
09/30/2025			12000 · Accounts Rece...	Deposit		X	86.07	68,918.17
09/30/2025			12000 · Accounts Rece...	Deposit		X	5,095.57	74,013.74
09/30/2025			12000 · Accounts Rece...	Deposit		X	9,161.50	83,175.24
09/30/2025			12000 · Accounts Rece...	Deposit		X	1,413.98	84,589.22
09/30/2025			90000 · Interest Earned	Interest		X	9.13	84,598.35
09/30/2025		Paya Services (Nuvei)	-split-	Returned paym...	15.00	X		84,583.35
09/30/2025			60000 · Water Dept. E...	Service Charge	65.00	X		84,518.35
10/01/2025			12000 · Accounts Rece...	Deposit			851.47	85,369.82
10/01/2025	2938	U.S. POST MASTER	-split-	Deposit to per...	950.00			84,419.82
10/02/2025		VERIZON WIRELE...	-split-	Account #3420...	114.34			84,305.48
10/02/2025		SDRMA MB	60000 · Water Dept. E...	Auto-pay Octo...	2,937.57			81,367.91
10/02/2025		SDRMA	-split-	ACH Payment ...	47.52			81,320.39
10/02/2025	2939	Hannah Zivolich	23000 · CBSW Cust...	Deposit Refund...	44.30			81,276.09
10/02/2025	2940	ADVANCED SECU...	22000 · Accounts Paya...		213.00			81,063.09
10/02/2025	2941	BADGER METER	22000 · Accounts Paya...	9/30/25 INV 8...	4.75			81,058.34
10/02/2025	2942	CBS LEASING CO...	22000 · Accounts Paya...	003-0610693-0...	339.00			80,719.34
10/02/2025	2943	HUMBOLDT BAY ...	22000 · Accounts Paya...	August 30- Sep...	8,618.13			72,101.21
10/02/2025	2944	KEENAN - HAJOC...	22000 · Accounts Paya...	CUST 26-5561...	216.80			71,884.41
10/02/2025	2945	McCAMPBELL AN...	22000 · Accounts Paya...	INV 2509775 ...	1,762.50			70,121.91
10/02/2025	2946	Microbac Laboraorie...	22000 · Accounts Paya...	September Stat...	538.00			69,583.91
10/02/2025	2947	PACE SUPPLY	22000 · Accounts Paya...	39785-00	4,053.77			65,530.14
10/02/2025	2948	PIERSON BUILDIN...	22000 · Accounts Paya...	CUST 1685	483.60			65,046.54
10/02/2025	2949	RECOLOGY HUMB...	22000 · Accounts Paya...	CUST 060790...	659.29			64,387.25
10/02/2025	2950	SDRMA	22000 · Accounts Paya...	Inv 78484 Wor...	239.90			64,147.35
10/02/2025	2951	VALLEY PACIFIC ...	22000 · Accounts Paya...	10366	392.89			63,754.46
10/02/2025		QuickBooks Payroll ...	-split-	Created by Pay...	6,110.29			57,644.17
10/02/2025			10200 · Coast Central ...	Funds Transfer...			1,762.50	59,406.67
10/03/2025		EFTPS	-split-	94-1653492	2,290.90			57,115.77
10/03/2025		Debit Card- CCCU	-split-	Walmart.com	160.49			56,955.28
10/03/2025	DD2254	DROP, CHRISTOP...	-split-	Direct Deposit		X		56,955.28

