

USLRGMA

Upper San Luis Rey Groundwater Management Authority

Greg Kamin – Chairman
Roland Simpson – Treasurer
Steve Wehr - Director

Tim Lyall – Vice Chairman
Rich Stehly – Director
Bill Pankey – Director

Michael Perricone- Secretary
Chuck Bandy – Director
Eric Steinlicht - Director

I. Call to Order

II. Pledge of Allegiance

III. Roll Call

IV. Approval of the Agenda

V. Public Comment

VI. Consent Calendar

- a) Approval of Minutes from March 13, 2025
- b) Approval of Accounts Paid and Payables - March, April & May 2025
- c) Acceptance of Monthly Financial Reports – March, April & May 2025

VII. Action Discussion


- a) Discussion Only: Presentation by Geoscience Support Services on the GSP 5-Year Plan Update / Amendment.

Background: The Authority is beginning the process of the 5-Year GSP Plan Update and Amendment. Geoscience will provide information on the first step in the process: data collection. Include in this packet is the copy of the plan schedule and the data collection form that will be distributed to all stakeholders.

- b) Proposed Resolution Adopting the Operating Budget for Fiscal Year 2025-26

Background: The Authority must adopt an annual budget for each fiscal year. The 2025-26 Fiscal year budget is a balanced budget that incorporates the collection of proposed pumping fees and expenditures to meet the requirements of SGMA and management of the Authority.

Recommendation: It is suggested that the Board, if they concur, approve the resolution to adopt the proposed budget.

- 
- c) Authorize Administrator and Chairman to Sign the Auditor Engagement Letter for the 2024-25 Audit for Nigro & Nigro

Background: At the September 19, 2023, meeting, the Board authorized the Administrator to contract with Nigro & Nigro for independent audit services from FY 2022-23 through 2024-25. The included engagement letter is for the FY 2024-25 audit.

Recommendation: It is suggested that the Board, if they concur, authorize the Administrator and Chair to sign the Engagement Letter.

VIII. Other Business

Next Regular Meeting, Tuesday, September 16, 2025

IX. Adjournment

The JPA provides remote attendance options solely as a matter of convenience to the public. The JPA will not stop or suspend its in-person public meeting should a technological interruption occur with respect to the zoom or call-in line listed on the agenda. We encourage members of the public to attend JPA meetings in-person at 34928 Valley Center Road, Pauma Valley, CA, or remotely utilizing the options below:

For Online Participation:

Join Zoom Meeting

<https://us02web.zoom.us/j/82051579208?pwd=hs8kAFRjA47Xd4VGsbJY8yOzR3dggr.1>

Meeting ID: 820 5157 9208

Passcode: 06182024

CONSENT CALENDAR

UPPER SAN LUIS REY

Groundwater Management Authority

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS OF UPPER SAN LUIS REY GROUNDWATER MANAGEMENT AUTHORITY

Date: March 18, 2025

Time: 3:34 p.m.

Call to Order

The Special Meeting of the Board of Directors of the Upper San Luis Rey Groundwater Management Authority was held at the offices of the Yuima Municipal Water District at 34928 Valley Center Rd., Valley Center, California on Tuesday, the 18th day of March 2025. The meeting was called to order at 3:34 p.m. and the Pledge of Allegiance was performed.

Roll Call – Determination of Quorum

Administrator Reeh conducted the roll-call and a quorum of the Board was established.

Directors In Attendance

Greg Kamin	Tim Lyall	
Roland Simpson	Chuck Bandy	
Bill Pankey	Steve Wehr	Eric Steinlicht

Directors Absent

Michael Perricone
Rich Stehly

Others In Attendance

Administrator Reeh
LaVonne Peck - IWA

Approval of the Agenda

Upon motion by Director Wehr and second by Director Lyall the agenda was approved by the following roll call vote, to wit:

AYES: Kamin, Lyall, Simpson, Bandy, Wehr, Pankey, Steinlicht

NOES: None
ABSTAIN: None
ABSENT: Stehly, Perricone

Public Comment

There were no public comments.

Consent Calendar

Upon motion by Director Pankey and second by Director Bandy the minutes of the December 3, 2024, January 21, 2025 and February 25, 2025; Accounts Payable of November and December 2024 and January and February 2025 and Financial Reports for November 2024 – February 2025 were approved by the following roll call vote, to wit:

AYES: Kamin, Lyall, Simpson, Bandy, Wehr, Pankey, Steinlicht
NOES: None
ABSTAIN: None
ABSENT: Stehly, Perricone

Action Discussion

- a) After a brief review and discussion the Annual Report for Water Year 2024 was approved for submission to the Department of Water Resources upon motion by Director Lyall and seconded by Director Wehr and by the following roll call vote, to wit:

AYES: Kamin, Lyall, Simpson, Bandy, Wehr, Pankey, Steinlicht
NOES: None
ABSTAIN: None
ABSENT: Stehly, Perricone

- b) Upon motion by Director Simpson and seconded by Director Bandy Resolution No. 18-2025 Adopting Fees and Charges and Adopting a Groundwater Extraction Fee Policy was approved by the following roll call vote, to wit:

AYES: Kamin, Lyall, Simpson, Bandy, Wehr, Pankey, Steinlicht
NOES: None
ABSTAIN: None
ABSENT: Stehly, Perricone

- c) Upon motion by Director Wehr and seconded by Director Bandy Resolution No. 19-2025 Adopting a Custodial Credit Risk for Deposit Policy was approved by the following roll call vote, to wit:

AYES: Kamin, Lyall, Simpson, Bandy, Wehr, Pankey, Steinlicht
NOES: None
ABSTAIN: None
ABSENT: Stehly, Perricone

d) Upon motion by Director Lyall and seconded by Director Wehr the Authority's Conflict of Interest Code was approved as modified by the following roll call vote, to wit:

AYES: Kamin, Lyall, Simpson, Bandy, Wehr, Pankey, Steinlicht
NOES: None
ABSTAIN: None
ABSENT: Stehly, Perricone

e) Administrator Reeh presented the information on the requested amendment and the status of the grant that is held by Yuima for the purposes of developing the GSP. After a brief discussion, Board directed staff to request an amendment to included reimbursement for the Annual Report for all water years and the GSP Plan Amendment.

f) Director Reeh gave an update on the installation of the CIMIS station

Other Business

Next Regular Meeting – June 17, 2025 at 3:30 p.m.

Adjournment

The meeting of the Board of Directors of the Upper San Luis Rey Groundwater Management Authority was adjourned at 4:14 p.m. until the next meeting on June 17, 2025 at 3:30 p.m.

Michael Perricone, Secretary

Greg Kamin, Chairman

8:15 AM

04/14/25

Upper San Luis Rey Groundwater Management Authority

Check Detail

March 2025

Type	Num	Date	Name	Account	Paid Amount	Original Amount
Bill Pmt -...	1102	03/10/2025	Association of California Water A...	10000 - General Checking		-2,345.00
Bill	2025 Du...	02/12/2025		60200 - Insurance Expense	-2,345.00	2,345.00
TOTAL					-2,345.00	2,345.00
Bill Pmt -...	1103	03/18/2025	Geoscience Support Services	10000 - General Checking		-17,477.25
Bill	USLRG-...	03/06/2025		60901 - Prof. Services - GSPConsultant	-17,477.25	17,477.25
TOTAL					-17,477.25	17,477.25
Bill Pmt -...	1104	03/18/2025	Yuima Municipal Water District	10000 - General Checking		-9,210.87
Bill	202504	03/10/2025		60000 - Yuima Management Fee	-1,150.00	1,150.00
				60001 - Yuima Non-Contract Expense	-7,971.17	7,971.17
				60501 - Website & Email Expense	-89.70	89.70
TOTAL					-9,210.87	9,210.87

Upper San Luis Rey Groundwater Management Authority
Check Detail
April 2025

Type	Num	Date	Name	Account	Paid Amount	Original Amount
Bill Pmt -...	1105	04/16/2025	Geoscience Support Services	10000 - General Checking		-8,381.00
Bill	USLRG-...	04/16/2025		60901 - Prof. Services - GSPConsultant	-8,381.00	8,381.00
TOTAL					-8,381.00	8,381.00
Bill Pmt -...	1106	04/16/2025	Yuima Municipal Water District	10000 - General Checking		-2,727.28
Bill	202505	04/16/2025		60000 - Yuima Management Fee	-1,150.00	1,150.00
				60001 - Yuima Non-Contract Expense	-1,487.58	1,487.58
				60501 - Website & Email Expense	-89.70	89.70
TOTAL					-2,727.28	2,727.28

