

**Pajaro River Watershed Flood Prevention Authority  
Request for Proposals  
for  
Audit Services**

**5-year contract period for Fiscal Years Ending  
June 30, 2025-June 30, 2029**

**Not to Exceed \$36,000**

**Issued:** March 21, 2025

**Questions Due:** March 30, 2025

**Deadline (received by PRWFPA):** May 7, 2025

**Submit all questions and proposals to:**

Errol Osteraa | c/o PRWFPA | 24580 Silver Cloud Court, Monterey, CA 93940 |

[eosteraa@ambag.org](mailto:eosteraa@ambag.org) | fax 831.883.3755

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## **Introduction**

The Pajaro River Watershed Flood Prevention Authority is accepting proposals for a five-year contract to provide audit services for the Pajaro River Watershed Flood Prevention Authority (PRWFPA).

The selected consultant will serve at the discretion of the Board of Directors and work under the direction of the Executive Coordinator, Maura Twomey.

The PRWFPA operates under a Joint Powers Agreement with four water districts of Monterey County Water Resources Agency, San Benito County Water District, Santa Clara Valley Water District, Santa Cruz County Zone 7 Flood Control District; and four local Counties of Monterey, San Benito Santa Clara, and Santa Cruz. The Board is comprised of one representative member from each county and water districts.

PRWFPA is a public agency funded through membership dues. Policy direction is provided by an eight-member Board of Directors. The Executive Coordinator reports directly to the Board of Directors and performs all duties necessary for the proper and efficient management of PRWFPA, as determined by the Board and State and Federal law. A small professional staff is contracted to provide support to the Board of Directors.

More information about PRWFPA can be found on its website:

<http://www.pajaroriverwatershed.org>

Please review the attached FY 2023-2024 final audit to determine technical requirements.

## **Scope of Work & Project Deliverables**

The following provides details of the scope of services required under this contract.

Respondents to this RFP should build on this general description by proposing a scope of work with specific sub-tasks as deemed appropriate. Respondents should also refer to the Proposal Requirements, and Evaluation and Selection Process sections for additional requirements.

Additional tasks and work elements may be added or deleted during contract negotiations.

Upon conclusion of the negotiation process, the selected consultant will be required to prepare a final work plan, schedule, and budget for inclusion into a final contract. If additional tasks are identified, the contract may be amended in the future.

## **Goals**

The PRWFPA was established in 2000 by State Assembly bill 807 in order to “identify, evaluate, fund, and implement flood prevention and control strategies in the Pajaro River Watershed, on

an intergovernmental basis.” The watershed covers areas of four counties and four water districts. The Board is comprised of one representative from each of the eight following agencies:

- County of Monterey
- County of San Benito
- County of Santa Clara
- County of Santa Cruz
- Monterey County Water Resources Agency
- San Benito County Water District
- Santa Clara Valley Water District
- Santa Cruz County Flood Control and Water Conservation District, Zone 7

The PRWFPA acts as a governing body through which each member organization can participate and contribute to finding a method to provide flood protection in the watershed and promote general watershed interests.

## **Requirements**

### **Minimum Qualifications**

To be eligible to provide services under this RFP, a firm must demonstrate that they meet the following minimum qualifications:

- Independence: The firm must provide an affirmative statement that it is independent of PRWFPA and RAPS as defined by generally accepted auditing standards and the standards applicable to financial audits as contained in *Government Auditing Standards*, issued by the Comptroller General of the United States
- License to Practice in the State of California: An affirmative statement is required attesting that the firm and all assigned key professional staff are properly registered and licensed to practice in the State of California.
- Experience: An affirmative statement is required indicating the firm’s experience conducting audits of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Audit Standards* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.
- Schedule: The firm must provide an affirmative statement that it will be able to devote the necessary resources to complete the work described in *Scope of Work to be Performed*. The audit or consulting

services may occur at any time during the year and there may be more than one project to complete simultaneously.

- The firm must have experience with government agencies, at least one of which must be a transportation agency, for whom it has provided assurance, auditing, and consulting services like those covered by this RFP.

### **Other Qualifications**

In addition to the above Minimum Qualifications, familiarity with or expertise in the following area is desirable and it will be considered in the evaluation of proposals.

- Current experience in internal control reviews.

### **Scope of Work to be Performed**

#### **Task 1: Prepared by Client List**

Prepare a Provided by Client (PBC) list which includes standard client-prepared audit schedules/documentation the firm requires from PRWFPA.

#### **Task 2: Review Financial Statements**

Review the annual PRWFPA financial statements of PRWFPA.

#### **Task 3: Financial Transaction Assistance**

Assist PRWFPA with any accounting issues relating to financial transactions such as investments, contracts, and other transactions.

#### **Task 4: Perform Audit of PRWFPA**

Perform and audit and provide all required reports (and opinions) in accordance with provisions of auditing standards generally accepted in the United States of America and the standards applicable to financial statement audits contained in Governmental Auditing Standards issued by the Comptroller General of the United States.

#### **Task 5: Controls and Procedures**

Advise and assist PRWFPA in establishing controls and procedures as may be required during the performance of the audit.

#### **Task 6: Submit Evaluation of PRWFPA's Financial Statements**

Express an opinion on the fairness of presentation of PRWFPA's financial statements on their conformity with generally accepted accounting principles and auditing standards.

**Deliverable:** Contractor will submit to PRWFPA one (1) electronic copy of the draft management letter (if applicable) and draft audit report no later than December 1.

#### **Task 7: Report on PRWPA's Financial Position**

Express a written opinion on the fairness of presentation of PRWFPA's financial position.

**Deliverable:** Contractor will submit to PRWFPA one electronic copy of the revised draft (if applicable) and audit report no later than December 15.

#### **Task 8: Present Results at PRWFPA Board of Director's Meeting**

Attend at least one of PRWFPA's Board of Director's meetings to present the results of the current audit and answer any questions from Board members. PRWFPA Board presentations may include the effects of implementing *Governmental Accounting Standards Board (GASB)* pronouncements.

**Deliverable:** Contractor will submit to PRWFPA one (1) electronic copy of the final audited financial statements no later than January 15 as well as one (1) unbound and fifteen (15) bound copies to present at the Board of Director's meeting no later than the Board meeting date. Consultant's final audited financial statement shall comply with the California State Web Content Accessibility Guidelines and Federal law and regulations related to the Americans with Disabilities Act.

#### **Task 9: Implement GASB Pronouncements**

Advise and assist PRWFPA in the implementation of new GASB pronouncements (if applicable).

#### **Auditing Standards to be Followed**

To meet the requirements of this request for proposals, the audit will be performed in accordance with the following:

- Generally Accepted Auditing Standards as set forth by the American Institute of Certified Public Accountants.
- The standards for financial audits set forth in the U.S. General Accounting Office's *Government Auditing Standards*.
- The provisions of U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

#### **Working Paper Retention and Access to Working Papers**

All working papers and reports must be retained, at the auditor's expense, for a minimum of five (5) years, unless the firm is notified in writing by PRWFPA of the need to extend the retention period. The auditor will be required to make working papers available, upon request, to the following parties or their designees:

- PRWFPA
- Parties designated by the federal or state governments or by PRWFPA as part of an audit quality review process
- Auditors of entities of which PRWFPA is a subrecipient of grant funds

- State of California

In addition, the firm will respond to the reasonable inquiries of successor auditors and allow successor auditors reasonable access to review working papers.

