

**Kings River Watershed Coalition Authority
(Kings River Water Quality Coalition)**

Location: 4886 East Jensen Avenue, Fresno, California
P. O. Box 8259
Fresno, CA 93747
(559) 365-7958
Fax (559) 237-5560

October 16, 2020

**BOARD OF DIRECTORS
OF THE
KINGS RIVER WATERSHED COALITION AUTHORITY
(KINGS RIVER WATER QUALITY COALITION)**

Mark C. McKean, President
Paul Peschel, Vice President

Alta Irrigation District
Burrell Ditch Co.
Clarks Fork Rec District #2069
Consolidated Irrigation District
Corcoran Irrigation Co.
Crescent Canal Co.
Empire West Side Irrigation District
Fresno Irrigation District
John Heinlen Mutual Water Co.
James Irrigation District
Kings River Conservation District
Kings River Water District
Laguna Irrigation District
Last Chance Irrigation District

Lemoore Canal & Irrigation Co
Liberty Canal Co.
Liberty Mill Race Co.
Lovelace Water Corp.
Peoples Ditch Co.
Reed Ditch Co.
Riverdale Irrigation District
Southeast Lake Water Co.
Stratford Irrigation District
Tulare Lake Basin Water Storage District
Tulare Lake Canal Co.
Tulare Lake Reclamation District #761
Upper San Jose Water Co.

Directors:

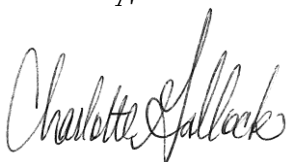
This is to notify you of the Meeting of the Board of Directors of the Kings River Watershed Coalition Authority to be held **Tuesday, October 20, 2020**. **The meeting will begin at 1:00 PM** and will be conducted **remotely via ZOOM**. The **ZOOM** weblink/call-in information is at the top of the Agenda.

There will not be a physical public access location. The Authority is conducting the meeting in this manner to protect public health by avoiding public gatherings and requiring social distancing. At the same time, the Authority remains committed to transparency. Members of the public will be able to listen to and watch the meeting, and comment if desired.

The patience and cooperation of all participants is appreciated. While every effort has been made to streamline the experience, there may be technical issues and human error. We will attempt to promptly correct any issues that arise.

Individuals who require special accommodations are requested to contact Corey McLaughlin by phone at: (559) 237-5567 or by email at: cmclaughlin@krwd.org.

Sincerely,



Charlotte Gallock
Coordinator
File: KRW 101.03

Agenda
KINGS RIVER WATERSHED COALITION AUTHORITY
(KINGS RIVER WATER QUALITY COALITION)
Board of Directors Meeting

Date: Tuesday, October 20, 2020

Time: 1:00 PM

Location: ZOOM

Link:

<https://us02web.zoom.us/j/84745240646?pwd=RGE5RGc0NUZpWnVoMC8vYjZqbWZLQT09>

One-Tap Mobile: +16699006833,,84745240646#,,,,,0#,,725207#

Call-In: +1 669 900 6833 ; Meeting ID: 847 4524 0646 ; Password: 725207

1. Addition to or Deletion from the Agenda, President

2. Public Presentation, President

Presentation by the Public on matters not on the agenda and within the jurisdiction of the Board, limited to a timeframe set by the Board President.

3. Coordinator Report, Coordinator

- A. Outreach Activities
- B. Membership Update
- C. Regional/State Board Updates
- D. Fill Station(s) Update
- E. Management Zone Update
- F. Online Member Portal Update

ACTION ITEMS

4. Approval of the Minutes, President

The Board will consider approving the August 18, 2020 Regular Board Meeting minutes.

5. Financial Report, Assistant Treasurer

The Assistant Treasurer will present expenditure-to-budget comparison reports for the period ending September 30, 2020 for consideration and approval.

6. Report of Finance Committee

The Finance Committee will report on their activities and may make recommendations to the Board. Action may be taken.

7. Authorization of Signing Audit Engagement Letter

The Board will be asked to authorize the Assistant Treasurer – Brian Trevarrow – and the Program Coordinator – Charlotte Gallock – to sign the Audit Engagement Letter for Fiscal Year 2019-2020.

8. Report of Policy Committee

The Policy Committee will report on their activities and may make recommendations to the Board. Action may be taken.

9. Management Zone Board Representatives

The Board will be asked to nominate and appoint three members to serve on the Kings Water Alliance Board

10. Agenda Items for Next Meeting

ADJOURNMENT

Note: The public will be given the opportunity to address the Authority on any item on the agenda before or during the Authority's consideration of that item. Sign in under "Others" on the attendance sheet and indicate which agenda item you wish to address. Comments by individuals and entities will be limited to three minutes or as may be reasonable as determined by the conducting officer.

A person with a qualifying disability under the Americans With Disabilities Act of 1990 may request the Authority provide a disability related modification or accommodation in order to participate in any public meeting of the Authority. Such assistance includes appropriate alternative formats for the Agendas and Agenda packets used for any public meetings of the Authority. Requests for such assistance and for Agendas and Agenda packets shall be made in person, by telephone, facsimile, or written correspondence to the Secretary of the Authority at the offices of the Kings River Conservation District at: 4886 E Jensen, Fresno, CA, 93725, at least 48 hours before a public Authority meeting.

