



KENSINGTON FIRE PROTECTION DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS
AGENDA

Wednesday, January 17th, 2024, 7:00pm
Kensington Community Center, 59 Arlington Avenue,
Kensington, CA 94707 (in-person and hybrid)

How to Submit Public Comments:

Prior to the meeting: Members of the public may submit public comment to the Board President and Board Clerk prior to the meeting by emailing: public.comment@kensingtonfire.org by 2:00pm the day of the regular meeting, or by the time posted on the special meeting agenda. Such comments will be noted as received and their contents orally summarized; however, if you attend the meeting, you will need to make your comment during the meeting.

During the meeting: Public comment will be taken on each agenda item, and comment on issues not on the agenda will be taken at the beginning of the meeting. Please address your comments to the Board of Directors and not to staff and/or the audience. Members of the public who attend the meeting either in-person or via Zoom are allowed to provide public comment verbally with a maximum allowance of 3 minutes per individual comment, subject to the Chair's discretion. Each member of the public will be allotted the same maximum number of minutes to speak as set by the Chair, except that public speakers using interpretation assistance will be allowed to testify for twice the amount of the public testimony time limit (California Government Code section 54954.3(a)).

In-person: At points in the meeting when the meeting chair requests public comment, members of the public participating in-person can simply raise their hand to be recognized.

Via Zoom: If participating via internet, please click the "raise hand" feature located within the Zoom application screen. If connected via telephone, please dial "*9" (star, nine).

Accommodations: To enable the District to make reasonable arrangements to ensure accessibility to this meeting (28 CFR 35.102-35.104 ADA Title 1), if you need special assistance to participate, please email public.comment@kensingtonfire.org 48 hours prior to the meeting.

Agenda and supplemental materials: This agenda is available on the KFPD website under the relevant meeting date: <https://www.kensingtonfire.org/governance>. Please note that supplemental materials will be posted on the website with the agenda as soon as they are available prior to the meeting. Additional information or materials may be presented at the meeting itself.

PLEASE NOTE: The District will use Zoom to allow virtual access to this meeting. This additional means of access is provided as a courtesy to the public and is not required by law. The meeting will continue to be conducted at the physical address provided above regardless of any interruption or failure of the Zoom transmission.

Hybrid Meeting Option via Zoom Internet Address:

https://us06web.zoom.us/j/81216434918?pwd=TaXmulS_oR4JLayALg1-PEE-fA0MpQ.5MLevYEPkdRFPMP

Telephone Access:

(720) 707-2699 or (346) 248-7799 or (253) 215-8782

Webinar ID: 812 1643 4918

Passcode: 112233

1. CALL TO ORDER/ROLL CALL

President Stein, Vice President Levine, Director Nagel, Director Watt

2. PUBLIC COMMENT

Under "Public Comment," the public may address the Board on any subject not listed on the agenda. Please address your comments to the Board of Directors and not to staff and/or the audience. Each speaker may address the Board once under Public Comment for a limit of three minutes. The public will be given an opportunity to speak on each agenda item and once the public comment portion of any item on this agenda has been closed by the Board, no further comment from the public will be permitted unless authorized by the Board. The Board cannot act on items not listed on the agenda and, therefore, cannot respond to non-agenda issues brought up under Public Comment other than to provide general information.

3. OATH OF OFFICE for Director Madugo

4. OLD BUSINESS - *Continued from December 20, 2023 BOD Meeting*

a. ELECTION OF OFFICERS FOR CALENDAR YEAR 2024

Discussion of roles and nominations. (Supporting material.)

I. President

II. Vice-President

III. Secretary

Action = Elect officers for Calendar Year 2024 with newly elected President serving as chair for the remainder of the meeting

5. ADOPTION OF CONSENT ITEMS

Items listed below are consent items, which are considered routine by the Board of Directors and will be enacted by one motion. The Board of Directors has received and considered reports and recommendations prior to assigning consent item designations to the various items. Copies of the reports are available to the public. The disposition of the item is indicated. There will be no separate discussion of consent items. If discussion is requested for an item, that item will be removed from the list of consent items and considered separately on the agenda. (Supporting material)

a. Approval of Minutes of the Board of Directors meetings of 11/15/2023 (Revised), 12/20/2023 - (Approve)

b. Acceptance of Incident Activity Report December 2023 - (Accept)

c. Approval of Monthly Transmittal 01/17/2024 - (Approve)

d. Approval of Monthly Financial Reports 12/31/2023 - (Approve)

e. Annual Meeting Schedule for 2024 - (Accept)

6. FIRE CHIEF'S REPORT (Supporting Material)

Action = Presentation/Discussion

7. EMERGENCY PREP COORDINATOR'S REPORT (Supporting Material)

Action = Presentation/Discussion

8. NEW BUSINESS

- a. **Presentation and Discussion of Fiscal Analysis Proposal between the KFPD Board of Directors and Ridgeline Municipal Services.** – Board and Ridgeline Municipal Services Action = As directed by the board on December 20, 2023, receive a presentation from Ridgeline Municipal Services of its proposal “Proposal to Prepare Fiscal Reorganization Analysis Evaluating Reorganization of Kensington Special Districts” dated December 8, 2023 (“Proposal”), and discuss the Proposal with Ridgeline representatives present at the meeting location.
- b. **Discuss the two emails sent by Mr. Semenov concerning Ridgeline’s willingness to proceed with a financial analysis on consolidation - Watt/Stein** (Supporting Material, including emails from December 20, 2023 and December 22, 2023.) Discussion among board of directors and, if he is present, between the Board and Mr. Semenov of Ridgeline.
- c. **Consider approving the above-referenced Proposal as submitted on December 8, 2023 or with requested modifications based on the foregoing presentation and discussion between the Board and Ridgeline Municipal Services.**
Action = Potential approval of the Proposal, as submitted or with modifications requested by the board or by staff. Potential direction to staff to work with Ridgeline Municipal Services on modifications to the Proposal including any revision of the Proposal budget that may result from requested modifications.
- d. **Consideration of cost-sharing any engagement with Ridgeline with the KPPCSD, including specifying a cost-sharing ratio or cost-sharing amount of any approved original or modified Proposal.**
Action = Review the Proposal as presented by Ridgeline Municipal Services along with any recommended modifications in the foregoing agenda item, and consider approving a cost-sharing ratio or cost-sharing amount of the final cost with the KPPCSD. Direct staff as needed, including to include the approved cost-sharing ratio in the KFPD mid-year budget review.
- e. **Approval of Proposed Contract for Annual Audits of Fiscal Year 2023 - 2027 –** Morris-Mayorga (Supporting Material)
Action = Discussion, approval, and/or direct staff as needed
Two audit proposals were received with Nigro & Nigro recommended for approval
- f. **Local Hazard Mitigation Plan (LHMP) Draft Review of Submittal to County –** Morris-Mayorga (Supporting Material)
Action = Discussion and direct staff as needed
The documents which were submitted to the County are provided for review, discussion, and input or direction as determined by the Board.
- g. **Public Safety Building Project Update –** Morris-Mayorga (Supporting Material)
Action = Presentation/Discussion
A brief progress update on the PSB Seismic Renovation will be presented.
- h. **Interim General Manager Recruitment**
Action = Discuss and direct staff
With the resignation of General Manager Morris-Mayorga, discuss and direct staff on an

Interim General Manager appointment process.

9. GENERAL MANAGER'S REPORT (Supporting Material)
Action = Presentation/Discussion

10. COMMITTEE REPORTS

Informational reports from Board members or staff covering the following assignments:

a. **Emergency Preparedness Committee Meeting** – Nagel/Stein (No Report)

b. **Finance Committee Meeting** – Stein/Watt (No Report)

11. OUTSIDE AGENCIES REPORTS

a. **Contra Costa Special Districts Association** – Nagel (No Report)

12. ADJOURNMENT

The next regular meeting of the Board of Directors of the Kensington Fire Protection District will be held on Wednesday, February 21, 2024 at 7:00pm at the Kensington Community Center. The deadline for agenda items to be included in the Board packet is Wednesday, February 7, 2024, by 1:00pm. The deadline for agenda-related materials to be included in the Board Packet is Wednesday, February 14, 2024, by 1:00pm.



KENSINGTON FIRE PROTECTION DISTRICT

DATE: January 17, 2024
TO: Board of Directors
RE: Election of Officers for 2024
SUBMITTED BY: Mary A. Morris-Mayorga, General Manager

Recommended Action

Staff recommends that the Board takes the necessary steps to elect the President, Vice President, and Secretary for 2024.

Background

In accordance with *Policy 1050 Board Meetings* (attached), the Board will hold an annual organizational meeting at the regular December meeting and elect the President, Vice President, and Secretary for the following calendar year. *Policy 1070 Board Officers* (attached) describes the positions. At the December Board of Directors Meeting, the Board took action to continue this item to the January 2024 meeting as the second item following the Oath of Office for the newly appointed director with the current slate of officers retaining positions until the conclusion of the item at which time the new officers would take over following the election of officers.

Fiscal Impact

There is no fiscal impact.

Attachments: *Policy 1050 Board Meetings*
Policy 1070 Board Officers

KENSINGTON FIRE PROTECTION DISTRICT POLICY HANDBOOK

POLICY TITLE: Board Meetings
POLICY NUMBER: 1050

1050.10 Regular meetings of the Board of Directors shall be held on the second Wednesday of each calendar month at 7:00 p.m. in the Kensington Community Center, 59 Arlington Avenue, Kensington, California. All meetings of the Board of Directors shall comply with the Brown Act (California Government Code § 54950 through § 54926). The date, time and place of regular Board meetings shall be reconsidered annually at the annual organizational meeting of the Board.

1050.11 Member of the Board includes newly elected and appointed officials prior to assuming office.

1050.12 Meetings through the use of intermediaries, serial communications, or emails are prohibited.

1050.20 Special meetings (non-emergency) of the Board of Directors may be called by the Board President or by a majority of the Board.

1050.21 All Directors, the Manager and the Fire Chief shall be notified of the special Board meeting and the purpose or purposes for which it is called. Said notification shall be in writing, delivered to them at least twenty-four (24) hours prior to the meeting.

1050.22 Newspapers of general circulation in the District, radio stations and television stations, organizations, and property owners who have requested notice of special meetings in accordance with the Brown Act shall be notified by a mailing unless the special meeting is called less than one week in advance, in which case notice, including business to be transacted, will be given by telephone or electronic mail as soon after the meeting is scheduled as practicable.

1050.23 An agenda shall be prepared as specified for regular Board meetings in Policy #5020 and shall be delivered with the notice of the special meeting to those specified above.

1050.24 Only those items of business listed in the call for the special meeting shall be considered by the Board at any special meeting.

1050.30 Special Meetings (emergency). In the event of an emergency situation involving matters upon which prompt action is necessary due to the disruption or threatened disruption of public facilities, the Board of Directors may hold an emergency special meeting without complying with the twenty-four (24) hour notice required in 1050.21, above. An emergency situation means a crippling

disaster which severely impairs public health, safety, or both, as determined by the Board President or Vice President in the President's absence.

1050.31 No closed session may be held during an emergency special meeting, and all other rules governing special meetings shall be observed with the exception of the twenty-four (24) hour notice. The minutes of the emergency special meeting, a list of persons the Manager or designee notified or attempted to notify, a copy of the roll call vote(s), and any actions taken at such meeting shall be posted for a minimum of ten (10) days in the District office as soon after the meeting as possible.

1050.40 Adjourned Meetings. A majority vote by the Board of Directors may terminate any Board meeting at any place in the agenda to any time and place specified in the order of adjournment, except that if no Directors are present at any regular or adjourned regular meeting, the President may declare the meeting adjourned to a stated time and place.

1050.50 Annual Organizational Meeting. The Board of Directors shall hold an annual organizational meeting at its regular meeting in December. At this meeting the Board will elect a President, Vice President and Secretary from among its members to serve during the coming calendar year.

1050.60 The Chairperson of the meetings described herein shall determine the order in which agenda items shall be considered for discussion and/or action by the Board.

1050.70 The Chairperson and the Manager shall insure that appropriate information is available for the audience at meetings of the Board of Directors, and that physical facilities for said meetings are functional and appropriate. All Board meetings shall be open and freely accessible to the public, including those with disabilities.

1050.80 Board meeting recordings shall be posted to the District website to allow for public access.

1050.90 Committees created by formal action of the Board shall comply with the Brown Act.

KENSINGTON FIRE PROTECTION DISTRICT POLICY HANDBOOK

POLICY NUMBER and TITLE: 1070 Board Officers

1070.10 The President of the Board of Directors shall serve as chairperson at all Board meetings. He/she shall have the same rights as the other members of the Board in voting, introducing motions, resolutions and ordinances, and any discussion of questions that follow said actions. In addition, the Board President shall:

- 1070.11** [Reserved]
- 1070.12** [Reserved]
- 1070.13** Represent and speak for the organization to other organizations and to the public.
- 1070.14** Preside at business meetings.
- 1070.15** Appoint committees.
- 1070.16** Sign letters or documents necessary to carry out the will of the organization.
- 1070.17** Preside at meetings of the Board of Directors or governing board.

1070.20 The Vice President of the Board of Directors assumes the duties of the President in case of absence or incapacity of the President. If the President and Vice President of the Board are both absent, the remaining members present shall select one of themselves to act as chairperson of the meeting.

1070.30 The Secretary of the Board of Directors shall certify the correctness of the minutes and enter them in the official minute book; sign official documents to attest to their authenticity; and carry on the official correspondence of the organization as directed, except correspondence assigned to other officers.



KENSINGTON FIRE PROTECTION DISTRICT BOARD OF DIRECTORS MEETING MINUTES

DATE/TIME: November 15, 2023, 7:00PM

LOCATION: Kensington Community Center, 59 Arlington Avenue, Kensington (and hybrid)

PRESENT:

- Directors: President Julie Stein, Vice President Director Daniel Levine, Director Larry Nagel, Director Jim Watt
- Staff: Board Clerk Candace Eros Diaz, GM Mary Morris-Mayorga, Fire Chief Eric Saylor
- Consultant: EP Coordinator Johnny Valenzuela

1. CALL TO ORDER/ROLL CALL

President Julie Stein called the meeting to order at 7:03 p.m. and confirmed the roll call.

2. PUBLIC COMMENT (00:01:40)

There was no public comment.

3. ADOPTION OF CONSENT ITEMS (00:02:24)

President Stein proposed to approve all consent items on the agenda with a single motion and noted the 10/19/2022 Special meeting minutes were not included in the packet. The board did not move to remove any items.

- a. **Approval of Minutes** of the Board of Directors meetings of 10/18/2023, 09/14/2022, 09/21/2022 (Continued), 10/19/2022 (Special)
- b. **Acceptance of Incident Activity Report** October 2023
- c. **Approval of Monthly Transmittal** 11/15/2023
- d. **Approval of Monthly Financial Reports** 10/31/2023

There was no public comment.

MOTION: M/s Nagel/Levine Motion to approve consent items 3a-3d.	
VOTE:	
Ayes: Levine, Nagel, Stein, and Watt	
Nays: None	
Absent: None	
Motion passed 4-0-0	Video Time Stamped: 00:04:19

4. FIRE CHIEF'S REPORT (00:04:29)

Fire Chief Eric Saylor presented the report as included in the packet. He provided administration, operations, training, and citizen engagement updates. He then provided an evacuation briefing.

The Board inquired about evacuation order authority and notifications. Chief Saylor confirmed that CWS is the authority for notifications and confirmed that KFPD has no authority to make evacuation requests. If KFPD makes an incident command phone call it will have to state which agency it is working with and refer to a commanding officer who is with law enforcement. He went on to describe a Type 3 Incident Management Team scenario, which pulls in all stakeholders. He announced that a Red Flag Parking Pilot program was tested and described some of the challenges associated with the initiative.

A member of the public commented that phone landlines continue to be important because CWS maintains a database of Kensington resident landline numbers and uses these to send alerts.

There was no additional public comment.

5. EMERGENCY PREPAREDNESS COORDINATOR'S REPORT (00:28:59)

EP Coordinator Johnny Valenzuela presented the report as included in the packet supplemented by a Powerpoint (posted with meeting documents) which highlighted community engagement events, district communications/publications, initiatives/deliverables, and past meetings.

There was no public comment.

6. OLD BUSINESS (00:33:02)

a. Report Back on Process for Requesting Changed Use of Space from Marjang

This is a report back item from the October 18, 2023 Board meeting. GM Morris-Mayorga presented the report as included in the packet. The Board clarified the steps to begin a proposal including public process. GM Morris-Mayorga noted the KPCCSD has no plan to request space in the Public Safety Building.

There was no public comment.

7. NEW BUSINESS (00:44:37)

a. Reserves Policy Revisions For First Reading

GM Morris-Mayorga presented the report as included in the packet. The board discussed the item.

There was no public comment.

MOTION: M/s Levine/Watt Motion to accept a first reading of the proposed reserve policy with the exception of the word "exclusively" in section 1170.20a El Cerrito Contract Reserve and move to a second reading.

VOTE:

Ayes: Levine, Nagel, Stein, and Watt

Nays: None

Absent: None

Motion passed 4-0-0

Video Time Stamped: 01:05:43

b. New Purchasing Policy for First Reading (01:06:11)

President Stein introduced the item and provided some background information. GM

Morris-Mayorga presented the report as included in the packet. President Stein and Director Nagel commended GM Morris-Mayorga for her work on this agenda item.

There was no public comment.

MOTION: M/s Nagel/Levine Motion to accept the first reading Policy 1155 Purchasing and move to a second reading.	
VOTE: Ayes: Levine, Nagel, Stein, and Watt Nays: None Absent: None	
Motion passed 4-0-0	Video Time Stamped: 01:18:25

c. New KFPD Board Member Selection Protocol (01:18:43)

GM Morris-Mayorga presented the report as included in the packet. The board discussed including whether “Approval Voting” could be considered and the possibility for a second round of balloting in the case of a tie. The board confirmed that each director will be allowed to ask up to one question of each candidate and determined the process by which this would take place noting that members of the public may make comments, but not ask questions of the candidates.

A member of the public expressed their appreciation with the board to create a transparent selection protocol and noted potential First Amendment concerns with limiting Directors to ask one question of each candidate.

There was no additional public comment.

MOTION: M/s Levine/Nagel Motion to adopt the proposed policy as written in the packet with the clarification that after the candidates are randomized they will rotate the order in which they answered the questions, that the Directors will also be randomized in the order they ask questions, and that in the event of a tie there will be an opportunity for board discussion followed by a single-second round of balloting in an attempt to break the tie.	
VOTE: Ayes: Levine, Nagel, Stein, and Watt Nays: None Absent: None	
Motion passed 4-0-0	Video Time Stamped: 01:42:23

d. Review and Consider Approving the New RFP Proposed by the KPPCSD Board for the Reorganization Fiscal Analysis (01:42:42)

The board discussed the item and no action was taken.

There was no public comment.

e. Process for Launching the Fiscal Analysis RFP (01:50:06)

GM Morris-Mayorga presented the report as included in the packet. The board discussed

the item and no action was taken.

There was no public comment.

f. Public Safety Building Project Update (02:14:27)

GM Morris-Mayorga presented the report as included in the packet. The board discussed the item and no action was taken.

There was no public comment.

8. GENERAL MANAGER'S REPORT (02:21:52)

GM Morris-Mayorga presented the report as included in the packet. The board discussed the item and no action was taken.

There was no public comment.

9. COMMITTEE REPORTS (02:26:45)

a. Emergency Preparedness Committee Meeting

Director Nagel presented the report as included in the packet. There was no public comment or board discussion.

b. Finance Committee Meeting - no report

c. Reorganization Analysis Temporary Committee - no report

d. Information Technology Temporary Committee - no report

10. OUTSIDE AGENCIES REPORTS

There was no report.

11. ADJOURNMENT President Stein adjourned the meeting at 9:39 p.m.

The next Board of Directors meeting will occur on December 20, 2023.

MINUTES PREPARED BY: Candace Eros Diaz and Mary Morris-Mayorga

These minutes were approved at the Board Meeting of the Kensington Fire Protection District on December 20, 2023.

Attest:

Secretary of the Board



KENSINGTON FIRE PROTECTION DISTRICT BOARD OF DIRECTORS MEETING MINUTES

DATE/TIME: December 20, 2023, 7:00PM

LOCATION: Kensington Community Center, 59 Arlington Avenue, Kensington (and hybrid)

PRESENT: Directors: President Julie Stein, Vice President Director Daniel Levine,
Director Larry Nagel, Director Jim Watt
Staff: Board Clerk Candace Eros Diaz, GM Mary Morris-Mayorga,
Fire Chief Eric Saylors
Consultant: EP Coordinator Johnny Valenzuela

1. CALL TO ORDER/ROLL CALL

President Julie Stein called the meeting to order at 7:02 p.m. and confirmed the roll call.

2. PUBLIC COMMENT (00:01:20)

A member of the public commented on agenda item 7e and hopes the board will approve the motion.

There was no additional public comment.

3. ADOPTION OF CONSENT ITEMS (00:04:46)

President Stein proposed to approve all consent items on the agenda with a single motion and noted the 10/19/2022 Special meeting minutes were not included in the packet. The board moved to remove items 3a and 3e for further discussion.

- a. **Approval of Minutes** of the Board of Directors meetings of 11/15/2023, 10/19/2022 (Special)
- b. **Acceptance of Incident Activity Report** November 2023
- c. **Approval of Monthly Transmittal** 12/20/2023
- d. **Approval of Monthly Financial Reports** 11/30/2023
- e. **Approval of Proposed Contract with Nigro & Nigro PC for Annual Audits of Fiscal Year 2023 - 2027**

Director Watt recommended removing item 3e to first be reviewed at the January 2024 Finance Committee Meeting and return to the board for review. President Stein concurred. The board discussed the item and agreed to review at a later date. No action was taken.

There was no public comment.

President Stein commented on the November 15, 2023 minutes New Business items d, e, f and the General Manager's Report and the board discussed the items.

There was no public comment.

MOTION: M/s Nagel/Levine Motion to approve consent items 3b, 3c, 3d.	
VOTE: Ayes: Levine, Nagel, Stein, and Watt Nays: None Absent: None	
Motion passed 4-0-0	Video Time Stamped: 00:04:19

4. FIRE CHIEF'S REPORT (00:19:10)

Fire Chief Eric Saylor presented the report as included in the packet. He provided administration, operations, training, and provided a holiday safety message. Director Watt, Director Levine, and President Stein thanked Chief Saylor for his report and holiday safety message. Director Watt and Chief Saylor discussed defensible space inspections. President Stein uplifted the KFPD's ability to provide advanced medical and life support care.

A member of the public commented on the evacuation associated with the fire event and asked if Zonehaven and CWS were used. Chief Saylor stated that Zonehaven and CWS are used for pre-planned mass evacuations. A search and clear (door-to-door) local evacuation, which does not require any software, was used for the fire event he reported on.

There was no additional public comment.

5. EMERGENCY PREPAREDNESS COORDINATOR'S REPORT (00:30:00)

EP Coordinator Johnny Valenzuela presented the report including presentation. He highlighted community engagement events, district communications/publications, initiatives/deliverables, and past meetings. President Stein requested that these reports be included in the packet and/or uploaded to the website with staff confirming this would be done. The board discussed the report.

There was no public comment.

6. OLD BUSINESS (00:45:20)

There was no old business.

7. NEW BUSINESS (00:45:26)

a. Resolution 2023-10 Approving Amendments to Policy 1170 Fund Balance and Reserves (Second Reading)

GM Morris-Mayorga presented the report as included in the packet. The board discussed the item and thanked GM Morris-Mayorga for her work on this item.

There was no public comment.

MOTION: M/s Nagel/Levine Motion to approve Resolution 2023-10 Approving Amendments to Policy 1170 Fund Balance and Reserves (Second Reading).
--

VOTE: Ayes: Levine, Nagel, Stein, and Watt Nays: None Absent: None
Motion passed 4-0-0 Video Time Stamped: 00:49:00

b. Resolution 2023-11 Approving New Policy 1155 Purchasing (Second Reading)
(00:49:19)

GM Morris-Mayorga presented the report as included in the packet. The board discussed the item and thanked GM Morris-Mayorga for her work on this item.

There was no public comment.

MOTION: M/s Nagel/Watt Motion to approve Resolution 2023-11 Approving New Policy 1155 Purchasing (Second Reading).
VOTE: Ayes: Levine, Nagel, Stein, and Watt Nays: None Absent: None
Motion passed 4-0-0 Video Time Stamped: 00:53:27

c. Budget Amendment for Purchase of Hose and Nozzle Compliments on Type 1 and Type 2 Engines (00:54:55)

GM Morris-Mayorga and Chief Saylor presented the report as included in the packet. Director Nagel made the correction that the purchase will be for Type 1 and Type 3 engines. Chief Saylor noted that a correction in the packet will be made to reflect Kensington sales tax. The board discussed the item and specifically whether it could be funded from operating reserves versus capital reserves as proposed. GM Morris-Mayorga confirmed the capital purchase could be made out of the operating reserves, but after discussion the Board did not request this change. She also noted that when reserve spending occurs it is included as a listed expenditure of capital funds in the budget document to show the expense is authorized.

There was no public comment.

MOTION: M/s Nagel/Levine Motion to approve Budget Amendment in the amount of \$43,877.87 for Purchase of Hose and Nozzle Compliments on Type 1 and Type 3 Engines, specifically Engine 165 and 365.
VOTE: Ayes: Levine, Nagel, Stein, and Watt Nays: None Absent: None
Motion passed 4-0-0 Video Time Stamped: 01:04:26

d. Local Hazard Mitigation Plan (LHMP) Update (01:04:40)

GM Morris-Mayorga presented the report as included in the packet. The board discussed

the item. GM Morris-Mayorga noted she will confirm with the KPPCSD GM when the community meeting will take place.

A member of the public commented that the state released preliminary hazard maps for the Richmond Quadrangle and wondered if the LHMP review might be affected by this release.

There was no additional public comment.

e. Fiscal Analysis Proposal Review to Request a Presentation by the Proposer or Approve Proposal, and Include a Prorated Cost Share in the Budget (01:15:34)

GM Morris-Mayorga presented the report as included in the packet. The board discussed the item. Director Nagel asked for an estimate of prorated costs. GM Morris-Mayorga stated that half the amount of costs is typical, but further discussion with the consulting firm would be necessary. Director Watt and President Stein stated their concerns about the Ridgeline proposal and provided their rationale and recommendations.

A member of the public gave thanks to the board for all their hard work on this item. They also noted that the taxpayers of Kensington are looking for a concerted, coordinated, and conciliatory effort to move to the next phase. Dmitry Semenov with Ridgeline Useful Strategies commented that they are an independent firm that does independent work, the work product will be designed to allow both agencies make the right decisions, that the success of a project depends on both agencies' cooperation, and that it's important they get the data they requested for guidance.

There was no additional public comment.