## Schedule

The RFP schedule is listed below in Table 1:

<b>Task</b>	<b>Completion Date</b>
<b>Release RFP</b>	March 21, 2025
<b>Submission of written RFP questions due</b>	March 30, 2025
<b>Post summary of questions/answers</b>	April 10, 2025
<b>Proposals due</b>	May 7, 2025
<b>Selection Review Board completes proposal review</b>	May 12, 2025
<b>Notifications to prospective bidders</b>	May 16, 2025
<b>Consultant selection, Notice of Intent, Notification to Candidates not selected</b>	May 18, 2025
<b>Notice of Intent to protest deadline</b>	May 25, 2025
<b>PRWFPA Board approval of consultant</b>	June 6, 2025
<b>Execute contract</b>	July 1, 2025
<b>Entrance Conference</b>	September 10, 2025
<b>Audit Fieldwork may begin</b>	September 10, 2025
<b>Exit conference with Executive Coordinator/Director of Finance</b>	November 13, 2025
<b>Auditors submit the draft management letter and audit report to the Executive Coordinator/Director of Finance</b>	December 1, 2025
<b>Auditor submit revised draft management letter and audit report to the Executive Coordinator/Director of Finance</b>	December 15, 2025
<b>Auditors submit to PRWFPA the final audited statement to the Executive Coordinator/Director of Finance</b>	January 15, 2026
<b>Auditors present the final audited financial statements to the PRWFPA Board of Directors, to be held no later than</b>	March 31, 2026

## Proposal Submittal

Interested consultants must submit a digital copy of the proposal to the Project Manager as follows:

Digital: Send as a single PDF or PDF portfolio

All submissions must be received by PRWFPA on or before May 7, 2025 at 4:00 p.m. Pacific Daylight Time (PDT). By submitting a proposal, the Proposer certifies that his or her name or the

consultant firm's name, as well as the name of Proposer's subcontractors, does not appear on the Comptroller General's list of ineligible contractors for federally assisted projects.

Until award of the contract, the proposals shall be held in confidence and shall not be available for public review. Upon award of a contract to the successful Proposer, all proposals shall become public record. No proposal shall be returned after the date and time set for opening thereof.

### **Submittal Questions and Addenda**

All questions regarding this RFP should be received no later than March 30, 2025 at 4:00 p.m. PDT by e-mail to Errol Osteraa at [eoosteraa@ambag.org](mailto:eoosteraa@ambag.org) . Responses that require that an addendum be issued to the RFP will be posted on the PRWFPA website at **PAJARORIVERWATERSHED.ORG** on or before April 10, 2025 at 4:00 p.m. PDT. It is the responsibility of proposers to check the PRWFPA website to determine if any addenda have been issued. Any addenda to the RFP will become part of the RFP.

PRWFPA reserves the right to revise the RFP prior to the date that proposals are due. It is the responsibility of proposers to check the PRWFPA website to determine if a modified RFP has been issued.

### **Notice of Award**

The final recommended consultant shall be informed in an email on or before April 17, 2025. Candidates not recommended for contract award shall be informed in an email by April 17, 2025.

### **Project Manager**

Errol Osteraa  
c/o PRWFPA  
24580 Silver Cloud Court, Monterey, CA 93940  
Email | [eoosteraa@ambag.org](mailto:eoosteraa@ambag.org) (preferred communication)  
Phone | 831.264.5099  
Fax | 831.883.3755

### **Proposal Requirements**

- A. The proposal and any required certifications shall be signed by an individual or individuals authorized to execute legal documents on behalf of the proposer.



B. Failure to comply with the requirements of the RFP may result in disqualification. PRWFPA is not responsible for finding, correcting, or seeking clarification regarding ambiguities or errors in proposals. If a proposal is found to contain ambiguities or errors, it may receive a lower score during the evaluation process. PRWFPA may, but is not required to, seek clarification from a proposer regarding information in a proposal. Errors and ambiguities in proposals will be interpreted in favor of PRWFPA. Proposals and/or modifications received subsequent to the hour and date specified above will not be considered.

C. The proposer shall certify whether it takes no exception(s) to this RFP and the draft contract. If the proposer does take exception(s) to any portion of the RFP or the draft contract, the specific portion to which exception(s) is taken must be identified and explained. Failure to make exceptions to the RFP or draft contract within the proposal will be deemed a waiver of any objection. Exceptions will be considered during the proposal evaluation process.

D. PRWFPA reserves the right to reject any or all proposals and to waive irregularities contained therein and to accept any proposals deemed most advantageous to PRWFPA.

E. The following material is required to be received by May 7, 2025 at 4:00 p.m. via email for a proposing firm to be considered:

a. One copy of a Proposal, to include the following:

(1) Title Page

Title page showing the request for proposal's subject; the firm's name; the name, address and telephone number of the contact person; and the date of the proposal.

(2) Table of Contents

Include a clear and complete identification of the materials submitted by section and page number. Cross-referencing to section and page number in the RFP is helpful.

(3) Transmittal Letter

The transmittal letter should address the firm's understanding of the project based on the RFP and any other information the firm has gathered and the firm's commitment to adhere to the timeline in the RFP. Include a statement discussing the firm's interest and qualifications for this type of work. Certify that the person signing the proposal is entitled to represent the firm, empowered to submit the bid, and authorized to sign a contract with PRWFPA. Lastly, include a statement that the proposal is a firm and irrevocable offer for ninety (90) days.

(4) Detailed Proposal

- b. To be considered, your proposal must be received by 4:00 p.m. on May 7, 2025 to:

**Errol Osteraa,**

**Director of Finance and Administration**

**eosteraa@ambag.org**

#### A. Proposal

Proposal should be concise, well organized and demonstrate the proposer's qualifications and experience applicable to the project. Proposals shall be limited to 25 one-sided pages (8.5 inches x 11 inches). The proposal must include a discussion of the proposer's approach to the project, a description of the firm's qualifications for the scope of work, a schedule of contract performance and a cost estimate.

##### 1. General Requirements

The purpose of the Proposal is to demonstrate the qualifications, competence and capacity of the firm seeking to undertake an independent audit of PRWFPA in conformity with the requirements of the RFP. As such, the substance of proposals will carry more weight than their form or manner of presentation. The Proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the request for proposal requirements and enable the audit to be completed within the time frames enumerated.

The Proposal should address all the points outlined in the RFP. The proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements of the request for proposals. While additional data may be presented, the following subjects, items 2 through 11 below, must be included. They represent the criteria against which the proposal will be evaluated.

##### 2. Independence

The firm should provide an affirmative statement that it is independent of PRWFPA, as defined by generally accepted auditing standards and the U.S. General Accounting Office's Government Auditing Standards. The firm should also provide an affirmative statement that it is independent of all of the component units of PRWFPA, as defined by those same standards.

The firm should list and describe the firm's professional relationships involving PRWFPA or any of its component units, for the past five (5) years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit.