10:46 AM

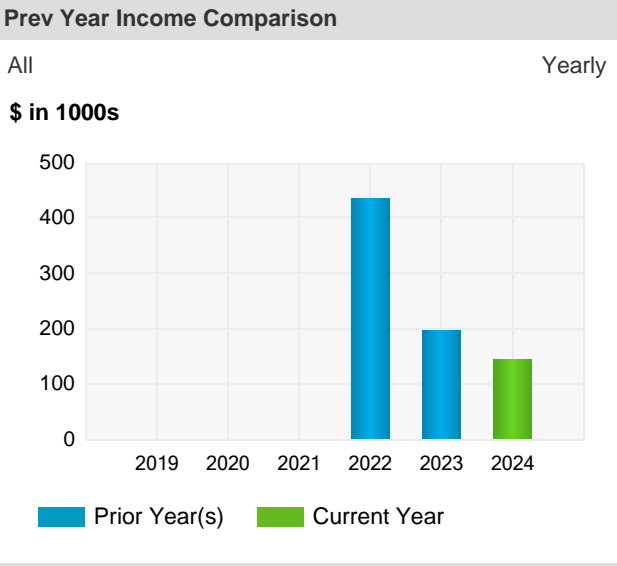
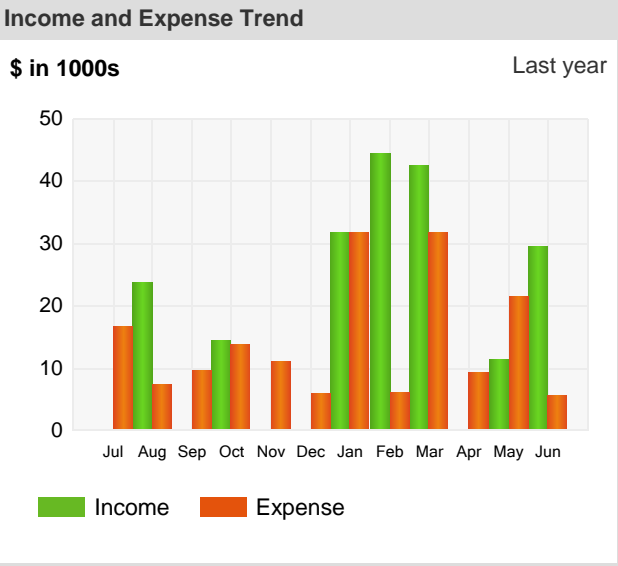
06/11/25

Upper San Luis Rey Groundwater Management Authority

Check Detail

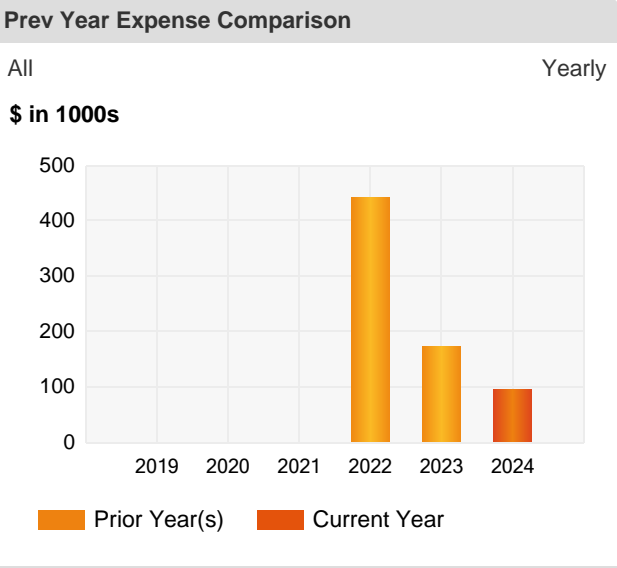
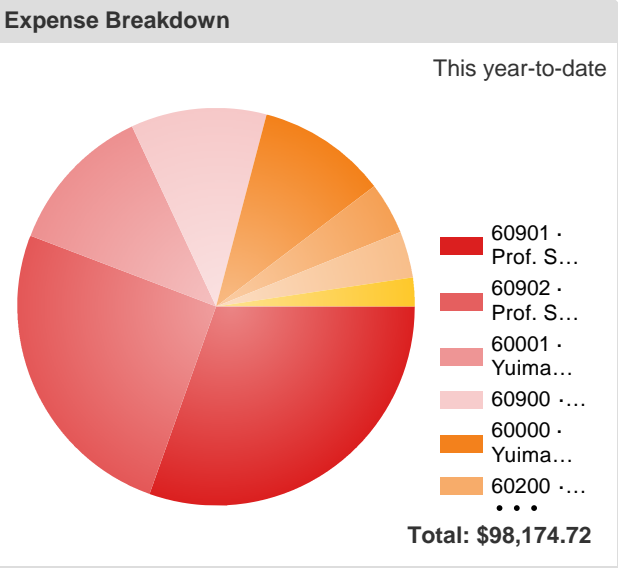
May 2025

Type	Num	Date	Name	Account	Paid Amount	Original Amount
Bill Pm...	1107	05/09/2025	Geoscience Support Services	10000 · General Checking		-4,420.99
Bill	USLRG-01-25-04	05/09/2025		60901 · Prof. Services - GSPConsultant	-4,420.99	4,420.99
TOTAL					-4,420.99	4,420.99
Bill Pm...	1108	05/09/2025	Yuima Municipal Water District	10000 · General Checking		-1,997.52
Bill	202506	05/10/2025		60000 · Yuima Management Fee	-1,150.00	1,150.00
				60001 · Yuima Non-Contract Expense	-757.82	757.82
				60501 · Website & Email Expense	-89.70	89.70
TOTAL					-1,997.52	1,997.52



Customers Who Owe Money

Customer	Due Date	Amt Due
Borden Ranches	11/19/2024	2,354.00
Jeffery Lanfried	11/19/2024	572.60
Maye Kongmalay	11/19/2024	307.85
Testa Family Trust	11/19/2024	709.21



Account Balances

Account	Balance
General Checking	49,845.55
Accounts Receivable - Well Fees	3,943.66
Accounts Receivable - Grants	0.00
Accounts Receivable - Members	0.00
Accounts Payable	0.00
Payroll Liabilities	0.00

8:15 AM

04/14/25

Accrual Basis

Upper San Luis Rey Groundwater Management Authority

Balance Sheet

As of March 31, 2025

	Mar 31, 25
ASSETS	
Current Assets	
Checking/Savings	
10000 - General Checking	36,163.16
Total Checking/Savings	36,163.16
Accounts Receivable	
11500 - Accounts Receivable - Well Fees	17,626.05
Total Accounts Receivable	17,626.05
Total Current Assets	53,789.21
TOTAL ASSETS	53,789.21
LIABILITIES & EQUITY	
Equity	
32000 - Retained Earnings	7,499.84
Net Income	46,289.37
Total Equity	53,789.21
TOTAL LIABILITIES & EQUITY	53,789.21

8:15 AM

04/14/25

Accrual Basis

Upper San Luis Rey Groundwater Management Authority

Profit & Loss Budget vs. Actual

July 2024 through March 2025

	Jul '24 - Mar 25	Budget
Income		
40000 - Member Agency Contributions	4,943.70	0.00
40100 - Grant Funds	0.00	0.00
40500 - Assessments - Groundwater	117,620.39	331,246.00
40510 - Assessments-Annual Per Well Fee	21,900.00	90,000.00
40800 - Miscellaneous Income	0.00	0.00
40900 - Well Permit Processing Fee	0.00	1,000.00
Total Income	144,464.09	422,246.00
Gross Profit	144,464.09	422,246.00
Expense		
60000 - Yuima Management Fee	10,350.00	13,800.00
60001 - Yuima Non-Contract Expense	12,018.22	16,200.00
60100 - Bank Service Charges	0.00	192.00
60200 - Insurance Expense	4,145.00	1,500.00
60300 - Legal Expense	3,725.00	100,000.00
60400 - Audit Expense	1,150.00	1,150.00
60500 - General & Administrative	0.00	20,513.00
60501 - Website & Email Expense	1,000.36	2,726.00
60600 - Membership Fees	0.00	2,275.00
60700 - Permits & Licenses Expense	0.00	0.00
60800 - Miscellaneous Expense	150.00	19,000.00
60900 - Professional Services	10,840.75	0.00
60901 - Prof. Services - GSPConsultant	29,865.39	243,890.00
60902 - Prof. Services - Rate Study	24,930.00	0.00
60903 - Prof. Services - Engineering	0.00	1,000.00
60904 - Prof. Services Grant Consultant	0.00	0.00
Total Expense	98,174.72	422,246.00
Net Income	46,289.37	0.00

8:15 AM

04/14/25

Upper San Luis Rey Groundwater Management Authority

Check Detail

March 2025

Type	Num	Date	Name	Account	Paid Amount	Original Amount
Bill Pmt -...	1102	03/10/2025	Association of California Water A...	10000 - General Checking		-2,345.00
Bill	2025 Du...	02/12/2025		60200 - Insurance Expense	-2,345.00	2,345.00
TOTAL					-2,345.00	2,345.00
Bill Pmt -...	1103	03/18/2025	Geoscience Support Services	10000 - General Checking		-17,477.25
Bill	USLRG-...	03/06/2025		60901 - Prof. Services - GSPConsultant	-17,477.25	17,477.25
TOTAL					-17,477.25	17,477.25
Bill Pmt -...	1104	03/18/2025	Yuima Municipal Water District	10000 - General Checking		-9,210.87
Bill	202504	03/10/2025		60000 - Yuima Management Fee	-1,150.00	1,150.00
				60001 - Yuima Non-Contract Expense	-7,971.17	7,971.17
				60501 - Website & Email Expense	-89.70	89.70
TOTAL					-9,210.87	9,210.87