MOTION: M/s Nagel/Levine Motion to approve the fiscal analysis proposal and include a prorated cost-share in the budget.	
VOTE: Ayes: Levine, Nagel Nays: Stein, Watt Absent: None	
Motion fails 2-2-0	Video Time Stamped: 02:09:16

MOTION: M/s Watt/Levine Motion to request Ridgeline attend the January 17, 2024 meeting in-person to present and answer questions about their proposal.	
VOTE: Ayes: Levine, Nagel, Stein, and Watt Nays: None Absent: None	
Motion passed 4-0-0	Video Time Stamped: 02:12:17

The board discussed the motion. There was no public comment.

The board took a break at 9:15 p.m. The board reconvened at 9:17 p.m.

f. Election of Officers for Calendar Year 2024 (02:15:35)

GM Morris-Mayorga presented the report as included in the packet. The board discussed the item.

There was no public comment.

MOTION: M/s Levine/Nagel Motion to continue agenda item 7f Election of Officers for Calendar Year 2024 until the regular January 17, 2024 board meeting after the swearing in of the new board director and the current set of officers be retained until the conclusion of the item, at which point the newly elected officers will take over immediately at that meeting.
--

VOTE:

Ayes: Levine, Nagel, and Watt

Nays: Stein

Absent: None

Motion passed 3-1-0

Video Time Stamped: 02:30:44

g. Public Safety Building Project Update (02:33:07)

GM Morris-Mayorga presented the report as included in the packet. The board discussed the item and no action was taken.

There was no public comment.

8. PRESIDENT'S REPORT (02:40:00)

President Stein presented the report as included in the packet. The board thanked Director Nagel for his participation in several subcommittees.

There was no public comment.

9. GENERAL MANAGER'S REPORT (02:41:05)

GM Morris-Mayorga presented the report as included in the packet. The board discussed the item and no action was taken.

There was no public comment.

10. COMMITTEE REPORTS

a. Emergency Preparedness Committee Meeting

There was no report.

b. Finance Committee Meeting

There was no report.

c. Reorganization Analysis Temporary Committee

There was no report.

d. Information Technology Temporary Committee

There was no report.

11. OUTSIDE AGENCIES REPORTS

There was no report.

12. ADJOURNMENT President Stein adjourned the meeting at 9:49 p.m.

The next Board of Directors meeting will occur on January 17, 2023.

MINUTES PREPARED BY: Candace Eros Diaz and Mary Morris-Mayorga

These minutes were approved at the Board Meeting of the Kensington Fire Protection District on January 17, 2024.

Attest:

Secretary of the Board

DRAFT



EL CERRITO-KENSINGTON FIRE DEPARTMENT
10900 San Pablo Avenue ■ El Cerrito ■ CA ■ 94530
(510) 215-4450 ■ FAX (510) 232-4917
www.el-cerrito.org

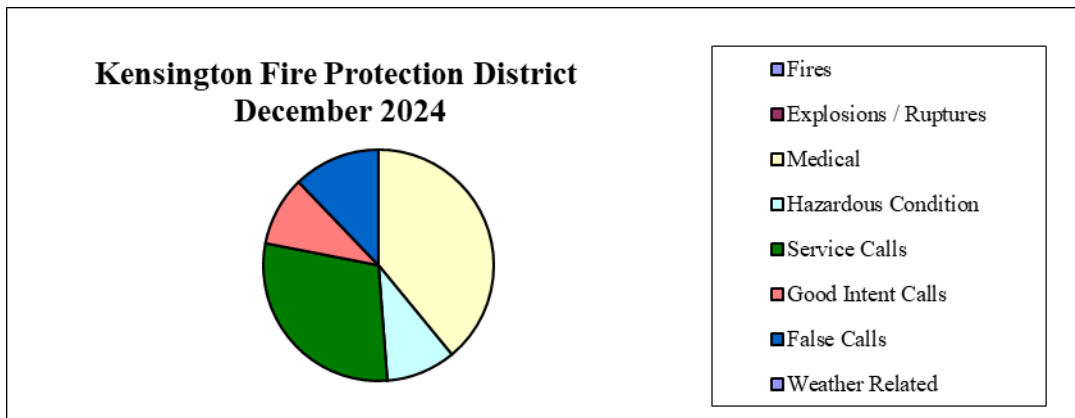


DATE: January 8, 2024
TO: Kensington Fire Protection District Board Members
FROM: Jose Castrejon: Battalion Chief
RE: **Incident Activity Reports for December 2023**

Forty-one incidents occurred during December in the community of Kensington. This is an increase of ten incidents from the previous month. Please see the attached “Incident Log” for the dates and times, locations, and types of incidents the Fire Department responded to this past month. During this same time, Engine 155 responded to a total of seventy-seven calls for service, an increase of nineteen incidents from the previous month. Overall, the El Cerrito-Kensington Fire Department has responded to 3,892 calls for service for the year.

The chart below shows the seven incident response types tracked by the State and National fire incident reporting systems. The following is the number of responses for each type, the percentage of the total calls for each type, and all the responses in the community of Kensington.

- 1:
- 2:
- 3:
- 4:
- 5:
- 6:
- 7:
- 8



E55 Responses December 2023

#	Incident	Date	Type	Street	Type	City	Appartaus
1	0023142566	01-Dec-23 12:02:23	321	Roberta	DR	El Cerrito	E155
2	0023142703	01-Dec-23 16:46:51	611M	El Dorado	AVE	El Cerrito	E155
3	0023142709	01-Dec-23 17:07:18	611M	S 56th	ST	El Cerrito	E155
4	0023143106	02-Dec-23 13:45:19	652	James	PL	El Cerrito	E155
5	0023143180	02-Dec-23 16:20:58	321	Highland	BLVD	Kensington	E155
6	0023143209	02-Dec-23 16:59:20	900A	Craft	AVE	El Cerrito	E155
7	0023143448	03-Dec-23 06:16:14	554	Lake	DR	Kensington	E155
8	0023143595	03-Dec-23 14:29:56	611	Arlington	AVE	Kensington	E155
9	0023143602	03-Dec-23 14:52:37	735	Trinity	AVE	Kensington	E155
10	0023143651	03-Dec-23 17:45:16	611	Arlington	DR	Pittsburg	E155
11	0023143903	04-Dec-23 10:19:29	321	Kerr	AVE	Kensington	E155
12	0023143931	04-Dec-23 11:40:12	622	San Pablo	AVE	El Cerrito	E155
13	0023144002	04-Dec-23 15:03:33	444	Everett	ST	El Cerrito	E155
14	0023144046	04-Dec-23 16:26:59	700	Rincon	RD	Kensington	E155
15	0023144153	04-Dec-23 21:55:44	412	Anson	WAY	Kensington	E155
16	0023144185	05-Dec-23 00:50:16	554	Clayton	AVE	El Cerrito	E155
17	0023144280	05-Dec-23 09:18:52	746	Willamette	AVE	Kensington	E155
18	0023144388	05-Dec-23 13:30:07	5000	El Cerrito	PLZ	El Cerrito	E155
19	0023144457	05-Dec-23 15:44:03	321	Highland	BLVD	Kensington	E155
20	0023144476	05-Dec-23 16:24:54	321	Cambridge	AVE	Kensington	E155
21	0023144842	06-Dec-23 12:24:15	321	Norwood	AVE	Kensington	E155
22	0023145083	06-Dec-23 22:51:18	321	Seaview	DR	El Cerrito	E155
23	0023145454	07-Dec-23 18:33:10	321	Seaview	DR	El Cerrito	E155
24	0023145763	08-Dec-23 13:06:25	554	Stratford	RD	Kensington	E155
25	0023145834	08-Dec-23 15:16:24	321	Elm	ST	El Cerrito	E155
26	0023146077	09-Dec-23 06:32:08	321	Roberta	DR	El Cerrito	E155
27	0023146200	09-Dec-23 13:28:02	321	Balra	DR	El Cerrito	E155
28	0023146816	11-Dec-23 02:09:33	321	Lexington	AVE	El Cerrito	E155
29	0023146970	11-Dec-23 12:16:16	412	Bonnie	DR	El Cerrito	E155
30	0023147037	11-Dec-23 14:53:10	554	Arlington	AVE	Kensington	E155
31	0023147099	11-Dec-23 17:13:50	554	Arlington	AVE	Kensington	E155
32	0023147132	11-Dec-23 18:01:12	520	Norwood	AVE	Kensington	E155
33	0023147557	12-Dec-23 15:47:44	321	Richardson	RD	Kensington	E155
34	0023147603	12-Dec-23 17:29:43	745	Potrero	AVE	El Cerrito	E155
35	0023147917	13-Dec-23 12:40:10	743	Ocean View	AVE	Kensington	E155
36	0023147993	13-Dec-23 15:19:09	611F	I 580		Richmond	E155
37	0023147995	13-Dec-23 15:26:29	321	Liberty	ST	El Cerrito	E155
38	0023148061	13-Dec-23 18:13:34	745	Rugby	AVE	Kensington	E155
39	0023148124	13-Dec-23 22:06:46	321	Ardmore	RD	Kensington	E155
40	0023148459	14-Dec-23 17:18:34	622	Park	WAY	El Cerrito	E155
41	0023148472	14-Dec-23 18:02:34	5000	Albemarle	ST	El Cerrito	E155
42	0023148589	15-Dec-23 01:20:49	321	Norwood	CT	Kensington	E155
43	0023148712	15-Dec-23 10:09:52	611	Coventry	RD	Kensington	E155
44	0023148721	15-Dec-23 10:23:44	611	El Cerrito	PLZ	El Cerrito	E155
45	0023148995	15-Dec-23 21:59:28	321	Arbor	DR	El Cerrito	E155
46	0023149299	16-Dec-23 16:30:17	321	Edgecroft	RD	Kensington	E155
47	0023149442	16-Dec-23 22:36:04	112	Ohlone	TRL	El Cerrito	E155
48	0023149718	17-Dec-23 15:56:00	400	Shevlin	DR	El Cerrito	E155
49	0023149792	17-Dec-23 19:15:15	412	Liberty	ST	El Cerrito	E155
50	0023150131	18-Dec-23 13:48:06	5000	Berkeley Park	BLVD	Kensington	E155

E55 Responses December 2023

51	0023150482	19-Dec-23 08:10:02	554	Stratford	RD	Kensington	E155
52	0023151045	20-Dec-23 11:23:56	321	Norwood	AVE	Kensington	E155
53	0023151156	20-Dec-23 16:09:12	554	Avis	DR	El Cerrito	E155
54	0023151386	21-Dec-23 06:42:22	554	Arlington	AVE	Kensington	E155
55	0023151444	21-Dec-23 09:19:52	324	Arlington	AVE	Kensington	E155
56	0023151502	21-Dec-23 11:36:18	745	Schmidt	LN	El Cerrito	E155
57	0023151524	21-Dec-23 12:18:37	554	Arlington	AVE	Kensington	E155
58	0023151560	21-Dec-23 14:07:16	554	Arlington	AVE	Kensington	E155
59	0023152748	24-Dec-23 11:52:06	321	Cambridge	AVE	Kensington	E155
60	0023152803	24-Dec-23 13:56:01	321	Berkeley Park	BLVD	Kensington	E155
61	0023152946	24-Dec-23 19:35:28	5000	Bates	AVE	El Cerrito	E155
62	0023152967	24-Dec-23 20:14:20	554	Arlington	BLVD	El Cerrito	E155
63	0023153016	24-Dec-23 22:56:41	321	Balra	DR	El Cerrito	E155
64	0023153093	25-Dec-23 04:00:57	611M	Coventry	RD	Kensington	E155
65	0023153217	25-Dec-23 11:45:36	321	Ashbury	AVE	El Cerrito	E155
66	0023153220	25-Dec-23 11:49:43	321	Arlington	CT	Kensington	E155
67	0023153461	25-Dec-23 23:33:27	554	Arlington	AVE	Kensington	E155
68	0023153505	26-Dec-23 04:21:15	5000	Coventry	RD	Kensington	E155
69	0023153784	26-Dec-23 16:46:48	5000	Everett	ST	El Cerrito	E155
70	0023154577	28-Dec-23 13:11:57	321	Pomona	AVE	El Cerrito	E155
71	0023154772	28-Dec-23 21:46:05	400	King	CT	El Cerrito	E155
72	0023155014	29-Dec-23 12:47:10	412	Purdue	AVE	Kensington	E155
73	0023155117	29-Dec-23 16:36:00	444	Trinity	AVE	Kensington	E155
74	0023155155	29-Dec-23 18:24:04	744	Julian	CT	El Cerrito	E155
75	0023155300	30-Dec-23 00:16:57	622	Everett	ST	El Cerrito	E155
76	0023155412	30-Dec-23 09:44:33	444	Terrace	DR	El Cerrito	E155
77	0024000011	01-Jan-24 00:36:10	321	Thors Bay	RD	El Cerrito	E155

Kensington Incidents December 2023

#	Incident	Date	Type	Street	Type	City	Apparatus
1	0023143180	02-Dec-23 16:20:58	321	Highland	BLVD	Kensington	E155
2	0023143188	02-Dec-23 16:27:20	321	Columbia	AVE	Kensington	E152
3	0023143448	03-Dec-23 06:16:14	554	Lake	DR	Kensington	E155
4	0023143595	03-Dec-23 14:29:56	611	Arlington	AVE	Kensington	E155
5	0023143602	03-Dec-23 14:52:37	735	Trinity	AVE	Kensington	E155
6	0023143903	04-Dec-23 10:19:29	321	Kerr	AVE	Kensington	E155
7	0023144046	04-Dec-23 16:26:59	700	Rincon	RD	Kensington	E155
8	0023144153	04-Dec-23 21:55:44	412	Anson	WAY	Kensington	E155
9	0023144280	05-Dec-23 09:18:52	746	Willamette	AVE	Kensington	E155
10	0023144457	05-Dec-23 15:44:03	321	Highland	BLVD	Kensington	E155
11	0023144476	05-Dec-23 16:24:54	321	Cambridge	AVE	Kensington	E155
12	0023144842	06-Dec-23 12:24:15	321	Norwood	AVE	Kensington	E155
13	0023145763	08-Dec-23 13:06:25	554	Stratford	RD	Kensington	E155
14	0023147037	11-Dec-23 14:53:10	554	Arlington	AVE	Kensington	E155
15	0023147099	11-Dec-23 17:13:50	554	Arlington	AVE	Kensington	E155
16	0023147132	11-Dec-23 18:01:12	520	Norwood	AVE	Kensington	E155
17	0023147557	12-Dec-23 15:47:44	321	Richardson	RD	Kensington	E155
18	0023147917	13-Dec-23 12:40:10	743	Ocean View	AVE	Kensington	E155
19	0023148061	13-Dec-23 18:13:34	745	Rugby	AVE	Kensington	E155
20	0023148124	13-Dec-23 22:06:46	321	Ardmore	RD	Kensington	E155
21	0023148589	15-Dec-23 01:20:49	321	Norwood	CT	Kensington	E155
22	0023148712	15-Dec-23 10:09:52	611	Coventry	RD	Kensington	E155
23	0023148871	15-Dec-23 15:57:40	440	Oakview	AVE	Kensington	E151
24	0023149299	16-Dec-23 16:30:17	321	Edgecroft	RD	Kensington	E155
25	0023150131	18-Dec-23 13:48:06	5000	Berkeley Park	BLVD	Kensington	E155
26	0023150482	19-Dec-23 08:10:02	554	Stratford	RD	Kensington	E155
27	0023151045	20-Dec-23 11:23:56	321	Norwood	AVE	Kensington	E155
28	0023151386	21-Dec-23 06:42:22	554	Arlington	AVE	Kensington	E155
29	0023151444	21-Dec-23 09:19:52	324	Arlington	AVE	Kensington	E155
30	0023151524	21-Dec-23 12:18:37	554	Arlington	AVE	Kensington	E155
31	0023151560	21-Dec-23 14:07:16	554	Arlington	AVE	Kensington	E155
32	0023152748	24-Dec-23 11:52:06	321	Cambridge	AVE	Kensington	E155
33	0023152803	24-Dec-23 13:56:01	321	Berkeley Park	BLVD	Kensington	E155
34	0023153093	25-Dec-23 04:00:57	611M	Coventry	RD	Kensington	E155
35	0023153220	25-Dec-23 11:49:43	321	Arlington	CT	Kensington	E155
36	0023153461	25-Dec-23 23:33:27	554	Arlington	AVE	Kensington	E155
37	0023153505	26-Dec-23 04:21:15	5000	Coventry	RD	Kensington	E155
38	0023153507	26-Dec-23 04:30:30	321	Arlington	AVE	Kensington	E152
39	0023155014	29-Dec-23 12:47:10	412	Purdue	AVE	Kensington	E155
40	0023155117	29-Dec-23 16:36:00	444	Trinity	AVE	Kensington	E155
41	0023155934	31-Dec-23 14:43:53	611P	Berkeley Park	BLVD	Kensington	E152

TO: Auditor Controller of Contra Costa County: TRANSMITTAL - APPROVAL
 Forwarded herewith are the following invoices and claims for goods and services received which have been approved for payment:

**KENSINGTON FPD
 TRANSMITTAL - APPROVAL
 Invoices**

PY/CY:
BATCH #.:
DATE : 1/17/2024
LOCATION #: 13
FILENAME: KENSINGTON

VEND #	VENDOR NAME	INVOICE DATE	DESCRIPTION	FUND /ORG	SUB-ACCT	TASK	OPT.	ACTIVITY /WORK AUTH.	ENCUMB (P.O.) / Invoice #	P/C	PAYMENT AMOUNT
50151	El Cerrito	1/1/2024	Fire Protection Services 01/01/2024	7840	2328						352,043.49
50390	CWS	1/3/2024	PSB Renovation Hard Costs	7487	2310				App 14		699,423.33
50147	KFPD Revolving Fund	1/17/2024	Reimburse Revolving fund	7840	2490						89,185.25
TOTAL											<u>1,140,652.07</u>

Kensington FPD Approval

 Board President

 General Manager

Kensington Fire Protection District
 Checking Account Replenishment
 January 17, 2024

Transactions:

Payee	Date	Expenses	Description
Vision Service Plan	12/01/2023	\$ 258.48	VSP Payment
Google	12/06/2023	\$ 388.80	Email Service/Document Storage
Copy Central	12/07/2023	\$ 6.99	Printing/Copying-Spec Mtg Agendas
M Morris-Mayorga/Candace Eros-Diaz	12/07/2023	\$ 4,642.53	Payroll
Fed/State	12/07/2023	\$ 3,216.43	Payroll Tax Withholding
Heartland Payroll	12/07/2023	\$ 216.53	Payroll Processing Fee
BestBuy	12/11/2023	\$ 94.80	Purchase Microphone for Meeting Room Audio
CalPERS	12/11/2023	\$ 3,943.97	Retiree Health
Terminix	12/18/2023	\$ 157.00	Pest Control
EBMUD	12/18/2023	\$ 259.64	Water/Sewer Utility Payment
Terminix	12/18/2023	\$ 471.00	Pest Control
Copy Central	12/19/2023	\$ 11.55	Printing/Copying - Agendas
Copy Central	12/19/2023	\$ 144.95	Printing/Copying - Agenda Packets
ACAPULCO ROCK AND SOIL	12/22/2023	\$ 2,373.35	Community Sand bags
M Morris-Mayorga/Candace Eros-Diaz	12/22/2023	\$ 7,254.95	Payroll
Fed/State	12/22/2023	\$ 3,484.80	Payroll Tax Withholding
Heartland Payroll	12/22/2023	\$ 104.53	Payroll Processing Fee
Comcast	12/26/2023	\$ 201.60	Internet
PG&E	12/27/2023	\$ 11.58	Gas Service
Delta Dental	12/27/2023	\$ 824.31	Retiree Dental Insurance Payment
Delta Dental	12/27/2023	\$ 824.31	Retiree Dental Insurance Payment
Adobe Inc	12/04/2023	\$ 19.99	PDF Software
Zoom	12/05/2023	\$ 13.14	Zoom Payment
Zoom	12/06/2023	\$ 140.00	Zoom Payment
CrashPlan	12/20/2023	\$ 9.99	Monthly Payment for Cloud Backup
Hulu	12/19/2023	\$ 76.99	Monthly TV Subscription for Temp Facility
Comcast	12/20/2023	\$ 201.90	Internet
Ooma, Inc	12/22/2023	\$ 81.81	Office Telephone
Unitarian Church of Berkley (Check #995255)	12/12/2023	\$ 1,300.00	Lot Rental (August 2023 replacement chk-not recvd)
Altivu (Check #995289)	12/07/2023	\$ 8,963.12	Emergency Prep Coordinator
ZFA Structural Engineers (Check #995290)	12/01/2023	\$ 10,940.00	PSB Renovation Engineering Invoice #64495 & #63745
Meyers Nave (Check #995291)	12/01/2023	\$ 941.22	Legal Service through October 2023
Krisch Company (Check #995292)	12/04/2023	\$ 3,000.00	October 2023 Accounting Service Inv 51516
Unitarian Church of Berkley (Check #995293)	12/04/2023	\$ 1,344.20	Temp Facilities - Lot Rental (October 2023)
Unitarian Church of Berkley (Check #995294)	12/12/2023	\$ 1,344.20	Temp Facilities - Lot Rental (November 2023)
ZFA Structural Engineers (Check #995295)	12/05/2023	\$ 1,591.78	PSB Renovation Engineering Invoice #65091
Applied Materials Engineering Inc (Check #995296)	12/01/2023	\$ 6,097.00	PSB Renovation Seismic August 2023
Applied Materials Engineering Inc (Check #995297)	12/05/2023	\$ 2,885.75	PSB Renovation Seismic September 2023
Pacific Mobile Structures (Check #995298)	12/07/2023	\$ 3,752.92	Temp Facilities Modular (December 2023)
Pacific Mobile Structures (Check #995299)	12/01/2023	\$ 3,752.92	Temp Facilities Modular (November 2023)
Unitarian Church of Berkley (Check #995300)	12/19/2023	\$ 1,344.20	Temp Facilities - Lot Rental (December 2023)
Unitarian Church of Berkley (Check #995301)	12/19/2023	\$ 1,300.00	Lot Rental-8/28 Aug pmt just recvd-applied to Jan 2024
Streamline (Check #995302)	12/15/2023	\$ 596.00	Website for Oct, Nov
Corovan Moving & Storage Co (Check #995303)	12/20/2023	\$ 1,745.02	Long Term Storage October, November
CA Special Districts Association	12/29/2023	\$ 8,851.00	2024 CASD Membership

Net Withdrawals for Replenishment	\$ 89,185.25
	\$ -
Replenishment Adjusted for Monthly Bills	\$ 89,185.25

Board President _____ Date _____

General Manager _____ Date _____

**Kensington Fire Protection District
Cash and Investment Balance Sheet
As of December 31, 2023**

Current Cash and Investments

Cash Balance		Comments
Petty Cash	200.00	
KFPD Revolving Acct - Gen Fund	223,303.00	Balance as of 12/31/2023
General Fund	5,856,837.51	Balance as of 12/31/2023, Pending Reconciliations
Special Tax Fund	113,597.90	Balance as of 12/31/2023, Pending Reconciliations
Capital Fund	755,002.76	Balance as of 12/31/2023, Pending Reconciliations
Total Cash Balance	6,948,941.17	
Investments		
LAIF Balance	2,527,668.29	Balance as of 12/31/2023, Pending Reconciliations
Total Investments	2,527,668.29	
Total Current Cash and Investments	9,476,609.46	

Kensington Fire Protection District

Balance Sheet

As of December 31, 2023

01/05/24

Accrual Basis

	Dec 31, 23	Dec 31, 22	\$ Change
ASSETS			
Current Assets			
Checking/Savings			
Petty Cash	200.00	200.00	0.00
KFPD Revolving Acct - Gen Fund	245,433.84	173,356.48	72,077.36
General Fund	5,856,837.51	2,483,828.43	3,373,009.08
Special Tax Fund	113,597.90	116,361.87	-2,763.97
Capital Fund	755,002.76	520,665.61	234,337.15
Total Checking/Savings	6,971,072.01	3,294,412.39	3,676,659.62
Accounts Receivable			
Accounts Receivable	4,805.80	4,805.80	0.00
Advance on Taxes	2,547,413.97	2,403,130.73	144,283.24
Advance on Supplemental Taxes	86,955.06	95,090.40	-8,135.34
Total Accounts Receivable	2,639,174.83	2,503,026.93	136,147.90
Other Current Assets			
Prepaid Services - EC	0.00	0.07	-0.07
Prepaid Exp.	1,684.83	3,336.57	-1,651.74
Prepaid CERBT - Retiree Trust	745,105.48	745,105.48	0.00
Investments			
LAIF Balance	2,527,668.29	14,586.30	2,513,081.99
US TBills - 4/20/23	0.00	3,000,000.00	-3,000,000.00
Fed Home Loan Bk - 9/27/23	0.00	3,500,000.00	-3,500,000.00
Total Investments	2,527,668.29	6,514,586.30	-3,986,918.01
Total Other Current Assets	3,274,458.60	7,263,028.42	-3,988,569.82
Total Current Assets	12,884,705.44	13,060,467.74	-175,762.30
Fixed Assets			
Land	5,800.00	5,800.00	0.00
Equipment	1,793,890.43	1,793,890.43	0.00
Accumulated Depreciation-Equip	-911,477.25	-803,767.41	-107,709.84
Building and Improvements	2,391,581.26	2,391,581.26	0.00
Accumulated Depreciation - Bldg	-1,342,172.17	-1,276,209.07	-65,963.10
Current Capital Outlay			
PSB Renovation Soft Costs	1,148,203.22	689,517.23	458,685.99
PSB Renovation Hard Cost	3,415,642.81	214,343.75	3,201,299.06
Temp Facility - Soft Costs	261,739.37	153,760.62	107,978.75
Temp Facilities - Hard Costs	600,096.82	529,497.83	70,598.99
Temp Facilities - Lot Rental	21,776.80	6,000.00	15,776.80
Temp Facilities - Modular	54,722.88	9,687.84	45,035.04
Temp Facilities - Admin Sublet	36,578.25	12,192.75	24,385.50
Temp Facilities - Relocation	39,489.62	14,284.32	25,205.30
Fire Engine Type I	0.00	104.40	-104.40
Firefighters Qtrs/Equip	0.00	210.00	-210.00
Total Current Capital Outlay	5,578,249.77	1,629,598.74	3,948,651.03
Total Fixed Assets	7,515,872.04	3,740,893.95	3,774,978.09
TOTAL ASSETS	20,400,577.48	16,801,361.69	3,599,215.79
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
Due to Revolving Acct - Gen Fnd	1,169,857.65	12,718.21	1,157,139.44
Due to Other - Issued by CCC	10,847.39	71,279.36	-60,431.97
Accounts Payable	305.34	1,605.34	-1,300.00
Total Accounts Payable	1,181,010.38	85,602.91	1,095,407.47