In addition, the firm will give PRWFPA written notice of any professional relationships entered into during the period of this agreement.

##### 3. License to Practice in California

An affirmative statement should be included that the firm and all assigned key professional staff are properly licensed to practice as certified public accountants in California.

#### 4. Insurance

Attached to the RFP is a draft copy of PRWFPA's Standard Contractual Agreement in **Section XIV** (Incorporation of Attachments) which contains the insurance requirements. The selected firm will maintain the minimum insurance requirements during the entire time of the engagement. The selected firm will have a certificate of insurance completed and filed with PRWFPA within fifteen (15) days of execution of this agreement and will provide that no cancellation, major change in coverage, or expiration by insurance company or insured during the term of this contract will occur without thirty (30) days written notice to PRWFPA prior to the effective date of such cancellation or change in coverage.

#### 5. Firm Qualifications and Experience

The proposer should state the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed and the number and nature of the professional staff to be employed in this engagement on a full-time basis and the number and nature of the staff to be so employed on a part-time basis.

The firm is also required to submit a copy of the report on its most recent external quality control review, together with a statement about whether that quality control review included a review of specific government engagements.

The firm will also provide information on the results of any federal or state desk reviews or field reviews of its audits during the past three (3) years. In addition, the firm will provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations.

#### 6. Partner, Supervisory and Staff Qualifications and Experience

Identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists, who would be assigned to the engagement. Indicate whether each such person is licensed to practice as a certified public accountant in California. Provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this audit.

Provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education, of the specific staff to be assigned to this engagement. Indicate how the quality of staff over the term of the agreement will be assured.

Engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permissions of PRWFPA. However, in either case, PRWFPA retains the right to approve or reject replacements.

Other audit personnel may be changed at the discretion of the proposer, provided that replacements

have substantially the same or better qualifications or experience.

7. Prior Engagements with PRWFPA

List separately all engagements within the last five (5) years for PRWFPA by type of engagement (i.e., audit, management advisory services, other).

8. Similar Engagements with Other Government Entities and References

For the firm's office that will be assigned responsibility for the audit, list the most significant engagements performed in the last three (3) years that are similar to the engagement described in this request for proposal.

9. References

Please provide a list of not less than three (3) client references for which services similar to those outlined in the RFP are currently being provided. For each reference listed provide the name of the organization, dates for which the service(s) are being provided, type of service(s) being provided and the name, address and telephone number of the appropriate contact. PRWFPA reserves the right to contact any or all of the listed references regarding the audit services performed by the Proposer.

10. Specific Audit Approach

Submit a work plan to accomplish the scope of the engagement (Section II) and how the time requirements will be met (Section IV). The work plan should include time estimates for each significant segment of the work and the staff level to be assigned and expected client assistance.

The proposal will identify and describe recent changes in accounting principles and pronouncements and their impact on the audit approach and the presentation, scope and disclosure of the financial report.

11. Prepared by Client List

The proposal will include a list of standard client-prepared audit schedules the firm anticipates PRWFPA staff to provide.

B. Cost Proposal

1. Total All-Inclusive Maximum Price

The cost proposal should contain all pricing information relative to performing the audit engagement as described in this request for proposals. The total all-inclusive maximum price to be bid is to contain all direct and indirect costs, including all out-of-pocket and administrative expenses. PRWFPA will not be responsible for expenses incurred in preparing and submitting the proposal. Such costs should not be included in the proposal.

The cost estimate should include the following information:

- a. Name of firm
- b. Certification that the person signing the proposal is entitled to represent the firm, empowered to submit the bid, and authorized to sign a contract with PRWFPA
- c. A total all-inclusive maximum price for each fiscal year engagement (2024-2025, 2025-2026, 2026-2027, 2027-2028 and 2028-2029).

The third page of the cost proposal should include a schedule of professional fees and expenses, presented in the format provided in the attachment (Incorporation of Attachments), that supports the total all-inclusive maximum price.

### Evaluation and Selection Process

- A. Based upon the proposals and other appropriate evaluation factors, the top-ranked proposer will be identified. Negotiations with the selected firm may cover: scope of work, contract schedule, contract terms and conditions, technical specifications, level of effort, and price.
- B. Proposers will be evaluated on the following criteria utilizing the weights assigned below based on the written proposal.
- C. All proposals must be completed and convey all of the information requested in order to be considered responsive. The proposals then will be evaluated on the basis of the criteria listed below. The total number of points used to score the proposals is 100.
- D. Evaluation factors and point values will be as follows in Table 2:

Criteria	Description	Points
Qualifications and Experience	Firm qualifications Staff qualifications Independence License to practice in California	25
Project experience	Nature, quality, and relevance of recently completed projects	20
Technical Qualifications	Audit approach, commitment to timeline	25

Cost or Best Value	Ranking of comparative costs among proposed firms, providing the best value of services offered	<b>30</b>
Total		<b>100</b>

All proposers must complete a cost proposal form (see RFP Attachment A) in addition to the written proposal.

The Evaluation Committee will review all submitted proposals. Proposers may be emailed and asked for further information, if necessary. The Evaluation Committee will make recommendations to PRWFPA's Executive Coordinator on the basis of the proposal and reference check. PRWFPA's Executive Coordinator will review the Evaluation Committee's recommendation and make the final recommended selection to the PRWFPA Board of Directors. If the Board of Directors selects a different consultant than the one recommended by the Evaluation Committee, the Project Manager, in consultation with the PRWFPA Executive Coordinator, will prepare a memo explaining the selection.

### **Contractual Information and Payment Schedule**

The contract agreement for Audit Services will be between PRWFPA and the Consultant. The consultant will invoice PRWFPA for services rendered, and PRWFPA will compensate the consultant for these services as set forth in the agreement. Funding for the consultant services will be provided by PRWFPA. The project deliverables will be reviewed by the PRWFPA Project Manager.

The consultant will be paid a firm fixed price based on the cost proposal upon satisfactory completion of each fiscal year audit. The consultant should email an invoice for payment for work performed to the Project Manager.

### **Terms & Conditions**

#### **A. Limitations**

This request for proposal (RFP) does not commit PRWFPA to award a contract, to pay any pre-contractual expenses, or to procure or contract for services or supplies. PRWFPA expressly reserves the right to reject any and all proposals or to waive any irregularity or informality in any proposal or in the RFP procedure and to be the sole judge of the responsibility of any

Proposer and of the suitability of the materials and/or services to be rendered. PRWFPA reserves the right to withdraw this RFP at any time without prior notice. Further, PRWFPA reserves the right to modify the RFP schedule described above.

#### **B. Award**

PRWFPA may ask RFP finalists to present oral briefings to provide clarification of their proposals. Oral briefings will not be scored. All finalists may be required to participate in negotiations and submit such price, technical, or other revisions of their proposals as may result from negotiations. PRWFPA also reserves the right to award the contract without oral briefings or discussion, based upon the initial written proposals. Accordingly, each initial proposal should be submitted on the most favorable terms from a price and a technical viewpoint.