Materials related to an item on this Agenda submitted to the Authority after distribution of the agenda packet are available for public inspection at the offices of the Kings River Watershed Coalition Authority at: 4886 E Jensen, Fresno, CA, 93725, during regular business hours.



Kings River Water Quality Coalition
AKA Kings River Watershed Coalition Authority

August 18, 2020 at 2:00 p.m.
Remote Via Zoom

Called to Order: 2:05 p.m.

Adjourned: 2:51 p.m.

Members Present:

1. CORCORAN IRRIGATION COMPANY – Director Mark Unruh
2. CRESCENT CANAL COMAPNY – Director Mark McKean (Pres)
3. FRESNO IRRIGATION DISTRICT – Director Kassy Chauhan
4. KINGS RIVER CONSERVATION DISTRICT – Alt Director Mark McKean
5. LAGUNA IRRIGATION DISTRICT – Director Frank Zonneveld
6. LAST CHANCE WATER DITCH COMPANY – Director Mark Unruh; Alt. Director Brian Mederios
7. LIBERTY MILL RACE COMPANY – Director Wyatt McKean
8. LOVELACE WATER CORPORATION – Alt Director Mark Unruh
9. PEOPLES DITCH COMPANY – Director Mark Unruh; Alt. Director Dominic Sween
10. REED DITCH CORPORATION – Director Mark McKean
11. RIVERDALE IRRIGATION DISTRICT – Director Leonard Acquistapace
12. SOUTHEAST LAKE WATER COMPANY – Alt Director Mark Unruh
13. TULARE LAKE BASIN WATER STORAGE DISTRICT – Director Justin Mendes
14. TULARE LAKE CANAL COMPANY – Director Mark Unruh; Alt. Director Dominic Sween

Members Absent:

1. ALTA IRRIGATION DISTRICT – Director John Kalender; Alt Director Chad Wegley
2. BURREL DITCH COMPANY – Director John Maddox; Alt Director Stephen Maddox
3. CLARK'S FORK RECLAMATION DISTRICT #2069 – Director Bill Miguel
4. CONSOLIDATED ID – Director Phil Desatoff; Alt Director Earl Hudson
5. EMPIRE WEST SIDE IRRIGATION DISTRICT – Director John Howe
6. JAMES ID – Director Robert Barcellos; Alt. Director Steve Stadler
7. JOHN HEINLEN MUTUAL WATER – Director Ronnie Silva
8. KINGS RIVER WD – Director Jack Paxton; Alt Director Steve Boos
9. LEMOORE CANAL & IRRIGATION – Director Bill Newton; Alt Director Ronnie Silva
10. LIBERTY CANAL CO. – Director John Coelho; Alt Director Mike Nordstrom
11. STRATFORD ID – Director Scott Stanton; Alt Director Ronnie Silva
12. TULARE LAKE RECLAMATION DISTRICT #761 – Director Ceil Howe, Jr.
13. UPPER SAN JOSE WATER COMPANY – Director Mike Nordstrom; Alt Director Scott Sills

Others Present:

Paul Peschel (Sec.-Treas.; Vice-Pres.)	David Merritt, KRCD
Eric Athorp, KRCD	Cristel Tufenkjian, KRCD
Corey McLaughlin, KRCD	Rebecca Quist, KRCD
Brian Trevarrow, KRCD	Geoff Vanden Heuvel
Debra Dunn, KRCD	

Minutes

1. Addition to or Deletion from the Agenda

Presenter: President McKean

Discussion:

None.

Actions:

None.

2. Public Presentation

Presenter: President McKean

Discussion:

None.

Actions:

None.

3. Coordinator's Report

Presenter: Debra Dunn

Discussion:

The Board received reports on meetings hosted or attended; workshops and outreach activities; other membership activities; CV-SALTS and nitrate control program activities; SWRCB Fees, and Fill Station installation and operation progress.

Actions:

None.

4. Approval of the Minutes

Presenter: President McKean

Discussion:

None.

Actions:

It was moved by Director Mendes, seconded by Director Zonneveld, and unanimously carried to approve the June 16, 2020 Kings River Water Quality Coalition Board Meeting minutes.

AYES-

CORCORAN IRRIGATION COMPANY – Director Mark Unruh
 CRESCENT CANAL COMAPNY – Director Mark McKean (Pres)
 FRESNO IRRIGATION DISTRICT – Director Kassy Chauhan
 KINGS RIVER CONSERVATION DISTRICT – Alt Director Mark McKean
 LAGUNA IRRIGATION DISTRICT – Director Frank Zonneveld
 LAST CHANCE WATER DITCH COMPANY – Director Mark Unruh
 LIBERTY MILL RACE COMPANY – Director Wyatt McKean
 LOVELACE WATER CORPORATION – Alt Director Mark Unruh
 PEOPLES DITCH COMPANY – Director Mark Unruh
 REED DITCH CORPORATION – Director Mark McKean
 RIVERDALE IRRIGATION DISTRICT – Director Leonard Acquistapace
 SOUTHEAST LAKE WATER COMPANY – Alt Director Mark Unruh
 TULARE LAKE BASIN WATER STORAGE DISTRICT – Director Justin Mendes
 TULARE LAKE CANAL COMPANY –Director Mark Unruh

NOES- None.