Kensington Fire Protection District

Balance Sheet

As of December 31, 2023

01/05/24

Accrual Basis

	Dec 31, 23	Dec 31, 22	\$ Change
Other Current Liabilities			
PSB Renovation Loan	1,539,460.63	0.00	1,539,460.63
Deferred Inflow of Resources	141,245.00	141,245.00	0.00
Total Other Current Liabilities	1,680,705.63	141,245.00	1,539,460.63
Total Current Liabilities	2,861,716.01	226,847.91	2,634,868.10
Long Term Liabilities			
El Cerrito Reconciliation Liab.	233,481.39	233,481.39	0.00
Postretirement Health Ben Liab	0.14	0.14	0.00
Total Long Term Liabilities	233,481.53	233,481.53	0.00
Total Liabilities	3,095,197.54	460,329.44	2,634,868.10
Equity			
Fund Equity - General	3,889,496.00	3,889,496.00	0.00
Fund Equity - Capital Projects	3,213,698.00	3,213,698.00	0.00
Fund Equity - Special Revenue	109,075.00	109,075.00	0.00
Fund Equity - Gen Fixed Asset	2,222,992.01	2,222,992.01	0.00
Fund Equity	4,590,578.62	3,636,792.13	953,786.49
Net Income	3,279,540.31	3,268,979.11	10,561.20
Total Equity	17,305,379.94	16,341,032.25	964,347.69
TOTAL LIABILITIES & EQUITY	20,400,577.48	16,801,361.69	3,599,215.79

Kensington Fire Protection District Profit & Loss Prev Year Comparison July through December 2023

	Jul - Dec 23	Jul - Dec 22	\$ Change
Ordinary Income/Expense			
Income			
Property Taxes	5,405,490.92	5,112,065.43	293,425.49
Special Taxes	200,826.80	200,436.70	390.10
Other Tax Income	326.99	0.00	326.99
Lease Agreement	0.00	3,050.25	-3,050.25
Interest Income	2,873.16	33,260.17	-30,387.01
CERBT Reimbursement	30,735.48	18,088.02	12,647.46
Miscellaneous Income	0.00	163.18	-163.18
Total Income	5,640,253.35	5,367,063.75	273,189.60
Expense			
Staff			
Wages	92,293.50	64,864.26	27,429.24
Vacation Wages	0.00	4,686.96	-4,686.96
Medical/dental ins compensation	2,833.33	5,000.00	-2,166.67
Payroll Taxes	5,051.88	4,723.17	328.71
Workers Compensation/Life Ins	3,034.73	1,760.33	1,274.40
Payroll Processing	1,414.52	1,235.78	178.74
Total Staff	104,627.96	82,270.50	22,357.46
RETIREE MEDICAL BENEFITS			
PERS Medical	19,719.85	27,546.28	-7,826.43
Delta Dental	4,945.86	5,692.74	-746.88
Vision Care	1,227.78	1,615.50	-387.72
Total RETIREE MEDICAL BENEFITS	25,893.49	34,854.52	-8,961.03
OUTSIDE PROFESSIONAL SERVICES			
Crime Insurance Policy	153.16	459.48	-306.32
Nixle Fee	3,182.70	0.00	3,182.70
Long Term Financial Planner	750.00	3,162.50	-2,412.50
Emergency Prep Coordinator	44,831.14	52,599.96	-7,768.82
Accounting	9,000.00	18,000.00	-9,000.00
Contra Costa County Expenses	6,918.61	23,840.21	-16,921.60
EI Cerrito Contract Fee	2,073,484.02	1,921,741.55	151,742.47
EI Cerrito Reconciliation(s)	38,776.98	61,582.55	-22,805.57
IT Services and Equipment	2,225.00	2,118.75	106.25
Fire Engineer Plan Review	0.00	640.00	-640.00
LAFCO Fees	0.00	1,039.07	-1,039.07
Legal Fees	2,581.20	10,045.08	-7,463.88
Recruitment	8,706.00	10,110.00	-1,404.00
Website Development/Maintenance	1,788.00	1,560.00	228.00
Wildland Vegetation Mgmt	0.00	2,500.00	-2,500.00
Total OUTSIDE PROFESSIONAL SERVICES	2,192,396.81	2,109,399.15	82,997.66
COMMUNITY SERVICE ACTIVITIES			
Public Education	2,507.33	7,227.93	-4,720.60
Open Houses	0.00	718.88	-718.88
Community Shredder	2,470.50	4,461.15	-1,990.65
Community Sandbags	2,373.35	1,492.61	880.74
Total COMMUNITY SERVICE ACTIVITIES	7,351.18	13,900.57	-6,549.39
DISTRICT ACTIVITIES			
Professional Development	5,734.60	595.00	5,139.60
Office			
Mtg Room Rentals	0.00	80.00	-80.00
Internet	2,017.50	1,146.00	871.50
Office Equipment	0.00	1,189.03	-1,189.03
Office Expense	2,991.86	1,886.35	1,105.51
Office Supplies	599.33	0.00	599.33
Telephone	518.72	7,851.74	-7,333.02
Total Office	6,127.41	12,153.12	-6,025.71

01/11/24
 Accrual Basis

Kensington Fire Protection District Profit & Loss Prev Year Comparison July through December 2023

	Jul - Dec 23	Jul - Dec 22	\$ Change
Firefighter's Apparel & PPE	0.00	1,264.02	-1,264.02
Firefighters' Expenses	0.00	28,581.68	-28,581.68
Memberships	4,525.02	695.00	3,830.02
Building Maintenance			
Janitorial Service	0.00	806.24	-806.24
Miscellaneous Maint.	1,818.06	9,364.70	-7,546.64
Total Building Maintenance	1,818.06	10,170.94	-8,352.88
Building Utilities/Service			
Refuse Collection	1,546.56	623.20	923.36
Gas and Electric	2,583.90	6,436.06	-3,852.16
Water/Sewer	3,241.61	1,755.96	1,485.65
Building Utilities/Service - Other	440.94	69.99	370.95
Total Building Utilities/Service	7,813.01	8,885.21	-1,072.20
Total DISTRICT ACTIVITIES	26,018.10	62,344.97	-36,326.87
Total Expense	2,356,287.54	2,302,769.71	53,517.83
Net Ordinary Income	3,283,965.81	3,064,294.04	219,671.77
Other Income/Expense			
Other Income			
Discount on US TBills	0.00	61,625.00	-61,625.00
Discount on Fixed Security	0.00	143,060.07	-143,060.07
Total Other Income	0.00	204,685.07	-204,685.07
Net Other Income	0.00	204,685.07	-204,685.07
Net Income	3,283,965.81	3,268,979.11	14,986.70

Kensington Fire Protection District Profit & Loss Budget vs. Actual July through December 2023

	<u>Jul - Dec 23</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
Property Taxes	5,405,490.92	5,475,049.00	-69,558.08	98.73%
Special Taxes	200,826.80	201,000.00	-173.20	99.91%
Other Tax Income	326.99	25,000.00	-24,673.01	1.31%
Lease Agreement	0.00	3,050.00	-3,050.00	0.0%
Interest Income	2,873.16	216,110.00	-213,236.84	1.33%
CERBT Reimbursement	30,735.48	68,000.00	-37,264.52	45.2%
Miscellaneous Income	0.00	2,000.00	-2,000.00	0.0%
Total Income	<u>5,640,253.35</u>	<u>5,990,209.00</u>	<u>-349,955.65</u>	<u>94.16%</u>
Expense				
Staff				
Wages	92,293.50	163,191.00	-70,897.50	56.56%
Vacation Wages	0.00	6,816.00	-6,816.00	0.0%
Medical/dental ins compensation	2,833.33	9,333.00	-6,499.67	30.36%
Payroll Taxes	5,051.88	13,820.00	-8,768.12	36.56%
Workers Compensation/Life Ins	3,034.73	3,500.00	-465.27	86.71%
Payroll Processing	1,414.52	2,545.00	-1,130.48	55.58%
Total Staff	<u>104,627.96</u>	<u>199,205.00</u>	<u>-94,577.04</u>	<u>52.52%</u>
RETIREE MEDICAL BENEFITS				
PERS Medical	19,719.85	52,000.00	-32,280.15	37.92%
Delta Dental	4,945.86	12,000.00	-7,054.14	41.22%
Vision Care	1,227.78	4,000.00	-2,772.22	30.7%
Total RETIREE MEDICAL BENEFITS	<u>25,893.49</u>	<u>68,000.00</u>	<u>-42,106.51</u>	<u>38.08%</u>
OUTSIDE PROFESSIONAL SERVICES				
Operational Consultant	0.00	5,000.00	-5,000.00	0.0%
Crime Insurance Policy	153.16			
Nixle Fee	3,182.70	4,120.00	-937.30	77.25%
Long Term Financial Planner	750.00	2,500.00	-1,750.00	30.0%
Emergency Prep Coordinator	44,831.14	108,356.00	-63,524.86	41.37%
Accounting	9,000.00	37,080.00	-28,080.00	24.27%
Actuarial Valuation	0.00	2,800.00	-2,800.00	0.0%
Audit	0.00	20,000.00	-20,000.00	0.0%
Bank Fee	0.00	50.00	-50.00	0.0%
Contra Costa County Expenses	6,918.61	39,520.00	-32,601.39	17.51%
EI Cerrito Contract Fee	2,073,484.02	4,146,968.00	-2,073,483.98	50.0%
EI Cerrito Reconciliation(s)	38,776.98	77,554.00	-38,777.02	50.0%
IT Services and Equipment	2,225.00	2,500.00	-275.00	89.0%
Fire Abatement Contract	0.00	5,250.00	-5,250.00	0.0%
Fire Engineer Plan Review	0.00	3,000.00	-3,000.00	0.0%
Grant Writer/Coordinator	0.00	15,000.00	-15,000.00	0.0%
Risk Management Insurance	0.00	21,697.00	-21,697.00	0.0%
LAFCO Fees	0.00	2,100.00	-2,100.00	0.0%
Legal Fees	2,581.20	20,600.00	-18,018.80	12.53%

Kensington Fire Protection District Profit & Loss Budget vs. Actual July through December 2023

	<u>Jul - Dec 23</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Recruitment	8,706.00	14,925.00	-6,219.00	58.33%
Water System Improvements	0.00	10,000.00	-10,000.00	0.0%
Website Development/Maintenance	1,788.00	3,120.00	-1,332.00	57.31%
Wildland Vegetation Mgmt	0.00	7,828.00	-7,828.00	0.0%
Total OUTSIDE PROFESSIONAL SERVICES	<u>2,192,396.81</u>	<u>4,549,968.00</u>	<u>-2,357,571.19</u>	<u>48.19%</u>
COMMUNITY SERVICE ACTIVITIES				
Public Education	2,507.33	20,000.00	-17,492.67	12.54%
EP Coord Expense Account	0.00	1,000.00	-1,000.00	0.0%
Comm. Pharmaceutical Drop-Off	0.00	2,500.00	-2,500.00	0.0%
CERT Emerg Kits/Sheds/Prepared	0.00	4,120.00	-4,120.00	0.0%
Open Houses	0.00	2,000.00	-2,000.00	0.0%
Community Shredder	2,470.50	5,500.00	-3,029.50	44.92%
Firesafe Planting Grants	0.00	25,000.00	-25,000.00	0.0%
Community Sandbags	2,373.35	2,000.00	373.35	118.67%
Volunteer Appreciation	0.00	500.00	-500.00	0.0%
COMMUNITY SERVICE ACTIVITIES - Other	0.00	500.00	-500.00	0.0%
Total COMMUNITY SERVICE ACTIVITIES	<u>7,351.18</u>	<u>63,120.00</u>	<u>-55,768.82</u>	<u>11.65%</u>
DISTRICT ACTIVITIES				
Professional Development	1,309.10	5,000.00	-3,690.90	26.18%
Office				
Internet	2,017.50	4,000.00	-1,982.50	50.44%
Office Equipment	0.00	5,000.00	-5,000.00	0.0%
Office Expense	2,991.86	54,000.00	-51,008.14	5.54%
Office Supplies	599.33	1,030.00	-430.67	58.19%
Telephone	518.72	8,240.00	-7,721.28	6.3%
Office- Other	0.00	515.00	-515.00	0.0%
Total Office	<u>6,127.41</u>	<u>72,785.00</u>	<u>-66,657.59</u>	<u>8.42%</u>
Firefighter's Apparel & PPE	0.00	1,500.00	-1,500.00	0.0%
Firefighters' Expenses	0.00	5,000.00	-5,000.00	0.0%
Staff Appreciation	0.00	2,500.00	-2,500.00	0.0%
Memberships	8,950.52	9,500.00	-549.48	94.22%
Building Maintenance				
Gardening service	0.00	500.00	-500.00	0.0%
Building alarm	0.00	1,500.00	-1,500.00	0.0%
Medical Waste Disposal	0.00	2,200.00	-2,200.00	0.0%
Janitorial Service	0.00	200.00	-200.00	0.0%
Miscellaneous Maint.	1,818.06	2,000.00	-181.94	90.9%
Total Building Maintenance	<u>1,818.06</u>	<u>6,400.00</u>	<u>-4,581.94</u>	<u>28.41%</u>
Building Utilities/Service				
Refuse Collection	1,546.56	3,000.00	-1,453.44	51.55%
Gas and Electric	2,583.90	11,300.00	-8,716.10	22.87%
Water/Sewer	3,241.61	4,120.00	-878.39	78.68%
Building Utilities/Service - Other	440.94	3,940.00	-3,499.06	11.19%
Total Building Utilities/Service	<u>7,813.01</u>	<u>22,360.00</u>	<u>-14,546.99</u>	<u>34.94%</u>

Kensington Fire Protection District Profit & Loss Budget vs. Actual July through December 2023

	<u>Jul - Dec 23</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Total DISTRICT ACTIVITIES	26,018.10	125,045.00	-99,026.90	20.81%
Contingency	0.00	20,000.00	-20,000.00	0.0%
Total Expense	<u>2,356,287.54</u>	<u>5,025,338.00</u>	<u>-2,669,050.46</u>	<u>46.89%</u>
Net Ordinary Income	3,283,965.81	964,871.00	2,319,094.81	340.35%
Net Income	<u>3,283,965.81</u>	<u>964,871.00</u>	<u>2,319,094.81</u>	<u>340.35%</u>



KENSINGTON FIRE PROTECTION DISTRICT

2024 Board and Committee Meeting Schedule

Board of Directors

Meets on the third Wednesday of each month at 7:00pm in the Kensington Community Center, 59 Arlington Avenue

Emergency Preparedness Committee

Meets on the fourth Thursday of each month at 3:00pm in the Kensington Community Center, 59 Arlington Avenue

Finance Committee

Typically meets four times per year in the Kensington Community Center, 59 Arlington Avenue, with dates scheduled once agenda items are determined.

The meeting schedule for 2024 is listed below with additional meetings scheduled as determined by the Board and/or Committee:

Board of Directors	Emergency Preparedness Committee
January 17	January 25
February 21	February 22
March 20	March 28
April 17	April 25
May 15	May 23
June 19	June 27
July 17	July 25
August 21	August 22
September 18	September 26
October 16	October 24
November 20	November 28 <i>(Thanksgiving-reschedule)</i>
December 18	December 26



EL CERRITO-KENSINGTON FIRE DEPARTMENT

10900 San Pablo Avenue ■ El Cerrito ■ CA ■ 94530
(510) 215-4450 ■ FAX (510) 232-4917

www.el-cerrito.org

DATE: Jan 16, 2024
TO: Mary Morris-Mayorga: General Manager
FROM: Eric Saylor: Fire Chief
RE: Fire Chief's Report for the January 2024 Fire District Board Meeting

Operations

On December 23th, Engine 51 C shift (Captain/Paramedic Ciappara, Engineer Clarine, Firefighter Ratliff) suppressed a car fire in apartment carport at 6542 Waldo Ave. The rapid and effective actions of the crew prevented the fire from spreading to 3 living quarters, saving \$2,457,600.00 million in value.



On December 16th, Engine 51 C shift (Captain/Paramedic Ciappara, Engineer Clarine, and Firefighter Ratliff) suppressed a burning-out building, containing the fire to the building of origin and preventing the adjacent homes from burning, saving \$2,531,200.00 Million in value.



Training



EL CERRITO-KENSINGTON FIRE DEPARTMENT

10900 San Pablo Avenue ■ El Cerrito ■ CA ■ 94530
(510) 215-4450 ■ FAX (510) 232-4917

www.el-cerrito.org



Joint highrise training with Albany Fire, Richmond Fire, and Berkeley Fire in the Albany towers continued through December, ensuring inner agency cooperation during significant incidents. Highrise firefighting is one of the most dangerous threats firefighters face and requires consistent and constant training.



On December 19th, ECKFD assisted in certifying firefighters from Daly City, Pacifica, and Marin County Fire as helicopter rescue technicians. The helicopter rescue program allows fire departments to partner with CHP to rescue victims in locations inaccessible by fire engines or ambulances.



Public Outreach

Integrity Accountability Teamwork Respect Professionalism



EL CERRITO-KENSINGTON FIRE DEPARTMENT

10900 San Pablo Avenue ■ El Cerrito ■ CA ■ 94530
(510) 215-4450 ■ FAX (510) 232-4917

www.el-cerrito.org



On December 21, E52 taught fire safety to local children at Camp Herms. Fire and life safety education establishes fire-safe behavior among people of all ages and abilities. It promotes understanding and acceptance of regulations and technologies that improve safety within homes, businesses, and institutions. Plus, kids love firefighter

s.



Integrity Accountability Teamwork Respect Professionalism



KENSINGTON FIRE PROTECTION DISTRICT

DATE: January 17, 2024

TO: Kensington Fire Protection District Board

RE: Emergency Preparedness Coordinator Report

SUBMITTED BY: Johnny Valenzuela, Emergency Preparedness Coordinator

The following progress items will be reviewed in the KFPD Board of Directors meeting:

1. Community Event/Engagement

- 1/7/2023 Wildcat Firewise Zoom Meeting

2. District Communications/ Publications

- 12/20/2023 Nextdoor Sandbags for Kensington Residents
- 12/30/2023 Nextdoor Replanting Grant Program
- 1/8/2024 Nextdoor CERT Training Enrollment
- 1/8/2024 Nextdoor NWS Outlook
- 1/8/2024 Facebook NWS Outlook
- 1/10/2024 Nextdoor Sandbags for Kensington Residents

3. Initiatives/ Deliverables

- Assist community members with registration to CWS.
- Add resident emails to Red Flag Warning Email List
- Coordinate with CWS to confirm registration for alerts for resident inquiries.
- Ongoing Kensington Firewise Support and Coordination
- Coordinate Sandbag Procurement / Relay Information to the Community
- Finalize Program for Lower Yale Block Party scheduled for 1/2024- Pending KPD/ ECK-Fire attendance contingent on availability.
- Develop Kensington Evacuation Map
- Develop concept Kensington Evacuation Planner Trifold
- Drafted social media policy for General Manager Review and Consideration
- February 2024 Outlook Article re: Replanting Grant
- Zonehaven Magnet Design for review by EPC
- Scheduled Shred Event for 4/27/2024
- Created and provided sitemap of Maybeck Firewise for NFPA Application

4. Meetings

- 12/17/2023 KFPD Monthly Board Meeting
- 1/3/2024 EC/K Fire Chief Meeting
- 1/3/2024 Maybeck Firewise Lead Call
- 1/4/2024 Wildcat Firewise Lead Call

April 19, 2023

Emergency Preparedness Coordinator's Report

- 1/8/2024 CERT Program Manager Meeting
- 1/9/2024 Genasys Huddle
- 1/9/2024 Hills Emergency Forum
- 1/9/2024 Yale Block Party Planning
- 1/10/2024 Maybeck Firewise Lead Call
- 1/11/2024 Kensington Road Replanting Grant Survey



Proposal to Prepare Fiscal Analysis Evaluating Reorganization of Kensington Special Districts



Submitted to:



and



December 8, 2023

Ms. Mary Morris-Mayorga
Kensington Fire Protection District
Mr. David Aranda
Kensington Police Protection and Community Services District
10940 San Pablo Avenue
El Cerrito, CA 94530

Dear Ms. Morris-Mayorga and Mr. Aranda,

Ridgeline Municipal Strategies, LLC (“Ridgeline”) is pleased to submit this proposal to prepare a Fiscal Study Evaluating Reorganization of Kensington Special Districts (“Fiscal Study”).

Ridgeline is a registered municipal advisory and financial consulting firm assisting California’s special districts with financial planning and financing. Our team has over 30 years of combined experience in addressing financing needs of local communities. We have completed over 60 financial consulting assignments and over 150 municipal financings that raised more than \$1 billion in proceeds.

We believe that a comprehensive planning approach is fundamental to the financial health and decision-making process of public agencies. In preparing the Fiscal Study, we will work with you to ensure that all expenses, costs, revenues, and other funding sources and uses are properly captured and incorporated into the fiscal model.

We have read and will comply with all terms and conditions of your RFP. Our proposal is firm and valid for 90 days.

We look forward to working with you on this Fiscal Study.

I, Dmitry Semenov, the Principal of Ridgeline, will be the designated contact on your Project. You can reach me at (916) 250-1590 and dsemenov@ridgelinemuni.com.

Sincerely,
RIDGELINE MUNICIPAL STRATEGIES, LLC



Dmitry Semenov
Principal

Table of Contents

INTRODUCTION 3

FIRM BACKGROUND and PRIOR EXPERIENCE 3

 Firm Overview 3

 Public Safety Clients 4

 Fiscal Analysis Experience 4

 Project Organization and Project Team 5

PROJECT APPROACH 6

SCOPE OF WORK 9

 Task 1: Fiscal Analysis of KPPCSD and KFPD as Independent Districts 9

 Task 2: Fiscal Analysis of KPPCSD and KFPD as a Consolidated District 10

 Task 3: Fiscal Study Report Preparation and Presentation 10

PROJECT TIMELINE 12

PROJECT BUDGET 13

REFERENCES 14

EXCEPTIONS TO THE RFP 15

APPENDIX A: DISCLOSURE OF CONFLICTS OF INTEREST AND OTHER INFORMATION
FOR RIDGELINE MUNICIPAL STRATEGIES, LLC 17

**RIDGELINE MUNICIPAL STRATEGIES, LLC
 PROPOSAL TO PREPARE FISCAL ANALYSIS
 EVALUATING REORGANIZATION
 of
 KENSINGTON SPECIAL DISTRICTS**



INTRODUCTION

On November 10, 2023, the Kensington Fire Protection District (“KFPD”) and Kensington Police Protection and Community Services District (“KPPCSD”) (collectively, the “Districts”) issued a Request for Proposals (the “RFP”) for the Fiscal Analysis Evaluating Reorganization of Kensington Special Districts (the “Fiscal Study”). Ridgeline Municipal Strategies, LLC (“Ridgeline”) is presenting this proposal in response to the RFP.

FIRM BACKGROUND and PRIOR EXPERIENCE

Firm Overview

Founded in February 2021, Ridgeline’s vision is to provide personalized, innovative, and independent municipal advisory and financial consulting services to California communities. While we are a young firm, the members of our team have over 30 years of industry experience, completed over 60 various financial consulting assignments, and participated in the preparation and sale of over 150 municipal bond issues, bank loans, and private placements that raised over \$1 billion in financing proceeds.

The public safety (fire and police protection) sector is a core focus of our practice.

RELEVANT EXPERIENCE OVERVIEW

FIRE and POLICE SERVICE FOCUS	ANALYSIS & PLANNING
22 public safety clients	11 public safety financing studies
FISCAL STUDIES	LOCAL KNOWLEDGE
7 fiscal studies	Northern CA and Bay Area experience

Public Safety Clients

The public safety sector experience of Ridgeline and its principal is as follows:

No	Agency Name	Project Description
1	Alpine FPD	UAL Refunding
2	Bonita-Sunnyside FPD	UAL Refunding; Continuing Disclosure
3	Borrego Springs FPD	UAL Refunding
4	Cameron Park CSD	Park and Fire Fee Nexus Study
5	City of Hayward	Fire Station / Police Facility Financing
6	City of Placerville	Police Vehicles and Communication Equipment Financing
7	City of San Marcos	Regional Fire Safety Training Center Financing
8	Cosumnes CSD	Ambulance Financing
9	County of Madera	Fire Apparatus Financing
10	Ebbetts Pass FPD	Pension Cost Optimization, UAL Refunding
11	Kelseyville FPD	Fire Mitigation Fee Nexus Study
12	Lake County FPD	Pension Cost Optimization, UAL Refunding, Fee Nexus Study
13	Lake Valley FPD	UAL Refunding
14	Lakeport FPD	Fire Mitigation Fee Nexus Study
15	Lakeside FPD	Pension Cost Optimization, UAL Refunding, Fire Station Financing
16	Moraga-Orinda FPD	Fiscal Impact Study
17	Multnomah Co Rural FPD No 10	Fire Station Financing
18	Northshore FPD	Fire Mitigation Fee Nexus Study
19	Oceano CSD	UAL Refunding; Fiscal Consulting
20	Penn Valley FPD	UAL Refunding
21	Rancho Adobe FPD	UAL Refunding
22	South Lake County FPD	Fire Mitigation Fee Nexus Study

Fiscal Analysis Experience

Fiscal analysis is incorporated into most of our work. Specific fiscal study experience of our team members includes the following assignments:

- Town of Moraga & Moraga-Orinda FPD – Rancho Laguna Fiscal Impact Study;
- Placer County – Forest Ranch Fiscal Analysis;
- Placer County – Martis Valley Community Plan Fiscal Analysis;
- City of Auburn – Home Depot Fiscal Analysis
- City of Woodland – Automall Fiscal Analysis;
- City of Woodland / Yolo County – Spring Lake Specific Plan Fiscal Analysis;
- Sacramento County – Arden Arcade Incorporation Fiscal Analysis.

Additionally, the members of our team have performed in-depth fiscal and financial sustainability / credit risk analysis of over 100 public agencies.

Project Organization and Project Team

The following Ridgeline team members will work with the Districts on the Fiscal Study:

Mr. Dmitry Semenov, Principal, will be the Project Manager and primary consultant on all Project tasks. He specializes in advising public agencies on fiscal and credit strategies, debt issuance and management, infrastructure, facilities, and equipment financing, and pension cost optimization. Mr. Semenov has completed over 150 municipal financings that raised more than \$1 billion in funding proceeds. Prior to launching Ridgeline, he spent over 10 years in commercial banking, serving fire districts, cities, counties, water and wastewater agencies, transportation agencies, school districts, special districts, and other types of public agencies on the West Coast. He also worked for over 15 years in the public finance consulting and community development field.

Mr. Semenov is a registered Municipal Advisor Professional (Series 50 license) and Municipal Advisor Principal (Series 54 license) with the SEC and MSRB and holds a Master of Business Administration degree from the University of California, Davis and a Bachelor of Science degree in Economics from the Plekhanov University of Economics.

Mr. Jordan Bird, Associate, will provide analytical support on the Project. He specializes in fiscal analysis, as well as risk and credit assessment of public agencies. Mr. Bird has performed risk assessment and in-depth financial and fiscal analysis for dozens of local government agencies on the West Coast. Prior to joining the Ridgeline team, he spent over three years as a financial analyst at commercial banks focusing on municipal lending to fire districts, water and wastewater agencies, cities, counties, special districts, and school districts. Mr. Bird holds a Bachelor of Science degree in Economics from the California Polytechnic State University, San Luis Obispo, CA.