#### **C. Verbal Agreement or Conversation**

No prior, current, or post award verbal conversations or agreement(s) with any officer, agent, or employee of PRWFPA shall affect or modify any terms or obligations of the RFP, or any contract resulting from this RFP.

#### **D. Pre-contractual Expenses**

Pre-contractual expenses include any expenses incurred by Proposers and selected contractor in:

- Preparing proposals in response to this RFP
- Submitting proposals to PRWFPA
- Negotiations with PRWFPA on any matter related to proposals.
- Other expenses incurred by a contractor or Proposer prior to the date of award of any agreement.

In any event, PRWFPA shall not be liable for any pre-contractual expenses incurred by any Proposer or selected contractor. Proposers shall not include any such expenses as part of the price proposed in response to this RFP. PRWFPA shall be held harmless and free from any and all liability, claims, or expenses whatsoever incurred by, or on behalf of, any person or organization responding to this RFP.

#### **E. Signature**

The proposal will also provide the following information: name, title, address, and telephone number of individual with authority to bind the consultant or consultant firm and also who may be contacted during the period of proposal evaluation. The proposal shall be signed by an official authorized to bind the consultant or consulting firm and shall contain a statement to the effect that the proposal is a firm offer for at least a ninety (90) day period. Execution of the

contract is expected by no later than June 30, 2025.

#### **F. Conflict of Interest Statement**

Consultants and consultant firms submitting proposals in response to this RFP must disclose to PRWFPA any actual, apparent, perceived, or potential conflicts of interest that may exist relative to the services to be provided under Agreement for consultant services to be awarded pursuant to this RFP. If the consultant or firm has no conflict of interest, a statement to that effect shall be included in the proposal. The selected consultant shall refrain from and disclose subsequent potential conflicts during this contract. Consultant shall at all times avoid conflicts of interest, or the appearance of conflicts of interest, in the performance of this contract. Consultant shall file statements of financial interest on forms provided by PRWFPA to the extent and at all times required by PRWFPA's Conflict of Interest Code and applicable law.

#### **G. Contract Arrangements**

The successful consultant is expected to utilize the PRWFPA Agreement for Services which included as Attachment B.

G1. Title VI of the Civil Rights Act of 1964: The contractor agrees to comply with all the requirements imposed by Title VI of the Civil Rights Act of 1964 (49 USC 2000d) and the regulations of the U.S. Department of Transportation issued there under in 49 CFR Part 21.

G2. Equal Employment Opportunity: In connection with the performance of the contract, the contractor shall not discriminate against any employee or applicant for employment because of race, color, age, creed, sex or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

Each proposal, to be considered responsive, must include the following:

(1) A copy of the consultant's affirmative action policy (applicable for firms with 50 or more employees)

#### **H. Americans with Disabilities Act (ADA) Provisions**

To comply with the nondiscrimination requirements of the Americans with Disabilities Act (ADA), it is the policy of PRWFPA to make every effort to ensure that its programs, activities and services are available to all persons, including persons with disabilities. For persons with a disability needing a reasonable modification to participate in the procurement process, or for persons having questions regarding reasonable modifications of the procurement process, you may contact the PRWFPA representative listed in this RFP.



**IMPORTANT:** To ensure that we can meet your need for ADA accommodations, it is best that we receive your request for reasonable modification at least 10 working days before the scheduled event (i.e., meeting, conference, workshop, etc.) or deadlines due date for procurement documents. In order to ensure the proposal is in compliance with Federal ADA guidelines, Proposers should review the Federal ADA guidelines at <http://www.ada.gov/>.

## **I. Alternative Protest Process**

This procurement is being conducted under the provisions of the Alternative Protest Process. By submitting a proposal to this solicitation conducted under the Alternative Protest Process, the Proposer agrees that all protests of the proposed award shall be resolved by the Executive Committee of PRWFPA, whose decision will be final. During the protest period, any participating Proposer may protest the proposed award on the following grounds:

For major information technology acquisitions – that there was a violation of the solicitation procedure(s) and that the protesting Proposer’s proposal should have been selected; or for any other acquisition – that the protesting Proposer’s proposal should have been selected in accordance with the selection criteria in the solicitation document.

A written notice of intent to protest the proposed award of this solicitation must be received (facsimile acceptable) by the Project Manager before the close of business 4:00 p.m. PDT on the third (3rd) business day after notifying the Proposer of intent to award, as specified in the solicitation timeline. Failure to submit a timely, written notice of intent to protest waives the Proposer’s right to protest. The Proposer is to send the notice of intent to protest to the Project Manager at the following address:

Errol Osteraa  
c/o PRWFPA  
24580 Silver Cloud Court, Monterey, CA 93940  
Fax: 831-883-3755

Within seven (7) business days after the last day to submit a notice of intent to protest, the PRWFPA Project Manager must receive from the protesting Proposer the complete protest filing including the signed, written, detailed statement of protest including exhibits, filing fee and deposit or small business certification, as applicable. Untimely submission of the complete protest filing waives the Proposer’s right to protest.

The protest bond amount for this Alternative Protest Process shall be ten percent (10%) of the contract amount as specified in the solicitation.

## **J. Requirements Protests**

Protests regarding any issue other than selection of the successful Proposer are “requirements protests” to be heard by the Executive Coordinator, or his or her designee, and may be appealed to, heard, and resolved by the Executive Committee of PRWFPA, whose decision will be final. Before a requirements protest is submitted, the Proposer must make full and timely use of the procedures outlined in this RFP. This procurement procedure is designed to give the Proposer and PRWFPA adequate opportunity to submit questions and discuss the requirements, proposals and counter proposals before the Final Proposal is due. The protest procedure is made available in the event that a Proposer cannot reach a fair agreement with PRWFPA after exhausting these procedures.

All protests to the RFP requirements must be received by the Executive Coordinator as promptly as possible, but not later than the respective time and date as noted in this RFP for such protests.

Requirements protests must be mailed or delivered to:

PRWFPA Executive Coordinator  
24580 Silver Cloud Court  
Monterey, CA 93940

### **Incorporation of Attachments**

The following documents are attached and incorporated by reference if the box next to document title is marked.

- ☒ RFP Attachment A – Cost Proposal
- ☒ RFP Attachment B - Sample Sub-consultant List
- ☒ RFP Attachment C - Sample Draft Contract
- ☒ RFP Attachment D - Fiscal Year 2024 PRWFPA Financial Statement Audit

## Cost Proposal – RFP Attachment A

### Pajaro River Flood Protection Authority Total Maximum Price For the Fiscal Year Ending June 30

	2025	2026	2027	2028	2029	Total
Prepare, Audit and Issue Reports						
Total All-Inclusive Maximum Price						

### Schedule of Professional Fees and Expenses Supporting Schedule for PRWFPA Preparation of Financial Statements and Audit of Financial Statements for the Fiscal Year Ending June 30

	No. of Hours	Hourly Rate	2025	2026	2027	2028	2029	Total
Fees:								
Partner								
Manager								
Supervisory staff								
Staff								
Clerical								
Other (specify)								
Sub-total: fees								
Expenses:								
Meals and Lodging								
Transportation								
Printing/Binding reports								
Other (specify)								
Subtotal: Expenses								
Total All Inclusive Maximum Price								

\_\_\_\_\_  
Name of Firm

\_\_\_\_\_  
Name and Title of Authorized Representative (typed)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Date

### Sample Sub-consultant List – RFP Attachment B

The proposal shall include a complete list of all proposed subconsultants. All subconsultants listed must be provided a meaningful element of work within the defined scope of work. Changes to this Subconsultant List will not be allowed without prior written approval from PRWFPA.