ABSTAIN- None.

5. Financial Report

Presenter: Brian Trevarrow

Discussion:

- a. The Assistant Treasurer reported on expenditure to budget comparisons for the period ending June 30, 2020.
- b. The Assistant Treasurer reported on expenditure to budget comparisons for the period ending July 31, 2020.

Actions:

It was moved by Director Zonneveld, seconded by Director Mendes, and unanimously carried to approve the June and July 2020 financials, as presented.

AYES-

CORCORAN IRRIGATION COMPANY – Director Mark Unruh
CRESCENT CANAL COMAPNY – Director Mark McKean (Pres)
FRESNO IRRIGATION DISTRICT – Director Kassy Chauhan
KINGS RIVER CONSERVATION DISTRICT – Alt Director Mark McKean
LAGUNA IRRIGATION DISTRICT – Director Frank Zonneveld
LAST CHANCE WATER DITCH COMPANY – Director Mark Unruh
LIBERTY MILL RACE COMPANY – Director Wyatt McKean
LOVELACE WATER CORPORATION – Alt Director Mark Unruh
PEOPLES DITCH COMPANY – Director Mark Unruh
REED DITCH CORPORATION – Director Mark McKean
RIVERDALE IRRIGATION DISTRICT – Director Leonard Acquistapace
SOUTHEAST LAKE WATER COMPANY – Alt Director Mark Unruh
TULARE LAKE BASIN WATER STORAGE DISTRICT – Director Justin Mendes
TULARE LAKE CANAL COMPANY –Director Mark Unruh

NOES- None.

ABSTAIN- None.

Adjournment

Presenter: President McKean

With no further discussion, **President McKean** adjourned the meeting at 2:51 p.m.

Submitted by:

Paul Peschel, P.E.
Board Secretary

_____ approved on _____ 2020
Board President

Kings River Water Quality Coalition
Balance Sheet Prev Year Comparison
As of September 30, 2020

AGENDA ITEM 5

	<u>Sep 30, 20</u>	<u>Sep 30, 19</u>	<u>\$ Change</u>	<u>% Change</u>
ASSETS				
Current Assets				
Checking/Savings				
10000 · JPMorgan Chase Bank, N.A.	114,727.05	273,226.23	-158,499.18	-58.01%
10100 · JPMorgan Chase Savings	938,154.92	572,881.01	365,273.91	63.76%
10200 · Petty Cash	200.00	200.00	0.00	0.0%
Total Checking/Savings	<u>1,053,081.97</u>	<u>846,307.24</u>	<u>206,774.73</u>	<u>24.43%</u>
Accounts Receivable				
11000 · Accounts Receivable	14,464.73	14,862.58	-397.85	-2.68%
Total Accounts Receivable	<u>14,464.73</u>	<u>14,862.58</u>	<u>-397.85</u>	<u>-2.68%</u>
Total Current Assets	<u>1,067,546.70</u>	<u>861,169.82</u>	<u>206,376.88</u>	<u>23.97%</u>
TOTAL ASSETS	<u><u>1,067,546.70</u></u>	<u><u>861,169.82</u></u>	<u><u>206,376.88</u></u>	<u><u>23.97%</u></u>
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
20000 · Accounts Payable	214,374.09	135,470.02	78,904.07	58.25%
Total Accounts Payable	<u>214,374.09</u>	<u>135,470.02</u>	<u>78,904.07</u>	<u>58.25%</u>
Total Current Liabilities	<u>214,374.09</u>	<u>135,470.02</u>	<u>78,904.07</u>	<u>58.25%</u>
Total Liabilities	<u>214,374.09</u>	<u>135,470.02</u>	<u>78,904.07</u>	<u>58.25%</u>
Equity				
30000 · Opening Balance Equity	3,497.59	3,497.59	0.00	0.0%
32000 · Unrestricted Net Assets	1,142,726.79	1,161,888.23	-19,161.44	-1.65%
Net Income	<u>-293,051.77</u>	<u>-439,686.02</u>	<u>146,634.25</u>	<u>33.35%</u>
Total Equity	<u>853,172.61</u>	<u>725,699.80</u>	<u>127,472.81</u>	<u>17.57%</u>
TOTAL LIABILITIES & EQUITY	<u><u>1,067,546.70</u></u>	<u><u>861,169.82</u></u>	<u><u>206,376.88</u></u>	<u><u>23.97%</u></u>

BB

Kings River Water Quality Coalition
Profit & Loss Budget vs. Actual
August through September 2020