Manila Community Services District

10/17/2025 12:22 PM

Register: 10117 · Coast Central Checking

From 08/20/2025 through 10/17/2025

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
10/03/2025	DD2255	KITTLESON, KEN...	-split-	Direct Deposit		X		56,955.28
10/03/2025	DD2256	WATSON, ALISHA L	-split-	Direct Deposit		X		56,955.28
10/07/2025			12770 · Prop 1 Accoun...	Deposit			133,294.00	190,249.28
10/07/2025	2952	Wahlund Constructio...	22000 · Accounts Paya...		115,020.43			75,228.85
10/09/2025	2953	Wahlund Constructio...	22000 · Accounts Paya...	INV 2 Enginee...	180,000.00			-104,771.15
10/09/2025	2954	McCAMPBELL AN...	22000 · Accounts Paya...	INV 2509775 ...	93.00			-104,864.15
10/09/2025	2955	Mike Plante	22000 · Accounts Paya...	Roof repair at ...	75.00			-104,939.15
10/09/2025			10200 · Coast Central ...	Whalund INV ...			180,000.00	75,060.85
10/09/2025			10200 · Coast Central ...	Funds Transfer...			93.00	75,153.85
10/10/2025			12750 · Prop 2 Accoun...	Deposit			178,593.00	253,746.85
10/10/2025		EMPLOYMENT DE...	-split-	499-0210-9	2,752.26			250,994.59
10/14/2025			12000 · Accounts Rece...	Deposit			2,295.64	253,290.23
10/14/2025			12000 · Accounts Rece...	Deposit			9,757.75	263,047.98
10/14/2025			-split-	Deposit			1,317.82	264,365.80
10/14/2025			12999 · Undeposited F...	Deposit			342.92	264,708.72
10/14/2025		Debit Card- CCCU	-split-	Adobe Acrobat...	239.88			264,468.84
10/14/2025		Debit Card- CCCU	-split-	Cal Pers INV 1...	56.29			264,412.55
10/14/2025	2956	Wahlund Constructio...	22000 · Accounts Paya...	INV 6 Enginee...	171,868.57			92,543.98
10/14/2025	2957	PACE SUPPLY	22000 · Accounts Paya...	VOID: 39785-00		X		92,543.98
10/14/2025	2958	RECOLOGY HUMB...	22000 · Accounts Paya...	CUST 060790...	1,347.34			91,196.64
10/14/2025	2959	Restif Cleaning Servi...	22000 · Accounts Paya...		720.00			90,476.64
10/14/2025	2960	VALLEY PACIFIC ...	22000 · Accounts Paya...	10366	314.78			90,161.86
10/14/2025	2961	PACE SUPPLY	22000 · Accounts Paya...	39785-00	3,788.74			86,373.12
10/16/2025		QuickBooks Payroll ...	-split-	Created by Pay...	6,180.39			80,192.73
10/17/2025		EFTPS	-split-	94-1653492	2,336.26			77,856.47
10/17/2025	DD2257	DROP, CHRISTOP...	-split-	Direct Deposit		X		77,856.47
10/17/2025	DD2258	KITTLESON, KEN...	-split-	Direct Deposit		X		77,856.47
10/17/2025	DD2259	WATSON, ALISHA L	-split-	Direct Deposit		X		77,856.47



MANILA COMMUNITY SERVICES DISTRICT

Minutes of Regular Meeting Tuesday July 15th, 2025

1. ROLL CALL, DETERMINE QUORUM: *Ryan, Bachemin, Broderick, Muniz and Faulk-Kellogg present*

2. APPROVE AGENDA: *there were no changes to the agenda*

3. PUBLIC INPUT / PETITIONS / ANNOUNCEMENTS: *There were no public comments*

4. BUSINESS ITEMS:

a) **Receive for Discussion and Possible Action:** FY2026 Draft Budget.

The board directed staff to bring item back in August with detail: Vote 5-0

b) **Receive for Discussion and Possible Action:** Approval of Audit Proposal: Completing FY2024 by Harshwal & Company, LLP for 9,500.

Muniz/Broderick to approve contract for FY24 Audit. Vote: 5-0

c) **Receive for Discussion and Possible Action:** Authorized District Signors for County Accounts