#### PROPOSED SUBCONSULTANTS

Subconsultant Firm Name and Address	Scope of Work	Dollar Amount of Work

---

Name of Firm

---

Printed name and Title of Signatory

---

Signature

---

Date

## **Sample Contract For Services – RFP Attachment C**

### **CONTRACT FOR CONSULTANT SERVICES BETWEEN THE PAJARO RIVER WATERSHED FLOOD PREVENTION AUTHORITY AND CONSULTANT FIRM NAME**

**THIS AGREEMENT**, is made and entered into this of June, 2025, by and between the Pajaro River Watershed Flood Prevention Authority, hereinafter called "**PRWFPA**," and Consultant Firm Name, hereinafter called "**Consultant**."

#### **WITNESSETH**

**WHEREAS**, PRWFPA needs to obtain certain professional, technical and/or specialized services of an independent contractor to assist the PRWFPA in the most economical manner; and

**WHEREAS**, the Consultant has the requisite skill, training, qualifications, and experience to render such services called for under this Agreement with PRWFPA.

#### **THE PARTIES HEREBY AGREE AS FOLLOWS:**

**SECTION 1. SCOPE OF SERVICES.** Consultant shall perform those services as specified in detail in Exhibit "A," entitled "SCOPE OF SERVICES," which is attached hereto and incorporated herein.

**SECTION 2. TERM OF AGREEMENT.** The term of this Agreement shall be from June 30, 2025 – March 31, 2029, inclusive.

**SECTION 3. SCHEDULE OF PERFORMANCE.** The services of Consultant are to be completed according to the schedule set out in Exhibit "B," entitled "SCHEDULE OF PERFORMANCE," which is attached hereto and incorporated herein. Consultant will diligently proceed with the agreed Scope of Services and will provide such services in a timely manner in accordance with the "SCHEDULE OF PERFORMANCE."

**SECTION 4. AMERICAN DISABILITY ACT ACCESS.** Consultant's audited financial statement shall comply with the California State Web Content Accessibility Guidelines and Federal law and regulations related to the Americans with Disabilities Act.

**SECTION 5. COMPENSATION.** The consultant should email an invoice for payment for work performed to the Project Manager. Invoices for services must be presented to PRWFPA within 15 business days of the consultant's presentation of the final audited financial statement to the PRFPRA Board of Directors. Invoices for services should be presented in accordance with Exhibit "C", entitled "COMPENSATION". The PRWFPA shall pay the Consultant promptly after PRWFPA receives an invoice, as appropriate, and the invoice has been approved for payment by the PRWFPA at the next regularly scheduled Board of Directors meeting. The Board of Directors meet five times annually as noted on the attached schedule for 2025, Exhibit "D", entitled "Schedule for Calendar Year 2025".

**SECTION 6. METHOD OF PAYMENT.-** Consultant will be paid a firm fixed price based on the cost proposal upon satisfactory completion of each fiscal year audit. Consultant shall complete all tasks on or before March 31 of the subsequent year unless otherwise extended by written authorization. PRWFPA will retain Consultant for a five-year period, renewable annually. In addition, an audit engagement letter will be executed annually and will include fees as provided in EXHIBIT B. In no event shall compensation exceed the amounts provided in EXHIBIT B without prior written consent of PRWFPA. **Cost proposal is attached as EXHIBIT B.**

**SECTION 7. INDEPENDENT CONTRACTOR.** It is understood and agreed that Consultant, in the performance of the work and services agreed to be performed by Consultant, shall act as and be an independent contractor and not an agent or employee of the PRWFPA and as an independent contractor, shall obtain no rights to retirement benefits or other benefits which accrue to PRWFPA employees, and Consultant hereby expressly waives any claim it may have to any such rights.

**SECTION 8. ASSIGNABILITY.** Consultant shall not assign or transfer any interest in this Agreement nor the performance of any of Consultant's obligations hereunder, without the prior written consent of the PRWFPA, and any attempt by Consultant to so assign this Agreement or any rights, duties or obligations arising hereunder shall be void and of no effect.

**SECTION 9. INDEMNIFICATION.** Consultant has the expertise and experience necessary to perform the services and duties agreed to be performed by Consultant under this Agreement, and PRWFPA is relying upon the skill and knowledge of Consultant to perform said services and duties. Consultant shall defend, indemnify and hold harmless the PRWFPA, its officers and employees, against any loss or liability arising out of or resulting in any way from work performed under this Agreement due to the willful or negligent acts (active or passive) or errors or omissions by Consultant, to the extent damages are caused by Consultant. The Consultant's duty to defend shall not exceed its duty to indemnify.

**SECTION 10. INSURANCE.**

A. **Errors and Omissions Insurance.** Consultant shall not be required to obtain and maintain throughout the term of this Agreement a professional liability insurance policy (Errors and Omissions).

B. **Workers' Compensation Insurance.** If, during the term of this Agreement, Consultant does hire any employee that in accordance with the provisions of Section 3700 of the Labor Code, Consultant shall be insured against liability for Workers' Compensation or undertake self-insurance. Consultant agrees to comply with such provisions before allowing said employee to perform any work under this Agreement.

C. **Proof of Insurance to PRWFPA Before Notice to Proceed to Work.** Consultant shall satisfactorily provide certificates of insurance to the Executive Coordinator before Notice to Proceed to Work of this Agreement will be issued. Approval of insurance by PRWFPA shall not relieve or decrease the extent to which Consultant may be held responsible for payment of damages resulting from services or operations performed pursuant to this Agreement. Consultant shall not perform any work under this Agreement until Consultant has obtained the required insurance and until the required certificates have been submitted to PRWFPA and approved by the Executive Coordinator or his designee. If Consultant fails or refuses to produce or maintain the insurance required by these provisions, or fails or refuses to furnish PRWFPA required proof that insurance has been procured and is in force and paid for, PRWFPA shall have the right at PRWFPA's election to forthwith terminate this Agreement immediately without any financial or contractual obligation to the PRWFPA. As a result of such termination, PRWFPA reserves the right to employ another consultant to complete the project.

**SECTION 11. NON-DISCRIMINATION.** Consultant shall not discriminate, in any way, against any person on the basis of age, sex, race, color, creed, national origin or disability in connection with or related to the performance of this Agreement.

**SECTION 12. TERMINATION.**

- A. PRWFPA and Consultant shall have the right to terminate this Agreement, without cause, by giving not less than ten (10) days written notice of termination.
- B. If Consultant fails to perform any of its material obligations under this Agreement, in addition to all other remedies provided by law, PRWFPA may terminate this Agreement immediately upon written notice.
- C. The Executive Coordinator is empowered to terminate this Agreement on behalf of the PRWFPA Board of Directors.
- D. In the event of termination, Consultant shall deliver to PRWFPA copies of all work papers, schedules, reports and other work performed by Consultant

and upon receipt thereof, Consultant shall be paid in full for services performed and reimbursable expenses incurred to the date of termination.