AGENDA ITEM 5

	Aug - Sep 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
43400 · Direct Public Support				
45000 · Investments				
45030 · Interest-Savings, Short-term CD	83.81	0.00	83.81	100.0%
Total 45000 · Investments	83.81	0.00	83.81	100.0%
46400 · Other Types of Income				
46430 · Miscellaneous Revenue	0.00	0.00	0.00	0.0%
Total 46400 · Other Types of Income	0.00	0.00	0.00	0.0%
47200 · Program Income				
47230 · Membership Dues	8,822.62	0.00	8,822.62	100.0%
47255 · MPEP GROUP	0.00	0.00	0.00	0.0%
47260 · CV-SALTS	0.00	0.00	0.00	0.0%
47270 · CVGMC	0.00	0.00	0.00	0.0%
Total 47200 · Program Income	8,822.62	0.00	8,822.62	100.0%
48000 · Grant Revenue				
48020 · CIG Grant Revenue Federal	0.00	0.00	0.00	0.0%
48080 · CDFA FREP Grant Revenue State	0.00	21,854.00	-21,854.00	0.0%
48130 · Cleanup and Abatement Grant	0.00	0.00	0.00	0.0%
Total 48000 · Grant Revenue	0.00	21,854.00	-21,854.00	0.0%
Total Income	8,906.43	21,854.00	-12,947.57	40.75%
Gross Profit	8,906.43	21,854.00	-12,947.57	40.75%
Expense				
62100 · Contract Services				
62101 · Monitoring Fees	0.00	0.00	0.00	0.0%
62102 · State Board Fee	0.00	0.00	0.00	0.0%
62105 · Program Expense	195,074.76	212,255.00	-17,180.24	91.91%
62115 · Monitoring Expenses	4,600.00	17,000.00	-12,400.00	27.06%
62120 · Outreach Expense	2,787.08	2,500.00	287.08	111.48%
62140 · Legal Fees	3,015.46	37,500.00	-34,484.54	8.04%
62150 · Outside Contract Services	12,016.60	48,335.00	-36,318.40	24.86%
62151 · Contract Svcs - Fill Stations	13,737.84	20,330.00	-6,592.16	67.57%
62152 · Contract Svcs-Management Zones	10,484.27	41,670.00	-31,185.73	25.16%
62155 · Outside Contract Services-MPEP	12,132.46	39,400.00	-27,267.54	30.79%
62160 · Outside Contract Serv CV-Salts	0.00	5,582.00	-5,582.00	0.0%
62170 · Outside Contract Serv - CVGMC	0.00	20,832.00	-20,832.00	0.0%
Total 62100 · Contract Services	253,848.47	445,404.00	-191,555.53	56.99%
62800 · Facilities and Equipment				
62825 · Computer Software	42,202.50	22,500.00	19,702.50	187.57%
62830 · Data Management System	412.50	3,500.00	-3,087.50	11.79%
Total 62800 · Facilities and Equipment	42,615.00	26,000.00	16,615.00	163.9%
65000 · Operations				
65020 · Postage, Mailing Service	48.00	2,110.00	-2,062.00	2.28%
65030 · Printing and Copying	0.00	2,110.00	-2,110.00	0.0%

Kings River Water Quality Coalition
Profit & Loss Budget vs. Actual
August through September 2020

AGENDA ITEM 5

	<u>Aug - Sep 20</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
65040 · Supplies	1,673.45	2,110.00	-436.55	79.31%
65050 · Telephone, Telecommunications	0.00	0.00	0.00	0.0%
Total 65000 · Operations	1,721.45	6,330.00	-4,608.55	27.2%
65100 · Other Types of Expenses				
65120 · Insurance - Liability, D and O	0.00	0.00	0.00	0.0%
65125 · Audit	1,300.00	0.00	1,300.00	100.0%
65137 · Memberships and Dues CV-Salts	0.00	0.00	0.00	0.0%
65160 · Other Costs	0.00	2,000.00	-2,000.00	0.0%
Total 65100 · Other Types of Expenses	1,300.00	2,000.00	-700.00	65.0%
66000 · Grant Expenditures				
66020 · CIG Grant Expenditures Federal	0.00	0.00	0.00	0.0%
66080 · CDFA FREP Grant Expense State	2,690.70	14,574.00	-11,883.30	18.46%
66130 · Cleanup and Abatement Grant	4,006.25	0.00	4,006.25	100.0%
Total 66000 · Grant Expenditures	6,696.95	14,574.00	-7,877.05	45.95%
68300 · Travel and Meetings				
68320 · Travel	0.00	1,334.00	-1,334.00	0.0%
Total 68300 · Travel and Meetings	0.00	1,334.00	-1,334.00	0.0%
Total Expense	306,181.87	495,642.00	-189,460.13	61.78%
Net Ordinary Income	-297,275.44	-473,788.00	176,512.56	62.74%
Net Income	-297,275.44	-473,788.00	176,512.56	62.74%

Kings River Water Quality Coalition
Profit & Loss Budget vs. Actual
July 2020 through June 2021
As of September 2020