Ms. Galina Rybakova, Research Associate, will provide analytical and research support on the Project. She specializes in fiscal and data analysis. Prior to joining Ridgeline, she spent a decade working as a data and corporate finance analyst with several financial institutions and manufacturing companies. Ms. Rybakova holds a Bachelor of Science degree in Economics from the State University of Technology and Computer Science, Moscow, Russia.

PROJECT APPROACH

As the Districts and the public are evaluating the fiscal sustainability of fire and police protection, parks and recreation, and solid waste collection services in the area, it is of utmost importance that detailed and comprehensive fiscal analysis supports the deliberations and the decision-making process.

Ridgeline takes a practical approach to fiscal analysis, rooted in pragmatic realities of prudent financial management that we take into consideration while preparing clients for issuing debt and performing credit due diligence. Our calculations are not theoretical concepts, but rather hands-on cash flow evaluations designed to prepare public agencies for long-term fiscal resiliency and ability to meet the high expectations of lenders and municipal bond investors. We feel that this is particularly important for the Fiscal Study, since the KPPCSD has significant debt exposure. With the possibility of more debt issuance to fund the permanent police station, it is important to start preparing for that as early as practically possible.

One of the most significant financial issues facing California local governments in general and public safety agencies in particular (given their large concentration of Safety employees) is the growing unfunded pension liability and the associated pension costs. Ridgeline has been actively helping the public safety community with optimization of unfunded pension liabilities. While the KPPCSD has issued pension obligation bonds to address its pension liabilities, new unfunded pension obligations have continued to accumulate and need to be proactively managed.

We intend to utilize our hands-on knowledge of pension obligations and CalPERS' practices to help the Districts evaluate alternative approaches to managing their pension costs and identify cost saving strategies.

To ensure quality and efficiency of the Fiscal Study process, we propose the following Project approach:

- **Research Stage:**
 - Gather and review Project-related information, including but not limited to:
 - audited financial statements.
 - budgets and financial forecasts.
 - El Cerrito Fire Services contract.
 - board meeting packets.
 - strategic plans.
 - alternative governance models report.
 - loan agreements.
 - CalPERS and OPEB actuarial valuation reports.

- capital project and equipment programs.
- anticipated grant revenue information.
- reserve policies.
- information pertaining to permanent police station location and costs.
- data on property tax base and growth projection scenarios.
- information on past and proposed tax measures.
- any other relevant information available from the Districts.

A kick-off meeting will be held with the Districts' teams (staff, board members, and any necessary third parties). While the meeting could be done virtually, we recommend an in-person meeting at the Districts' offices, if circumstances allow. During the meeting we will be looking for input on the following topics:

- Strategic initiatives, major upcoming capital projects and equipment purchases, and challenges and opportunities that each District is facing.
- Tax base and growth projections.
- Revenue sources.
- Anticipated funding initiatives (debt financing, grant funding, etc.).
- Reserve targets.
- Regulatory and contractual requirements.
- Billing and collection procedures.
- Desired fiscal analysis alternatives.
- Any other input and themes that need to be incorporated into the Fiscal Study.

During the meeting we will identify and document the Districts' goals and priorities, explore various fiscal alternatives and identify the preferred one, determine capital projects and associated funding mechanisms to be included in the analysis, etc.

Our proposal assumes that the kick-off meeting will be held jointly with both Districts.

- **Analysis Stage:**
 - Based on the information gathered during the Research Stage, Ridgeline will develop fiscal models, analyze historical revenues and expenses, and develop detailed projections for each Project alternative:
 - The KFPD operating independently;
 - The KPPCSD operating independently; and,
 - The Districts operating on a consolidated basis.

The projections will be done for a 10-year period. The models will incorporate staffing assumptions, known and anticipated revenue and cost increases, as well as reserve targets. The revenue and expense categories will generally follow the pattern used in the audited financial statements and budgets to allow for easy verification of data and comparison with future actual performance. Particular attention will be given to the following issues:

- pension and OPEB costs and cost control measures;
- contractual obligations related to the El Cerrito Fire Services contract;
- staffing, major equipment, and capital improvement costs and reserves (including permanent police station, as applicable) and funding sources, including debt issuance and possible grant funding resources;
- borrowing capacity assessment; and
- Districts' ability to meet their existing and anticipated future debt-related financial covenants and maintain targeted reserve levels.

The models will allow the Project team to evaluate the long-term fiscal sustainability of the KFPD and the KPPCSD as independent districts, as well as the long-term fiscal sustainability of the Districts operating on a consolidated basis.

The model outputs will be provided to the Districts' staff for review and comments.

- Once the financial models are approved by the Districts, Ridgeline will prepare the detailed Fiscal Study report, documenting the research, assumptions, analysis, findings, and recommendations. The report will provide substantiated conclusions as to whether the Districts can sustainably operate independently and/or on a consolidated basis. The report will be provided to the Districts in a draft form first to allow for review and comments.

The report will be finalized once the Districts confirm that it has been prepared to their satisfaction.

- **Public Presentation Stage:**

- Ridgeline will prepare and deliver presentations to the Districts' boards of directors and to the public and/or the Contra Costa County LAFCo, if necessary. Presentation materials will be provided to the Districts' staff for review and approval ahead of time.

SCOPE OF WORK

To complete the Scope of Services outlined in the RFP, Ridgeline proposes the following scope of work.

Task 1: Fiscal Analysis of KPPCSD and KFPD as Independent Districts

Ridgeline will develop a separate fiscal model for each District as an independent operation. The analysis will include 3-5 years of historical financial data, a 10-year projection for the existing revenue sources, operating expenses, capital improvements, reserves, etc. and an evaluation of the fiscal capacity of each District to continue providing services. The analysis will account for the present and future capital and operational needs of each Districts and include the following:

1. The projected cost of the KPPCSD's requirement to secure a permanent police station location in Kensington under the following scenarios:
 - a. the KPPCSD using its own buildings and land vs. purchasing land and building a new structure; and
 - b. the KPPCSD sharing space with the KFPD in the Kensington Public Safety Building.
2. The KFPD's contractually obligated reserves for the El Cerrito Fire Services contract.
3. The KFPD's current reserve policy for fire engine and vehicle replacement.
4. Staffing costs and capital reserves required to manage and maintain the Kensington Public Safety Building.
5. For each District, Ridgeline will develop a projection of the CalPERS pension costs and OPEB costs, including normal costs and amortization of the unfunded accrued liability, Section 115 Trust contributions, repayment of pension obligation bonds, etc., to the extent applicable. We will work closely with the Districts' staff and CalPERS and third party actuaries to develop future liability projections.
6. An assessment of each District's borrowing capacity.

Ridgeline will work with the Districts' team to obtain on-going feedback and review of the analysis throughout the work process.

Task 1 deliverables:

- Separate fiscal models for each District, prepared in Excel and provided to the Districts in the PDF format.
- Brief technical memorandum documenting the assumptions, methodologies, and results of the fiscal analysis.

Task 2: Fiscal Analysis of KPPCSD and KFPD as a Consolidated District

Ridgeline will develop a fiscal model for the two Districts operating as a consolidated district. The analysis will incorporate assumptions from Task 1 and include a 10-year projection for the existing revenue sources, operating expenses, capital improvements, reserves, etc. and an evaluation of the fiscal capacity of the consolidated district to provide services. The consolidated fiscal analysis will address the following topics:

- An assessment of the consolidation's impact on general fund balances, liquid cash reserves, and capital reserves for dedicated purposes.
- The full immediate and long-term cost of rehousing the Kensington Police Department in an essential service structure in Kensington.
- Identify potential cost savings and increases due to consolidation and potential impacts on the Districts' ability to continue providing their services on a consolidated basis.
- Analysis of staffing changes and the associated CalPERS pension impacts.
- An assessment of the consolidated District's borrowing capacity and its comparison to the borrowing capacities of the Districts operating independently.

The analysis will be consistent with Government Code Section 56653(b)(5). The Districts may need to develop additional documentation to meet the requirements of Government Code Sections 56653(b)(1)-(4).

Task 2 deliverables:

- Fiscal models for the consolidated district, prepared in Excel and provided to the Districts in the PDF format.
- Brief technical memorandum documenting the assumptions, methodologies, and results of the fiscal analysis.

Task 3: Fiscal Study Report Preparation and Presentation

Based on the work completed in prior tasks, Ridgeline will prepare the Fiscal Study report, which will incorporate the following information:

- The description of both Districts and their services.
- Service area description.
- Overview of financial operations for the last 3-5 years.
- The 10-year financial projections developed during Tasks 1 and 2.
- Summary of the capital facilities program.

- The fiscal models developed during Tasks 1 and 2.
- Fiscal analysis assumptions and methodology.
- Comparative analysis of the studied operating scenarios.

The report will be prepared as follows:

- The preliminary report will allow for the District teams' review and comments.
- The administrative draft report will be presented at the Districts' Board of Directors meetings.
- The final report will include the final Board of Directors and staff changes.

The report will be delivered to the Districts in the PDF format. The printing and reproduction costs of the hard copies are not included in the budget and will be the responsibility of the Districts.

The Fiscal Study and its results will be presented at each District's board meeting and subsequently at a public town hall and/or LAFCO meeting. The Project budget includes a total of three (3) presentations.

Task 3 deliverables:

- Preliminary, Administrative Draft, and Final Fiscal Study Reports
- Presentation materials for the District board meetings and public town hall / LAFCO meeting.

PROJECT TIMELINE

We anticipate the following Project timeline:

- Contract Award – February 1, 2024
- Information Gathering and Review (2-3 weeks) – February 2024
- Kick-off Meeting – Early March 2024
- Fiscal Model Development and Review (3-4 weeks) – March – April 2024
- Report Preparation and Review (4-5 weeks) – April – May 2024
- District Board Meetings – May – June 2024 (depending on Districts’ schedules)
- Town Hall / LAFCO Meeting – June – July 2024 (depending on Districts’ schedules)

The timeline can be revised as necessary. Our current work pipeline allows us to complete the Fiscal Study within the outlined schedule, assuming timely feedback from the Districts.

The timeline assumes one week review time for the fiscal models and report by the Districts’ staff. Board meeting materials will be provided one week prior to board meetings.

Districts’ staff will be responsible for scheduling and coordinating the board meetings and the public town hall / LAFCO meeting.

PROJECT BUDGET

To complete the Scope of Work, Ridgeline proposes a **not-to-exceed budget of \$49,620**, as detailed in the table below.

Ridgeline will be compensated on a time and materials basis, not-to-exceed total budget. Time may be re-allocated between tasks and team members, as necessary. Invoices will be submitted to the Districts monthly.

If there are material changes to the Scope of Work, a revised budget may be negotiated by a mutual written agreement between Ridgeline and the Districts.

**Kensington Fire Protection District & Kensington Police Protection and Community Services District
Fiscal Study Project Budget**

Task	Description	Hours [1]			Total	Total Cost [1]
		Principal @ \$315/hr	Associate @ \$195/hr	RA @ \$95/hr		
1	Fiscal Analysis of KPPCSD and KFPD as Independent Districts					
1.1	Gather and Review Project Information / Data	8	8	2	18	\$4,270
1.2	Kick-Off Meeting / Client Interviews	6	6	0	12	\$3,060
1.3	Fiscal Model Development	16	32	4	52	\$11,660
2	Fiscal Analysis of KPPCSD and KFPD as a Consolidated District	8	16	0	24	\$5,640
3	Fiscal Study Report Preparation and Presentation					
3.1	Report Preparation	20	36	8	64	\$14,080
3.2	Board Meetings and Town Hall Presentations	24	6	4	34	\$9,110
	Travel Expenses					\$1,800
	TOTAL	82	104	18	204	\$49,620

[1] Time and cost are estimates and will vary. Billings will be done on T&M basis for actual amount of time required, not to exceed total amount shown.

Our budget includes one (1) in-person kick-off meeting with the Districts' team, two (2) in-person Board meetings and one (1) in-person town hall / LAFCO meeting. Additional in-person meetings will be billed at \$1,200 per meeting (includes travel costs).

All project deliverables will be provided electronically in the PDF format. Printing and reproduction costs will be responsibility of the Districts and are not included in the budget.

REFERENCES

We encourage you to contact our references listed below:

1. *Lake County Fire Protection District* – fire mitigation fee nexus study, pension cost optimization strategy, comprehensive pension liability management policy, unfunded accrued liability refunding (2022-23).

Ms. Miasha Rivas, Finance Analyst

Mr. Willie Sapeta, Fire Chief

(707) 994-2170

mrivas@lakecountyfire.com



2. *City of San Juan Bautista* – Fiscal and feasibility analysis, financing strategy and financing for water and wastewater compliance projects (full system rebuild) (2021 – on-going):

- a. Project fiscal feasibility analysis for the EPA;
- b. Water and wastewater rate study preparation support;
- c. Financial planning, budget development, financing strategy development and implementation, DWR and EPA negotiation support;
- d. Phase 1 SRF and USDA financing - \$18m and \$10.3m – completed;
- e. Phase 1 interim project financing (bank line of credit) - \$14.6m – completed;
- f. Successful grant applications to USDA (\$6.5m), EPA STAG (\$1m), and State of California (\$3m);
- g. On-going USDA, SRF and interim financings for Phase 2.

Mr. Don Reynolds, City Manager

(831) 594-6322

citymanager@san-juan-bautista.ca.us



3. *Lakeside Fire Protection District* – Comprehensive pension cost optimization strategy, pension liability management policy, issuance of \$27.9M pension obligation bonds (public sale), \$4.6M fire station renovation financing (2018-23).

Mr. Don Butz, Fire Chief

(619) 390-2350

dbutz@lakesidefire.org



EXCEPTIONS TO THE RFP

We have read the Fiscal Study RFP dated November 10, 2023. Based on the reviewed information, we believe that we fully understand the Fiscal Study scope and are able to accomplish the work to the Districts' satisfaction.

We do not request any exceptions to the Scope of Work.

We would like to request the following exceptions to the Agreement language:

- As a registered municipal advisory firm under the regulatory authority of the U.S. Securities and Exchange Commission ("SEC") and the Municipal Securities Rulemaking Board ("MSRB"), we are required to include certain provisions and disclosures into all our contracts. We request that the following language be added to the Consultant Agreement:

"Ridgeline is a registered municipal advisor with the Securities and Exchange Commission (the "SEC") and the Municipal Securities Rulemaking Board (the "MSRB"), pursuant to the Securities Exchange Act of 1934 Rule 15Ba1-2. This Agreement designates Ridgeline as the District's independent registered municipal advisor ("IRMA") with regard to the attached Scope of Services for purposes of SEC Rule 15Ba1-1(d)(3)(vi) (the "IRMA Exemption"). Ridgeline shall not be responsible for, or have any liability in connection with, verifying that Ridgeline is independent from any other party seeking to rely on the IRMA Exemption (as such independent status is required pursuant to the IRMA Exemption, as interpreted from time to time by the SEC). The District acknowledges and agrees that any reference to Ridgeline, its personnel, and its role as IRMA, including in the written representation of the District required under SEC Rule 15Ba1-1(d)(3)(vi)(B) shall be subject to prior approval by Ridgeline. The District further agrees not to represent that Ridgeline is the District's IRMA with respect to any aspect of a municipal securities issuance or municipal financial product, outside of the attached Scope of Services or without Ridgeline's prior written consent.

MSRB Rule G-42 requires that municipal advisors make written disclosures to its clients of all material conflicts of interest and certain legal or disciplinary events. Such disclosures are provided in Ridgeline's Disclosure Statement delivered to the District together with this Agreement as Attachment ____."

The Disclosure Statement referenced above is enclosed as Appendix A.

- The following language should be added to the Agreement:

ELECTRONIC DELIVERY OF DOCUMENTS

Client agrees that delivery of information and documents shall be in a manner acceptable to Ridgeline, and Client agrees and acknowledges that delivery shall normally be via electronic means, including, but not limited to, an emailed hyper-link to the email address provided to Ridgeline by Client. Client hereby consents to such electronic delivery of all documents and information required pursuant to this Agreement, acknowledges that this form of electronic delivery constitutes delivery to Client of the information linked thereto or contained therein and agrees and acknowledges that: (i) Client's consent to electronic delivery means that Client will receive an email that contains either a hyper-link that will connect Client to the relevant information on a particular web page of Ridgeline's website or the web site of a third-party or an attachment, such as a PDF file or other document; (ii) Client has access to this media and the ability to print and/or download the information provided thereby; (iii) Client will update Client's electronic contact information immediately if Client's email address changes; (iv) Client agrees to maintain a working and operational email address, and maintain a computer system that is able to accept and incorporate then-current standards of communication; and (v) Client's consent to electronic delivery, as described herein, is valid until Client effectively revokes such consent. Occasional requests for paper documents will not trigger revocation. Client may revoke such consent to electronic delivery at any time by providing written notice to Ridgeline.

LIMITATION OF LIABILITY

Except to the extent caused by willful misconduct, bad faith, gross negligence, or reckless disregard of obligations or duties under this Agreement on the part of Ridgeline or any of its associated persons, neither Ridgeline nor any of its associated persons shall have liability to any person for any act or omission in connection with performance of its services hereunder, or for any error of judgment or mistake of law, or for any loss arising out of any issuance of municipal securities, any municipal financial product or any other financial product or investment, or for any financial or other damages resulting from the Client's election to act or not to act, as the case may be, contrary to or, absent negligence on the part of Ridgeline or any of its associated persons, upon any advice or recommendation provided by Ridgeline to the Client.

APPENDIX A: DISCLOSURE OF CONFLICTS OF INTEREST AND OTHER INFORMATION FOR RIDGELINE MUNICIPAL STRATEGIES, LLC

I. Introduction

Ridgeline Municipal Strategies, LLC (hereinafter, referred to as “Ridgeline”) is a registered municipal advisor with the Securities and Exchange Commission (the “SEC”) and the Municipal Securities Rulemaking Board (the “MSRB”), pursuant to the Securities Exchange Act of 1934 Rule 15Ba1-2.

The MSRB is the primary rulemaking body for the municipal securities industry in general and municipal advisors in particular. Their website can be accessed at www.msrb.org. The website includes, among other things, the municipal advisory client brochure, which describes protections that are provided by the MSRB’s rules and the process for filing complaints with appropriate regulatory authorities. The municipal advisory client brochure can be accessed at:

<http://www.msrb.org/~media/Files/Resources/MSRB-MA-Clients-Brochure.ashx?la=en>.

In accordance with MSRB rules, this disclosure statement is provided by us to each client prior to the execution of our advisory agreement with written disclosures of all material conflicts of interests and legal or disciplinary events that are required to be disclosed with respect to providing financial advisory services pursuant to MSRB Rule G-42(b) and (c)(ii). Ridgeline employs a number of resources to identify and subsequently manage actual or potential conflicts of interest in addition to disclosing actual and potential conflicts of interest provided herein.

Fiduciary Duty

Ridgeline has a fiduciary duty to the Client and must provide both a Duty of Care and a Duty of Loyalty that includes the following.

Duty of Care:

- Exercise due care in performing its municipal advisory activities;
- Possess the degree of knowledge and expertise needed to provide the Client with informed advice;
- Make a reasonable inquiry as to the facts that are relevant to the Client’s determination as to whether to proceed with a course of action or that form the basis for any advice provided to the Client; and,
- Undertake a reasonable investigation to determine that we are not providing any recommendations on materially inaccurate or incomplete information.
- We must have a reasonable basis for:
 - Any advice provided to or on behalf of the Client;
 - Any representations made in a certificate that we sign that will be reasonably foreseeably relied upon by the Client, any other party involved in the municipal securities transaction or municipal financial product, or investors in the Client’s securities; and,
 - Any information provided to the Client or other parties involved in the municipal securities transaction in connection with the preparation of an official statement.

Duty of Loyalty:

We must deal honestly and with the utmost good faith with the Client and act in the Client's best interests without regard to the financial or other interests of Ridgeline. We will eliminate or provide full and fair disclosure (included herein) to the Client about each material conflict of interest (as applicable). We will not engage in municipal advisory activities with the Client, as a municipal entity, if we cannot manage or mitigate our conflicts in a manner that permits us to act in the Client's best interest.

How We Identify and Manage Conflicts of Interest

Code of Ethics. Ridgeline requires all of its employees to conduct all aspects of our business with the highest standards of integrity, honesty and fair dealing. All employees are required to avoid even the appearance of misconduct or impropriety and avoid actual or apparent conflicts of interest between personal and professional relationships that would or could interfere with an employee's independent exercise of judgment in performing the obligations and responsibilities owed to a municipal advisor and our clients.

Policies and Procedures. Ridgeline has adopted policies and procedures that include specific rules and standards for conduct. Some of these policies and procedures provide guidance and reporting requirements about matters that allow us to monitor behavior that might give rise to a conflict of interest. These include policies concerning the making of gifts and charitable contributions, entertaining clients, and engaging in outside activities, all of which may involve relationships with clients and others that are important to our analysis of potential conflicts of interest.

Supervisory Structure. Ridgeline has both a compliance and supervisory structure in place that enables us to identify and monitor employees' activities, both on a transaction and firm-wide basis, to ensure compliance with appropriate standards. Prior to undertaking any engagement with a new client or an additional engagement with an existing client, appropriate municipal advisory personnel will review the possible intersection of the client's interests, the proposed engagement, our engagement personnel, experience and existing obligations to other clients and related parties. This review, together with employing the resources described above, allows us to evaluate any situations that may be an actual or potential conflict of interest.

Disclosures. Ridgeline will disclose to clients those situations that it believes would create a material conflict of interest, such as:

- 1) any advice, service or product that any affiliate may provide to a client that is directly related to the municipal advisory work of Ridgeline;
- 2) any payment made to obtain or retain a municipal advisory engagement with a client;
- 3) any fee-splitting arrangement with any provider of an investment or services to a client;
- 4) any conflict that may arise from the type of compensation arrangement we may have with a client; and
- 5) any other actual or potential situation that Ridgeline is or becomes aware of that might constitute a material conflict of interest that could reasonably be expected to impair our ability to provide advice to or on behalf of clients consistent with regulatory requirements.

If Ridgeline identifies such situations or circumstances, we will prepare meaningful disclosure describing the implications of the situation and how we intend to manage the situation. Ridgeline will also disclose any legal or disciplinary events that are material to a client's evaluation or the integrity of our management or advisory personnel. Ridgeline will provide this disclosure (or a means to access this information) in writing prior to starting our proposed engagement, and will provide such additional information or

clarification as the client may request. Ridgeline will also advise clients in writing of any subsequent material conflict of interest that may arise, as well as the related implications, its plan to manage that situation, and any additional information such client may require.

II. General Conflict of Interest Disclosures

Disclosure of Conflicts Concerning the Firm's Affiliates

Ridgeline does not have any affiliates that provide any advice, service, or product to or on behalf of the Client that is directly or indirectly related to the municipal advisory activities to be performed by Ridgeline.

Disclosure of Conflicts Related to the Firm's Compensation

Ridgeline has not made any payments directly or indirectly to obtain or retain the Client's municipal advisory business.

Ridgeline has not received any payments from third parties to enlist Ridgeline's recommendation to the Client of its services, any municipal securities transaction or any municipal finance product.

Ridgeline has not engaged in any fee-splitting arrangements involving Ridgeline and any provider of investments or services to the Client.

From time to time, Ridgeline may be compensated by a municipal advisory fee that is or will be set forth in an agreement with the client to be, or that has been, negotiated and entered into in connection with a municipal advisory service. Payment of such fee may be contingent on the closing of the transaction and the amount of the fee may be based, in whole or in part, on a percentage of the principal or par amount of municipal securities or municipal financial product. While this form of compensation is customary in the municipal securities market, it may be deemed to present a conflict of interest since we may appear to have an incentive to recommend to the client a transaction that is larger in size than is necessary. Further, Ridgeline may also receive compensation in the form of a fixed fee arrangement. While this form of compensation is customary, it may also present a potential conflict of interest if the transaction ultimately requires less work than contemplated and we are perceived as recommending a more economically friendly pay arrangement. Finally, Ridgeline may contract with clients on an hourly fee basis. If Ridgeline and the client do not agree on a maximum amount of hours at the outset of the engagement, this arrangement may pose a conflict of interest as we would not have a financial incentive to recommend an alternative that would result in fewer hours. Ridgeline manages and mitigates all of these types of conflicts by disclosing the fee structure to the client, and by requiring that there be a review of the municipal securities transaction or municipal financial product to ensure that it is suitable for the client in light of various factors, after reasonable inquiry, including the client's needs, objectives, and financial circumstances.

Disclosure Concerning Provision of Services to State and Local Government, and Non-Profit Clients

Ridgeline regularly provides financial advisory services to state and local governments, their agencies, and instrumentalities, and non-profit clients. While our clients have expressed that this experience in providing services to a wide variety of clients generally provides great benefit for all of our clients, there may be or may have been clients with interests that are different from (and adverse to) other clients. If for some reason any client sees our engagement with any other particular client as a conflict, we will mitigate this conflict by engaging in a broad range of conduct, if and as applicable. Such conduct may include one or any combination of the following: 1) disclosing the conflict to the client; 2) requiring that there be a review of the municipal securities transaction or municipal financial product to ensure that it is suitable for the client in light of various factors, including the client's needs, objectives and financial circumstances; 3) implementing procedures that establishes a "firewall" that creates physical, technological and procedural

barriers and/or separations to ensure that non-public information is isolated to particular area such that certain governmental transaction team members and supporting functions operate separately during the course of work performed; and 4) in the rare event that a conflict cannot be resolved, we will withdraw from the engagement.

Disclosure Related to Legal and Disciplinary Events

As registered municipal advisors with the SEC and the MSRB, pursuant to the Securities Exchange Act of 1934 Rule 15Ba1-2, our legal, disciplinary and judicial events are required to be disclosed on our forms MA and MA-I filed with the SEC, in 'Item 9 Disclosure Information' of form MA, 'Item 6 Disclosure Information' of form MA-I, and if applicable, the corresponding disclosure reporting page(s). To review the foregoing disclosure items and material change(s) or amendment(s), if any, clients may electronically access Ridgeline filed forms MA and MA-I on the SEC's Electronic Data Gathering, Analysis, and Retrieval system, listed by date of filing starting with the most recently filed at www.sec.gov/edgar/searchedgar/companysearch.html.

Ridgeline does not have any legal or disciplinary events or disciplinary history on its Form MA and Form(s) MA-I, which includes information about any criminal actions, regulatory actions, investigations, terminations, judgements, liens, civil judicial actions, customer complaints, arbitrations, and civil litigation. There have been no material changes to a legal or disciplinary event disclosure on any form MA or Form MA-I filed with the SEC.