Upper San Luis Rey Groundwater Management Authority
Deposit Detail
March 2025

Type	Date	Name	Account	Amount
Deposit	03/13/2025		10000 - General Checking	2,127.78
Payment	03/13/2025	Aqua Tibia - Well Extract Fees	12000 - Undeposited Funds	-2,127.78
TOTAL				-2,127.78

8:15 AM

04/14/25

Upper San Luis Rey Groundwater Management Authority
A/R Aging Summary
As of April 14, 2025

	Current	1 - 30	31 - 60	61 - 90	91 - 120	> 120	TOTAL
Borden Ranches	0.00	0.00	0.00	0.00	0.00	2,354.00	2,354.00
Jeffery Lanfried	0.00	0.00	0.00	0.00	0.00	572.60	572.60
Maye Kongmalay	0.00	0.00	0.00	0.00	0.00	307.85	307.85
Pauma Municipal Water District	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pauma Valley Community Services District	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Testa Family Trust	0.00	0.00	0.00	0.00	0.00	709.21	709.21
Yuima MWD	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>3,943.66</u>	<u>3,943.66</u>

8:15 AM

Upper San Luis Rey Groundwater Management Authority

04/14/25

Trial Balance

Accrual Basis

As of March 31, 2025

	Mar 31, 25	
	Debit	Credit
10000 · General Checking	36,163.16	
11400 · Accounts Receivable - Members	0.00	
11500 · Accounts Receivable - Well Fees	17,626.05	
12000 · Undeposited Funds	0.00	
20000 · Accounts Payable	0.00	
32000 · Retained Earnings		7,499.84
40000 · Member Agency Contributions		4,943.70
40500 · Assessments - Groundwater		117,620.39
40510 · Assesments-Annual Per Well Fee		21,900.00
60000 · Yuima Management Fee	10,350.00	
60001 · Yuima Non-Contract Expense	12,018.22	
60200 · Insurance Expense	4,145.00	
60300 · Legal Expense	3,725.00	
60400 · Audit Expense	1,150.00	
60501 · Website & Email Expense	1,000.36	
60800 · Micellaneous Expense	150.00	
60900 · Professional Services	10,840.75	
60901 · Prof. Services - GSPConsultant	22,677.39	
60901 · Prof. Services - GSPConsultant:60901.1 · GSP Annual Report	7,188.00	
60902 · Prof. Services - Rate Study	24,930.00	
TOTAL	151,963.93	151,963.93

9:12 AM

05/15/25

Accrual Basis

Upper San Luis Rey Groundwater Management Authority

Balance Sheet

As of April 30, 2025

	Apr 30, 25
ASSETS	
Current Assets	
Checking/Savings	
10000 - General Checking	38,737.27
Total Checking/Savings	38,737.27
Accounts Receivable	
11500 - Accounts Receivable - Well Fees	3,943.66
Total Accounts Receivable	3,943.66
Total Current Assets	42,680.93
TOTAL ASSETS	42,680.93
LIABILITIES & EQUITY	
Equity	
32000 - Retained Earnings	7,499.84
Net Income	35,181.09
Total Equity	42,680.93
TOTAL LIABILITIES & EQUITY	42,680.93

9:11 AM

05/15/25

Accrual Basis

Upper San Luis Rey Groundwater Management Authority

Profit & Loss Budget vs. Actual

July 2024 through April 2025

	Jul '24 - Apr 25	Budget
Income		
40000 · Member Agency Contributions	4,943.70	0.00
40100 · Grant Funds	0.00	0.00
40500 · Assessments - Groundwater	117,620.39	331,246.00
40510 · Assessments-Annual Per Well Fee	21,900.00	90,000.00
40800 · Miscellaneous Income	0.00	0.00
40900 · Well Permit Processing Fee	0.00	1,000.00
Total Income	144,464.09	422,246.00
Gross Profit	144,464.09	422,246.00
Expense		
60000 · Yuima Management Fee	11,500.00	13,800.00
60001 · Yuima Non-Contract Expense	13,505.80	16,200.00
60100 · Bank Service Charges	0.00	192.00
60200 · Insurance Expense	4,145.00	1,500.00
60300 · Legal Expense	3,725.00	100,000.00
60400 · Audit Expense	1,150.00	1,150.00
60500 · General & Administrative	0.00	20,513.00
60501 · Website & Email Expense	1,090.06	2,726.00
60600 · Membership Fees	0.00	2,275.00
60700 · Permits & Licenses Expense	0.00	0.00
60800 · Miscellaneous Expense	150.00	19,000.00
60900 · Professional Services	10,840.75	0.00
60901 · Prof. Services - GSPConsultant	38,246.39	243,890.00
60902 · Prof. Services - Rate Study	24,930.00	0.00
60903 · Prof. Services - Engineering	0.00	1,000.00
60904 · Prof. Services Grant Consultant	0.00	0.00
Total Expense	109,283.00	422,246.00
Net Income	35,181.09	0.00

Upper San Luis Rey Groundwater Management Authority
Check Detail
April 2025

Type	Num	Date	Name	Account	Paid Amount	Original Amount
Bill Pmt -...	1105	04/16/2025	Geoscience Support Services	10000 - General Checking		-8,381.00
Bill	USLRG-...	04/16/2025		60901 - Prof. Services - GSPConsultant	-8,381.00	8,381.00
TOTAL					-8,381.00	8,381.00
Bill Pmt -...	1106	04/16/2025	Yuima Municipal Water District	10000 - General Checking		-2,727.28
Bill	202505	04/16/2025		60000 - Yuima Management Fee	-1,150.00	1,150.00
				60001 - Yuima Non-Contract Expense	-1,487.58	1,487.58
				60501 - Website & Email Expense	-89.70	89.70
TOTAL					-2,727.28	2,727.28

Upper San Luis Rey Groundwater Management Authority
Deposit Detail
April 2025

Type	Date	Name	Account	Amount
Deposit	04/10/2025		10000 - General Checking	13,682.39
Payment	04/10/2025	Lyall Enterprises-Well Extract Fees	12000 - Undeposited Funds	-13,682.39
TOTAL				-13,682.39

9:13 AM

05/15/25

Upper San Luis Rey Groundwater Management Authority

A/R Aging Summary

As of April 30, 2025

	Current	1 - 30	31 - 60	61 - 90	91 - 120	> 120	TOTAL
Borden Ranches	0.00	0.00	0.00	0.00	0.00	2,354.00	2,354.00
Jeffery Lanfried	0.00	0.00	0.00	0.00	0.00	572.60	572.60
Maye Kongmalay	0.00	0.00	0.00	0.00	0.00	307.85	307.85
Pauma Municipal Water District	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pauma Valley Community Services District	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Testa Family Trust	0.00	0.00	0.00	0.00	0.00	709.21	709.21
Yuima MWD	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	0.00	0.00	0.00	0.00	0.00	3,943.66	3,943.66

9:11 AM

Upper San Luis Rey Groundwater Management Authority

Trial Balance

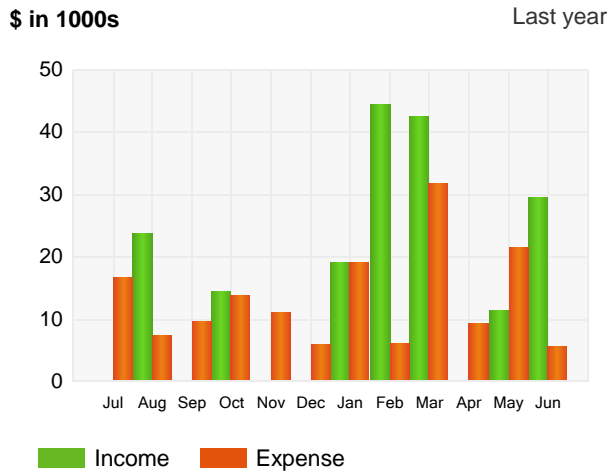
05/15/25

As of April 30, 2025

Accrual Basis

	Apr 30, 25	
	Debit	Credit
10000 • General Checking	38,737.27	
11400 • Accounts Receivable - Members	0.00	
11500 • Accounts Receivable - Well Fees	3,943.66	
12000 • Undeposited Funds	0.00	
20000 • Accounts Payable	0.00	
32000 • Retained Earnings		7,499.84
40000 • Member Agency Contributions		4,943.70
40500 • Assessments - Groundwater		117,620.39
40510 • Assesments-Annual Per Well Fee		21,900.00
60000 • Yuima Management Fee	11,500.00	
60001 • Yuima Non-Contract Expense	13,505.80	
60200 • Insurance Expense	4,145.00	
60300 • Legal Expense	3,725.00	
60400 • Audit Expense	1,150.00	
60501 • Website & Email Expense	1,090.06	
60800 • Micellaneous Expense	150.00	
60900 • Professional Services	10,840.75	
60901 • Prof. Services - GSPConsultant	31,058.39	
60901 • Prof. Services - GSPConsultant:60901.1 • GSP Annual Report	7,188.00	
60902 • Prof. Services - Rate Study	24,930.00	
TOTAL	151,963.93	151,963.93