AGENDA ITEM 5

	<u>Jul '20 - Jun 21</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
43400 · Direct Public Support				
43440 · Coalition Member Payments	0.00	0.00	0.00	0.0%
43400 · Direct Public Support - Other	0.00	0.00	0.00	0.0%
Total 43400 · Direct Public Support	0.00	0.00	0.00	0.0%
45000 · Investments				
45030 · Interest-Savings, Short-term CD	130.62	0.00	130.62	100.0%
Total 45000 · Investments	130.62	0.00	130.62	100.0%
46400 · Other Types of Income				
46430 · Miscellaneous Revenue	0.00	0.00	0.00	0.0%
Total 46400 · Other Types of Income	0.00	0.00	0.00	0.0%
47200 · Program Income				
47230 · Membership Dues	19,645.09	2,690,341.00	-2,670,695.91	0.73%
47240 · Program Service Fees	0.00	0.00	0.00	0.0%
47255 · MPEP GROUP	69,750.00	140,000.00	-70,250.00	49.82%
47260 · CV-SALTS	7,950.00	31,800.00	-23,850.00	25.0%
47270 · CVGMC	0.00	100,000.00	-100,000.00	0.0%
47200 · Program Income - Other	0.00	0.00	0.00	0.0%
Total 47200 · Program Income	97,345.09	2,962,141.00	-2,864,795.91	3.29%
48000 · Grant Revenue				
48020 · CIG Grant Revenue Federal	0.00	0.00	0.00	0.0%
48080 · CDFA FREP Grant Revenue State	0.00	21,854.00	-21,854.00	0.0%
48130 · Cleanup and Abatement Grant	0.00	0.00	0.00	0.0%
Total 48000 · Grant Revenue	0.00	21,854.00	-21,854.00	0.0%
Total Income	97,475.71	2,983,995.00	-2,886,519.29	3.27%
Gross Profit	97,475.71	2,983,995.00	-2,886,519.29	3.27%
Expense				
62100 · Contract Services				
62101 · Monitoring Fees	0.00	85,000.00	-85,000.00	0.0%
62102 · State Board Fee	0.00	1,032,300.00	-1,032,300.00	0.0%
62105 · Program Expense	273,177.98	1,103,728.00	-830,550.02	24.75%
62115 · Monitoring Expenses	4,743.99	17,000.00	-12,256.01	27.91%
62120 · Outreach Expense	2,787.08	15,000.00	-12,212.92	18.58%
62140 · Legal Fees	3,015.46	225,000.00	-221,984.54	1.34%
62150 · Outside Contract Services	15,710.70	290,000.00	-274,289.30	5.42%
62151 · Contract Svcs - Fill Stations	14,461.84	122,000.00	-107,538.16	11.85%
62152 · Contract Svcs-Management Zones	10,484.27	250,000.00	-239,515.73	4.19%
62155 · Outside Contract Services-MPEP	12,132.46	236,440.00	-224,307.54	5.13%
62160 · Outside Contract Serv CV-Salts	0.00	33,500.00	-33,500.00	0.0%
62170 · Outside Contract Serv - CVGMC	0.00	125,000.00	-125,000.00	0.0%
Total 62100 · Contract Services	336,513.78	3,534,968.00	-3,198,454.22	9.52%

Kings River Water Quality Coalition
Profit & Loss Budget vs. Actual
July 2020 through June 2021
As of September 2020

AGENDA ITEM 5

	<u>Jul '20 - Jun 21</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
62800 · Facilities and Equipment				
62825 · Computer Software	42,202.50	135,000.00	-92,797.50	31.26%
62830 · Data Management System	412.50	20,000.00	-19,587.50	2.06%
Total 62800 · Facilities and Equipment	<u>42,615.00</u>	<u>155,000.00</u>	<u>-112,385.00</u>	<u>27.49%</u>
65000 · Operations				
65020 · Postage, Mailing Service	293.00	12,667.00	-12,374.00	2.31%
65030 · Printing and Copying	550.84	12,667.00	-12,116.16	4.35%
65040 · Supplies	2,458.99	12,666.00	-10,207.01	19.41%
65050 · Telephone, Telecommunications	0.00	0.00	0.00	0.0%
Total 65000 · Operations	<u>3,302.83</u>	<u>38,000.00</u>	<u>-34,697.17</u>	<u>8.69%</u>
65100 · Other Types of Expenses				
65120 · Insurance - Liability, D and O	0.00	7,500.00	-7,500.00	0.0%
65125 · Audit	1,300.00	10,000.00	-8,700.00	13.0%
65137 · Memberships and Dues CV-Salts	0.00	19,500.00	-19,500.00	0.0%
65160 · Other Costs	0.00	12,000.00	-12,000.00	0.0%
Total 65100 · Other Types of Expenses	<u>1,300.00</u>	<u>49,000.00</u>	<u>-47,700.00</u>	<u>2.65%</u>
66000 · Grant Expenditures				
66020 · CIG Grant Expenditures Federal	0.00	0.00	0.00	0.0%
66080 · CDFA FREP Grant Expense State	2,690.70	21,854.00	-19,163.30	12.31%
66130 · Cleanup and Abatement Grant	4,006.25	0.00	4,006.25	100.0%
Total 66000 · Grant Expenditures	<u>6,696.95</u>	<u>21,854.00</u>	<u>-15,157.05</u>	<u>30.64%</u>
68300 · Travel and Meetings				
68320 · Travel	98.92	8,000.00	-7,901.08	1.24%
Total 68300 · Travel and Meetings	<u>98.92</u>	<u>8,000.00</u>	<u>-7,901.08</u>	<u>1.24%</u>
Total Expense	<u>390,527.48</u>	<u>3,806,822.00</u>	<u>-3,416,294.52</u>	<u>10.26%</u>
Net Ordinary Income	<u>-293,051.77</u>	<u>-822,827.00</u>	<u>529,775.23</u>	<u>35.62%</u>
Net Income	<u>-293,051.77</u>	<u>-822,827.00</u>	<u>529,775.23</u>	<u>35.62%</u>