Muniz/Faulk-Kellogg to keep signors same as previous year. Vote: 5-0

5. CONSENT CALENDAR: *(Items may be pulled for future consideration) – Amendments or corrections should be received in writing prior to approval.*

a) **Receive Disbursements: June 17th, 2025 - to date**

b) **Draft Minutes of June 17th, 2025**

Bachemin/Muniz to approve consent calendar. Vote: 5-0

6. BOARD DISCUSSION ITEMS:

a) **Committee Member Updates/Reports**

b) **General Manager's Report: Surfrider MDRA,**

7. INCOMING COMMUNICATIONS:

8. ADJOURNMENT: *7:17pm*

Thia Bachemin, Secretary

Date: _____

Meghan Ryan, Board President

Date: _____



MANILA COMMUNITY SERVICES DISTRICT

Minutes of Regular Meeting Tuesday August 19th, 2025

1. ROLL CALL, DETERMINE QUORUM: *Ryan, Bachemin, Broderick, Muniz and Faulk-Kellogg present*

2. CHAIR ANNOUNCEMENT OF HEARING:

PUBLIC HEARING PURSUANT TO PROP 218 REGARDING PROPOSED WATER AND SEWER RATE INCREASE

:

3. STAFF REPORT: Announcement of both the number of "writings purporting to be protests" that have so far been received as well as the threshold at which a majority protest exists.

4. PUBLIC TESTIMONY: Proposed Rate Increase.

5. LAST CALL: For Protests and Close of Public Testimony. ***There were no protests***

6. STAFF ANNOUNCEMENT of final number of protests and whether a majority protest exists. ***There were no protests***

7. BOARD OF DIRECTORS discusses item and if no majority protest exists, the legislative body may adopt the fee.

Muniz/Broderick to adopt rate increase as presented. Vote 5-0

AGENDA FOR REGULAR MEETING

APPROVE AGENDA FOR REGULAR MEETING:

PUBLIC INPUT / PETITIONS / ANNOUNCEMENTS:

Member of the public commented on county Ord. related to Dark—sky policies applicable to new lights at the lift station.

Member of the public commented on a picnic.

8. Receive FY24-25 Budget vs Actual with FY26 Budget (no action required)

9. Approve of County Warrant for Budgeted Tax Allocations of \$32,000 (action required)

Muniz/Faulk-Kellogg to approve annual tax allocation drawdown from county treasury. Vote: 5-0

CONSENT CALENDAR: (Items may be pulled for future consideration) – Amendments or corrections should be received in writing prior to approval.

~~10. Approve Draft Minutes of July 15, 2025~~

11. Receive Check Register

Bachemin/Broderick to approve consent item #11 (#10 was not presented). Vote: 5-0

ITEMS PULLED FROM THE CONSENT CALENDAR (if any):

REPORTS:

Director/Committee Reports:

Staff Reports:

INCOMING COMMUNICATIONS:

FUTURE AGENDA ITEMS:

ADJOURNMENT: 7:25 pm

Thia Bachemin, Secretary

Date: _____

Meghan Ryan, Board President

Date: _____

General Manager's Report for October 2025

Water Project:

The new pumphouse, 150,000-gallon storage tank, pumps and hydro tanks are now live. There are still some items awaiting full commissioning, generator, alarm/controls and some tank fittings. The major HDD 255 undercrossing at Carlson is completed with reconnections on the west side of the highway pending disinfection and reconnection. The blow valve at Ward Street is replaced as well as the meter at the old mill (SPI). This almost completes the water project - which closes out at the end of December. But wait! Some very good news: our Water Meter Radio Retrofit project will now be fully funded to completion (+290 units) with remaining contingency funds – meaning the district will save over \$120,000 in direct purchases. There also appears to be enough funding left for installation assistance and box replacements.

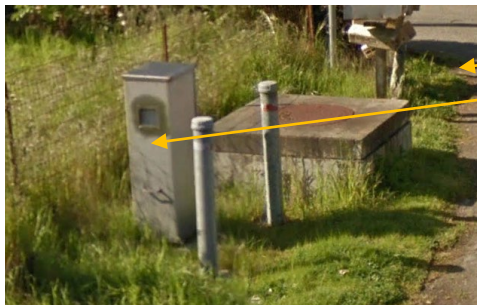
Wastewater Project:

The wastewater project also closes in December 2025, but the district has requested and is expected to receive an extension into 2026. This project included installing new monitoring wells, required by the water board. However, due to one of the well's locations (in an Environmentally Sensitive Habitat Area, ESHA), we have asked the water board to allow us reconsideration in locating this well to the southern aeration area that better captures the groundwater gradient and facilitates our required CDP amendment.