Disclosure Related to Recommendations

If Ridgeline makes a recommendation of a municipal securities transaction or municipal financial product or if the review of a recommendation of another party is requested in writing by the Client and is within the scope of the engagement, Ridgeline will determine, based on the information obtained through reasonable diligence of Ridgeline whether a municipal securities transaction or municipal financial product is suitable for the Client. In addition, Ridgeline will inform the Client of:

- the evaluation of the material risks, potential benefits, structure, and other characteristics of the recommendation;
- the basis upon which Ridgeline reasonably believes that the recommended municipal securities transaction or municipal financial product is, or is not, suitable for the Client; and,
- whether Ridgeline has investigated or considered other reasonably feasible alternatives to the recommendation that might also or alternatively serve the Client's objectives.

If the Client elects a course of action that is independent of or contrary to the advice provided by Ridgeline, Ridgeline is not required on that basis to disengage from providing services to the Client.

Disclosure Related to Record Retention

Pursuant to the SEC record retention regulations, Ridgeline is required to maintain in writing, all communications and created documents between Ridgeline and the Client for five (5) years.

III. Specific Conflicts of Interest Disclosures - Client

To our knowledge, following reasonable inquiry, as of the commencement of the Project, we are not aware of any actual or potential conflict of interest that could reasonably be anticipated to impair our ability to provide advice to or on behalf of the Client in accordance with applicable standards of conduct of MSRB Rule G-42. If we become aware of any potential conflict of interest that arises after this disclosure, we will disclose the detailed information in writing to the Client in a timely manner.

Ridgeline does not act as principal in any of the transactions related to its role / work on the Project.

Ridgeline does not have any other engagements or relationships that might impair Ridgeline's ability to either render unbiased and competent advice to or on behalf of the Client, or to fulfill our fiduciary duty to the Client, as applicable.



Mary Morris-Mayorga <mmayorga@kensingtonfire.org>

Moving Forward

Dmitry Semenov <dsemenov@ridgelinemuni.com>

Wed, Dec 20, 2023 at 10:10 PM

To: Mary Morris-Mayorga <mmayorga@kensingtonfire.org>, David Aranda <DAranda@kppcsd.org>

Mary and David,

After listening to the discussion of the KFPD board tonight, I am very concerned and would like to have a conversation with both of you and preferably with the finance committees of your boards together.

In order for the fiscal study to be a successful project, both districts need to be interested in cooperating and working together – which was our assumption based on prior conversations and the language of the RFP. If there is no meeting of the minds that the study is needed and willingness to work together, there is really no reason to move forward with this.

The tone of some of the KFPD directors during the meeting makes me concerned that the districts are not seeing eye to eye – which I consider to be a pretty good indication that the project is likely to become a wasted effort and would not be completed to your satisfaction.

In terms of traveling to the January KFPD board meeting and doing a presentation, it makes sense to do so only if there is a commitment from both districts to the effort of getting the fiscal study done. It sounds to me that the KFPD board is not even convinced that the study is a worthwhile pursuit – and when that is the case, I am not sure that it is our role as a fiscal consultant to persuade them otherwise.

To avoid wasting time (this has been a pretty involved and costly RFP process already), I would like to request that the KFPD board members provide a written list of questions that they would like us to answer during the meeting two weeks prior to the meeting. Once we see the list of questions, we will make a decision on whether or not it makes sense for us to attend the meeting and to move forward with the project. While we are happy to answer legitimate questions about our work process, deliverables, etc. (which I believe are clearly laid out in our proposal), we are not going to try to change people's minds or be a punching bag for someone not interested in getting the project done.

Also, after observing tonight's discussion and getting a very strong feeling that the whole proposal process has been a waste of time and money, I am afraid that given our workload and the realities of running a business, we would have to treat the attendance of the January board meeting as an additional in-person meeting per the conditions stated in the proposal and there will be a charge of \$1,200, payable regardless of whether or not we are awarded the contract. I hope you can appreciate where I am coming from.

Please, let me know several time slots that work for your team to have a conversation.

Sincerely,



Dmitry Semenov | Principal



Ridgeline Municipal Strategies, LLC

2213 Plaza Drive, Rocklin, CA 95765

(916) 250-1590 | dsemenov@ridgelinemuni.com

THIS ELECTRONIC MESSAGE, INCLUDING ANY ACCOMPANYING DOCUMENTS, IS CONFIDENTIAL and may contain information that is privileged and exempt from disclosure under applicable law. If you are neither the intended recipient nor responsible for delivering the message to the intended recipient, please note that any dissemination, distribution, copying or taking of any action in reliance upon the message is strictly prohibited. If you have received this communication in error, please, notify the sender immediately. Thank you.

Pursuant to Municipal Securities Rulemaking Board Rule G-42, on Duties of Non-Solicitor Municipal Advisors, Municipal Advisors are required to make certain written disclosures to clients which include, amongst other things, "Conflicts of Interest" and any "Legal or Disciplinary Events" of the Firm and its associated persons. Please refer to Ridgeline Municipal Strategies, LLC website for certain disclosures relating to "Conflicts of Interest" and "Legal or Disciplinary Events". See Regulatory Information: <https://ridgelinemuni.com/disclosures/>

A Few Thoughts

Dmitry Semenov <dsemenov@ridgelineuni.com>

Fri, Dec 22, 2023 at 11:42 AM

To: David Aranda <DAranda@kppcsd.org>, Mary Morris-Mayorga <mmayorga@kensingtonfire.org>

Mary and David,

Thank you to both of you for reaching out yesterday. I had great conversations with you and that sparked some thoughts that I wanted to share with you.

1. It appears to me that the current attitudes of two members of the fire district board make it problematic for the consolidation effort to move forward. Bringing two agencies together will be a monumental task even if everyone is rowing in the same direction. With strong internal opposition it will be frustrating and painful in the best case and pretty darn impossible (and one of the worst experiences of the lifelong careers for everyone involved) in the worst case scenario.
2. With that, the first step should be on the fire district side to work with its board and other key decisionmakers to make sure that the district can approach the process with an open mind and willingness to work together (both districts need to have that, but the police district so far seems to be ready to do that). Without that, anything we do would be just a pursuit of pain and wasted effort.
3. Once there is willingness to work together on both sides, the districts would need to come together and do the following:
 - a. Perform strategic assessment / planning on a stand-alone basis and honestly look at what strengths, weaknesses, threats and opportunities you face if you stay as separate agencies.
 - b. Once there is clarity of what your individual situations are, the districts can perform a joint assessment and planning session (or a series of sessions) to discuss what the consolidated agency looks like and lay out any concerns on the table. Similarly, an honest look at the consolidated strengths, weaknesses, threats, and opportunities will need to be done.

At the end of this strategic planning effort, you will have a much better idea of whether or not you want to continue exploring the consolidation.

4. Only after that would it make sense to do the fiscal analysis. Having clarity on the individual and joint visions will make the fiscal analysis so much easier and useful. And the fiscal study will help illuminate any financial things to work through.

So, how can Ridgeline help you make this process a success?

1. With the current attitude of the two fire district board members, I don't think we can. As long as these board members have the attitude that they displayed in the last meeting, trying to do a fiscal study will be a waste of your money and of your and our time. Somehow the attitude of the fire district board needs to change, whether it is through the addition of another member, retirement of these two members, or an attitude adjustment of these two members. Until that happens, we are not prepared to commence the work, as we cannot guarantee that we can provide a good service for you.
2. Once there is willingness to work together on both sides, if you would like (and we would absolutely love to do it), we can help you go through the strategic assessment and planning process. We can facilitate the planning sessions and make sure that all key issues are brought to the surface and honestly discussed and evaluated. After the sessions, we can put together the roadmap for the next steps.
3. After that we will do the fiscal analysis and help you evaluate the financial realities of the individual and joint plans.
4. Finally, once the decisions are made on whether the districts will continue to exist as individual entities or move forward to consolidate, we can prepare the strategic plan (consolidated) or plans (individual) based on the prior work.

If this is something that is of interest, let's the three of us have a call after the holidays and discuss the logistics of the process. Mary mentioned that the new board member will be appointed on January 11 and maybe we can talk after at least that is known. Then Mary will need to get to work with her board.

That being said, I think it is safe to say that Mary can inform the board that we will not be presenting on January 17. Also, as I mentioned, I will be out of the country in February and the earliest that we can meet with the fire district board is in March (assuming that the process is moving forward per the discussion above).

Have a Merry Christmas and an amazing New Year!



Dmitry Semenov | Principal



Ridgeline Municipal Strategies, LLC

2213 Plaza Drive, Rocklin, CA 95765

(916) 250-1590 | dsemenov@ridgelinemuni.com

THIS ELECTRONIC MESSAGE, INCLUDING ANY ACCOMPANYING DOCUMENTS, IS CONFIDENTIAL and may contain information that is privileged and exempt from disclosure under applicable law. If you are neither the intended recipient nor responsible for delivering the message to the intended recipient, please note that any dissemination, distribution, copying or taking of any action in reliance upon the message is strictly prohibited. If you have received this communication in error, please, notify the sender immediately. Thank you.

Pursuant to Municipal Securities Rulemaking Board Rule G-42, on Duties of Non-Solicitor Municipal Advisors, Municipal Advisors are required to make certain written disclosures to clients which include, amongst other things, "Conflicts of Interest" and any "Legal or Disciplinary Events" of the Firm and its associated persons. Please refer to Ridgeline Municipal Strategies, LLC website for certain disclosures relating to "Conflicts of Interest" and "Legal or Disciplinary Events". See Regulatory Information: <https://ridgelinemuni.com/disclosures/>



KENSINGTON FIRE PROTECTION DISTRICT

DATE: January 17, 2024
TO: Board of Directors
RE: Proposed Contract with Nigro & Nigro PC for Annual Audit
SUBMITTED BY: Mary A. Morris-Mayorga, General Manager

Recommended Action

Staff recommends that the Board consider approval of contracting with Nigro & Nigro PC to provide annual audit services for fiscal year 2023 - 2027 for \$20,500 annually totaling \$102,500 for five years and authorize the General Manager to sign the annual audit engagement letters.

Background

The District's annual audit fee was increasing from \$16,800 to \$30,000 and the timing may be delayed due to scheduling. The prior auditor, MUN CPAs, had served the District for five years; therefore, an RFP was issued to solicit proposals from auditors; two firms submitted proposals:

Audit Firm	Fiscal Year					Total (3 Years)
	2022-2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	
Harshwal & Company LLP	\$ 20,000	\$ 21,000	\$ 22,050	\$ 23,150	\$ 24,310	\$ 110,510
Nigro & Nigro	\$ 20,500	\$ 20,500	\$ 20,500	\$ 20,500	\$ 20,500	\$ 102,500

As recommended by the Government Finance Officers Association (GFOA):

Governmental entities should enter into multiyear agreements of at least five years in duration when obtaining the services of independent auditors. Such multiyear agreements can take a variety of different forms (e.g., a series of single-year contracts), consistent with applicable legal requirements. Such agreements allow for greater continuity and help to minimize the potential for disruption in connection with the independent audit. Multiyear agreements can also help to reduce audit costs by allowing auditors to recover certain "startup" costs over several years, rather than over a single year.

Nigro & Nigro's fee remains flat which demonstrates the GFOA's recommendation for multiyear agreements. Based on my experience and as confirmed with Nigro & Nigro, audit firms anticipate higher first year costs with auditor/agency staff becoming familiar with processes. A flat fee rather than high first year is more manageable to public agencies for budget purposes.

Both proposals were responsive, and both firms have audited fire protection as well as other special districts; however, Nigro & Nigro PC proposed a lower overall audit fee. In addition, Nigro & Nigro PC audit team members have presented at governmental workshops/conferences with the audit partner serving as a CSDA speaker and audit team profiles cited special district clients including fire. The District's accounting firm, Krisch & Company, reviewed the proposals and noted: (1) they have experiences in auditing fire districts, (2) their fee is reasonable, and (3) they receive a "pass" rating (the highest possible) during their last peer review. Harshwal & Company's managing partner cited expertise with school districts and educational entities and the audit manager focuses on real estate clients, low-income housing, including both for profit and not-for-profit entities.

The audit engagement letter serves as the contract each year (see prior attached).

Fiscal Impact

Funds are included in the fiscal year budget for annual audit services each year.

Attachments: Policy 1180 Legal Counsel and Auditor
 Proposals: Harshwal & Company LLP and Nigro & Nigro PC
 Prior Audit Engagement Letter w/MUN CPAs

KENSINGTON FIRE PROTECTION DISTRICT POLICY HANDBOOK

POLICY TITLE: Legal Counsel and Auditor
POLICY NUMBER: 1180

1180.10 The Board of Directors shall appoint a Legal Counsel to assist the Board and District in all applicable issues and activities.

1180.20 Legal Counsel shall be the legal adviser of the District, including the Board as a whole and the Manager. Legal Counsel shall perform such duties as may be prescribed by the Board of Directors. Such duties include, but are not limited to, providing legal assistance necessary for formulation and implementation legislative policies and projects; represent the District's interests, as determined by the District, in litigation, administrative hearings, negotiations and similar proceedings; and to keep the Board and District staff apprised of court rulings and legislation affecting the legal interest of the District. Legal Counsel is required to review and approve as to form District legal documents, i.e. contracts, agreements, etc. Legal Counsel shall review all legal issues and Closed Session items that come before the Board. The Legal Counsel shall serve at the pleasure of the Board and shall be compensated for services as determined by the Board.

1180.21 The Legal Counsel reports to the Board as a whole but is available to each Director for consultation regarding legal matters particular to that Board member's participation. No Board member may request a legal opinion of legal counsel without concurrence by the Board, except as such requests relate to questions regarding that member's participation. The Legal Counsel shall be available to the District Manager for consultation on applicable issues and activities.

1180.30 The District Auditor shall be appointed by the Board by a majority vote in a public meeting. The Board shall determine the duties and compensation of the Auditor. The Auditor shall serve at the pleasure of the Board. Selection of the Auditor shall be done in a noticed public meeting.

1180.31 The Finance Committee will oversee the work of an independent auditor, who will report to the Board, to conduct an annual audit of the District's books, records, and financial affairs in accordance with state law. The Manager and contract accountant will install and maintain an accounting system that will completely, and at all times, show the financial condition of the District.



Kensington Fire Protection District

Proposal to Provide Auditing Services

for the Fiscal Years Ending June 30, 2023, through June 30, 2025

with an Option to Extend for Two (2) Additional Fiscal Years

Submitted by:



333 Hegenberger Road, Suite 328

Oakland, CA 94621

Phone: (510) 452-5051 | Fax: (510) 452-3432

November 27, 2023

Contact Person

Managing Partner: Sanwar Harshwal, CPA

Cell Phone: (858) 784-1622

Federal Employer ID Number: 27-0741376

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

TABLE OF CONTENTS

1. COVER PAGE	
2. TABLE OF CONTENTS.....	01
3. TRANSMITTAL LETTER.....	02
4. TECHNICAL PROPOSAL.....	04
i. FIRM'S QUALIFICATION & EXPERIENCE.....	04
a) Location of the Office.....	04
b) License to Practice in California.....	06
c) Firm's Most Recent External Quality Control Review.....	07
d) Technical Experience of the Firm.....	11
ii. QUALIFICATIONS OF PROPOSED PERSONNEL.....	16
a) Proposed Audit Team's Directory.....	16
b) Audit Team Responsibilities.....	17
c) Audit Team Resumes.....	18
iii. AUDIT APPROACH.....	21
a) Scope of the Work.....	21
b) Specific Audit Approach.....	22
5. AUDIT SCHEDULE.....	27
6. AUDIT FEE.....	28
7. REFERENCES.....	29
8. CONFLICT OF INTEREST.....	32
9. INSURANCE REQUIREMENTS.....	32
10. AUTHORIZED SIGNATURE.....	35



November 27, 2023

Kensington Fire Protection District
ATTN: Mary Morris-Mayorga, General Manager
217 Arlington Avenue
Kensington, CA 94707

Dear Mary Morris-Mayorga and Evaluation Committee Members,

The partners and staff at Harshwal & Company, LLP are pleased to present our proposal to provide auditing services. Our firm has experienced continuous growth and success as we meet and exceed client expectations. Our overall goal is to provide responsive, innovative services of the highest quality to our clients. We understand that Kensington Fire Protection District (referred to later in this proposal as the "District") requires us to conduct a timely audit services of financial statement of the District. We are committed to meeting all terms, conditions, and requirements addressed in this request for proposal (RFP). With our experience and knowledge, we fully understand the requirements and your expectations for the services to be provided.

Harshwal & Company, LLP has been a trusted provider of comprehensive financial services across the United States for the past thirteen (13) years. With a proven track record, we have successfully delivered a myriad of services to our diverse clientele. Over the last five (5) years, our dedicated team has executed numerous financial statements for public agencies, showcasing our commitment to precision, integrity, and excellence in financial reporting. As a seasoned firm, we continue to uphold the highest standards in delivering tailored solutions that empower our clients to navigate the complexities of the financial landscape with confidence. We believe our firm is the best qualified to perform this engagement because our audit services are best performed by utilizing specialized resources and technical proficiency. Our expertise in governmental auditing and accounting combined with our vast access to resources empowers us to solve challenges encountered during the audit. Our highly trained engagement team will maintain a knowledgeable, yet, non-intrusive, approach to the audit to deliver an audit that is of exceptional quality that requires minimal disruptions of the District's on-going operations.

Understanding of the Work to be Done:

We understand that you require us to conduct an audit of the financial statement of the District, for the fiscal years ending June 30, 2023, through June 30, 2025, with an option to extend for two (2) additional fiscal years, in accordance with Generally Accepted Auditing Standards (GAAS) in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the State Fiscal Agent's Minimum Audit Requirements for California Special Districts, and any other applicable standards. All material respects, the financial position of the District and the changes in financial position and cash flows in conformity with Generally Accepted Accounting Principles (GAAP).

Ability to Perform the Work Within Provided Time Frame:

Harshwal & Company, LLP is benchmarked for providing the work within the time frame requested. Our team is committed to completing the audit on time, as they are fully equipped with contemporary technology, which will add value to the successful and timely delivery of the audit. We are responsive and solution oriented, providing quick responses on matters that require immediate attention, hence enhancing the quality of our audit.

We focus on staff continuity, which enables us to develop and maintain an in-depth understanding of your operations, management style, and operating practices, which ultimately allows us to offer you experienced resources, value-added services, specialization, and overall better personal service, which again unequivocally results in a timely submission of the audit report.

Why Harshwal & Company, LLP:

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

Client Confidentiality and Security:

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

Our managing partner, Mr. Sanwar Harshwal, is authorized to represent the firm and he is the authorized person to contractually obligate the firm, to negotiate the contract on behalf of the firm and to be contacted for clarifications. He can be reached at 11405 W. Bernardo Ct., Suite A, San Diego, CA 92127; Phone No. (858) 784-1622, Fax No. (858) 964-3754 or via an email at sanwar@harshwal.com.

Harshwal & Company, LLP is a small business enterprise that is SBA 8(a) certified, a GSA vendor and a 100% minority owned CPA firm.

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

Sincerely,

**Harshwal & Company, LLP
Certified Public Accountants**



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



FIRM'S QUALIFICATION & EXPERIENCE

Harshwal & Company, LLP was founded thirteen (13) years ago and is a locally established firm of CPAs, offering auditing, accounting, management consulting, IT services, and other specialized services to various clients, which consist of special districts, state and local governments, counties, educational entities, tribes and tribal governments, housing authorities, and not-for-profit organizations throughout the United States. Our commitment to our clients has enabled the firm continued growth and success in developing and maintaining strong professional relationships. Our engagement team also has extensive experience in auditing and reviewing financial statements receiving GFOA and CSMFO awards.

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

Location of the Office

Harshwal & Company, LLP provides services to clients from three (3) locations. San Diego, CA is the location of our head office, and Oakland, CA, and Albuquerque, NM are the location of our branches. Our nearest office to the District, **Oakland, CA** office will provide independent audit services to Kensington Fire Protection District. The address and phone numbers for each of our three offices are listed below:

Oakland, CA Office	333 Hegenberger Road, Suite 328 Oakland, CA 94621	Phone: (510) 452-5051 Fax: (510) 452-3432
San Diego, CA Office	11405 W. Bernardo Ct., Suite A, San Diego, CA 92127	Phone: (858) 939-0017 Fax: (858) 964-3754
Albuquerque, NM Office	6565 Americas Pkwy, Suite 800 Albuquerque, NM 87110	Phone: (505) 814-1201 Fax: (505) 395-7581

Staff Size & Organizational Structure

Audit Team	Manpower
Managing Partner	01
Independent Reviewer	01
Additional Partners	01
Audit Manager	02
Operations Manager	01
CPAs and Senior Staff	08
Additional Staff	08
Total	22





Proposal to Provide Auditing Services

Services Provided by the Firm

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

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

Independence

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

Equal Opportunity Employer

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







Proposal to Provide Auditing Services

License to Practice in California

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

 STATE OF CALIFORNIA dca DEPARTMENT OF CONSUMER AFFAIRS	 Renewal Certificate	CALIFORNIA BOARD OF ACCOUNTANCY 2450 VENTURE OAKS WAY, SUITE 300 SACRAMENTO, CA 95833 TELEPHONE: (916) 263-3680 FACSIMILE: (916) 263-3672
CERTIFIED PUBLIC ACCOUNTANT PARTNERSHIP		
REGISTRATION RECEIPT NO.	PAR 7299 32832084	VALID UNTIL OCTOBER 31, 2025
HARSHWAL & COMPANY LLP 11405 W BERNARDO CT UNIT A SAN DIEGO CA 92127		In accordance with the provisions of Chapter 1, Division 3 of the Business and Professions Code, the firm named hereon is duly registered and entitled to practice as a Partnership.
10/10/23 10/10/23	----- POST IN PUBLIC VIEW -----	WABPAR 04/12/17

Terminations

Harshwal & Company, LLP has never terminated, held in default, or failed to complete any work. We have always been a hallmark for the quality of our audit work. We are committed to providing high-quality service without compromising the timely submission of your audit report.

Desk & Field Reviews

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

Disciplinary Action or Pending Litigation

Harshwal & Company, LLP's emphasis on quality has rewarded the firm with an excellent track record regarding claims related to professional services. Harshwal & Company, LLP has an impressive history, free of litigation, penalties and debt, and we have no sanctions or restrictions imposed by professional organizations, regulatory authorities or other government institutions. Harshwal & Company, LLP has never been debarred, suspended or otherwise excluded from or ineligible for participation in federal assistance programs or from receiving federal contracts, subcontracts or financial assistance or benefits, under Executive Order 12549, "Debarment and Suspension" (24 CRT 85.35) or other federal laws, statutes, codes, ordinances, regulations or rules, at any time during the term of the agreement.





Proposal to Provide Auditing Services

Substandard Audit Work

Harshwal & Company, LLP and all assigned personnel do not have any record of substandard audit work, outstanding claims nor unsatisfactory performance pending with the any Board of Accountancy. We have never been debarred or suspended, and none of our firm's contracts have ever been rejected for substandard audits by the State Controller's Office (SCO).

Capability to Audit Computerized Systems

Harshwal & Company, LLP is fully capable of auditing computerized systems and autonomous tools required for the auditing process. The partner and staff at Harshwal & Company, LLP are pleased to discuss our efficient use of audit technology. We use the latest technical tools and technology for auditing computerized systems. We have a dedicated IT department and cyber security professionals consisting of six professionals who could work on the audit if required.

Firm's Most Recent External Quality Control

Harshwal & Company, LLP is a member of the Governmental Audit Quality Center (GAQC) and Employee Benefit Plan Audit Quality Center (EBPAQC) of the American Institute of Certified Public Accountants (the AICPA) and the Center for Audit Quality, an affiliate of the AICPA. One of the requirements of membership in these groups is to have our systems of quality control reviewed by another CPA firm once every three years. Our most recent peer review was completed in 2020, and we received a passing peer review rating.

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





www.CoughlanNapaCPACo.com
Company@CoughlanNapaCPACo.com

Report on the Firm's System of Quality Control

November 25, 2020

To Harshwal & Company LLP and the Peer Review
Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Harshwal & Company LLP (the firm) in effect for the year ended May 31, 2020. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

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

Firm's Responsibility

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

Peer Reviewer's Responsibility

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

190 Camino Oruga, Suite 1 • Napa, CA 94558 • telephone: 707.255.0677 • fax: 707.255.0687
Member: American Institute of CPAs • California, Hawaii, & Oregon Societies of CPAs





Required Selections and Considerations

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

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

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Harshwal & Company LLP in effect for the year ended May 31, 2020, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Harshwal & Company LLP has received a peer review rating of *pass*.

Coughlan Napa CPA Company, Inc.

Coughlan Napa CPA Company, Inc.





1710 Gilbreth Road
Burlingame, CA 94010
(650) 522-3094
Fax: (650) 522-3080
peerreview@calcpa.org

March 01, 2021

Sanwar Harshwal
Harshwal & Company LLP
16870 W. Bernardo Dr, STE 250
San Diego, CA 92127

Dear Sanwar Harshwal:

It is my pleasure to notify you that on February 25, 2021, the California Peer Review Committee accepted the report on the most recent System Review of your firm. The due date for your next review is November 30, 2023. This is the date by which all review documents should be completed and submitted to the administering entity.

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

Thank you for your cooperation.