**SECTION 13. COMPLIANCE WITH LAWS.** Consultant shall comply with all applicable laws, ordinances, codes and regulations of the federal, state and local governments.

**SECTION 14. GOVERNING LAW.** PRWFPA and Consultant agree that the law governing this Agreement shall be that of the State of California. Any suit brought by either party against the other arising out of the performance of this Agreement shall be filed and maintained in the Municipal or Superior Court of the County of Monterey.

**SECTION 15. PRIOR AGREEMENTS AND AMENDMENTS.** This Agreement represents the entire understanding of the parties as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may only be modified by a written amendment.

**SECTION 16. CONFIDENTIAL INFORMATION.** Consultant shall be provided access to the PRWFPA staff, materials and information. All data, documents, discussions or other information developed or received by or for Consultant in performance of this Agreement are confidential and not to be disclosed to any person except as authorized by the Executive Coordinator or his designee, or as required by law, nor shall the data or information be used for any purpose other than to perform duties under this contract.

**SECTION 17. OWNERSHIP OF MATERIALS.** All reports, documents or other materials developed or received by Consultant or any other person engaged directly by Consultant to perform the services required hereunder shall be and remain the property of PRWFPA without restriction or limitation upon their use.

**SECTION 18. COVENANT AGAINST CONTINGENT FEES.** The Consultant covenants that Consultant has not employed or retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure the Agreement, and that Consultant has not paid or agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fees, commissions, percentage, brokerage fee, gift, or any other consideration contingent on or resulting from the award or making of this Agreement, for breach or violation of this covenant, the PRWFPA shall have the right to annul this Agreement without liability, or in its discretion, to deduct from the contract price or consideration or otherwise recover, the full amount of such fee, commission, percentage fee, gift, or contingency.

**SECTION 19. WAIVER.** Consultant agrees that waiver by PRWFPA, any one or more of the conditions of performance under this Agreement shall not be construed as waiver of any other condition of performance under this Agreement.



**SECTION 20. CONFLICT OF INTEREST.**

- A. A Consultant shall avoid all conflict of interest or appearance of conflict of interest in performance of this Agreement.
- B. No member, officer, or employee of PRWFPA, during their tenure, or for one (1) year thereafter, shall have any interest, direct or indirect, in this Agreement or the proceeds thereof and Consultant agrees not to allow, permit, grant, transfer or otherwise do anything which will result in such member, officer, or employee of PRWFPA from having such interest.

**SECTION 21. AUDIT BOOKS AND RECORDS.** Consultant shall make available to PRWFPA, its authorized agents, officers and employees, for examination any and all ledgers and books of account, invoices, vouchers, canceled checks and other records or documents evidencing or related to the expenditures and disbursements charged to the PRWFPA, and shall furnish to PRWFPA, its authorized agents and employees, such other evidence or information as PRWFPA may require with respect to any such expense or disbursement charged by Consultant.

**SECTION 22. NOTICES.** All notices shall be personally served or mailed, postage prepaid, to the following addresses, or to such other address as may be designated by written notice by the parties:

**PRWFPA**

Nancy Bilicich  
Chair, PRWFPA  
P. O. Box 2453  
Seaside, CA 93955-2453  
(831) 883-3750

**CONSULTANT**

Consultant Name  
Title  
Address  
City, State Zip  
Phone

**WITNESS THE EXECUTION HEREOF**, on the day and year first hereinabove written.

**PRWFPA**

BY: \_\_\_\_\_

Nancy Bilicich, Chair

**CONSULTANT**

BY: \_\_\_\_\_

Consultant Name, Title

**Exhibit A**  
**SCOPE OF SERVICES**

**Exhibit B**  
**SCHEDULE OF PERFORMANCE**

**Exhibit C**  
**COMPENSATION**

**Exhibit D**  
**PRWFPA Meeting**  
**Schedule 2025**

### 2025 PRWFPA Meeting Calendar

**February 7, 2025:**      **Zoom Webinar**  
Meeting Time: 9 am

**April 4, 2025:**      **Zoom Webinar**  
Meeting Time: 9 am

**June 6, 2025:**      **Zoom Webinar**  
Meeting Time: 9 am

**September 5, 2025:**      **Zoom Webinar**  
Meeting Time: 9 am

**November 7, 2025:**      **Zoom Webinar**  
Meeting Time: 9 am

**RFP Attachment D**

**Fiscal Year 2025 PRWFPA  
Financial Statement Audit**



**PAJARO RIVER WATERSHED  
FLOOD PREVENTION AUTHORITY**

**FINANCIAL STATEMENTS**  
June 30, 2024

**PAJARO RIVER WATERSHED FLOOD PREVENTION AUTHORITY**  
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June 30, 2024

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## **FINANCIAL SECTION**

## INDEPENDENT AUDITORS' REPORT

The Board of Directors  
Pajaro River Watershed Flood Prevention Authority  
Monterey, California

### Report on the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities and the major fund of Pajaro River Watershed Flood Prevention Authority (the Authority) as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of Pajaro River Watershed Flood Prevention Authority, as of June 30, 2024, and the respective changes in financial position thereof, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Pajaro River Watershed Flood Prevention Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pajaro River Watershed Flood Prevention Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### *Auditors' Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Pajaro River Watershed Flood Prevention Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pajaro River Watershed Flood Prevention Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and the budgetary information be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about 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 do 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.

#### ***Other Reporting Required by Government Auditing Standards***

In accordance with Government Auditing Standards, we have also issued our report dated January 29, 2025, on our consideration of the Pajaro River Watershed Flood Prevention Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Authority's internal control over financial reporting and compliance.

*Moss, Kelly & Hartshorn LLP*

Santa Maria, CA  
January 29, 2025

## Management's Discussion and Analysis

The Management Discussion and Analysis (MD&A) of Pajaro River Watershed Flood Prevention Authority (PRWFPA) presents an overview and analysis of the financial activities and changes in financial position for PRWFPA.

### **General**

The purpose of the Pajaro River Watershed Flood Prevention Authority (PRWFPA) is to identify, evaluate, fund and implement environmentally sound flood prevention and control strategies in the Pajaro River Watershed, on an intergovernmental, cooperative basis as required by the Pajaro River Watershed Flood Prevention Authority Act (AB807 Keeley).

The Board of Directors of PRWFPA consists of eight members appointed one each from the Monterey County Board of Supervisors, the San Benito County Board of Supervisors, the Santa Clara County Board of Supervisors, the Santa Cruz County Board of Supervisors, the Board of Directors of the Monterey County Water Resources Agency, the Board of Directors of the San Benito County Water District, the Board of Directors of the Santa Clara Valley Water District and the Board of Directors of the Zone 7 Flood Control District subject to the provisions of Part 2, Chapter 1, section 401 of the Pajaro River Watershed Flood Prevention Authority Act.

The Board of Directors may also vote to invite, as associate members, governmental entities from within the watershed. Associate members are not entitled to vote or hold office.