Kings River Water Quality Coalition
Check Detail
August through September 2020

AGENDA ITEM 5

Type	Num	Date	Name	Account	Paid Amount	Original Amount
Bill Pmt -Check	2252	08/04/2020	City of Kerman	10000 · JPMorgan Chase Bank, N.A.		-1,506.29
Bill	080420	08/04/2020		62151 · Contract Svcs - Fill Stations	-1,506.29	1,506.29
TOTAL					-1,506.29	1,506.29
Bill Pmt -Check	2253	08/07/2020	Aqua	10000 · JPMorgan Chase Bank, N.A.		-4,312.50
Bill	14005-	08/07/2020		62151 · Contract Svcs - Fill Stations	-4,312.50	4,312.50
TOTAL					-4,312.50	4,312.50
Bill Pmt -Check	2254	08/07/2020	Catalyst Group	10000 · JPMorgan Chase Bank, N.A.		-11,462.50
Bill	495	06/30/2020		66130 · Cleanup and Abatement Grant	-7,456.25	7,456.25
Bill	495-	08/07/2020		66130 · Cleanup and Abatement Grant	-4,006.25	4,006.25
TOTAL					-11,462.50	11,462.50
Bill Pmt -Check	2255	08/07/2020	Plan Tierra, LLC	10000 · JPMorgan Chase Bank, N.A.		-20,906.74
Bill	963	06/30/2020		62155 · Outside Contract Services-MPEP	-19,795.65	19,795.65
Bill	964	06/30/2020		66080 · CDFA FREP Grant Expense State	-1,111.09	1,111.09
TOTAL					-20,906.74	20,906.74
Bill Pmt -Check	2256	08/25/2020	Kahn	10000 · JPMorgan Chase Bank, N.A.		-560.00
Bill	65735	08/14/2020		62140 · Legal Fees	-560.00	560.00
TOTAL					-560.00	560.00
Bill Pmt -Check	2257	08/25/2020	Price Paige & Company	10000 · JPMorgan Chase Bank, N.A.		-1,300.00
Bill	17714	08/14/2020		65125 · Audit	-1,300.00	1,300.00
TOTAL					-1,300.00	1,300.00
Bill Pmt -Check	2258	08/28/2020	Kings Co Area	10000 · JPMorgan Chase Bank, N.A.		-34.98
Bill	22005	08/07/2020		62151 · Contract Svcs - Fill Stations	-34.98	34.98
TOTAL					-34.98	34.98
Bill Pmt -Check	2259	08/28/2020	MLJ	10000 · JPMorgan Chase Bank, N.A.		-23,212.50
Bill	07-20KRCD	08/13/2020		62150 · Outside Contract Services	-10,627.50	10,627.50
Bill	07-20KRCD_MEMVERPORT	08/13/2020		62825 · Computer Software	-12,585.00	12,585.00
TOTAL					-23,212.50	23,212.50
Bill Pmt -Check	2260	09/04/2020	BSK Assoc.	10000 · JPMorgan Chase Bank, N.A.		-4,600.00
Bill	AD16182,AD15152	09/04/2020		62115 · Monitoring Expenses	-4,475.00	4,475.00
				62115 · Monitoring Expenses	-125.00	125.00
TOTAL					-4,600.00	4,600.00