Income and Expense Trend



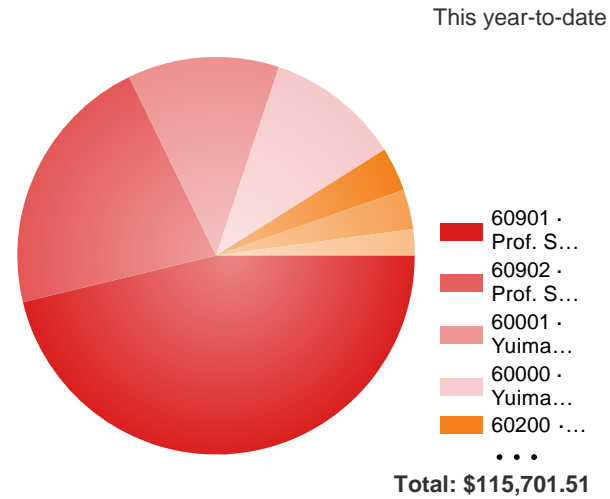
Prev Year Income Comparison



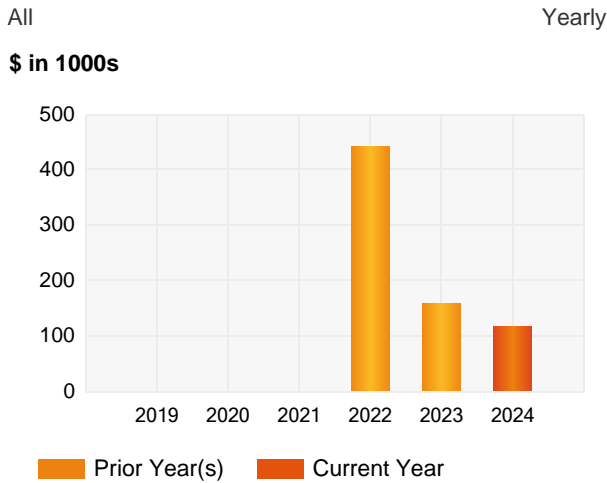
Customers Who Owe Money

Customer	Due Date	Amt Due
Borden Ranches	11/19/2024	2,354.00
Jeffery Lanfried	11/19/2024	572.60
Maye Kongmalay	11/19/2024	307.85
Testa Family Trust	11/19/2024	709.21
Yuima MWD	06/05/2025	144,629.41

Expense Breakdown



Prev Year Expense Comparison



Account Balances

Account	Balance
Accounts Receivable - Grants	144,629.41
General Checking	32,318.76
Accounts Receivable - Well Fees	3,943.66
Accounts Receivable - Members	0.00
Accounts Payable	0.00
Payroll Liabilities	0.00

Upper San Luis Rey Groundwater Management Authority

Balance Sheet

As of May 31, 2025

	May 31, 25
ASSETS	
Current Assets	
Checking/Savings	
10000 - General Checking	32,318.76
Total Checking/Savings	32,318.76
Accounts Receivable	
11500 - Accounts Receivable - Well Fees	3,943.66
Total Accounts Receivable	3,943.66
Total Current Assets	36,262.42
TOTAL ASSETS	36,262.42
LIABILITIES & EQUITY	
Equity	
32000 - Retained Earnings	7,499.84
Net Income	28,762.58
Total Equity	36,262.42
TOTAL LIABILITIES & EQUITY	36,262.42

1:35 PM

06/11/25

Accrual Basis

Upper San Luis Rey Groundwater Management Authority

Profit & Loss Budget vs. Actual

July 2024 through May 2025

	Jul '24 - May 25	Budget
Income		
40000 - Member Agency Contributions	4,943.70	0.00
40100 - Grant Funds	0.00	0.00
40500 - Assessments - Groundwater	117,620.39	331,246.00
40510 - Assessments-Annual Per Well Fee	21,900.00	90,000.00
40800 - Miscellaneous Income	0.00	0.00
40900 - Well Permit Processing Fee	0.00	1,000.00
Total Income	144,464.09	422,246.00
Gross Profit	144,464.09	422,246.00
Expense		
60000 - Yuima Management Fee	12,650.00	13,800.00
60001 - Yuima Non-Contract Expense	14,263.62	16,200.00
60100 - Bank Service Charges	0.00	192.00
60200 - Insurance Expense	4,145.00	1,500.00
60300 - Legal Expense	3,725.00	100,000.00
60400 - Audit Expense	1,150.00	1,150.00
60500 - General & Administrative	0.00	20,513.00
60501 - Website & Email Expense	1,179.76	2,726.00
60600 - Membership Fees	0.00	2,275.00
60700 - Permits & Licenses Expense	0.00	0.00
60800 - Miscellaneous Expense	150.00	19,000.00
60900 - Professional Services	0.00	0.00
60901 - Prof. Services - GSPConsultant		
60901.1 - GSP Annual Report	53,508.13	243,890.00
60901.2 - GSP - Response to Comments	0.00	0.00
60901 - Prof. Services - GSPConsultant - Other	0.00	0.00
Total 60901 - Prof. Services - GSPConsultant	53,508.13	243,890.00
60902 - Prof. Services - Rate Study	24,930.00	0.00
60903 - Prof. Services - Engineering	0.00	1,000.00
60904 - Prof. Services Grant Consultant	0.00	0.00
Total Expense	115,701.51	422,246.00
Net Income	28,762.58	0.00

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06/11/25

Upper San Luis Rey Groundwater Management Authority

Check Detail

May 2025

Type	Num	Date	Name	Account	Paid Amount	Original Amount
Bill Pm...	1107	05/09/2025	Geoscience Support Services	10000 · General Checking		-4,420.99
Bill	USLRG-01-25-04	05/09/2025		60901 · Prof. Services - GSPConsultant	-4,420.99	4,420.99
TOTAL					-4,420.99	4,420.99
Bill Pm...	1108	05/09/2025	Yuima Municipal Water District	10000 · General Checking		-1,997.52
Bill	202506	05/10/2025		60000 · Yuima Management Fee	-1,150.00	1,150.00
				60001 · Yuima Non-Contract Expense	-757.82	757.82
				60501 · Website & Email Expense	-89.70	89.70
TOTAL					-1,997.52	1,997.52

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06/11/25

Upper San Luis Rey Groundwater Management Authority

A/R Aging Summary

As of June 11, 2025

	Current	1 - 30	31 - 60	61 - 90	91 - 120	> 120	TOTAL
Borden Ranches	0.00	0.00	0.00	0.00	0.00	2,354.00	2,354.00
Jeffery Lanfried	0.00	0.00	0.00	0.00	0.00	572.60	572.60
Maye Kongmalay	0.00	0.00	0.00	0.00	0.00	307.85	307.85
Pauma Municipal Water District	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pauma Valley Community Services District	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Testa Family Trust	0.00	0.00	0.00	0.00	0.00	709.21	709.21
Yuima MWD	0.00	144,629.41	0.00	0.00	0.00	0.00	144,629.41
TOTAL	0.00	144,629.41	0.00	0.00	0.00	3,943.66	148,573.07

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Upper San Luis Rey Groundwater Management Authority