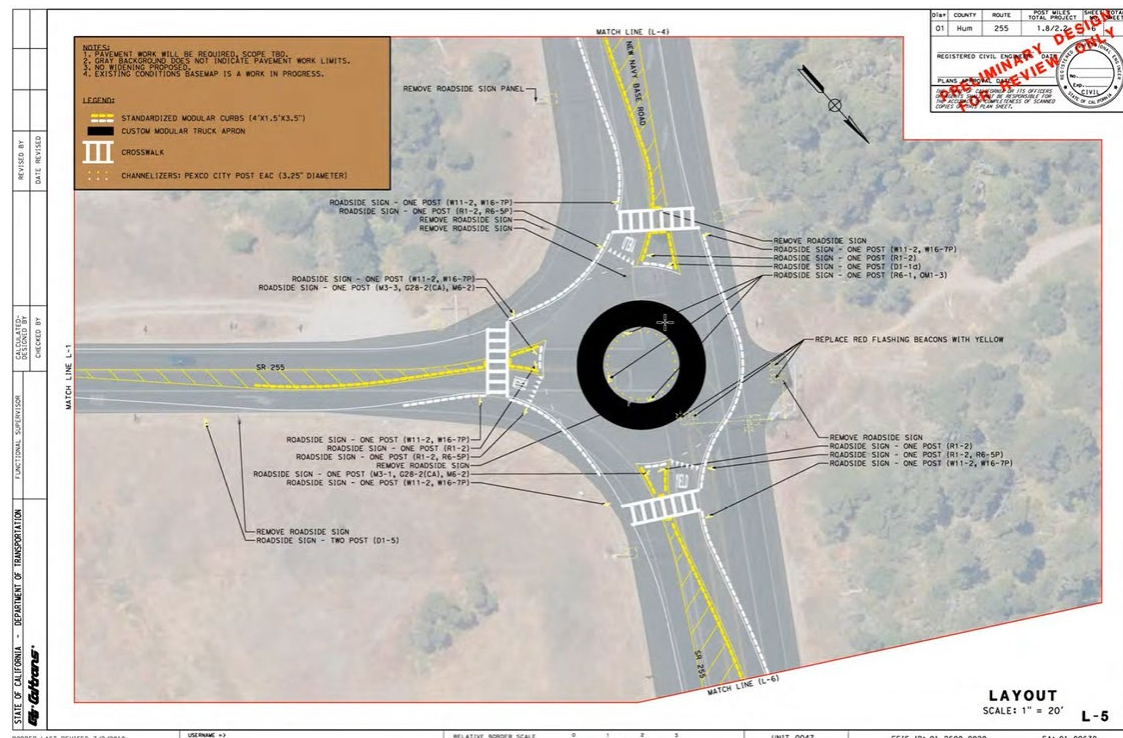
Original loc.
Revised loc.

Some unexpected cost increases are affecting the meter pedestal replacements due to PGE's strict standards. We are moving forward with (2) of the most challenging installs (out of 12) and re-evaluating funding and feasibility of the remaining pedestals as we progress. These are the stainless steel boxes you see on the side of the road and power the vast majority of the wastewater pressure system. Also shown are air valves to be replaced.



Air Valve
PGE Pedestal

Our septage receiving station getting poured and should be functional in the next few weeks – pending installation and connection to the pressure system. Contractors are replacing the lighting at the lift station with dark-sky compliant fixtures but have noted extended lead times due to high demand.



OTHER:

Our rate increase has been implemented and not-too-terribly received at this time (but we're still in the middle of the first increased payment cycle).

Our radio-read billing issues appear to be fully resolved.

The office renovation is back underway - it should be completed this winter.

We are about 75% through the FY24 audit with our CPA requiring staff populate an online portal called "Suralink". This portal loads on much of the work onto staff and has been rather challenging. We are hopeful that much of this is onboarding-related and might not represent burdens for future audits.

Expended Tidelands lease delayed

An Orenco PRELOS sample pump vault received (related to testing of STEP System components proposed for the town of Fairhaven).