In addition, the Board of Directors has established a standing committee of staff members from the involved Authority jurisdictions to advise the Board of Directors. It is called the Staff Working Group (SWG) and it is comprised of designated staff members from both voting and non-voting member jurisdictions.

During Fiscal Year (FY) 2023-2024 the PRWFPA activities included:

- PRWFPA continued to monitor and manage land acquisitions in the Soap Lake Floodplain.
- PRWFPA continued to coordinate with and offer support to the non-federal sponsors of the Corps project in their efforts to implement the project. Local agencies in Monterey and Santa Cruz counties formed the Pajaro Regional Flood Management Agency (PRFMA), a joint powers authority to plan, finance and implement projects and programs to reduce flood risk from the lower Pajaro River and its tributaries. The non-federal sponsor of the Corps project is responsible for funding 35% of project costs. SB 496 (Laird)

authorized the California Department of Water Resources to fund 100% of the non-federal cost share.

- PRWFPA continued to monitor the development of the Army Corps of Engineers (USACE) Pajaro River Flood Risk Management Project and legislatively supported the efforts to fund and implement the project. Project pre-construction, engineering, and design phase (PED) is underway. PED was fully funded by the federal government with \$4.6 million in Work Plan appropriations. An additional \$149 million in federal Infrastructure Investment and Jobs Act (IIJA) funding has been awarded for project planning and construction.
- PRWFPA continued to monitor federal and state funding opportunities to identify and/or pursue supplemental studies and projects in support of the USACE project or complimentary flood risk reduction projects.
- PRWFPA, in collaboration with the Association of Monterey Bay Area Governments (AMBAG) and the Pajaro Regional Flood Management Agency (PRFMA), submitted a grant application for the Pajaro Bridge Infrastructure Resilient Design Study (Pajaro BIRD Study) from the California Department of Transportation's Sustainable Planning Grant Program. The Pajaro BIRD study will evaluate opportunities for increasing the resilience of Highway 1 at the Pajaro River from the impacts of flooding, drainage impoundment, sea level rise, and climate change. The grant funding will support planning through the development of the Project Initiation Document (PID) and will include the study and evaluation of potential nature-based solutions in partnership with roadway/infrastructure improvements. The funding award was announced on July 9, 2024.
- PRWFPA continued to monitor the development of the California High Speed Rail San Jose to Merced Project Section, which will cross the Soap Lake Floodplain. When available, the PRWFPA will review the recommended alignment and design and evaluate floodplain and downstream flow impacts.
- Held monthly Staff Working Group meetings to discuss PRWFPA issues and coordinate board packet items.

## **Financial Highlights**

The MD&A is intended to serve as an introduction to PRWFPA's basic financial statements. Consistent with Government Accounting Standards Board requirements, two years of financial information is provided to enable the reader to draw comparisons on the results of operations and financial position from year to year.

Net position increased by \$29,706 over the fiscal year ending June 30, 2023.

The General Fund (agency fund) balance at fiscal year-end was \$706,806. This amount is \$29,706 more than one year ago.

PRWFPA's cash and investments balance on June 30, 2024, was \$717,901 representing an increase of \$28,485 over one fiscal year ago.

### **Pajaro Revenues**

Total revenues for FY 2023-2024 were \$85,448, which was \$2,948 more than budgeted because more interest was earned than anticipated. Revenues included interest income of \$5,448 and \$80,000 in membership contributions.

### **Overall Financial Position**

The overall financial position of PRWFPA has remained consistent during the past twelve months.

### **Highlights of the Authority Funds**

The General Fund contains all financial resources of PRWFPA. The fiscal year-end General Fund balance increased from \$677,100 to \$706,806. Expenditures were under final budget amounts due to an overall decrease in professional services resulting from the cancellation of the year's Legislative Conference and the lack of opportunities to compete for grant funding and a decrease in expenditures for Administration resulting from conducting virtual Board and Staff Working Group meetings. There was a 4.4 percent increase in the General Fund balance this fiscal year from the prior fiscal year.

### **Budget: Amendments and Variances**

The budget adopted on June 2, 2023, was not amended.

PRWFPA held no infrastructure assets during fiscal year 2023-2024.

### **Ongoing Activities for FY 2024-2025**

- PRWFPA continues to encourage floodplain acquisitions by providing outreach to agencies and organizations pursuing acquisitions within the Soap Lake Floodplain and monitoring funding opportunities.
- PRWFPA will continue to pursue grant funding opportunities.
- Continue working with USACE and legislative representatives to discuss Watershed activities and the Pajaro River Flood Risk Management Project.
- PRWFPA will continue to identify new opportunities to fund floodplain acquisitions.
- PRWFPA will continue to review development proposals within the floodplain.



## **Request for Information**

Anyone seeking clarification, having questions, or desiring more information about the topics discussed in this Management's Discussion and Analysis is requested to contact the Pajaro River Watershed Flood Prevention Authority Executive Coordinator via email at: [info@ambag.org](mailto:info@ambag.org) or by calling 831.883.3750. Written correspondence should be addressed to the PRWFPA Executive Coordinator c/o AMBAG, Post Office Box 2453, Seaside, California 93955-2453.

**PAJARO RIVER WATERSHED FLOOD PREVENTION AUTHORITY**

**STATEMENT OF NET POSITION**

June 30, 2024

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	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and investments	<u>\$ 717,901</u>
Total assets	<u>717,901</u>
<b>LIABILITIES</b>	
Accounts payable	<u>11,095</u>
Total liabilities	<u>11,095</u>
<b>NET POSITION</b>	
Restricted for flood prevention	<u>706,806</u>
Total net position	<u><u>\$ 706,806</u></u>

The notes to basic financial statements are an integral part of this statement.

**PAJARO RIVER WATERSHED FLOOD PREVENTION AUTHORITY**  
**STATEMENT OF ACTIVITIES**  
For the Fiscal Year Ended June 30, 2024

---

		Program Revenues		
	Expenses	Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants
				Net (Expense) Revenue and Changes in Net Position
Governmental activities:				
Flood prevention	\$ 55,742	\$ 80,000	\$ -	\$ -
Total governmental activities	<u>\$ 55,742</u>	<u>\$ 80,000</u>	<u>\$ -</u>	<u>\$ -</u>
General Revenues:				
Interest income				5,448
Total general revenues				<u>5,448</u>
Change in net position				29,706
Net position, beginning of fiscal year				<u>677,100</u>
Net position, end of fiscal year				<u>\$ 706,806</u>

The notes to basic financial statements are an integral part of this statement.

**PAJARO RIVER WATERSHED FLOOD PREVENTION AUTHORITY**  
**BALANCE SHEET - GOVERNMENTAL FUND**  
June 30, 2024

---

	General Fund
<b>ASSETS</b>	
Current Assets:	
Cash and investments	\$ 717,901
Total assets	<u>\$ 717,901</u>
<b>LIABILITIES AND FUND BALANCE</b>	
Liabilities:	
Accounts payable	\$ 11,095
Total liabilities	<u>11,095</u>
Fund Balance:	
Restricted:	
Flood prevention	<u>706,806</u>
Total fund balance	<u>706,806</u>
Total liabilities and fund balance	<u>\$ 717,901</u>

The notes to basic financial statements are an integral part of this statement.