06/11/25

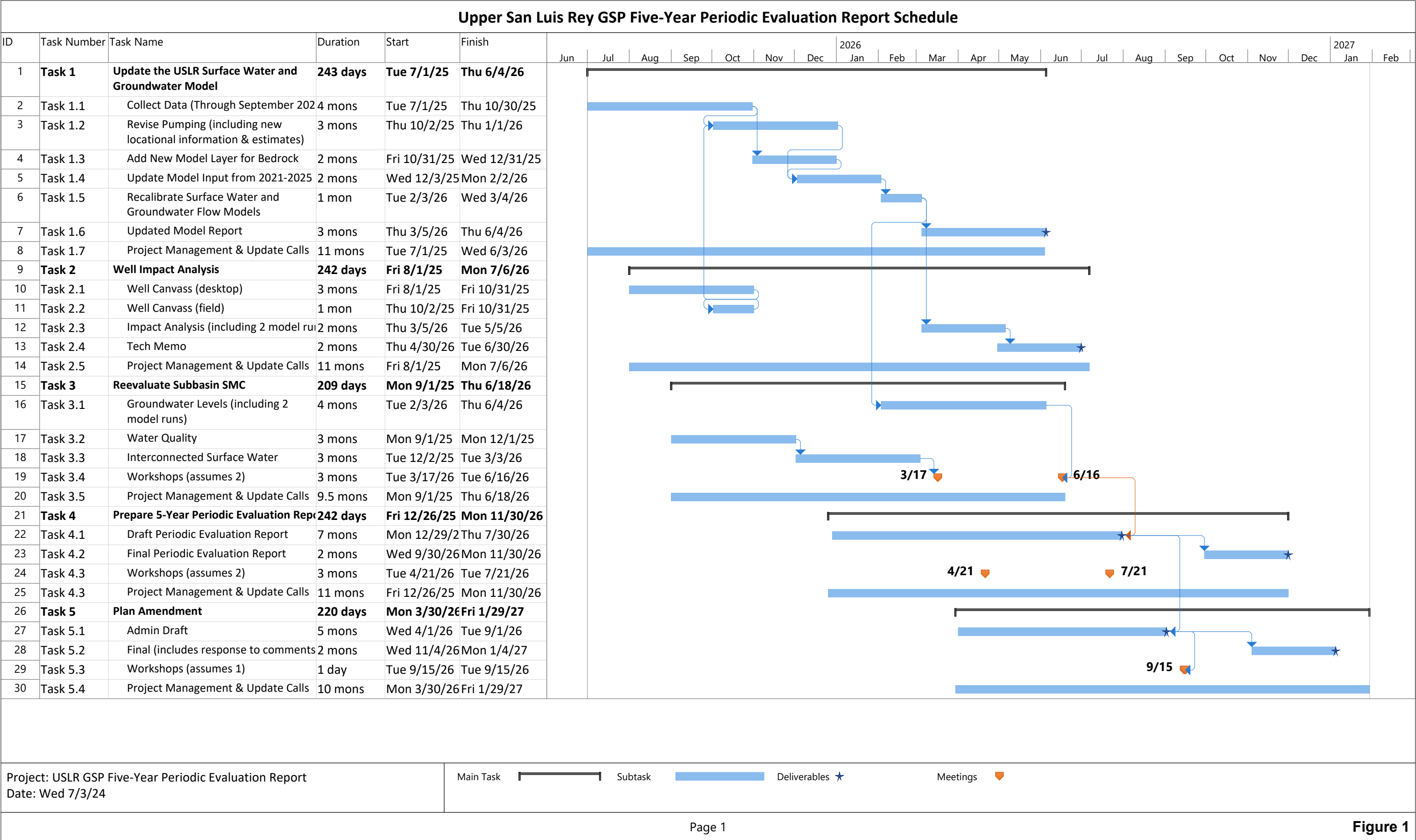
Trial Balance

Accrual Basis

As of May 31, 2025

	May 31, 25	
	Debit	Credit
10000 · General Checking	32,318.76	
11400 · Accounts Receivable - Members	0.00	
11500 · Accounts Receivable - Well Fees	3,943.66	
12000 · Undeposited Funds	0.00	
20000 · Accounts Payable	0.00	
32000 · Retained Earnings		7,499.84
40000 · Member Agency Contributions		4,943.70
40500 · Assessments - Groundwater		117,620.39
40510 · Assesments-Annual Per Well Fee		21,900.00
60000 · Yuima Management Fee	12,650.00	
60001 · Yuima Non-Contract Expense	14,263.62	
60200 · Insurance Expense	4,145.00	
60300 · Legal Expense	3,725.00	
60400 · Audit Expense	1,150.00	
60501 · Website & Email Expense	1,179.76	
60800 · Micellaneous Expense	150.00	
60901 · Prof. Services - GSPConsultant	0.00	
60901 · Prof. Services - GSPConsultant:60901.1 · GSP Annual Report	53,508.13	
60902 · Prof. Services - Rate Study	24,930.00	
TOTAL	151,963.93	151,963.93

ACTION / DISCUSSION



Data Request for the Upper San Luis Rey Valley Groundwater Sustainability Plan Five Year Review and Amendment	
Data Type	Data Range
Private Well Information	
Well Status	Any
Well Details	
Well Location	
Driller's Logs	
Additional Information (pumping test results, geophysical surveys, Spinner Logs, etc.)	
Well Data (Per Well)	
Production Data (acre-ft/month)	January 2021-Present OR Any (if data not previously provided)
Water Levels (RP, DTW, WL Elev) ¹	
Water Quality	

¹ Water Levels - Reference Point Elevation (RP), Depth to Water (DTW), Water Level Elevation (WL Elev)

Please Send Data to: Lwicks@geoscience-water.com

Or call (909) 667-4003 with any questions.

Thank you for your help with this effort.

RESOLUTION NO. 20-2024

RESOLUTION OF THE BOARD OF DIRECTORS OF UPPER SAN LUIS REY GROUNDWATER MANAGEMENT AUTHORITY ADOPTING THE OPERATING BUDGET FOR THE FISCAL YEAR 2025-26

WHEREAS, the Board of Directors of Upper San Luis Rey Groundwater Management Authority has reviewed and considered the Budget for Fiscal Year 2025-26 hereinafter referred to as the “Budget;” and

WHEREAS, the Budget provides a comprehensive plan of financial operations for the Authority including an estimate of revenues and the anticipated requirements for expenditures and appropriations for the forthcoming fiscal year; and

WHEREAS, the Budget establishes the basis for incurring liability and making expenditures on behalf of the Authority; and

WHEREAS, it is the interest of the Upper San Luis Rey Groundwater Management Authority to adopt an Annual Operating Expenditure Budgets for the 2025-26 Fiscal Year;

NOW, THEREFORE, IT IS HEREBY RESOLVED, DETERMINED AND ORDERED by the Board of Directors of Upper San Luis Rey Groundwater Management Authority as follows:

1. That the budget document which is on file and a summary of which is attached hereto as “Exhibit A” is adopted as the operating budget for the Authority for the 2025-26 fiscal year.
2. That the amounts designated in the 2025-26 operating and capital budget are hereby appropriated and may be expended for which they are designated.

PASSED AND ADOPTED at the regular meeting of the board of Directors of Upper San Luis Rey Groundwater Management Authority held on the 17th day of June 2025, by the following vote to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Management Authority

Greg Kamin, Chair

Upper San Luis Rey Groundwater

Michael Perricone, Secretary

Upper San Luis Rey Groundwater Management Authority

**Upper San Luis Rey
Groundwater Management Authority
FY 2025-26 Proposed Budget**

	Adopted	Current Year	Proposed
	Budget 2024-25	Projected 2024-25	Budget 2025-26
Income			
Assessments - Per Well Fixed Fee	\$90,000	\$21,900	\$90,000
Assessments - Per Acre Foot Pumping	\$331,246	\$117,620	\$308,335
Member Agencies Contributions	\$0	\$4,944	\$0
Grant Reimbursements	\$0	\$145,629	\$0
Other Revenue (Well Permit Application Processing)	\$1,000	\$250	\$500
TOTAL REVENUE	\$422,246	\$290,343	\$398,835
Operating Expenses			
<i>Professional Services</i>			
Management Contract	\$13,800	\$13,800	\$13,800
Non-Contract Management Services	\$16,200	\$16,206	\$16,200
Grant Local Cost Share		\$62,490	
<i>Office Expense</i>			
Bank Service Charges	\$192	\$150	\$192
<i>Insurance</i>			
General Insurance / E & O Officers	\$1,500	\$1,800	\$1,800
<i>General & Admin Expenses</i>			
Legal Fees	\$100,000	\$3,725	\$5,000
Audit	\$1,150	\$1,150	\$1,500
Website, Email, Domain Name	\$2,726	\$1,090	\$2,000
Memberships	\$2,275	\$2,345	\$2,500
Prof. Serv. Engineering - Well Application Review ²	\$1,000	\$200	\$1,000
Professional Services - GSP			
GSP Annual Report/	\$71,530	\$55,283	\$71,000
GSP 5 Year Update	\$172,360		\$244,330
GSP Response to Comments	\$0	\$0	\$0
Professional Cost of Service Study	\$0	\$24,930	\$0
Professional Services - Grant Consultant	\$0		\$0
Property Taxes	\$0	\$0	\$0
Depreciation	\$0	\$0	\$0
Contingency Reserve	\$19,000		\$19,000
Member Agency Contribution Repayment	\$20,513	\$20,513	\$20,513
TOTAL EXPENDITURES	\$422,246	\$203,682	\$398,835
NET PROFIT / (LOSS)	\$0	\$86,661	\$0

1) Expense to be reimbursed by grant funding

2) Well Application Engineering Review to be paid by Applicant



May 1, 2025

Board of Directors and Ms. Amy Reeh, General Manager
Upper San Luis Rey Groundwater Management Authority
34928 Valley Center Road
Pauma Valley, CA 92061

We are pleased to confirm our understanding of the services we are to provide Upper San Luis Rey Groundwater Management Authority (Authority) as of and for the year ended June 30, 2025.

Audit Scope and Objectives

We will audit the business-type activities of the Authority, as of June 30, 2025 and for the year then ended and the related notes, which collectively comprise the Authority's basic financial statements as listed in the table of contents of the financial statements.

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) and, if applicable, in accordance with *Government Auditing Standards*, and/or any state or regulatory audit requirements will always detect a material misstatement when it exists.

Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Accounting principles generally accepted in the United States of America, (U.S. GAAP,) as promulgated by the Governmental Accounting Standards Board (GASB) require that certain required supplementary information (RSI) such as management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, 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 required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America, (U.S. GAAS). These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation, and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by U.S. GAAP. This RSI will be subjected to certain limited procedures but will not be audited:

1. Management's Discussion and Analysis

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that 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 entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the Authority is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Auditor Responsibilities

We will conduct our audit in accordance with GAAS and in accordance with *Government Auditing Standards*. As part of an audit in accordance with GAAS and in accordance with *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
4. Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS and in accordance with *Government Auditing Standards*.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

Compliance with Laws and Regulations

As previously discussed, as part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we will perform tests of the Authority's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Management Responsibilities

Our audit will be conducted on the basis that management acknowledge and understand that they have responsibility:

- a) For the preparation and fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America;
- b) For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements; and
- c) To provide us with:
 - i. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the basic financial statements such as records, documentation, and other matters;
 - ii. Additional information that we may request from management for the purpose of the audit;
 - iii. Unrestricted access to persons within the Authority from whom we determine it necessary to obtain audit evidence.
 - iv. A written acknowledgement of all the documents that management expects to issue that will be included in the annual report and the planned timing and method of issuance of that annual report; and
 - v. A final version of the annual report (including all the documents that, together, comprise the annual report) in a timely manner prior to the date of the auditor's report.
- d) For including the auditor's report in any document containing basic financial statements that indicates that such basic financial statements have been audited by us;
- e) For identifying and ensuring that the Authority complies with the laws and regulations applicable to its activities;
- f) For adjusting the basic 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 current year period(s) under audit are immaterial, both individually and in the aggregate, to the basic financial statements as a whole; and
- g) For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;
- h) For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
- i) For informing us of any known or suspected fraud affecting the Authority involving management, employees with significant role in internal control and others where fraud could have a material effect on the financials; and
- j) For the accuracy and completeness of all information provided.