Sincerely,

Peer Review Committee

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

cc: Constance Coughlan

Firm Number: 900005526362

Review Number: 578635





Technical Experience of the Firm

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

Special Districts

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





State and Local Governments

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

COUNTIES

County of Alameda

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

Del Norte County

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

Santa Clara County

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

County of San Mateo

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

Santa Cruz County

- Single Audit
- Mental Health - Short Doyle Program

Solano County

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





Contra Costa County

- Public Works Department
- Emergency Medical Services

Educational Entities

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

Housing Entities

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

Private Entities

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

Pension Plan Clients

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





Proposal to Provide Auditing Services

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

Non-Profit Organizations

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





Proposal to Provide Auditing Services

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

Tribes and Tribal Entities

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

Experience with GAAP and GAS Accounting and Reporting

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





QUALIFICATIONS OF PROPOSED PERSONNEL

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

Staff Continuity over the Term of the Agreement

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

Proposed Audit Team's Directory

Name of Team Member	Role	Experience
Sanwar Harshwal, CPA, CIA, CISA, CFE	Managing Partner	39+ Years
Phyl Warnock, CPA	Independent Reviewer	24+ Years
Garima Pathak, CA	Audit Manager	7+ Years
Samson Reda, CPA	Senior Auditor	9+ Years
Poonam Sharma, CPA	Staff Auditor	6+ Years

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

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

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





Audit Team Responsibilities

<u>Name/Position</u>	<u>Responsibility</u>
Sanwar Harshwal, CPA Managing Partner	<p>Sanwar Harshwal will be the principal in charge of administration, reviews, planning of the audit, approval of the audit scope and work, and review of work and liaison with the District. He is responsible for conducting the fieldwork, coordination of the audit plan, and ensuring that the plan formulated has been effectively followed and managed.</p> <p>He will coordinate with the manager and supervisor for proper field work progress. He will also manage and organize the audit team's effort and ensure the various audit components are performed efficiently. He also has the responsibility for meeting with the District's management to keep them informed regarding the progress of the audit. The responsibility also extends to ensure smooth interaction of the firm with the District. He has final authority in the conduct of the engagement, and assumes full responsibility for the work performed.</p>
Phyl Warnock, CPA Independent Reviewer	<p>Phyl R. Warnock will serve as an independent reviewer for the District. He will responsible for reviewing staff work papers, preparing findings and recommendations, documenting internal controls, designing test procedures, and ensuring compliance with enrollment auditing standards for the District. He has extensive experience in reviewing enrollment audit reports and will also be managing the staffing assignment for the engagement to meet deadlines.</p>
Garima Pathak, CA Audit Manager	<p>Garima Pathak will serve as an audit manager and provide the District staff with updates to summarize our progress against the project timeline, and update the status of upcoming deliverables. She will also document discussions leading to important policy decisions and/or the choice of critical assumptions used in constructing the analysis and report.</p>
Samson Reda, CPA Senior Auditor	<p>Samson Reda, is a senior auditor and is in charge of the fieldwork. He will be responsible for preparation and maintenance of various work-papers required for audit report preparation.</p>
Poonam Sharma, CPA Staff Auditor	<p>Poonam Sharma will be responsible for coordinating the efforts of our staff throughout fieldwork and managing on-site audit procedures. She will be available to answer any of your technical questions.</p>

Overall Supervision to be Exercised

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





Audit Team Resumes

SANWAR HARSHWAL, CPA

Managing Partner

Sanwar Harshwal is the managing partner of Harshwal & Company, LLP. He is a globetrotter and a trained technical speaker on auditing and global accounting standards, IT and internal controls, on fraud prevention, and on examinations and internal audits. With over 39+ years of experience with governmental auditing engagements, Mr. Harshwal is also a leading expert on emerging accounting challenges for school districts and educational entities. Mr. Harshwal has attended AICPA seminars on GASB's New Financial Reporting Model and Financial Statements of educational entities.

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

Education:

- B.S. Business Accounting
- Bachelor of Law

Certification:

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

Professional Membership:

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





Proposal to Provide Auditing Services

PHYL WARNOCK, CPA **Independent Reviewer**

Phyl Warnock is an independent reviewer and have over 24+ years' experience in performing financial audits, reviewing staff work papers, writing financial statements, preparing findings and recommendations, documenting internal controls and redesigning test procedures. Phyl has performed financial audits of educational entities, state and local governments, special districts, non-profit organizations, municipalities and has working knowledge of GAAP used during audits & financial statement preparations. He will be responsible for reviewing the work papers and final audit report.

Education:

- Masters of Business Administration
- Bachelors of Science in Accounting

Certification:

- Certified Public Accountant

GARIMA PATHAK, CA **Audit Manager**

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

Education:

- Bachelor's in Commerce

Certification:

- Chartered Accountancy of Institute of Chartered Accountants of India

SAMSON REDA, CPA **Senior Auditor**

Samson Reda is a senior auditor at Harshwal & Company, LLP and has nine (9) years of experience in auditing and providing accounting services to educational entities, state and local governments, special districts, housing authorities, not-for-profit organizations, and tribes and tribal governments. He is an expert in data analysis and reconciliation and his experience includes auditing, the recording and analysis of account transactions; establishing accounting records; reconciliation of cash balances; implementation of accounting controls; and statistical reports.





Proposal to Provide Auditing Services

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

Education:

- BA in Accounting

Certification:

- Certified Public Accountant

POONAM SHARMA, CPA

Staff Auditor

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

Education:

- Master of Business Administration in Accounting

Continuing Professional Education (CPE)

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

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

Audit Team Member	Governmental CPE	Non-Governmental CPE
Sanwar Harshwal, CPA, CFE, CISA, CFE	140	124
Phyl Warnock, CPA	25	42
Garima Pathak, CA	84	57
Samson Reda, CPA	80	56
Poonam Sharma, CPA	83	40





AUDIT APPROACH

Scope of the Work

At Harshwal & Company, LLP, our professionals have extensive experience performing independent audits of special districts and our team has a broad understanding of the work environment that is necessary to conduct an independent audit of Kensington Fire Protection District. We understand that you require us to conduct an audit of the financial statements of the District for the fiscal years ending June 30, 2023, through June 30, 2025, with an option to extend for two (2) additional fiscal years, in accordance with Generally Accepted Auditing Standards (GAAS) in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the State Fiscal Agent's Minimum Audit Requirements for California Special Districts, and any other applicable standards. We will adhere to the requirements of the RFP and will be performing the following tasks (including, but not limited to):

- Harshwal & Company, LLP will perform an audit the District's basic financial statements including testing internal controls.
- We will express an opinion on the financial statements as to whether they present fairly, in all material respects, the financial position of the District and the changes in financial position and cash flows in conformity with Generally Accepted Accounting Principles (GAAP) and will issue a report stating this opinion.
- We will apply auditing procedures to the introductory section, combining and individual fund statements and schedules, schedules of capital fund program annual contribution contracts and statistical section and will express an opinion on whether they are fairly stated in all material respects in relation to the basic financial statements taken as a whole.
- We will prepare and electronically file the Annual California State Special Districts Report pursuant to Government Code 53891 for the District along with any supplements required by the state in the format required by the state by the required deadline/extended deadline.
- We will meet (on-site or remotely) prior to issuance of the final audit report with the District staff to discuss the results of the audit and to review significant findings.
- We will provide all audit adjustments including appropriate back-up documentation and will meet with the District's staff, if requested, to discuss final adjustments.
- We will prepare a report to the Governing Board that identifies significant audit findings, difficulties encountered in performing the audit, identify any corrected and uncorrected misstatements, disagreements with management, management representations, control deficiencies, significant deficiencies, and material weaknesses, if any, and our recommendations for improvements in accounting and administrative controls.
- We will issue the final audit report including Independent Auditors Reports including the audited financial statements and schedules.

Understanding of the Project to be Performed

The two most critical components of the audit are (1) to have continuity and consistency among the auditors involved and (2) to have the entire audit team, from partners to staff, understand and be aware of the technical requirements for the engagement. Therefore, careful audit planning is emphasized along with written instructions, and a comprehensive workshop is carried out for the staff engaged.





Proposal to Provide Auditing Services

We have ascertained that this effort not only serves to state the line of organization and responsibility from the commencement but also serves to discuss the areas of concern and applicable audit techniques to be adopted in the examinations proposed to be conducted. Our plan will involve a comprehensive entrance meeting with the District's audit committee and management. During this phase, we hope to establish the timetable for the examination and identify dates for future meetings to report on our progress in the examination. Shortly thereafter, the partners and an audit manager will meet with the District Manager or Finance Director to be able to obtain a more detailed outline of the District's financial systems and processes.

This will help us to determine the extent and concentration of our audit effort, obtain knowledge and an understanding of the legal and reporting requirements by obtaining pertinent statutes, regulations, charter provisions, bond coverage and other requirements. The meeting will serve as a guideline to prepare and outline our audit-planning memorandum and the audit plan. Upon completion of the audit plan, we will meet with the District Officials to go over our plan. During the meeting, we hope to share our understanding of the audit approach and fine-tune the dates of commencement, the assistance available to us, and the assistance the District may need from us, and the introduction of the audit team seniors to the District Officials. In the next step, a conference will be initiated by the audit team to be assigned. The conference will serve as a platform to share our audit plan and programs, discuss areas of concern, identify audit teams and dates, and address any and all pertinent questions from our staff.

Specific Audit Approach

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

Audit Planning — Interim Phase

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

Risk Assessment — Interim Phase

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





Proposal to Provide Auditing Services

Control Testing — Interim Phase

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

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

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

Substantive Procedures — Year End Phase

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

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

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

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

Drawing Audit Samples (for tests of compliance)

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





Proposal to Provide Auditing Services

Audit Sizes and Statistical Sampling Techniques

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

Working Paper Retention and Access to Working Papers

We will retain audit working papers and reports for a minimum of seven (7) years unless we are notified in writing by the District of the need to change the retention period. In addition, we will respond to reasonable inquiries of the District and successor auditors, and allow the District and successor auditors to review working papers relating to matters of continuing accounting significance. The audits are subject to review by the Office of the State Controller, the California Department of Education, the Office of the Auditor General, the Los Angeles County Office of Education, and other individuals designated by the agency. Accordingly, the audit work papers will be made available upon request.

Rules and Regulations

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

Technological Advantages

We utilize the latest technology, including virtual servers, smart devices, and online libraries, to provide us with the most up-to-date information to better serve our clients. Our online client portal, **Suralink** gives us the capability of sending and receiving information to and from our clients faster and more securely. As portals are encrypted and use password protection to ensure that data can only be viewed by the appropriate client, we are dedicated to protecting the District's confidential information. Furthermore, we streamline our audit process and organize support documents through the use of the paperless audit program; CaseWare Working Papers. By effectively reviewing large volumes of data through these programs, we are able to develop a better understanding and gain a broader view of Kensington Fire Protection District. These technologies enable us to increase both the scope of our engagement and the reliability of our audit opinion more efficiently, as a larger amount of information can be processed, analyzed, and interpreted in a shorter time frame. We are pleased to discuss our efficient use of audit technology as follows:

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





Proposal to Provide Auditing Services

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

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

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

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

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

Anticipated Potential Audit Problems

We understand that the adoption of new laws or accounting principles can significantly impact the audit process, and we are committed to addressing these challenges effectively. Our team of experienced auditors stays updated with the latest regulations and accounting standards to ensure compliance and accuracy in our work. We will closely monitor any changes in laws or accounting principles that may affect the audit and promptly adapt our approach to accommodate these modifications. In the event that we encounter specific complexities or require additional support, we will communicate and coordinate with the District to request any special assistance needed. We believe in fostering a collaborative relationship, and by working closely with the District, we can overcome potential hurdles and ensure a successful audit engagement. Our proposal aims to demonstrate our proactive approach to anticipating and managing audit problems, as well as our commitment to providing high-quality services while adhering to relevant laws and accounting principles.





Supervisory Review and Quality Control Procedures

Harshwal & Company, LLP will schedule an entrance conference prior to beginning interim fieldwork. We will provide progress reporting on at least a monthly basis to the District's Director of Financial Services. The exit conference will summarize the results of fieldwork and review significant findings are expected on the last day of fieldwork or shortly thereafter. We will make an immediate, written report of all irregularities and illegal acts or indications of illegal acts which become aware to the District's following parties: The District Manager; The District Attorney; and the Director of Financial Services. All of our documents have levels of review. The various levels are determined by our risk assessment during the planning stages of the audit. Typically, a review will include the following:

- Seniors will review all work performed by staff.
- Managers will review work performed by seniors as well as review key significant areas that was prepared by staff and reviewed by the senior. Some of these areas include accounts receivable, investments, capital assets, long term debt and pension liabilities, other liabilities, net position classification and single audits.
- Partners will review areas that are deemed high from a risk perspective as well as the single audit.
- Independent reviewer will review the report for proper and technical aspects making sure everything is report properly. As a firm, we require all single audits and reporting to be reviewed by another partner with specific government experience.

Management Letter

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

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





AUDIT SCHEDULE

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

Milestones	Tentative Timeline
Preliminary work, planning, risk assessment and system evaluation	3rd Week of December 2023
Commencement of audit fieldwork	2nd Week of January or Before
Final audit fieldwork and audit work to be completed	3rd Week of February or Before
Draft audit report and management letter for review	2nd Week of March or Before
Final audit report and management letter	March, 31 2024 or Before

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





AUDIT FEE

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

Summarized below are the professional fees for the District's auditing services for the FY June 30, 2023, through June 30, 2027:

Audit Area - Description	FY 2023	FY 2024	FY 2025	FY 2026 (Optional)	FY 2027 (Optional)
<i>Professional fees:</i>					
Financial Audit of the District.....	\$ 20,000.00	\$ 21,000.00	\$ 22,050.00	\$ 23,150.00	\$ 24,310.00
<i>Total out-of-pocket expenses</i>	Included	Included	Included	Included	Included
<i>Total Fees</i>	\$ 20,000.00	\$ 21,000.00	\$ 22,050.00	\$ 23,150.00	\$ 24,310.00

➤ *Fees for subsequent fiscal years audit will include an annual inflationary adjustment of 5%.*

Rates by Partners, Manager and Staff

Our Estimated Hours for FY June 30, 2023:			
Description - Team Composition	Est. Hours	Hourly Rates	Total
Managing Partner	9	\$400	\$ 3,600.00
Independent Reviewer	10	275	2,750.00
Manager	15	275	4,125.00
Senior Auditor	21	175	3,675.00
Staff Auditor	45	120	5,400.00
Clerical Staff	5	90	450.00
<i>Out-of-pocket expenses</i>			Included
<i>Total</i>	105		\$ 20,000.00

Rates for Additional Professional Services

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

Manner of Payment

Progress billings will be sent on the basis of actual audit work completed during the course of the engagement. Interim billings do not cover a period of less than a calendar month. We do not bill for out-of-pocket expenses as they are included in our stated total maximum price. Any consulting work you request will be performed at the same rates as our audit work.





REFERENCES

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

1. Rodeo Hercules Fire Protection District

- **Scope of Work:** Audit and preparation of the Basic Financial Statements and ACFR presentation.
- **Date of Services:** Fiscal years ended June 30, 2017 to present
- **Principal Contact:** Getachew Demeku-Ousman
- **Address:** 1680 Refugio Valley Road, Hercules, CA 94547
- **Phone Number:** (510) 799-4561
- **E-Mail:** gdemeku@gmail.com

2. Coastside Fire Protection District

- **Scope of Work:** Financial Statement audit and ACFR prepared in conformance with GAAP.
- **Date of Services:** Fiscal years ended June 30, 2017 to present
- **Principal Contact:** Ginny Petras, Administrative Officer
- **Address:** 1191 Main Street, Half Moon Bay, CA 94019
- **Phone Number:** (650) 726-5213
- **E-Mail:** Ginny.Petras@fire.ca.gov

3. Saratoga Fire Protection District

- **Scope of Work:** Audit of the Basic Financial Statements and tax services.
- **Date of Services:** Fiscal years ended June 30, 2018 to present
- **Principal Contact:** Trina Whitley, Business Manager
- **Address:** 14380 Saratoga Avenue, Saratoga, CA 95070
- **Phone Number:** (408) 867-9001
- **E-Mail:** twhitley@saratogafire.org





RODEO-HERCULES FIRE PROTECTION DISTRICT
1680 REFUGIO VALLEY ROAD, HERCULES, CALIFORNIA 94547
(510) 799-4561 FAX: (510) 799-0395

Re: Professional Reference for Harshwal & Company, LLP

To Whom It May Concern:

I am pleased to offer an enthusiastic recommendation for retention of Harshwal & Company, LLP (HCLLP).

Rodeo Hercules Fire Protection District has been engaged with HCLLP to perform a Financial Statement Audit throughout the tenure. I have found the HCLLP team to be knowledgeable, professional, and easy to work with. They are always responsive and solution-oriented.

My personal belief is that HCLLP offers a unique perspective and approach to auditing, in that they take the time to fully understand the individual nuances of similar but distinct reporting entities. This enables them to generate a meaningful client dialogue about the accuracy of their work, and more importantly the completeness of the financial reporting that they oversee. I believe that HCLLP is especially cost competitive with their peers, due to the time efficiencies generated by their investment in computerized and electronic work papers.

Please do not hesitate to call upon me directly at (510) 799-4561 for additional information regarding HCLLP.

Sincerely,

A handwritten signature in black ink, appearing to read "Bryan Craig".

Fire Chief Bryan Craig
Rodeo Hercules Fire Protection District





COASTSIDE FIRE PROTECTION DISTRICT

1191 MAIN ST. HALF MOON BAY, CA 94019
TELEPHONE (650) 726-5213 FAX (650) 726-0132

May 5, 2021

Re: Professional Reference for Harshwal & Company, LLP

To Whom It May Concern:

I am pleased to offer an enthusiastic recommendation for the retention of Harshwal & Company, LLP (HCLLP).

I have worked with the HCLLP team over the past three years, specifically with Garima Pathak, to perform financial statement audits for the Coastside Fire Protection District. I have found the HCLLP team to be diligent, supportive, proficient, and very easy to work with. HCLLP has always completed its contractual obligations on time and within our allocated budget and has remained cost competitive with their peers. Garima is very "hands-on" during field work activities and has provided invaluable guidance, supervision, and mentoring to our office.

HCLLP offers a unique perspective and approach to auditing, in that they have taken the time to fully understand the individual nuances of our agency. This has enabled us to maintain an open and instructive dialogue and more importantly they generate a thorough, professional, and accurate final product.

Please do not hesitate to call upon me directly at (831) 254-1759 for additional information regarding HCLLP.

Sincerely,

A handwritten signature in black ink, appearing to read "G. Petras".

Ginny Petras
Administrative Officer II
Coast Side Fire Protection District





CONFLICT OF INTEREST

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

INSURANCE REQUIREMENTS

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

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

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





CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
06/30/2023

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

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

PRODUCER McGowanPRO 150 Speen Street Suite 102 Framingham, MA. 01701	CONTACT NAME: PHONE (A/C No. Ext): 508-656-1300 FAX (A/C No): 508-656-1399 E-MAIL ADDRESS:	
	INSURER(S) AFFORDING COVERAGE INSURER A : Hanover Insurance Co.	NAIC # 22292
INSURED Harshwal & Company LLP 11405 W Bernardo Ct Suite A San Diego, CA 92127	INSURER B :	
	INSURER C :	
	INSURER D :	
	INSURER E :	
	INSURER F :	

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICE/MEMBER EXCLUDED? (Mandatory in NH) Y/N <input type="checkbox"/> If yes, describe under DESCRIPTION OF OPERATIONS below						<input type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Professional Liability			LHN J467545 00	07/01/2023	07/01/2024	Limit of Liability: \$2,000,000 Aggregate: \$4,000,000

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

CERTIFICATE HOLDER Harshwal & Company LLP 11405 W Bernardo Ct Suite A San Diego, CA 92127	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
---	--





CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
07/18/2023

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

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

PRODUCER CAMICO SERVICES INC/PHS 57141555 The Hartford Business Service Center 3600 Wiseman Blvd San Antonio, TX 78251	CONTACT NAME: PHONE (866) 467-8730 FAX (A/C, No): (A/C, No, Ext): E-MAIL ADDRESS:												
INSURED HARSHWAL & COMPANY, LLP. 11405 W BERNARDO CT STE A SAN DIEGO CA 92127	<table border="1" style="width:100%; border-collapse: collapse;"> <tr><td>INSURER A : Sentinel Insurance Company Ltd.</td><td style="text-align: right;">11000</td></tr> <tr><td>INSURER B : Hartford Fire and Its P&C Affiliates</td><td style="text-align: right;">00914</td></tr> <tr><td>INSURER C :</td><td></td></tr> <tr><td>INSURER D :</td><td></td></tr> <tr><td>INSURER E :</td><td></td></tr> <tr><td>INSURER F :</td><td></td></tr> </table>	INSURER A : Sentinel Insurance Company Ltd.	11000	INSURER B : Hartford Fire and Its P&C Affiliates	00914	INSURER C :		INSURER D :		INSURER E :		INSURER F :	
INSURER A : Sentinel Insurance Company Ltd.	11000												
INSURER B : Hartford Fire and Its P&C Affiliates	00914												
INSURER C :													
INSURER D :													
INSURER E :													
INSURER F :													

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYY)	LIMITS
A	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR X General Liability GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:			57 SBA BM7653	05/12/2023	05/12/2024	EACH OCCURRENCE \$2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$1,000,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$2,000,000 GENERAL AGGREGATE \$4,000,000 PRODUCTS - COMP/OP AGG \$4,000,000
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS <input type="checkbox"/> AUTOS			57 SBA BM7653	05/12/2023	05/12/2024	COMBINED SINGLE LIMIT (Ea accident) \$2,000,000 BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)
	UMBRELLA LIAB EXCESS LIAB <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$ <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE						EACH OCCURRENCE AGGREGATE
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input type="checkbox"/>	N/A	57 WEC AG8JZ9	07/21/2023	07/21/2024	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 Those usual to the Insured's Operations.

CERTIFICATE HOLDER HARSHWAL & COMPANY, LLP 11405 W BERNARDO CT STE A SAN DIEGO CA 92127-1639	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>Susan A. Castaneda</i>
--	---

© 1988-2015 ACORD CORPORATION. All rights reserved.

ACORD 25 (2016/03)

The ACORD name and logo are registered marks of ACORD





AUTHORIZED SIGNATURE

We are committed to the performance of a high quality audit at the most reasonable fee level possible, both initially and throughout the engagement. Also, partners will provide advice and consultation as needed, at no additional cost to the Kensington Fire Protection District.

Our proposal is a firm and irrevocable offer for a period of ninety (90) days after submission of the proposal.

Name of Firm: Harshwal & Company, LLP
Mailing Address: 333 Hegenberger Road, Suite 328 Oakland, CA 94621
Contact Name: Sanwar Harshwal, Managing Partner
Contact Cellphone Number: (858) 784-1622
Contact Email Address: sanwar@harshwal.com

I, the undersigned, certify I am duly authorized to represent the above named firm and am empowered to submit this bid. In addition, I certify I am authorized to contract with the Kensington Fire Protection District on behalf of the above named firm.

A handwritten signature in black ink, appearing to read "Sanwar Harshwal".

Sanwar Harshwal, Managing Partner

November 27, 2023
Date





Proposal to Provide Auditing Services

Benefits of Choosing Harshwal & Company, LLP

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

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

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

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

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

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

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



**PROPOSAL FOR PROFESSIONAL AUDITING SERVICES
Kensington Fire Protection District**

**For the Fiscal Years Ending
June 30, 2023-2025
(with option for two subsequent years)**



Respectfully Submitted on December 6, 2023 by:

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

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

Let's Work Together!



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

TABLE OF CONTENTS

Letter of Transmittal	1
License to Practice in California	3
Profile of the Firm	
Statement of Independence	3
Size of Our Firm	3
Size and Location of Offices	4
Range of Activities	4
Peer Review	5
Meet Your Audit Leadership Team	5
Resumés	6
Training & Resources	12
Similar Engagements with Other Special Districts	13
References	13
Scope of the Audit	14
Segmentation of Engagement	15
Proposed Schedule/Level of Staff & Number of Hours Assigned to Each Segment	16
Sample Size and the Extent to Which Statistical Sampling is to be Used	16
Type and Extent of Analytical Procedures to be Used	16
Approach to be Taken to Gain & Document an Understanding of Internal Control Structure	17
Approach to be Taken in Determining Laws & Regulations That Will be Subject to Audit Test Work	17
Approach to be Taken in Drawing Audit Samples	17
Use of Technology/Remote Proficiency	17
Audit Fees	18
Additional Information	
Fraud Hotline	18
Additional Documents	
Peer Review Letter	
Insurance Certificate	



December 6, 2023

Mary Morris-Mayorga, General Manager
Kensington Fire Protection District
10940 San Pablo Avenue, Bldg B
El Cerrito, CA 94530

Dear Mary:

Thank you for the opportunity to submit this proposal to providing audit services for the Kensington Fire Protection District (District). Our understanding of the work to be done is: the annual audit of the District's financial statements for the fiscal years ending June 30, 2023-2025, with an option to extend for two additional years. Based on our history with special districts, I believe our firm would be a great fit, and we would develop a great working relationship. Our staff works hard to help ensure our audits are completed with the highest level of service and meet all deadlines.

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

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

- **Credibility, Reputation, and Resources of a Large Firm** without sacrificing the small-firm touch. Our CPAs and consultants can help you analyze and address financial, operational, and regulatory issues so you can focus attention on serving your citizens. We were originally formed in 1999, and now perform annual audits for approximately 80+ public agencies annually.
- **State-Wide Reach with Local Presence.** At Nigro & Nigro, we have the benefit of having the resources of a state-wide firm while serving you from our Walnut Creek office. We also have an office in Murrieta (Riverside County) for additional resources.
- **Efficiency.** Our use of portal software allows you to upload audit documentation at any time, which will minimize disruption to your staff and enable timely completion of all deliverables.

- **An Efficient and Effective Work Plan.** We currently serve over 80+ governmental entities state-wide, which enables our staff to understand the scope of the audit. We also understand the District's complexities, not just from a compliance standpoint but also from an operational point of view. We have developed an effective work plan that takes into consideration your needs for high quality audit services, as well as timely deliverables. As a result of our efficient work plan, we commit to meeting your deadlines to complete our auditing services within the time period you specify.
- **Thought Leadership.** Members of our firm have been actively involved as presenters in numerous industry conferences and programs, including the GFOA, CSDA, and CSMFO. We have incorporated our experience with these committees into our audit framework.
- **Engagement Team.** We know that quality people drive quality results, which is why our commitment to you starts with the engagement team members who are selected based on their experience, focus on serving local government agencies, and who are the best fit for you. Each of the District's engagement team members have completed and exceeded the mandatory requirement for continuing professional education hours as requested in the RFP. Paul Kaymark, Partner, will be the main contact for the District regarding this project.
- **A Focus on Providing Consistent, Dependable Service to Government Entities.** Nigro & Nigro is organized by industry, affording our clients with industry-specific expertise supplemented by valuable local service and insight. Therefore, the District will enjoy the service of members of our Governmental Audit Services Team who have experience with similar governmental entities and understand the issues and environment critical to you. You will not have to train our auditors.

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

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

Sincerely,



Paul J. Kaymark, CPA
Audit Services Partner



LICENSE TO PRACTICE IN CALIFORNIA

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

PROFILE OF THE FIRM

Statement of Independence

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

Experience

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

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

Areas of specialization include:

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

PROFILE OF THE FIRM (CONTINUED)

Size of Our Firm

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

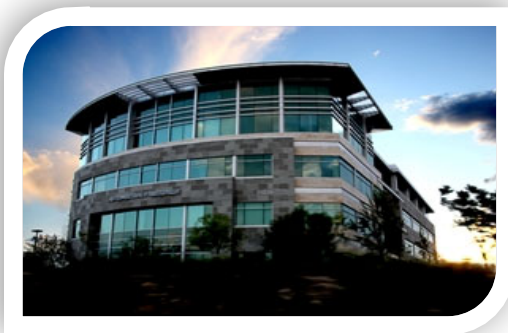
Position	Number of Employees	Number of Licensed CPA's
Partner*	7	7
Senior Manager	1	1
Manager	3	1
Supervisor	2	-
Senior	8	1
Associates	8	-
Support Staff	3	-
Total	35	10

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

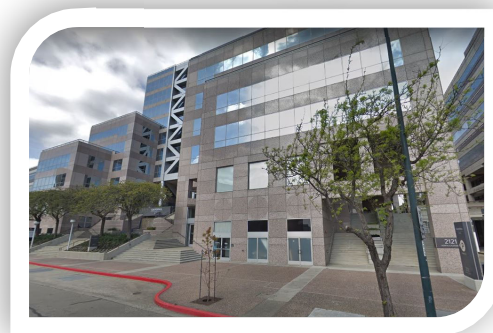
Size and Location of Offices

The firm was originally established in 1999. In 2013, we opened our second office in Northern California in order to better serve our growing client base of agencies in the San Francisco Bay Area. The Firm now has five partners and a professional staff of 18 accountants and expects to add more in the coming years as we continue to grow. We are a full service firm, providing audit and review, tax, consulting, and accounting services to local government, non-profit organizations, charter schools, commercial businesses and homeowners' associations. The office serves clients of all sizes and industries, however, we focus on government agencies, just like yours.