Kings River Water Quality Coalition
Check Detail
August through September 2020

AGENDA ITEM 5

Type	Num	Date	Name	Account	Paid Amount	Original Amount
Bill Pmt -Check	2261	09/04/2020	Dellavalle	10000 · JPMorgan Chase Bank, N.A.		-402.00
Bill	510821	09/04/2020		62151 · Contract Svcs - Fill Stations	-62.00	62.00
Bill	511251	09/04/2020		62151 · Contract Svcs - Fill Stations	-62.00	62.00
Bill	511657	09/04/2020		62151 · Contract Svcs - Fill Stations	-62.00	62.00
Bill	511754	09/04/2020		62151 · Contract Svcs - Fill Stations	-92.00	92.00
Bill	512382	09/04/2020		62151 · Contract Svcs - Fill Stations	-62.00	62.00
Bill	512590	09/04/2020		62151 · Contract Svcs - Fill Stations	-62.00	62.00
TOTAL					-402.00	402.00
Bill Pmt -Check	2262	09/04/2020	Kings Rehabilitation	10000 · JPMorgan Chase Bank, N.A.		-300.00
Bill	8712	09/04/2020		62151 · Contract Svcs - Fill Stations	-300.00	300.00
TOTAL					-300.00	300.00
Bill Pmt -Check	2263	09/04/2020	Luhdorff	10000 · JPMorgan Chase Bank, N.A.		-3,226.25
Bill	36198	06/30/2020		62170 · Outside Contract Serv - CVGMC	-3,226.25	3,226.25
TOTAL					-3,226.25	3,226.25
Bill Pmt -Check	2264	09/04/2020	Plan Tierra, LLC	10000 · JPMorgan Chase Bank, N.A.		-14,823.16
Bill	969	09/04/2020		62155 · Outside Contract Services-MPEP	-12,132.46	12,132.46
Bill	970	09/04/2020		66080 · CDFA FREP Grant Expense State	-2,690.70	2,690.70
TOTAL					-14,823.16	14,823.16
Bill Pmt -Check	2265	09/04/2020	Provost	10000 · JPMorgan Chase Bank, N.A.		-24,075.60
Bill	78748	06/30/2020		62150 · Outside Contract Services	-392.50	392.50
Bill	78749	06/30/2020		62150 · Outside Contract Services	-22,270.10	22,270.10
Bill	80379	09/04/2020		62151 · Contract Svcs - Fill Stations	-1,413.00	1,413.00
TOTAL					-24,075.60	24,075.60
Bill Pmt -Check	2266	09/11/2020	Aqua	10000 · JPMorgan Chase Bank, N.A.		-224.96
Bill	14091	09/11/2020		62151 · Contract Svcs - Fill Stations	-224.96	224.96
TOTAL					-224.96	224.96
Bill Pmt -Check	2267	09/11/2020	Formation	10000 · JPMorgan Chase Bank, N.A.		-2,373.80
Bill	5820	09/11/2020		62140 · Legal Fees	-2,373.80	2,373.80
TOTAL					-2,373.80	2,373.80
Bill Pmt -Check	2268	09/11/2020	KRCD	10000 · JPMorgan Chase Bank, N.A.		-79,024.52
Bill	4604	07/31/2020		62105 · Program Expense	-78,103.22	78,103.22
				65020 · Postage, Mailing Service	-5.00	5.00
				65030 · Printing and Copying	-31.84	31.84
				65040 · Supplies	-785.54	785.54
				68320 · Travel	-98.92	98.92
TOTAL					-79,024.52	79,024.52

Kings River Water Quality Coalition
Check Detail
August through September 2020

AGENDA ITEM 5

Type	Num	Date	Name	Account	Paid Amount	Original Amount
Bill Pmt -Check	2269	09/11/2020	MLJ	10000 · JPMorgan Chase Bank, N.A.		-412.50
Bill	07-20 Kings 2020Data	09/11/2020		62830 · Data Management System	-412.50	412.50
TOTAL					-412.50	412.50
Bill Pmt -Check	2270	09/11/2020	Provost	10000 · JPMorgan Chase Bank, N.A.		-2,488.10
Bill	80804	09/11/2020		62150 · Outside Contract Services	-1,389.10	1,389.10
Bill	80844	09/11/2020		62151 · Contract Svcs - Fill Stations	-314.00	314.00
Bill	80845	09/11/2020		62151 · Contract Svcs - Fill Stations	-785.00	785.00
TOTAL					-2,488.10	2,488.10
Bill Pmt -Check	2271	09/11/2020	Catalyst Group	10000 · JPMorgan Chase Bank, N.A.		-3,075.00
Bill	486	06/19/2020		66130 · Cleanup and Abatement Grant	-3,075.00	3,075.00
TOTAL					-3,075.00	3,075.00
Bill Pmt -Check	2272	09/24/2020	Aqua	10000 · JPMorgan Chase Bank, N.A.		-138.58
Bill	14107	09/24/2020		62151 · Contract Svcs - Fill Stations	-138.58	138.58
TOTAL					-138.58	138.58
Bill Pmt -Check	2273	09/24/2020	MLJ	10000 · JPMorgan Chase Bank, N.A.		-29,617.50
Bill	08-20KRCD_Phase1A	09/24/2020		62825 · Computer Software	-723.75	723.75
Bill	08-20KRCD_MemberPort	09/24/2020		62825 · Computer Software	-28,893.75	28,893.75
TOTAL					-29,617.50	29,617.50
Bill Pmt -Check	2274	09/24/2020	Kaweah Delta	10000 · JPMorgan Chase Bank, N.A.		-81.66
Bill	FY2021-12	09/24/2020		62140 · Legal Fees	-81.66	81.66
TOTAL					-81.66	81.66
Bill Pmt -Check	2275	09/24/2020	Kaweah-Basin	10000 · JPMorgan Chase Bank, N.A.		-54,252.91
Bill	108	06/30/2020		62155 · Outside Contract Services-MPEP	-6,148.85	6,148.85
Bill	109	06/30/2020		62155 · Outside Contract Services-MPEP	-23,042.05	23,042.05
Bill	113	06/30/2020		62155 · Outside Contract Services-MPEP	-9,310.98	9,310.98
Bill	114	06/30/2020		62150 · Outside Contract Services	-8,536.81	8,536.81
Bill	115	06/30/2020		62150 · Outside Contract Services	-7,214.22	7,214.22
TOTAL					-54,252.91	54,252.91



PRICE PAIGE & COMPANY
Accountancy Corporation

The Place to Be

September 9, 2020

Brian Trevarrow, Finance Director
Mark McKean, Board President
Kings River Watershed Coalition Authority
4886 E. Jensen Avenue
Fresno, CA 93725