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility:

- a) for the preparation of the supplementary information in accordance with the applicable criteria;
- b) to provide us with the appropriate written representations regarding supplementary information;
- c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information; and
- d) to present the supplementary information with the audited basic financial statements, or if the supplementary information will not be presented with the audited basic financial statements, to make the audited basic financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

As part of our audit process, we will request from management, written confirmation concerning representations made to us in connection with the audit.

Nonattest Services

With respect to any nonattest services we perform,

At the end of the year, we agree to perform the following:

- a) Propose adjusting or correcting journal entries detected during the audit, if applicable, to be reviewed and approved by the Authority's management.
- b) Word process the financial statements using information provided by management.

We will not assume management responsibilities on behalf of the Authority. However, we will provide advice and recommendations to assist management of the Authority in performing its responsibilities.

The Authority's management is responsible for:

- a) making all management decisions and performing all management functions;
- b) assigning a competent individual to oversee the services;
- c) evaluating the adequacy of the services performed;
- d) evaluating and accepting responsibility for the results of the services performed; and
- e) establishing and maintaining internal controls, including monitoring ongoing activities.

Our responsibilities and limitations of the nonattest services are as follows:

- a) We will perform the services in accordance with applicable professional standards
- b) The nonattest services are limited to the services previously outlined. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account coding and approving journal entries. Our firm will advise the Authority with regard to tax positions taken in the preparation of the tax return, but the Authority must make all decisions with regard to those matters.

Reporting

We will issue a written report upon completion of our audit of the Authority's basic financial statements. Our report will be addressed to the Board of Directors of the Authority. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s) to our auditor's report, or if necessary, withdraw from the engagement. If our opinions on the basic financial statements 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 to issue a report as a result of this engagement.

In accordance with the requirements of Government Auditing Standards, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance will not be an objective of the audit and, therefore, no such opinion will be expressed.

Preparation of State Controller Report

Our Responsibilities

The objective of our engagement is to prepare the annual Financial Transactions Report (FTR) in accordance with the California State Controller's Office Instructions based on information provided by you. We will conduct our engagement in accordance with Statements on Standards for Accounting and Review Services (SSARs) promulgated by the Accounting and Review Services Committee of the AICPA and comply with the AICPA's

Code of Professional Conduct, including the ethical principles of integrity, objectivity, professional competence, and due care.

We are not required to, and will not, verify the accuracy or completeness of the information you will provide to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion or a conclusion or provide any assurance on the FTR.

Our engagement cannot be relied upon to identify or disclose any FTR misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the Authority or noncompliance with laws and regulations.

Management Responsibilities

The engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare the FTR in accordance with the State Controller's Office Instructions. Management has the following overall responsibilities that are fundamental to our undertaking the engagement to prepare your FTR in accordance with SSARs:

- a) The selection of accounting principles generally accepted in the United States of America as the financial reporting framework to be applied in the preparation of the financial statements
- b) The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error
- c) The prevention and detection of fraud
- d) To ensure that the Authority complies with the laws and regulations applicable to its activities
- e) The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement to prepare financial statements
- f) To provide us with:
 - i. Documentation, and other related information that is relevant to the preparation and presentation of the financial statements,
 - ii. Additional information that may be requested for the purpose of the preparation of the financial statements, and
 - iii. Unrestricted access to persons of whom we determine necessary to communicate.

As part of our engagement, we will issue a disclaimer that will state that the FTR were not subjected to an audit, review, or compilation engagement by us and, accordingly, we do not express an opinion, a conclusion, nor provide any assurance on them.

Engagement Fees

Our fixed fees for the services previously outlined will be as follows:

Financial Statements and Auditor Reports	\$3,000
Preparation of the State Controller's Report	250
Total	\$3,250

If significant changes occur in the Authority's audit requirements with the implementation of new Governmental Accounting Standards Board (GASB) Standards, Government Auditing Standards or the Audit and Accounting Guide for State and Local Governments issued by the AICPA for attest and/or nonattest services, this may render additional services needed which may increase the above noted fixed fee.

Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if the Authority's account becomes 60 days or more overdue and may not be resumed until the Authority's account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. The Authority will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from Authority 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 management and arrive at a new fee estimate before we incur the additional costs.

Additionally, our fees are dependent on the availability, quality, and completeness of the Authority's records and, where applicable, upon the Authority's personnel providing the level of assistance identified in the "prepared by client" request list distributed at the end of our planning work (e.g., Authority employees preparing confirmations and schedules we request, locating documents selected by us for testing, etc.).

We will schedule the engagement based in part on deadlines, working conditions, and the availability of Authority key personnel. We will plan the engagement based on the assumption that Authority personnel will cooperate and provide assistance by performing tasks such as preparing requested schedules, retrieving supporting documents, and preparing confirmations. If, for whatever reason, Authority 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.

If circumstances occur related to the condition of Authority records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming an opinion on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

Should our assumptions with respect to these matters be incorrect, or should the condition of the records, degree of cooperation, or other matters beyond our reasonable control require additional commitments by us beyond those upon which our estimated fees are based, we may adjust our fees and planned completion dates. If significant additional time is necessary, we will discuss it with management and arrive at a new fee estimate as soon as reasonably practicable.

Scheduling

Scheduling of the Audit Final-Fieldwork Dates will be based on an agreeable timetable with the Authority. We ask that the Authority prepare a completed and finalized Trial Balance and General Ledger in Excel form as of the June 30, 2025 date with all Balance Sheet accounts properly reconciled in Excel or PDF form and uploaded into the Suralink Portal System by the date scheduled. Failure to complete all the above noted items by the date scheduled will result in a \$1,000 extra fee charge and postponement of the audit to a later date. A 30-day notice before the initial scheduled Audit Final-Fieldwork date is required to change the date and avoid the extra \$1,000 fee. However, if a December or January date is chosen for the re-scheduled Audit Final-Fieldwork date, the \$1,000 fee will still apply to cover Overtime costs incurred during those months and will only guarantee the audit will be completed by January 31, 2026.

Other Engagement Matters

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

Government Auditing Standards require that we document an assessment of the skills, knowledge, and experience of management, should we participate in any form of preparation of the basic financial statements and related schedules or disclosures as these actions are deemed a non-audit service.

Paul J Kaymark, CPA is the engagement partner responsible for supervising the engagement and signing the report.

During the course of the audit we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

You agree to inform us of facts that may affect the basic financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

We agree to retain our audit documentation or work papers for a period of at least seven years from the date of our report.

The audit documentation for this engagement is the property of Nigro & Nigro, PC and constitutes confidential information. However, we may be requested to make certain audit documentation available to regulatory agencies pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of Nigro & Nigro, PC's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to regulatory agencies. The regulatory agencies may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies. We will notify the Authority of any such request.

Conflict Resolution

Should any litigation or adverse action (such as audits by outside governmental agencies and/or threatened litigation, etc.), by third parties arise against the Authority or the board of directors subsequent to this engagement, which results in the subpoena of documents from Nigro & Nigro, PC and/or requires additional assistance from us to provide information, depositions or testimony, the Authority hereby agrees to compensate Nigro & Nigro, PC (at our standard hourly rates) for additional time charges and other costs (copies, travel, etc.), and to indemnify us for any attorney's fees to represent Nigro & Nigro, PC.

If any dispute arises among the parties hereto, the parties agree to first try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its applicable rules for resolving professional accounting and related services disputes before resorting to litigation. The costs of any mediation proceeding shall be shared equally by all parties.

The Authority and Nigro & Nigro, PC both agree that any dispute over fees charged by the auditor to the Authority will be submitted for resolution by arbitration in accordance with the applicable rules for resolving professional accounting and related services disputes of the American Arbitration Association, except that under all circumstances the arbitrator must follow the laws of California. 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.** The prevailing party shall be entitled to an award of reasonable attorneys' fees and costs incurred in connection with the arbitration of the dispute in an amount to be determined by the arbitrator.

Conclusion

At the conclusion of our audit engagement, we will communicate to the Board of Directors the following significant findings from the audit:

- a) Our view about the qualitative aspects of the Authority's significant accounting practices;
- b) Significant difficulties, if any, encountered during the audit;
- c) Uncorrected misstatements, other than those we believe are trivial, if any;
- d) Disagreements with management, if any;
- e) Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- f) Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- g) Representations we requested from management;
- h) Management's consultations with other accountants, if any; and
- i) Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the basic financial statements including our respective responsibilities.

Enclosed, as required by *Government Auditing Standards*, is a copy of the report on the most recent peer review of our firm.