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



MURRIETA OFFICE



WALNUT CREEK OFFICE

Range of Activities Performed

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

PROFILE OF THE FIRM (CONTINUED)

Peer Review

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

Meet Your Audit Leadership Team

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

Name	Role	Years of Experience in Audits
Paul J. Kaymark, CPA	Lead Partner	29
Peter Glenn, CPA	Review Partner	15
Jared Solmons, CPA	Audit Manager	5
Stacy Macias	Audit Supervisor	5
Anabel Cruz, CPA	Audit Senior	4

Paul J. Kaymark, CPA

Lead Audit Partner

Paul joined the firm in 2019 and has more than 26 years of previous public accounting and auditing governmental entities experience. Paul is our choice for new governmental audit clients, having extensive experience in the areas of governmental entities. His main responsibilities include assistance in the preliminary planning of audit work, review of assistants' work, and performing audit procedures in more complex audit areas.

Audit Services:

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

Consulting Services:

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

Special District Accounting:

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

Financial Reporting:

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

Some Agencies Served:

- Palmdale Water District
- Mojave Water Agency
- Western Municipal Water District
- El Toro Water District
- East Orange County Water District
- Trabuco Canyon Water District



California Special Districts Association

Districts Stronger Together

CSDA Workshop Speaker



Education:

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

Licenses and Certifications:

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

Professional Affiliations:

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

Continuing Education:

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

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



Water and Wastewater Clients Audited and/or Consulted With Over My Career

Water and Wastewater

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

Water and Wastewater, continued

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

Peter Glenn, CPA

Review Partner

Peter joined the firm in 2011 after nearly three years of previous public accounting and auditing experience. Peter will work under the general direction of the partner. Peter is our choice for new governmental audit clients, having successfully worked on each of the Firm's clients since beginning with the Firm. His main responsibilities include assistance in the preliminary planning of audit work, review of assistants' work, and performing audit procedures in more complex audit areas.

Audit Services:

Peter Glenn began his auditing career with Nigro & Nigro in 2011, participating in audits of special districts, LEAs, other governmental audits, and agreed-upon procedure engagements. Prior to joining the firm, he worked for three years at another public accounting firm, developing his auditing skills. He has previously been the in-charge accountant for some of the firm's largest clients.

Consulting Services:

Mr. Glenn has experience in a variety of governmental accounting issues, derived from his auditing experience at the firm. He regularly consults with clients in areas of:

Special District Accounting:

- Internal controls
- Financial reporting & GASB 34
- Annual report of financial transactions

Financial Reporting:

- Uniform Guidance
- Performance Audits
- Year-end closing procedures
- Cash flows
- Budget development and projections
- Multi-Year projections

Other Agencies Served:

- Riverside County Open Space and Park District
- Cahuilla Band of Indians
- Central Basin Municipal Water District
- Murrieta Valley Cemetery District
- Elsinore Valley Cemetery District
- Alamo-Lafayette Cemetery District
- Bodega Bay Fire Protection District
- Los Angeles Harbor Cemetery District



Education:

Bachelor of Science, Business Administration, Accounting
California State University,
San Marcos, 2008, Magna Cum Laude

Licenses and Certifications:

- Certified Public Accountant, California

Continuing Education:

- CASBO Annual Conference
- SSC Finance & Management Conferences
- Government Accounting & Auditing Conference
- In-house training for audit staff (presenter)



Jared Solmosen, CPA

Manager

Jared joined the firm in 2019 as a Staff Accountant. After completing his degree, Jared went to work for a midsize construction company where he worked as an estimator and project manager before transitioning into more of an accounting and finance role. It was working in this role that led him to the decision to pursue the goal of becoming a Certified Public Accountant. He continues to hone his skills and expand his knowledge as he branches out into different areas of accounting services and working with various governmental agencies and not-for-profit organizations. Jared will work under the general supervision of the partner and oversee staff as they work together through different audit areas.



Audit Services:

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

Consulting Services:

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

Special District Accounting:

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

Financial Reporting:

- Federal and state compliance
- Single audits
- Revenue and expense tracking by program/grant
- Statement of functional expense
- Compiling financial statements
- Disclosure requirements

Other Agencies Served:

- Palmdale Water District
- Scotts Valley Water District
- Oxnard Harbor District
- Big Bear City Airport District
- Pauma Valley Community Services District
- North County Fire Protection District
- San Gabriel Valley Mosquito & Vector Control District
- Ventura County Resource Conservation District
- Tehachapi Valley Recreation & Park District
- Murrieta Valley Cemetery District

Education:

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

Licenses and Certifications:

- Certified Public Accountant, California

Continuing Education:

- AICPA webinars and CPE
- California Special Districts Association Conference
- Spidell Tax Seminar
- In-house training for audit staff (presenter)

Additional Areas:

- Tax preparation
- QuickBooks knowledge

Stacy Macias

Supervisor

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

Audit Services:

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

Consulting Services:

Stacy has experience in a variety of governmental and not-for-profit accounting, tax, and audit concerns, derived from her audit and consulting experience those industries. She regularly consults with clients in the areas of:

Financial Reporting:

- Year-end closing procedures
- Internal control policies and procedures and best practices
- Compiling Financial Statements
- Revenue and Expense tracking by program/grant
- Statement of Functional Expenses
- Capital assets and depreciation schedules
- Disclosure requirements
- Federal and State compliance

Additional Areas:

- Tax preparation
- QuickBooks knowledge

Other Agencies Served:

- Palmdale Water District
- Ventura County Conservation District
- Antelope Valley Resource Conservation District
- Rowland Water District
- North County Fire Protection District
- Bolinas Fire Protection District
- Bodega Bay Fire Protection District



Education:

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

Licenses and Certifications:

- CPA License Candidate (expected licensure in 2022)

Continuing Education:

- CalCPA Conferences for Governmental Accounting and Auditing and Not-for-profit Organizations
- Spidell Tax Seminar
- Western CPE Tax update webinars
- In-house training for audit staff (presenter)

Anabel Cruz, CPA

Audit Senior

Anabel began her career in public accounting in 2019 with Nigro & Nigro, PC. Previous to joining the firm, she worked as an Accountant at private sector companies. She has passed the CPA examination and is working towards meeting the requirements needed for licensure. Anabel's audit experience includes audits of governmental and not-for-profit organizations such as cemeteries, resource conservation districts, water Districts, fire Protection Districts and community Service Districts. Anabel values building quality relationships with clients while providing timely and reliable services. Anabel is working under the general direction of the Audit Supervisor.



Audit Services:

Anabel has experience with a variety of governmental and not-for-profit accounting issues derived from her audit and consulting experience at the firm. She regularly consults with clients in the areas of:

Consulting Services:

Anabel has experience in a variety of governmental and not-for-profit accounting and audit concerns, derived from her audit and consulting experience those industries. She regularly consults with clients in the areas of:

Financial Reporting:

- Year-end closing procedures
- Agreed upon procedures
- Internal control policies and procedures and best practices
- Capital assets and depreciation schedules

Other Agencies Served:

- Palmdale Water District
- North County Fire Protection District
- Ventura County Resource Conservation District
- County of San Bernardino ATC
- Winters Cemetery District

Education:

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

Licenses and Certifications:

- Certified Public Accountant, California

Continuing Education:

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

PROFILE OF THE FIRM (CONTINUED)


Training & Resources

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

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

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

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



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

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

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

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

PROFILE OF THE FIRM (CONTINUED)

Similar Engagements with Other Special Districts

We currently conduct over 80+ government audits each year and have well rounded experience with local governmental agencies. We are excited for the opportunity to devote our attention to you and your specific needs. Below is a partial list of some similar governmental clients we are currently auditing.

Please contact our clients for a Reference of our services!

Let's start with our current Fire Protection District clients:

Bolinas Fire Protection District - Isaac Taylor - 415-868-1566

Bodega Bay Fire Protection District - Chief Sean Grinell - 707-480-7859

Deer Springs Fire Protection District - Liz Heaton - 760-749-8001

Lakeside Fire Protection District - Robert Schiwitz - 619-390-2350 x 007

North County Fire Protection District - Cherie Juul - 760-723-2052

San Miguel Fire Protection District - Leah Harris - 619-670-0500

Valley Center Fire Protection District - Amy Mayerchik - 760-751-7600

SCOPE OF THE AUDIT

We will audit the basic financial statements of the District for the fiscal year ended June 30, 2023-2025 in accordance with the following standards:

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

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

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

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

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

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

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

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

SCOPE OF THE AUDIT(CONTINUED)

Segmentation of Engagement

STEP 1: Planning

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

STEP 2: Interim Field Work

Internal Control Documentation

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

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

STEP 3: Final Fieldwork

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

Assess Risks and Design Procedures

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

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

Interim and Year End Testing

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

STEP 4: Audit Completion

Preparation of Audit Report and Management Letter

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

SCOPE OF THE AUDIT (CONTINUED)

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

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

Date/Segment	Total Hours			Total
	Partner/Manager	Supervisor	Staff/Admin	
April/May				
Preliminary planning and fieldwork	8	8	10	26
May/June				
Interim fieldwork	20	25	38	83
September/October				
Final fieldwork, report preparation, review, finalization, and presentation	28	32	40	100
Total hours	56	65	88	209
	56	65	88	
	8	8	10	26
Preliminary planning and fieldwork	8	8	10	26
Control	20	25	38	83
Substantive	10	16	30	56
Reporting	18	16	10	44
	56	65	88	209

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

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

Type and Extent of Analytical Procedures to be Used

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

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

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

SPECIFIC AUDIT APPROACH (CONTINUED)

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

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

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

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

Approach to be Taken in Drawing Audit Samples

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

Use of Technology/Remote Proficiency

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

AUDIT FEES

Professional	Hours	Rates		Total
		Standard	Quoted	
Partner	20.00	\$ 175.00	\$ 150.00	\$ 3,000.00
Manager	36.00	150.00	125.00	4,500.00
Senior	65.00	125.00	100.00	6,500.00
Staff Members	84.00	100.00	75.00	6,300.00
Admin	4.00	75.00	50.00	200.00
Subtotal	<u>209.00</u>			20,500.00
Out-of-Pocket - Included in Rates (We Are Local)				-
Total Max				<u>\$ 20,500.00</u>

Fiscal Year	FY 2023	FY 2024	FY 2025	Total
District Financials	\$ 20,000	\$ 20,000	\$ 20,000	\$ 60,000
State Controller's	\$ 500	\$ 500	\$ 500	\$ 1,500
Total	<u>\$ 20,500</u>	<u>\$ 20,500</u>	<u>\$ 20,500</u>	<u>\$ 61,500</u>

Same Price for FY 2026 and FY 2027

Federal Single-Audit \$5,000 per major program if not clustered

ADDITIONAL INFORMATION

Fraud Hotline



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



ADDITIONAL DOCUMENTS



Report on the Firm's System of Quality Control

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

We have reviewed the system of quality control for the accounting and auditing practice of Nigro & Nigro, PC (the firm) in effect for the year ended August 31, 2020. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

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

Firm's Responsibility

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

Peer Reviewer's Responsibility

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

Required Selections and Considerations

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

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

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Nigro & Nigro, PC in effect for the year ended August 31, 2020, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency (ies)*, or *fail*. Nigro & Nigro, PC has received a peer review rating of *pass*.

June 11, 2021



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

8/1/2023

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

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

PRODUCER RANCHO CAL INSURANCE SERVICES 29930 Hunter Rd Ste 106 Murrieta, CA 92563	CONTACT NAME: James Mitchell PHONE (A/C, No, Ext): (951)260-0190 E-MAIL ADDRESS: jim@ranchoins.com		FAX (A/C, No): (951)260-0189
	INSURER(S) AFFORDING COVERAGE		NAIC #
INSURED Nigro & Nigro, PC PO Box 1247 Murrieta, CA 92564	INSURER A: Ohio Security Insurance Company		24082
	INSURER B: Amarian Fire and Casualty Company		24066
	INSURER C: Sequoia Insurance Company		22985
	INSURER D: Swiss Re Corporate Solutions		29874
	INSURER E:		
INSURER F:			

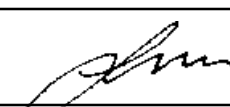
COVERAGES**CERTIFICATE NUMBER:****REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	X	X	BZS64971750	8/15/2023	8/15/2024	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 500,000 MED EXP (Any one person) \$ 15,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY	X	X	BAS64971750	8/15/2023	8/15/2024	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$			ESA64971750	8/15/2023	8/15/2024	EACH OCCURRENCE \$ 3,000,000 AGGREGATE \$ 3,000,000
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	QWC1302193	8/15/2023	8/15/2024	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
D	Cyber Insurance			C-4MQ8-065674-CYBER-2023	8/24/2023	8/24/2024	\$1,000,000

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

CERTIFICATE HOLDER**CANCELLATION**

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

© 1988-2015 ACORD CORPORATION. All rights reserved.



MANN • URRUTIA • NELSON CPAs & ASSOCIATES, LLP
GLENDALE • ROSEVILLE • SACRAMENTO • SOUTH LAKE TAHOE • KAUA'I, HAWAII

May 2, 2019

To the Board of Trustees and Management of
Kensington Fire Protection District
217 Arlington Avenue
Kensington, CA 94707

We are pleased to confirm our understanding of the services we are to provide Kensington Fire Protection District for the year ended June 30, 2019. We will audit the financial statements of the governmental activities, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of Kensington Fire Protection District as of and for the year ended June 30, 2019. 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 Kensington Fire Protection District'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 Kensington Fire Protection District'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.
- 2) General Fund and Special Revenue Fund – Budget to Actual Schedules
- 3) Schedule of Changes in the District's Net OPEB Asset and Related Ratios
- 4) Schedule of Contributions to the OPEB Plan

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. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of Kensington Fire Protection District and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of Kensington Fire Protection District's financial statements. Our report will be addressed to Board of Trustees and Management of Kensington Fire Protection District. 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 may withdraw from this engagement.

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 Kensington Fire Protection District 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.

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 abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting 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, there is a risk that material misstatements 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 violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes 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, and of any material abuse that comes to our attention. Our responsibility as auditors is limited to the period covered by our audit and does not extend to 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; 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*.

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 and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Kensington Fire Protection District's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit 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*.

Other Services

We will also assist in preparing the financial statements and related notes of Kensington Fire Protection District in conformity with U.S. generally accepted accounting principles 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. The other services are limited to the financial statement services previously defined. 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 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 evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met;

following laws and regulations; and 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 and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

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, (2) additional information that we may request for the purpose of the audit, and (3) 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 for confirming to us in the written 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 taken 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 and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we report.

You are responsible for the preparation of the 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 OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with 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 other 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 and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. 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.

Engagement Administration, Fees, and Other

We may from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

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 provide copies of our reports to Kensington Fire Protection District; 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 Mann, Urrutia, Nelson, CPAs & Associates, LLP 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 any regulators 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 Mann, Urrutia, Nelson, CPAs & Associates, LLP 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 five years after the report release date or for any additional period requested by the regulators. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit approximately in September 2019 and to issue our reports no later than December 2019. Justin Williams is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

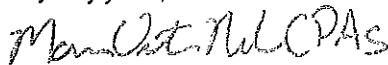
Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$14,500 and \$1,500 for the SCO Report. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. 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 your account becomes 60 days or more overdue and may not be resumed until your 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. You 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 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 and arrive at a new fee estimate before we incur the additional costs.

If any dispute 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.

Client (Kensington Fire Protection District) and accountant (Mann, Urrutia, Nelson CPAs & Associates, LLP) both agree that any dispute over fees charged by the accountant to the client will be submitted for resolution by mediation 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 Kensington Fire Protection District 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 sign the enclosed copy and return it to us.


Very truly yours,



Mann, Urrutia, Nelson, CPAs & Associates, LLP

RESPONSE:

This letter correctly sets forth the understanding of Kensington Fire Protection District.

Management signature: 
Title: Manager
Date: 6/18/19



KENSINGTON FIRE PROTECTION DISTRICT

January 17, 2024

Board of Directors

Local Hazard Mitigation Plan (LHMP) Review of County Submittal

SUBMITTED BY: Mary A. Morris-Mayorga, General Manager

Recommended Action

Documents as submitted to Contra Costa County for the draft LHMP update are provided for review and comments.

Background

As noted at the December Board of Directors Meeting, the requested documents for the LHMP Update have been submitted to the County. The County and their consultant will review agency submissions and follow up as needed, then prepare a draft for review with the opportunity for agencies to provide comments. Once final updates have been made, the plan will need to be adopted by the Board which is anticipated for early Spring 2024.

We have not received any additional update from the County; however, are providing the submitted documents to the Board for input that can be given at this meeting or as a follow-up to the General Manager. Since Board input will be completed this month, if desired, we would like to hold the Community Meeting to collect input from Kensington residents on February 8th at 6pm. The plan was to hold this not in the form of a Board Meeting, but rather one attended by the community for us to convey the plan update and collect any input without the need for the Board to attend. This would fulfill the FEMA requirement to engage the public. We would then bring any updates to the Board that may arise out of that meeting.

Plan adoption is anticipated for the February or March Board meeting, depending upon the County's timing.

Fiscal Impact

There is no fiscal impact at this time.

Attachments

Mitigation Action	Where appropriate, support retrofitting or relocation of structures in high hazard areas, prioritizing structures that have experienced repetitive losses.				
Action Number	KFPD-1	Year Initiated	2018 or before	Prioritization Score	Medium
Goal(s) / Objective(s) Addressed	Goals: 1, 2, 3, 4, 5 Objectives: 1, 4, 7, 9, 12, 14, 15, 17		Hazard(s) Mitigated <i>(Select all that apply)</i>	Dam and Levee Failure, Drought, Earthquake, Flood, Landslide, Sea Level Rise, Severe Weather, Tsunami, Wildfire	
**Project Status <i>(Select one)</i>	Ongoing		If Deleted/No Longer Needed, provide reason.		
Benefits <i>(Loss Avoided)</i>	High				
Benefits Equal or Exceed Costs <i>(Select one)</i>	Yes		Is the Project Grant Eligible? <i>(Select one)</i>	Yes	
Project can be Funded Under Existing Programs / Budgets <i>(Select one)</i>	No		Grant Pursuit Priority <i>(Select one)</i>	High	
**Lead Agency / Organization	KFPD		Supporting Agency / Organization <i>(If applicable)</i>		
Additional Participating Jurisdictions <i>(If applicable)</i>					
Project Duration <i>(Select one)</i>	Short Term		Estimated Cost <i>(Select one)</i>	High	
**Potential Funding Source <i>(Select all that apply)</i>	HMGP, FMA, PDM		If Other, you must identify a funding source.		
			**Please provide further detail on Potential Funding Source.		
Implementation Priority <i>(Select one)</i>	Medium	Integration Ideas <i>(Optional)</i>			

Mitigation Action	Actively participate in the plan maintenance protocols outlined in Volume 1 of this hazard mitigation plan.				
Action Number	KFPD- 2	Year Initiated	2018 or before	Prioritization Score	High
Goal(s) / Objective(s) Addressed	Goals: 1, 2, 3, 4, 5 Objectives: 3, 8, 16		Hazard(s) Mitigated <i>(Select all that apply)</i>	Dam and Levee Failure, Drought, Earthquake, Flood, Landslide, Sea Level Rise, Severe Weather, Tsunami, Wildfire	
**Project Status <i>(Select one)</i>	Ongoing	If Deleted/No Longer Needed, provide reason.			
Benefits <i>(Loss Avoided)</i>	Low				
Benefits Equal or Exceed Costs <i>(Select one)</i>	Yes	Is the Project Grant Eligible? <i>(Select one)</i>		No	
Project can be Funded Under Existing Programs / Budgets <i>(Select one)</i>	Yes	Grant Pursuit Priority <i>(Select one)</i>		Low	
**Lead Agency / Organization	KFPD		Supporting Agency / Organization <i>(If applicable)</i>		
Additional Participating Jurisdictions <i>(If applicable)</i>					
Project Duration <i>(Select one)</i>	Short Term		Estimated Cost <i>(Select one)</i>	Low	
**Potential Funding Source <i>(Select all that apply)</i>	Local Budgeted Funds*		If Other, you must identify a funding source.		
			** Please provide further detail on Potential Funding Source.	Staff Time, General Funds	
Implementation Priority <i>(Select one)</i>	High	Integration Ideas <i>(Optional)</i>			

Mitigation Action	Upgrade the Emergency Operations Center's (EOC) internal communication system and maintain it in a fully functional state				
Action Number	KFPD-3	Year Initiated	2018 or before	Prioritization Score	Medium
Goal(s) / Objective(s) Addressed	Goals: 1, 2, 3, 5 Objectives: 1, 2		Hazard(s) Mitigated <i>(Select all that apply)</i>	Dam and Levee Failure, Drought, Earthquake, Flood, Landslide, Sea Level Rise, Severe Weather, Tsunami, Wildfire	
**Project Status <i>(Select one)</i>	In Progress/In Work		<i>If Deleted/No Longer Needed, provide reason.</i>		
Benefits <i>(Loss Avoided)</i>	High				
Benefits Equal or Exceed Costs <i>(Select one)</i>	Yes		Is the Project Grant Eligible? <i>(Select one)</i>	Yes	
Project can be Funded Under Existing Programs / Budgets <i>(Select one)</i>	No		Grant Pursuit Priority <i>(Select one)</i>	High	
**Lead Agency / Organization	KFPD		Supporting Agency / Organization <i>(If applicable)</i>		
Additional Participating Jurisdictions <i>(If applicable)</i>					
Project Duration <i>(Select one)</i>	Long Term		Estimated Cost <i>(Select one)</i>	Medium	
**Potential Funding Source <i>(Select all that apply)</i>	Local Budgeted Funds*, HMGP, PDM, Other		<i>If Other, you must identify a funding source.</i>	EMPG	
			**Please provide further detail on Potential Funding Source.	Staff Time, General Funds	
Implementation Priority <i>(Select one)</i>	Medium	Integration Ideas <i>(Optional)</i>			

Mitigation Action	Develop and conduct multi hazard seasonal public awareness program to include exercises				
Action Number	KFPD-4	Year Initiated	2018 or before	Prioritization Score	High
Goal(s) / Objective(s) Addressed	Goals: 1, 2, 3, 4, 5 Objectives: 3, 16		Hazard(s) Mitigated <i>(Select all that apply)</i>	Dam and Levee Failure, Drought, Earthquake, Flood, Landslide, Sea Level Rise, Severe Weather, Tsunami, Wildfire	
**Project Status <i>(Select one)</i>	Ongoing		<i>If Deleted/No Longer Needed, provide reason.</i>		
Benefits <i>(Loss Avoided)</i>	High				
Benefits Equal or Exceed Costs <i>(Select one)</i>	Yes		Is the Project Grant Eligible? <i>(Select one)</i>	No	
Project can be Funded Under Existing Programs / Budgets <i>(Select one)</i>	Yes		Grant Pursuit Priority <i>(Select one)</i>	Low	
**Lead Agency / Organization	KFPD		Supporting Agency / Organization <i>(If applicable)</i>		
Additional Participating Jurisdictions <i>(If applicable)</i>					
Project Duration <i>(Select one)</i>	Ongoing		Estimated Cost <i>(Select one)</i>	Low	
**Potential Funding Source <i>(Select all that apply)</i>	Local Budgeted Funds*		<i>If Other, you must identify a funding source.</i>		
			**Please provide further detail on Potential Funding Source.	Staff Time, General Funds	
Implementation Priority <i>(Select one)</i>	High	Integration Ideas <i>(Optional)</i>			

Mitigation Action	Conduct a mass care and shelter Drill which involve; district, city, county, CERTs and NGOs				
Action Number	KFPD-5	Year Initiated	2018 or before	Prioritization Score	High
Goal(s) / Objective(s) Addressed	Goals: 1, 2, 3, 4, 5 Objectives: 3, 16		Hazard(s) Mitigated <i>(Select all that apply)</i>	Dam and Levee Failure, Drought, Earthquake, Flood, Landslide, Sea Level Rise, Severe Weather, Tsunami, Wildfire	
**Project Status <i>(Select one)</i>	Delayed/Deferred, Ongoing		If Deleted/No Longer Needed, provide reason.		
Benefits <i>(Loss Avoided)</i>	Low				
Benefits Equal or Exceed Costs <i>(Select one)</i>	Yes		Is the Project Grant Eligible? <i>(Select one)</i>	No	
Project can be Funded Under Existing Programs / Budgets <i>(Select one)</i>	Yes		Grant Pursuit Priority <i>(Select one)</i>	Low	
**Lead Agency / Organization	KFPD		Supporting Agency / Organization <i>(If applicable)</i>		
Additional Participating Jurisdictions <i>(If applicable)</i>					
Project Duration <i>(Select one)</i>	Ongoing		Estimated Cost <i>(Select one)</i>	Low	
**Potential Funding Source <i>(Select all that apply)</i>	Local Budgeted Funds*		If Other, you must identify a funding source.		
			** Please provide further detail on Potential Funding Source.	Staff Time, General Funds	
Implementation Priority <i>(Select one)</i>	High	Integration Ideas <i>(Optional)</i>			

Mitigation Action	Enhance/Improve District Code language and enforcement including: District Fire Codes to Increase Compliance with SB 1369 Defensible Space and Other Fire Safe Requirements within the District				
Action Number	KFPD-6	Year Initiated	2018 or before	Prioritization Score	High
Goal(s) / Objective(s) Addressed	Goals: 1, 2, 3, 4, 5 Objectives: 5, 6		Hazard(s) Mitigated <i>(Select all that apply)</i>	Wildfire	
**Project Status <i>(Select one)</i>	Ongoing		<i>If Deleted/No Longer Needed, provide reason.</i>		
Benefits <i>(Loss Avoided)</i>	Medium				
Benefits Equal or Exceed Costs <i>(Select one)</i>	Yes		Is the Project Grant Eligible? <i>(Select one)</i>	No	
Project can be Funded Under Existing Programs / Budgets <i>(Select one)</i>	Yes		Grant Pursuit Priority <i>(Select one)</i>	Low	
**Lead Agency / Organization	KFPD		Supporting Agency / Organization <i>(If applicable)</i>		
Additional Participating Jurisdictions <i>(If applicable)</i>					
Project Duration <i>(Select one)</i>	Ongoing		Estimated Cost <i>(Select one)</i>	Low	
**Potential Funding Source <i>(Select all that apply)</i>	Other		<i>If Other, you must identify a funding source.</i>		
			**Please provide further detail on Potential Funding Source.	Staff Time, General Funds	
Implementation Priority <i>(Select one)</i>	High	Integration Ideas <i>(Optional)</i>			