We are pleased to confirm our understanding of the services we are to provide Kings River Watershed Coalition Authority (the "Authority") for the year ending June 30, 2020. We will audit the financial statements of the Authority, including the related notes to the financial statements, which collectively comprise the basic financial statements, of the Authority as of and for the year ending June 30, 2020. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the Authority's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Authority's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1) Management's Discussion and Analysis

We have also been engaged to report on supplementary information other than RSI that accompanies the Authority's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole, in a separate written report accompanying our auditor's report on the financial statements:

1) Schedule of Expenditures of Federal Awards

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Clovis, CA 93611

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Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on—

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the Board of Directors of Kings River Watershed Coalition Authority. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, an unavoidable risk exists that some material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or

September 9, 2020
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violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or on major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Authority's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the Authority's major programs. For federal programs that are included in the Compliance Supplement, our compliance and internal control procedures will relate to the compliance requirements that the Compliance Supplement identifies as being subject to audit. The purpose of these procedures will be to express an opinion on the Authority's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

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Other Services

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related notes of the Authority in conformity with U.S. generally accepted accounting principles and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for (1) designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, including identification of all related parties and all related-party relationships and transactions, (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance, (3) additional information that we may request for the purpose of the audit, and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we

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have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with all nonaudit services we provide. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Electronic Data Communication and Storage and Use of Third Party Service Provider

In the interest of facilitating our services to the Authority, we may communicate by facsimile transmission, send data over the Internet, store electronic data via computer software applications hosted remotely on the Internet, or allow access to data through third-party vendors' secured portals or clouds. Electronic data that is confidential to the Authority may be transmitted or stored using these methods. We may use third-party service providers to store or transmit this data, such as providers of tax return preparation and document management software. In using these data communication and storage methods, our firm employs measures designed to maintain data security. We use reasonable efforts to keep such communications and data access secure in accordance with our obligations under applicable laws and professional standards. We also require all of our third-party vendors to do the same.

You recognize and accept that we have no control over the unauthorized interception or breach of any communications or data once it has been sent or has been subject to unauthorized access, notwithstanding all reasonable security measures employed by us or our third-party vendors, and consent to our use of these electronic devices and applications and submission of confidential client information to third-party service providers during this engagement.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

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Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will schedule the engagement based in part on deadlines, working conditions, and the availability of your key personnel. We will plan the engagement based on the assumption that your personnel will cooperate and provide assistance by performing tasks such as preparing requested schedules, retrieving supporting documents, and preparing confirmations. If, for whatever reason, your personnel are unavailable to provide documents, and preparing confirmations. If, for whatever reason, your personnel are unavailable to provide the necessary assistance in a timely manner, it may substantially increase the work we have to do to complete the engagement within the established deadlines, resulting in an increase in fees over our original fee estimate.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form, and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditor's reports or nine months after the end of the audit period.

We will provide copies of our reports to the Authority; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Price Paige & Company and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to your cognizant or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Price Paige & Company personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of seven years after the report release date.

Fausto Hinojosa, CPA, CFE, is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fees for the 2020 audit for the Authority are summarized below:

Financial Statement Audit	\$ 6,540
Single Audit (if required)	<u>3,410</u>
Total	<u>\$ 9,950</u>

Our fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you before we incur the additional costs. The fees for these services will be billed at the hourly billing rates for the individual involved, plus out-of-pocket expenses. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. We will issue a monthly billing statement for the work completed in that month. Payments for services are due when rendered and interim billings may be submitted as work progresses and expenses are incurred.

If any dispute pertaining to our work product arises among the parties hereto, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Rules for Professional Accounting and Related Services Disputes before resorting to litigation. The costs of any mediation proceeding shall be shared equally by all parties.

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All work will be suspended if your account becomes 90 days past due. No work will be resumed until your account is fully paid. You acknowledge and agree that in the event we stop work or withdraw from this engagement as a result of your failure to pay on a timely basis for services rendered as required by this engagement letter, we shall not be liable for any damages that occur as a result of our ceasing to render services. Client and accountant both agree that any dispute over fees charged by the accountant to the client will be submitted for resolution by arbitration in accordance with the Rules for Professional Accounting and Related Services Disputes of the American Arbitration Association. Such arbitration shall be binding and final. IN AGREEING TO ARBITRATION, WE BOTH ACKNOWLEDGE THAT, IN THE EVENT OF A DISPUTE OVER FEES CHARGED BY THE ACCOUNTANT, EACH OF US IS GIVING UP THE RIGHT TO HAVE THE DISPUTE DECIDED IN A COURT OF LAW BEFORE A JUDGE OR JURY AND INSTEAD WE ARE ACCEPTING THE USE OF ARBITRATION FOR RESOLUTION.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please obtain the signatures and return a copy to us via email or regular mail at your earliest convenience.

Very truly yours,



Fausto Hinojosa, CPA, CFE
Price Paige & Company

RESPONSE:

This letter correctly sets forth the understanding of the Kings River Watershed Coalition Authority.

Management Signature

Title

Date

Governance Signature

Title

Date