We appreciate the opportunity to provide these services and believe this letter accurately summarizes the significant terms of our engagement.

Very truly yours,

A handwritten signature in blue ink that reads "Nigro & Nigro, PC". The signature is written in a cursive, flowing style.

Nigro & Nigro, PC

The services and arrangements described in this letter are in accordance with our understanding and are acceptable to us.

Management signature: _____

Title: _____

Date: _____

INFORMATION / REPORTS



AB-362 Water policy: California tribal communities. (2025-2026)

As Amends the Law Today

SECTION 1. Section 13000 of the Water Code is amended to read:

13000. *The Legislature finds and declares all of the following:*

~~The (a) Legislature finds and declares that the people~~ *People* of the state have a primary interest in the conservation, control, and utilization of the water resources of the state, and that the quality of all the waters of the state shall be protected for use and enjoyment by the people of the state.

~~The (b) Legislature further finds and declares that activities and factors which~~ *Activities and factors that* may affect the quality of the waters of the state shall be regulated to attain the highest water quality ~~which that~~ is reasonable, considering all demands being made and to be made on those waters and the total values involved, beneficial and detrimental, economic and social, *and* tangible and intangible.

(c) The ~~Legislature further finds and declares that the health, safety~~ *health, safety,* and welfare of the people of the state requires that there be a statewide program for the control of the quality of all the waters of the state; that the state must be prepared to exercise its full power and jurisdiction to protect the quality of waters in the state from degradation originating inside or outside the boundaries of the state; that the waters of the state are increasingly influenced by interbasin water development projects and other statewide considerations; that factors of precipitation, topography, population, recreation, agriculture, ~~industry~~ *industry,* and economic development vary from region to region within the state; and that the statewide program for water quality control can be most effectively administered regionally, within a framework of statewide coordination and policy.

(d) California tribal communities have special ties to the bodies of water that have sustained their people, who have suffered from genocide, disease, displacement, and discrimination dating back to European colonization, and therefore tribal water uses must be protected through the statewide program for the control of the quality of all the waters of the state.

(e) Furthermore, allowing for tribal water uses should be a primary factor in determining the highest water quality that is reasonable in all regulatory decisions.

SEC. 2. Section 13050 of the Water Code is amended to read:

13050. As used in this division:

(a) "State board" means the State Water Resources Control Board.

(b) "Regional board" means any California regional water quality control board for a region as specified in Section 13200.

(c) "Person" includes any city, county, district, the state, and the United States, to the extent authorized by federal law.

(d) "Waste" includes sewage and any and all other waste substances, liquid, solid, gaseous, or radioactive, associated with human habitation, or of human or animal origin, or from any producing, manufacturing, or processing operation, including waste placed within containers of whatever nature prior to, and for purposes of, disposal.

(e) "Waters of the state" means any surface water or groundwater, including saline waters, within the boundaries of the state.

(f) "Beneficial uses" of the waters of the state that may be protected against quality degradation include, but are not limited to, domestic, municipal, ~~agricultural~~ *agricultural*, and industrial supply; *tribal water uses*; power generation; recreation; aesthetic enjoyment; navigation; and preservation and enhancement of fish, wildlife, and other aquatic resources or preserves.

(g) "Quality of the water" refers to chemical, physical, biological, bacteriological, radiological, and other properties and characteristics of water ~~which~~ *that* affect its use.

(h) "Water quality objectives" means the limits or levels of water quality constituents or characteristics ~~which~~ *that* are established for the reasonable protection of beneficial uses of water or the prevention of nuisance within a specific area.

(i) "Water quality control" means the regulation of any activity or factor ~~which~~ *that* may affect the quality of the waters of the state and includes the prevention and correction of water pollution and nuisance.

(j) "Water quality control plan" consists of a designation or establishment for the waters within a specified area of all of the following:

(1) Beneficial uses to be protected.

(2) Water quality objectives.

(3) A program of implementation needed for achieving water quality objectives.

(k) "Contamination" means an impairment of the quality of the waters of the state by waste to a degree ~~which~~ *that* creates a hazard to the public health through poisoning or through the spread of disease. "Contamination" includes any equivalent effect resulting from the disposal of waste, whether or not waters of the state are affected.

(l) (1) "Pollution" means an alteration of the quality of the waters of the state by waste to a degree ~~which~~ *that* unreasonably affects either of the following:

(A) The waters for beneficial uses.

(B) Facilities ~~which~~ *that* serve these beneficial uses.

(2) "Pollution" may include "contamination."

(m) "Nuisance" means anything ~~which~~ *that* meets all of the following requirements:

(1) Is injurious to health, or is indecent or offensive to the senses, or an obstruction to the free use of property, so as to interfere with the comfortable enjoyment of life or property.

(2) Affects at the same time an entire community or neighborhood, or any considerable number of persons, although the extent of the annoyance or damage inflicted upon individuals may be unequal.

(3) Occurs during, or as a result of, the treatment or disposal of wastes.

(n) "Recycled water" means water ~~which~~ *that*, as a result of treatment of waste, is suitable for a direct beneficial use or a controlled use that would not otherwise occur and is therefor considered a valuable resource.

(o) "Citizen or domiciliary" of the state includes a foreign corporation having substantial business contacts in the state or ~~which~~ *that* is subject to service of process in this state.

(p) (1) "Hazardous substance" means either of the following:

(A) For discharge to surface waters, any substance determined to be a hazardous substance pursuant to Section 311(b)(2) of the Federal Water Pollution Control Act (33 U.S.C. Sec. 1251 et seq.).

(B) For discharge to groundwater, any substance listed as a hazardous waste or hazardous material pursuant to Section 25140 of the Health and Safety Code, without regard to whether the substance is intended to be used, reused, or discarded, except that "hazardous substance" does not include any substance excluded from Section 311(b)(2) of the Federal Water Pollution Control Act because it is within the scope of Section 311(a)(1) of that act.

(2) "Hazardous substance" does not include any of the following:

(A) Nontoxic, nonflammable, and noncorrosive stormwater runoff drained from underground vaults, chambers, or manholes into gutters or storm sewers.

(B) Any pesticide ~~which~~ *that* is applied for agricultural purposes or is applied in accordance with a cooperative agreement authorized by Section 116180 of the Health and Safety Code, and is not discharged accidentally or for purposes of disposal, the application of which is in compliance with all applicable state and federal laws and regulations.

(C) Any discharge to surface water of a quantity less than a reportable quantity as determined by regulations issued pursuant to Section 311(b)(4) of the Federal Water Pollution Control Act.

(D) Any discharge to land ~~which~~ *that* results, or probably will result, in a discharge to groundwater if the amount of the discharge to land is less than a reportable quantity, as determined by regulations adopted pursuant to Section 13271, for substances listed as hazardous pursuant to Section 25140 of the Health and Safety Code. No discharge shall be deemed a discharge of a reportable quantity until regulations set a reportable quantity for the substance discharged.

(q) (1) "Mining waste" means all solid, semisolid, and liquid waste materials from the extraction, beneficiation, and processing of ores and minerals. Mining waste includes, but is not limited to, soil, waste rock, and overburden, as defined in Section 2732 of the Public Resources Code, and tailings, slag, and other processed waste materials, including cementitious materials that are managed at the cement manufacturing facility where the materials were generated.

(2) For the purposes of this subdivision, "cementitious material" means cement, cement kiln dust, clinker, and clinker dust.

(r) "Master recycling permit" means a permit issued to a supplier or a distributor, or both, of recycled water, that includes waste discharge requirements prescribed pursuant to Section 13263 and water recycling requirements prescribed pursuant to Section 13523.1.

(s) "California tribal community" has the same meaning as "tribal community" as defined in Section 13149.2.

SEC. 3. *Section 13142.1 is added to the Water Code, to read:*

***13142.1.** (a) In addition to any other policies regarding water quality established pursuant to this division, the policies of the state with respect to water quality as it relates to California tribal communities consist of both of the following:*

(1) Tribal ecological knowledge should be valued and incorporated into regulatory and management programs.

(2) State agencies should make resources available for tribal comanagement of aquatic resources within traditional and current tribal lands.

(b) Any project or regulatory program subject to approval by the state board or a regional board, shall, within an environmental review pursuant to Division 13 (commencing with Section 21000) of the Public Resources Code, and in any findings and declarations presented for state board or a regional board approval, describe, with both quantitative and qualitative information, how the project or regulatory program will impact tribal water uses.

(c) On or before December 1, 2026, and every two years thereafter, the state board shall publish a report on implementation of this section on its internet website.

SEC. 4. Section 13144 of the Water Code is amended to read:

13144. During the process of formulating or revising state policy for water quality ~~control~~ *control*, the state board shall consult with and carefully evaluate the recommendations of concerned federal, state, and local ~~agencies;~~ *agencies, and California tribal communities.*

SEC. 5. *Section 13170.4 is added to the Water Code, to read:*

***13170.4.** On or before January 1, 2027, the state board shall propose, and solicit tribal consultation and public comment on, water quality standards to achieve reasonable protection of tribal water uses into the water quality control plan for the San Francisco Bay and Sacramento-San Joaquin Delta watershed.*

SEC. 6. Section 13181 of the Water Code is amended to read:

13181. (a) (1) On or before December 1, 2007, the California Environmental Protection Agency and the Natural Resources Agency shall enter into a memorandum of understanding for the purposes of establishing the California Water Quality Monitoring Council, which shall be administered by the state board.