Mitigation Action	Improve, expand and develop new programs that increase awareness of and reduce risk to wildfires including: Support Diablo Fire Safe Council & Fire Dept. Chipper Program				
Action Number	KFPD-7	Year Initiated	2018 or before	Prioritization Score	Medium
Goal(s) / Objective(s) Addressed	Goals: 1, 2, 3, 4, 5 Objectives: 2, 17		Hazard(s) Mitigated <i>(Select all that apply)</i>	Wildfire	
**Project Status <i>(Select one)</i>	Ongoing		<i>If Deleted/No Longer Needed, provide reason.</i>		
Benefits <i>(Loss Avoided)</i>	Low				
Benefits Equal or Exceed Costs <i>(Select one)</i>	Yes		Is the Project Grant Eligible? <i>(Select one)</i>	Yes	
Project can be Funded Under Existing Programs / Budgets <i>(Select one)</i>	No		Grant Pursuit Priority <i>(Select one)</i>	Medium	
**Lead Agency / Organization	KFPD		Supporting Agency / Organization <i>(If applicable)</i>		
Additional Participating Jurisdictions <i>(If applicable)</i>					
Project Duration <i>(Select one)</i>	Ongoing		Estimated Cost <i>(Select one)</i>	Medium	
**Potential Funding Source <i>(Select all that apply)</i>	Local Budgeted Funds*, HMGP, PDM		<i>If Other, you must identify a funding source.</i>		
			**Please provide further detail on Potential Funding Source.	Staff Time, General Funds	
Implementation Priority <i>(Select one)</i>	Medium	Integration Ideas <i>(Optional)</i>			

Mitigation Action	Ensure that government-owned facilities are subject to the same or more stringent regulations as imposed on privately-owned development				
Action Number	KFPD-8	Year Initiated	2018 or before	Prioritization Score	Medium
Goal(s) / Objective(s) Addressed	Goals: 1, 2, 3, 4, 5 Objectives: 1, 2, 6		Hazard(s) Mitigated <i>(Select all that apply)</i>	Dam and Levee Failure, Drought, Earthquake, Flood, Landslide, Sea Level Rise, Severe Weather, Tsunami, Wildfire	
**Project Status <i>(Select one)</i>	Ongoing		<i>If Deleted/No Longer Needed, provide reason.</i>		
Benefits <i>(Loss Avoided)</i>	Medium				
Benefits Equal or Exceed Costs <i>(Select one)</i>	Yes		Is the Project Grant Eligible? <i>(Select one)</i>	No	
Project can be Funded Under Existing Programs / Budgets <i>(Select one)</i>	No		Grant Pursuit Priority <i>(Select one)</i>	Low	
**Lead Agency / Organization	KFPD		Supporting Agency / Organization <i>(If applicable)</i>		
Additional Participating Jurisdictions <i>(If applicable)</i>					
Project Duration <i>(Select one)</i>	Ongoing		Estimated Cost <i>(Select one)</i>	High	
**Potential Funding Source <i>(Select all that apply)</i>	Local Budgeted Funds*		<i>If Other, you must identify a funding source.</i>		
			** Please provide further detail on Potential Funding Source.	Staff Time, General Funds	
Implementation Priority <i>(Select one)</i>	Medium	Integration Ideas <i>(Optional)</i>			

Mitigation Action	Prior to acquisition of property to be used as a critical facility, conduct a study to ensure the absence of significant hazards				
Action Number	KFPD-9	Year Initiated	2018 or before	Prioritization Score	
Goal(s) / Objective(s) Addressed	Goals: 1, 2, 3, 4, 5 Objectives: 1, 2, 6		Hazard(s) Mitigated <i>(Select all that apply)</i>	Dam and Levee Failure, Drought, Earthquake, Flood, Landslide, Sea Level Rise, Severe Weather, Tsunami, Wildfire	
**Project Status <i>(Select one)</i>	Deleted/No Longer Needed		<i>If Deleted/No Longer Needed, provide reason.</i>	Public Safety Building renovation is in progress on existing property.	
Benefits <i>(Loss Avoided)</i>	Medium				
Benefits Equal or Exceed Costs <i>(Select one)</i>	No		Is the Project Grant Eligible? <i>(Select one)</i>	Yes	
Project can be Funded Under Existing Programs / Budgets <i>(Select one)</i>	No		Grant Pursuit Priority <i>(Select one)</i>	High	
**Lead Agency / Organization	KFPD		Supporting Agency / Organization <i>(If applicable)</i>		
Additional Participating Jurisdictions <i>(If applicable)</i>					
Project Duration <i>(Select one)</i>	Ongoing		Estimated Cost <i>(Select one)</i>	High	
**Potential Funding Source <i>(Select all that apply)</i>	Local Budgeted Funds*, HMGP, FMA, PDM		<i>If Other, you must identify a funding source.</i>		
			** Please provide further detail on Potential Funding Source.	Staff Time, General Funds	
Implementation Priority <i>(Select one)</i>	Medium	Integration Ideas <i>(Optional)</i>			

Mitigation Action	Establish a framework and process for pre-event planning for post-event recovery that specifies roles, priorities, and responsibilities for various departments within local government organization, and that outlines a structure and process for policy-making involving elected and appointed advisory committees				
Action Number	KFPD-10	Year Initiated	2018 or before	Prioritization Score	High
Goal(s) / Objective(s) Addressed	Goals: 1, 3, 5 Objectives: 2, 3	Hazard(s) Mitigated <i>(Select all that apply)</i>	Dam and Levee Failure, Drought, Earthquake, Flood, Landslide, Sea Level Rise, Severe Weather, Tsunami, Wildfire		
**Project Status <i>(Select one)</i>	Ongoing	If Deleted/No Longer Needed, provide reason.			
Benefits <i>(Loss Avoided)</i>	High				
Benefits Equal or Exceed Costs <i>(Select one)</i>	Yes	Is the Project Grant Eligible? <i>(Select one)</i>		No	
Project can be Funded Under Existing Programs / Budgets <i>(Select one)</i>	Yes	Grant Pursuit Priority <i>(Select one)</i>		Low	
**Lead Agency / Organization	KFPD	Supporting Agency / Organization <i>(If applicable)</i>			
Additional Participating Jurisdictions <i>(If applicable)</i>					
Project Duration <i>(Select one)</i>	Ongoing	Estimated Cost <i>(Select one)</i>	Low		
**Potential Funding Source <i>(Select all that apply)</i>	Local Budgeted Funds*	If Other, you must identify a funding source.			
		**Please provide further detail on Potential Funding Source.		Staff Time, General Funds	
Implementation Priority <i>(Select one)</i>	High	Integration Ideas <i>(Optional)</i>			

Mitigation Action	Establish a goal for the resumption of local government services that may vary from function to function				
Action Number	KFPD-11	Year Initiated	2018 or before	Prioritization Score	
Goal(s) / Objective(s) Addressed		Goals: 1, 3, 5 Objectives: 2, 3	Hazard(s) Mitigated <i>(Select all that apply)</i>	Dam and Levee Failure, Drought, Earthquake, Flood, Landslide, Sea Level Rise, Severe Weather, Tsunami, Wildfire	
**Project Status <i>(Select one)</i>	Ongoing		<i>If Deleted/No Longer Needed, provide reason.</i>		
Benefits <i>(Loss Avoided)</i>	High				
Benefits Equal or Exceed Costs <i>(Select one)</i>	Yes	Is the Project Grant Eligible? <i>(Select one)</i>		No	
Project can be Funded Under Existing Programs / Budgets <i>(Select one)</i>	Yes	Grant Pursuit Priority <i>(Select one)</i>		Low	
**Lead Agency / Organization	KFPD		Supporting Agency / Organization <i>(If applicable)</i>		
Additional Participating Jurisdictions <i>(If applicable)</i>					
Project Duration <i>(Select one)</i>	Ongoing	Estimated Cost <i>(Select one)</i>	Low		
**Potential Funding Source <i>(Select all that apply)</i>	Local Budgeted Funds*	<i>If Other, you must identify a funding source.</i>			
		** Please provide further detail on Potential Funding Source.		Staff Time, General Funds	
Implementation Priority <i>(Select one)</i>	High	Integration Ideas <i>(Optional)</i>			

Mitigation Action	Maintain and update as necessary the local government's Standardized Emergency Management System Plan				
Action Number	KFPD-12	Year Initiated	2018 or before	Prioritization Score	High
Goal(s) / Objective(s) Addressed	Goals: 1, 3, 5 Objectives: 2, 3		Hazard(s) Mitigated <i>(Select all that apply)</i>	Dam and Levee Failure, Drought, Earthquake, Flood, Landslide, Sea Level Rise, Severe Weather, Tsunami, Wildfire	
**Project Status <i>(Select one)</i>	Ongoing		<i>If Deleted/No Longer Needed, provide reason.</i>		
Benefits <i>(Loss Avoided)</i>	Low				
Benefits Equal or Exceed Costs <i>(Select one)</i>	Yes		Is the Project Grant Eligible? <i>(Select one)</i>	No	
Project can be Funded Under Existing Programs / Budgets <i>(Select one)</i>	Yes		Grant Pursuit Priority <i>(Select one)</i>	Low	
**Lead Agency / Organization	KFPD		Supporting Agency / Organization <i>(If applicable)</i>		
Additional Participating Jurisdictions <i>(If applicable)</i>					
Project Duration <i>(Select one)</i>	Ongoing		Estimated Cost <i>(Select one)</i>	Low	
**Potential Funding Source <i>(Select all that apply)</i>	Local Budgeted Funds*		<i>If Other, you must identify a funding source.</i>		
			**Please provide further detail on Potential Funding Source.	Staff Time, General Funds	
Implementation Priority <i>(Select one)</i>	High	Integration Ideas <i>(Optional)</i>			

Mitigation Action	Purchase command vehicles for use as mobile command/EOC vehicles if current vehicles are unsuitable or inadequate				
Action Number	KFPD-13	Year Initiated	2018 or before	Prioritization Score	Medium
Goal(s) / Objective(s) Addressed	Goals: 1, 2, 3, 5 Objectives: 1, 2		Hazard(s) Mitigated <i>(Select all that apply)</i>	Dam and Levee Failure, Drought, Earthquake, Flood, Landslide, Sea Level Rise, Severe Weather, Tsunami, Wildfire	
**Project Status <i>(Select one)</i>	Delayed/Deferred		If Deleted/No Longer Needed, provide reason.		
Benefits <i>(Loss Avoided)</i>	Low				
Benefits Equal or Exceed Costs <i>(Select one)</i>	No		Is the Project Grant Eligible? <i>(Select one)</i>	Yes	
Project can be Funded Under Existing Programs / Budgets <i>(Select one)</i>	No		Grant Pursuit Priority <i>(Select one)</i>	Medium	
**Lead Agency / Organization	KFPD		Supporting Agency / Organization <i>(If applicable)</i>		
Additional Participating Jurisdictions <i>(If applicable)</i>					
Project Duration <i>(Select one)</i>	Ongoing		Estimated Cost <i>(Select one)</i>	High	
**Potential Funding Source <i>(Select all that apply)</i>	Local Budgeted Funds*, Other		If Other, you must identify a funding source.	EMPG	
			**Please provide further detail on Potential Funding Source.	Staff Time, General Funds	
Implementation Priority <i>(Select one)</i>	Medium	Integration Ideas <i>(Optional)</i>			

Mitigation Action	Continue to participate not only in general mutual-aid agreements, but also in agreements with adjoining jurisdictions for cooperative response to all hazards and disasters				
Action Number	KFPD-14	Year Initiated	2018 or before	Prioritization Score	High
Goal(s) / Objective(s) Addressed	Goals: 1, 2, 3, 4, 5 Objectives: 2, 16		Hazard(s) Mitigated <i>(Select all that apply)</i>	Dam and Levee Failure, Drought, Earthquake, Flood, Landslide, Sea Level Rise, Severe Weather, Terrorism, Wildfire	
**Project Status <i>(Select one)</i>	Ongoing		<i>If Deleted/No Longer Needed, provide reason.</i>		
Benefits <i>(Loss Avoided)</i>	High				
Benefits Equal or Exceed Costs <i>(Select one)</i>	Yes		Is the Project Grant Eligible? <i>(Select one)</i>	No	
Project can be Funded Under Existing Programs / Budgets <i>(Select one)</i>	Yes		Grant Pursuit Priority <i>(Select one)</i>	Low	
**Lead Agency / Organization	KFPD		Supporting Agency / Organization <i>(If applicable)</i>		
Additional Participating Jurisdictions <i>(If applicable)</i>					
Project Duration <i>(Select one)</i>	Ongoing		Estimated Cost <i>(Select one)</i>	Low	
**Potential Funding Source <i>(Select all that apply)</i>	Local Budgeted Funds*		<i>If Other, you must identify a funding source.</i>		
			** Please provide further detail on Potential Funding Source.	Staff Time, General Fund	
Implementation Priority <i>(Select one)</i>	High	Integration Ideas <i>(Optional)</i>			

Mitigation Action	Develop a business continuity plan that includes backup storage of vital records, such as essential medical records and financial information				
Action Number	KFPD-15	Year Initiated	2018 or before	Prioritization Score	High
Goal(s) / Objective(s) Addressed		Goals: 1, 2, 3, 5 Objectives: 1, 2	Hazard(s) Mitigated <i>(Select all that apply)</i>	Dam and Levee Failure, Drought, Earthquake, Flood, Landslide, Sea Level Rise, Severe Weather, Tsunami, Wildfire	
**Project Status <i>(Select one)</i>	Ongoing		<i>If Deleted/No Longer Needed, provide reason.</i>		
Benefits <i>(Loss Avoided)</i>	Medium				
Benefits Equal or Exceed Costs <i>(Select one)</i>	Yes		Is the Project Grant Eligible? <i>(Select one)</i>	Yes	
Project can be Funded Under Existing Programs / Budgets <i>(Select one)</i>	Yes		Grant Pursuit Priority <i>(Select one)</i>	Medium	
**Lead Agency / Organization	KFPD		Supporting Agency / Organization <i>(If applicable)</i>		
Additional Participating Jurisdictions <i>(If applicable)</i>					
Project Duration <i>(Select one)</i>	Ongoing		Estimated Cost <i>(Select one)</i>	Medium	
**Potential Funding Source <i>(Select all that apply)</i>	Local Budgeted Funds*, HMGP		<i>If Other, you must identify a funding source.</i>		
			** Please provide further detail on Potential Funding Source.	Staff Time, General Funds	
Implementation Priority <i>(Select one)</i>	High	Integration Ideas <i>(Optional)</i>			

Mitigation Action	Increase efforts to reduce hazards in existing development in Very High Fire Hazard Fire Severity Zones (VHFHSZ) through improving engineering design and vegetation management standards for mitigation, appropriate code enforcement and public education on defensible space mitigation strategies.				
Action Number	KFPD-16	Year Initiated	2018 or before	Prioritization Score	High
Goal(s) / Objective(s) Addressed	Goals: 1, 3, 5 Objectives: 3, 5		Hazard(s) Mitigated <i>(Select all that apply)</i>	Wildfire	
**Project Status <i>(Select one)</i>	Ongoing	If Deleted/No Longer Needed, provide reason.			
Benefits <i>(Loss Avoided)</i>	High				
Benefits Equal or Exceed Costs <i>(Select one)</i>	Yes	Is the Project Grant Eligible? <i>(Select one)</i>		No	
Project can be Funded Under Existing Programs / Budgets <i>(Select one)</i>	Yes	Grant Pursuit Priority <i>(Select one)</i>		Low	
**Lead Agency / Organization	KFPD		Supporting Agency / Organization <i>(If applicable)</i>		
Additional Participating Jurisdictions <i>(If applicable)</i>					
Project Duration <i>(Select one)</i>	Ongoing		Estimated Cost <i>(Select one)</i>	Medium	
**Potential Funding Source <i>(Select all that apply)</i>	Local Budgeted Funds*		If Other, you must identify a funding source.		
			** Please provide further detail on Potential Funding Source.	Staff Time, General Fund	
Implementation Priority <i>(Select one)</i>	High	Integration Ideas <i>(Optional)</i>			

Mitigation Action	Require new homes in Wildland-Urban-Interface and VHFHSZ threatened communities to be constructed of fire resistant building materials to increase structural survivability and reduce ignitability				
Action Number	KFPD-17	Year Initiated	2018 or before	Prioritization Score	High
Goal(s) / Objective(s) Addressed	Goals: 1, 3, 5 Objectives: 3, 5		Hazard(s) Mitigated <i>(Select all that apply)</i>	Wildfire	
**Project Status <i>(Select one)</i>	Ongoing		<i>If Deleted/No Longer Needed, provide reason.</i>		
Benefits <i>(Loss Avoided)</i>	High				
Benefits Equal or Exceed Costs <i>(Select one)</i>	Yes		Is the Project Grant Eligible? <i>(Select one)</i>	No	
Project can be Funded Under Existing Programs / Budgets <i>(Select one)</i>	Yes		Grant Pursuit Priority <i>(Select one)</i>	Low	
**Lead Agency / Organization	KFPD		Supporting Agency / Organization <i>(If applicable)</i>		
Additional Participating Jurisdictions <i>(If applicable)</i>					
Project Duration <i>(Select one)</i>	Ongoing		Estimated Cost <i>(Select one)</i>	Low	
**Potential Funding Source <i>(Select all that apply)</i>	Local Budgeted Funds*		<i>If Other, you must identify a funding source.</i>		
			** Please provide further detail on Potential Funding Source.	Staff Time, General Funds	
Implementation Priority <i>(Select one)</i>	High	Integration Ideas <i>(Optional)</i>			

Mitigation Action	Retrofit or replace the existing fire station				
Action Number	KFPD-18	Year Initiated	2018 or before	Prioritization Score	High
Goal(s) / Objective(s) Addressed	Goals: 1, 2, 3, 4, 5 Objectives: 1, 2, 15		Hazard(s) Mitigated <i>(Select all that apply)</i>	Dam and Levee Failure, Drought, Earthquake, Flood, Landslide, Sea Level Rise, Severe Weather, Tsunami, Wildfire	
**Project Status <i>(Select one)</i>	In Progress/In Work		<i>If Deleted/No Longer Needed, provide reason.</i>		
Benefits <i>(Loss Avoided)</i>	High				
Benefits Equal or Exceed Costs <i>(Select one)</i>	Yes		Is the Project Grant Eligible? <i>(Select one)</i>	Yes	
Project can be Funded Under Existing Programs / Budgets <i>(Select one)</i>	No		Grant Pursuit Priority <i>(Select one)</i>	High	
**Lead Agency / Organization	KFPD		Supporting Agency / Organization <i>(If applicable)</i>		
Additional Participating Jurisdictions <i>(If applicable)</i>					
Project Duration <i>(Select one)</i>	Short Term		Estimated Cost <i>(Select one)</i>	High	
**Potential Funding Source <i>(Select all that apply)</i>	Local Budgeted Funds*, HMGP, FMA, PDM		<i>If Other, you must identify a funding source.</i>		
			**Please provide further detail on Potential Funding Source.	Staff Time, General Funds, Staff Time, General Funds, Lease Purchase Loan	
Implementation Priority <i>(Select one)</i>	Medium	Integration Ideas <i>(Optional)</i>			

Mitigation Action	Upgrade, replace or add new fire main into VHFHSZ				
Action Number	KFPD-19	Year Initiated	2018 or before	Prioritization Score	Medium
Goal(s) / Objective(s) Addressed	Goals: 1, 2, 3, 4, 5 Objectives: 1, 2, 15		Hazard(s) Mitigated <i>(Select all that apply)</i>	Earthquake, Wildfire	
**Project Status <i>(Select one)</i>	Delayed/Deferred		If Deleted/No Longer Needed, provide reason.		
Benefits <i>(Loss Avoided)</i>	High				
Benefits Equal or Exceed Costs <i>(Select one)</i>	Yes		Is the Project Grant Eligible? <i>(Select one)</i>	Yes	
Project can be Funded Under Existing Programs / Budgets <i>(Select one)</i>	No		Grant Pursuit Priority <i>(Select one)</i>	Medium	
**Lead Agency / Organization	KFPD		Supporting Agency / Organization <i>(If applicable)</i>		
Additional Participating Jurisdictions <i>(If applicable)</i>					
Project Duration <i>(Select one)</i>	Ongoing		Estimated Cost <i>(Select one)</i>	High	
**Potential Funding Source <i>(Select all that apply)</i>	Local Budgeted Funds*, HMGP, PDM		If Other, you must identify a funding source.		
			** Please provide further detail on Potential Funding Source.		
Implementation Priority <i>(Select one)</i>	Medium	Integration Ideas <i>(Optional)</i>			

2024 Contra Costa County HMP New Mitigation Action Form

1. Contact Information and Mitigation Action Description

Please complete one (1) Mitigation Action Form for each proposed mitigation action or project with as much detail as possible.

1. Complete the following information.

Name

David Ciappara

E-mail Address

dciappara@ci.el-cerrito.ca.us

Jurisdiction/Special District/Department

Kensington Fire Protection District

Phone Number

650-888-0269

2. Describe the proposed mitigation action. *Provide as much detail as possible.*

Example: Take measures such as structural bracing, shutters, laminated glass in window panes, and hail-resistant roof coverings or flashing in building design to minimize damage.

Ideas can be found here: www.fema.gov/sites/default/files/2020-06/fema-mitigation-ideas_02-13-2013.pdf

Investigate, plan, and install early warning system using Long Range Acoustical Devices (LRADs). Project coordination with Kensington Police Protection & Community Services District (KPPCSD) is anticipated.

2. Essential Elements of Information

3. Complete the following essential elements of information (EEI).

Anticipated Year of Initiation

2024

Lead Agency / Organization

KFPD

Supporting Agency / Organization (if applicable)

KPPCSD

Additional Participating Jurisdictions / Departments (if applicable)

Estimated Cost

Medium

Potential Funding Source

(Select all that apply)

Local Budgeted Funds
Private/Non-Profit Funds
Hazard Mitigation Grant Program (HMGP)
Building Resilient Infrastructure and Communities (BRIC)

Please provide further detail on Potential Funding Source.

If you selected "Other", you must identify a funding source.

Benefits *(Loss Avoided)*

High

Project Duration

Ongoing

Priority

3. Mitigation Hazards

4. Select the hazard(s) this action/project will mitigate. *Select all that apply.*

Earthquake
Wildfire
Flood
Landslide
Hazardous Materials Incidents
Utility Interruptions
Active Shooter Incidents

4. Mitigation Action Evaluation

5. Do you agree or disagree that the mitigation action is:

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Social Do you agree or disagree that the mitigation action is more likely to: be acceptable to the community; does not adversely affect a particular segment of the population; does not cause relocation of lower income people and is compatible with the community’s social and cultural values.					X
Technical Do you agree or disagree that the mitigation action is technically effective in providing a long-term reduction of losses and has minimal secondary adverse impacts.					X
Administrative Do you agree or disagree that your jurisdiction/organization has the necessary staffing and funding to carry-out this mitigation action.		X			
Political Do you agree or disagree that the mitigation action has the support of the public and stakeholders who have been offered an opportunity to participate in the planning process.					X
Legal Do you agree or disagree that the jurisdiction or implementing agency has the legal authority to implement and enforce the mitigation action.					X
Economic Do you agree or disagree that the mitigation action is cost-effective, as determined by a cost benefit review, and is possible to fund.					X
Environmental Do you agree or disagree that the mitigation action is sustainable and does not have an adverse effect on the environment, complies with federal, state, and local environmental regulations, and is consistent with the community’s environmental goals.					X
Equity Do you agree or disagree that the mitigation actions are consistent and systematically fair. (i.e., Does not create an opportunity for unequal distribution of resources; racism; affect a particular segment of the population, including communities of color, communities that face discrimination based on sex, sexual orientation or gender identity, persons with disabilities, persons who identify with a certain religion, persons with Limited English Proficiency, or rural communities, etc.).					X

5. Mitigation Goals

6. Select which mitigation goal(s) is applicable to the new mitigation action.

Select all that apply.

Goal 1: Save (or protect) lives and reduce injury.

6. Thank You!



KENSINGTON FIRE PROTECTION DISTRICT

DATE: January 17, 2024
TO: Board of Directors
RE: Public Safety Building Project Update
SUBMITTED BY: Mary A. Morris-Mayorga, General Manager

Recommended Action

For information only, no action is requested at this time.

Background

Ongoing

The project team (contractor, architect/design, and construction manager) continues to work daily on construction and project administration (e.g. review/respond to RFIs, review/respond to submittals and change orders; site visits/meetings; and review construction schedule). The most recent construction progress is noted by the photos which we will share onscreen at the meeting and post to the website.

Schedule

The current schedule shows substantial completion to be May 31, 2024 with the contract allowing 30 days max for completion of punch list items. Depending upon punch list items, move in may occur during this time including furniture installations. We are in the process of evaluating furniture needs in conjunction with items in storage to be ready for that step.

Fiscal Impact

An update on the project budget versus expended is included below with change orders that have been required for unforeseen conditions since the amended budget in a separate column. These have been necessary for: 2nd floor/roof leveling, added plates for app bay posts, lead paint testing, carpentry changes due to differing site conditions.

	Project Budget 9/20/2023	Change Orders	Paid Through 12/31/2023	Remaining Budget
<u>Public Safety Building:</u>				
Construction	\$ 5,882,253	\$ 264,118	\$ 4,105,829	\$ 2,040,542
PSB Renovation Design/Engineering	774,740		293,734	481,006
Permits/Inspection/Testing	141,017		121,982	19,036
Construction/Project Management	394,987		290,612	104,375
Furniture, Fixtures, and Equipment	200,000		-	200,000
Legal Counsel	130,000		45,012	84,988
<u>Temporary Fire Station:</u>				
Construction Cost	595,453		595,453	1
Design/Engineering/Project Management	107,573		80,116	27,457
Relocation	221,566		156,946	64,619
Sub-Total:	\$ 8,447,589	\$ 264,118	\$ 5,689,684	\$ 3,022,023
Project Contingency Allowance	550,000	(264,118)	-	285,882
Total Project Budget	\$ 8,997,589	\$ -	\$ 5,689,684	\$ 3,307,905



KENSINGTON FIRE PROTECTION DISTRICT

DATE: January 17, 2024
TO: Board of Directors
RE: General Manager's Report
SUBMITTED BY: Mary A. Morris-Mayorga, General Manager

Highlights of the regular business activities, other special projects, and updates for the District which are not covered in other agenda items are noted below for December/January:

Certificate of Transparency

Once we have training certificates from the new member and one in progress, all items will be complete for transmittal to CSDA.

District of Distinction

With the training certificates above and an option for CSDA Governance Foundations training for all new directors, this will be complete as well. I will ensure this is complete within the next month or two.

Agenda Management Platform Evaluation

Evaluation continues on options that will integrate with the website as well as facilitate PRA requests. We will provide more information in the coming months.