(2) As used in this section, "monitoring council" means the California Water Quality Monitoring Council established pursuant to this section.

(3) The monitoring council may include representatives from state entities and nonstate entities. The representatives from nonstate entities may include, but need not be limited to, representatives from federal and local government, *California tribal communities*, institutions of higher education, the regulated community, citizen monitoring groups, and other interested parties.

(4) The monitoring council shall review existing water quality monitoring, assessment, and reporting efforts, and shall recommend specific actions and funding needs necessary to coordinate and enhance those efforts.

(5) (A) The recommendations shall be prepared for the ultimate development of a cost-effective, coordinated, integrated, and comprehensive statewide network for collecting and disseminating water quality information and ongoing assessments of the health of the state's waters and the effectiveness of programs to protect and improve the quality of those waters.

(B) For purposes of developing recommendations pursuant to this section, the monitoring council shall initially focus on the water quality monitoring efforts of state agencies, including, but not limited to, the state board, the regional boards, the department, the Department of Fish and Wildlife, the California Coastal Commission, the State Lands Commission, the Department of Parks and Recreation, the Department of Forestry and Fire Protection, and the Department of Pesticide Regulation.

(C) In developing the recommendations, the monitoring council shall seek to build upon existing programs, rather than create new programs.

(6) Among other things, the memorandum of understanding shall describe the means by which the monitoring council shall formulate recommendations to accomplish ~~both~~ *all* of the following:

(A) Reduce redundancies, inefficiencies, and inadequacies in existing water quality monitoring and data management programs in order to improve the effective delivery of sound, comprehensive water quality information to the public and decisionmakers.

(B) Ensure that water quality improvement projects financed by the state provide specific information necessary to track project effectiveness with regard to achieving clean water and healthy ecosystems.

(C) Achieve and maintain tribal water uses through state board and regional board regulatory action and other programs, including, but not limited to, comanagement of habitat restoration and management programs and consultations with California tribal communities.

(7) On or before December 1, 2026, the California Environmental Protection Agency and the Natural Resources Agency shall amend the memorandum of understanding to incorporate participation from California tribal communities in the actions of the monitoring council. The methods of participation may include membership on the monitoring council, creation of a tribal water quality council, and consultation with California tribal communities.

(b) The monitoring council shall report, on or before December 1, 2008, to the California Environmental Protection Agency and the Natural Resources Agency with regard to its recommendations for maximizing the efficiency and effectiveness of existing water quality data collection and dissemination, and for ensuring that collected data are maintained and available for use by decisionmakers and the public. The monitoring council shall consult with the United States Environmental Protection Agency in preparing these recommendations. The monitoring council's recommendations, and any responses submitted by the California Environmental Protection Agency or the Natural Resources Agency to those recommendations, shall be made available to decisionmakers and the public by means of ~~the Internet:~~ *an internet website*.

(c) The monitoring council shall undertake and complete, on or before April 1, 2008, a survey of its members to develop an inventory of their existing water quality monitoring and data collection efforts statewide and shall make that information available to the public.

(d) All state agencies, including institutions of higher education to the extent permitted by law, that collect water quality data or information shall cooperate with the California Environmental Protection Agency and the Natural Resources Agency in achieving the goals of the monitoring council as described in this section.

(e) In accordance with the requirements of the federal Clean Water Act (33 U.S.C. Sec. 1251 et seq.) and implementing guidance, the state board shall develop, in coordination with the monitoring council, all of the following:

(1) A comprehensive monitoring program strategy that utilizes and expands upon the state's existing statewide, regional, and other monitoring capabilities and describes how the state will develop an integrated monitoring program that will serve all of the state's water quality monitoring needs and address all of the state's waters over time. The strategy shall include a timeline not to exceed 10 years to complete implementation. The strategy shall be comprehensive in scope and identify specific technical, integration, and resource needs, and shall recommend solutions for those needs so that the strategy may be implemented within the 10-year timeframe.

(2) Agreement, including agreement on a schedule, with regard to the comprehensive monitoring of statewide water quality protection indicators that provide a basic minimum understanding of the health of the state's waters. Indicators already developed pursuant to environmental protection indicators for statewide initiatives shall be given high priority as core indicators for purposes of the network described in subdivision (a).

(3) Quality management plans and quality assurance plans that ensure the validity and utility of the data collected.

(4) Methodology for compiling, analyzing, and integrating readily available information, to the maximum extent feasible, including, but not limited to, data acquired from discharge reports, volunteer monitoring groups, local, state, and federal agencies, and recipients of state-funded or federally funded water quality improvement or restoration projects.

(5) An accessible and user-friendly electronic data system with timely data entry and ready public access via the ~~Internet:~~ [internet](#). To the maximum extent possible, the geographic location of the areas monitored shall be included in the data system.

(6) Production of timely and complete water quality reports and lists that are required under Sections 303(d), 305(b), 314, and 319 of the federal Clean Water Act and Section 406 of the federal Beaches Environmental Assessment and Coastal Health Act of 2000, that include all available information from discharge reports, volunteer monitoring groups, and local, state, and federal agencies.

(7) An update of the state board's surface water ambient monitoring program needs assessment in light of the benefits of increased coordination and integration of information from other agencies and information sources. This update shall include identification of current and future resource needs required to fully implement the coordinated, comprehensive monitoring network, including, but not limited to, funding, staff, training, laboratory and other resources, and projected improvements in the network.

(f) The state board shall identify the full costs of implementation of the comprehensive monitoring program strategy developed pursuant to subdivision (e), and shall identify proposed sources of funding for the implementation of the strategy, including federal funds that may be expended for this purpose. Fees collected pursuant to paragraph (1) of subdivision (d) of Section 13260 may be used as a funding source for implementation of the strategy to the extent that the funding is consistent with subparagraph (B) of paragraph (1) of subdivision (d) of Section 13260.

(g) Data, summary information, and reports prepared pursuant to this section shall be made available to appropriate public agencies and the public by means of the ~~Internet:~~ [internet](#).

(h) (1) Commencing December 1, 2008, the Secretary of the California Environmental Protection Agency shall conduct a triennial audit of the effectiveness of the monitoring program strategy developed pursuant to subdivision (e). The audit shall include, but need not be limited to, an assessment of the following matters:

(A) The extent to which the strategy has been implemented.

(B) The effectiveness of the monitoring and assessment program and the monitoring council with regard to both of the following:

(i) Tracking improvements in water quality.

(ii) Evaluating the overall effectiveness of programs administered by the state board or a regional board and of state and federally funded water quality improvement projects.

(2) The Secretary of the California Environmental Protection Agency shall consult with the Secretary of the Natural Resources Agency in preparing the audit, consistent with the memorandum of understanding entered into pursuant to subdivision (a).

(i) The state board shall prioritize the use of federal funding that may be applied to monitoring, including, but not limited to, funding under Section 106 of the Federal Water Pollution Control Act, for the purpose of implementing this section.

(j) The state board shall not use more than 5 percent of the funds made available to implement this section for the administrative costs of any contracts entered into for the purpose of implementing this section.

SEC. 7. Section 13241 of the Water Code is amended to read:

13241. Each regional board shall establish such water quality objectives in water quality control plans as in its judgment will ensure the reasonable protection of beneficial uses and the prevention of nuisance; however, it is recognized that it may be possible for the quality of water to be changed to some degree without unreasonably affecting beneficial uses. Factors to be considered by a regional board in establishing water quality objectives shall include, but not necessarily be limited to, all of the following:

(a) Past, present, and probable future beneficial uses of water.

(b) Environmental characteristics of the hydrographic unit under consideration, including the quality of water available thereto.

(c) Water quality conditions that could reasonably be achieved through the coordinated control of all factors ~~which~~ *that* affect water quality in the area.

(d) Economic considerations.

(e) The need for developing housing within the region.

(f) The need to develop and use recycled water.

(g) Consultations with California tribal communities.

(h) Environmental justice considerations.

SEC. 8. *Section 13243.5 is added to the Water Code, to read:*

13243.5. *(a) Adoption of tribal water uses within a water quality control plan shall not be subject to the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code).*

(b) Upon the next triennial review of a water quality control plan after January 1, 2026, each regional board shall define tribal beneficial uses in its water quality control plan and, where applicable, adopt water quality standards to achieve reasonable protection of tribal water uses into water quality control plans.

(c) Any participation by a California tribal community in efforts to protect tribal uses against quality degradation, whether through consultation, a memorandum of understanding, or a comanagement arrangement, shall be deemed voluntary and shall not subject the participating tribe to state law in other matters not authorized by federal law.

SEC. 9. *The Legislature finds and declares that Section 2 of this act, which amends Section 13050 of the Water Code, imposes a limitation on the public's right of access to the meetings of public bodies or the writings of public officials and agencies within the meaning of Section 3 of Article I of the California Constitution. Pursuant to that constitutional provision, the Legislature makes the following findings to demonstrate the interest protected by this limitation and the need for protecting that interest:*

This act protects from public disclosure the personal and historical information of California tribal communities and their tribal water uses disclosed to the State Water Resources Control Board or a regional water quality control board for the purposes of water quality standards.