**PAJARO RIVER WATERSHED FLOOD PREVENTION AUTHORITY**  
RECONCILIATION OF THE GOVERNMENTAL  
FUND BALANCE SHEET TO THE STATEMENT OF NET POSITION  
June 30, 2024

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Total Fund Balance	\$ 706,806
Total Net Position	\$ 706,806

The notes to basic financial statements are an integral part of this statement.

**PAJARO RIVER WATERSHED FLOOD PREVENTION AUTHORITY**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**  
**GOVERNMENTAL FUND**  
For the Fiscal Year Ended June 30, 2024

---

	General Fund
<b>Revenues:</b>	
Membership administrative contributions	\$ 80,000
Interest income	5,448
	<hr/>
Total revenues	85,448
	<hr/>
<b>Expenditures:</b>	
Regional Analysis and Planning Services, Inc. Administration	23,339
Insurance	1,080
Legal	7,286
Professional services:	
Soap Lake Preservation	12,749
Other charges	11,288
	<hr/>
Total expenditures	55,742
	<hr/>
Excess of revenues over (under) expenditures	29,706
	<hr/>
Fund balance - beginning of fiscal year	677,100
	<hr/>
Fund balance - end of fiscal year	\$ 706,806
	<hr/> <hr/>

The notes to basic financial statements are an integral part of this statement.

**PAJARO RIVER WATERSHED FLOOD PREVENTION AUTHORITY**  
**RECONCILIATION OF THE GOVERNMENTAL FUND STATEMENT OF**  
**REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**TO THE STATEMENT OF ACTIVITIES**  
**For the Fiscal Year Ended June 30, 2024**

---

Net Change in Fund Balance	<u>\$ 29,706</u>
Change in Net Position	<u>\$ 29,706</u>

The notes to basic financial statements are an integral part of this statement.

**PAJARO RIVER WATERSHED FLOOD PREVENTION AUTHORITY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
June 30, 2024

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Organization**

The Pajaro River Watershed Flood Prevention Authority (PRWFPA) was organized on July 1, 2000, under the authorization of Chapter 963 of Assembly Bill No. 807, approved on October 10, 1999. The PRWFPA undertakes flood prevention and control projects within the boundaries of the Pajaro River Watershed. The PRWFPA may levy and collect assessments and special taxes and sell bonds in accordance with prescribed procedures. The Pajaro River Watershed consists of more than 1,400 square miles of land. Much of the watershed is prime agricultural and rangeland, providing a strong base for the region's economy. The Pajaro River Watershed includes portions of San Benito, Santa Clara, Santa Cruz, and Monterey Counties. The Assembly Bill No. 807, designates the board of supervisors of certain counties and the boards of directors of certain local Authority as appointing directors.

**B. Reporting Entity**

The reporting entity is the Pajaro River Watershed Flood Prevention Authority (the Authority). There are no component units included in this report which meets the criteria of the Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statements No. 39, No. 61, No. 80 and No. 90.

**C. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the Authority. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities* are normally supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *The direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

**D. Basis of Presentation**

***Government-wide Financial Statements:***

The government-wide financial statements are prepared using the economic resources measurement focus. This approach differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements, therefore, include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for the governmental funds.

The government-wide financial statement of activities presents a comparison between direct expenses and program revenues for each function or program of the Authority's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are therefore clearly identifiable to a particular function. The Authority does not allocate indirect expenses to functions in the statement of activities. Program revenues include charges paid by the recipients of goods or services offered by a program, as well as grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Authority, with certain exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the Authority.



**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Basis of Presentation (Continued)**

***Fund Financial Statements:***

Fund financial statements report detailed information about the Authority. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major governmental fund is presented in a separate column, and all non-major funds are aggregated into one column. PRWFPA does not have fiduciary funds.

The accounting and financial treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balance for these funds' present increases, (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

**E. Basis of Accounting**

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting.

Revenues – exchange and non-exchange transactions:

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded under the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Available" means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the Authority, "available" means collectible within the current period or within 60 days after fiscal year end.

Non-exchange transactions, in which the Authority receives value without directly giving equal value in return, include property taxes and grants. Under the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are to be used or the fiscal year when use is first permitted; matching requirements, in which the Authority must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the Authority on a reimbursement basis. Under the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Expenses/expenditures:

On the accrual basis of accounting, expenses are recognized at the time a liability is incurred. On the modified accrual basis of accounting, expenditures are generally recognized in the accounting period in which the related fund liability is incurred, as under the accrual basis of accounting. However, under the modified accrual basis of accounting, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

**PAJARO RIVER WATERSHED FLOOD PREVENTION AUTHORITY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
June 30, 2024

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**F. Fund Accounting**

The accounts of the Authority are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance or net position, revenues, and expenditures. The Authority's resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The Authority's accounts are organized into one major fund:

**Major Governmental Fund**

The *General Fund* is the general operating fund of the Authority. It is used to account for all financial resources except those required to be accounted for in another fund.

**G. Budgets and Budgetary Accounting**

The Authority adopts an annual budget on or before June 30. From the effective date of the budget, the amounts stated as proposed expenditures become appropriations.

The Board of Directors may amend the budget by motion during each fiscal year. The original and revised budgets are presented for the General Fund.

All appropriations lapse at the end of the fiscal year to the extent that they have not been expended. Professional contracts entered into by the Authority are subject to annual review by the Board of Directors.

**H. Investments**

Investments are stated at fair value.

**I. Encumbrances**

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is not utilized by the Authority.

**J. Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, as prescribed by the GASB and the American Institute of Certified Public Accountants, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**K. Fund Balances**

Fund balances of the governmental funds are classified as follows:

**Nonspendable Fund Balance** – represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid insurance) or legally required to remain intact (such as notes receivable or principal of a permanent fund).

**Restricted Fund Balance** – represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

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**NOTES TO BASIC FINANCIAL STATEMENTS**  
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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**K. Fund Balances (Continued)**

Committed Fund Balance – represents amounts that can only be used for a specific purpose because of a formal action by the Authority’s governing board. Committed amounts cannot be used for any other purpose unless the governing board removes those constraints by taking the same type of formal action. Committed fund balance amounts may be used for other purposes with appropriate due process by the governing board. Commitments are typically done through adoption and amendment of the budget. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.

Assigned Fund Balance – represents amounts which the Authority intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the governing board or by an official or body to which the governing board delegates the authority. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service, or permanent fund are assigned for purposes in accordance with the nature of their fund type or the fund’s primary purpose. Assignments within the general fund convey that the intended use of those amounts is for a specific purpose that is narrower than the general purpose of the Authority.

Unassigned Fund Balance – represents amounts which are unconstrained in that they may be spent for any purpose. Only the general fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification because of overspending for specific purposes for which amounts had been restricted, committed, or assigned.

When an expenditure is incurred for a purpose for which both restricted and unrestricted fund balance is available, the Authority considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Authority considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

**NOTE 2 – CASH AND INVESTMENTS**

On June 30, 2024, the Authority had the following cash and investments on hand:

Cash in bank	\$ 571,174
Investments	<u>146,727</u>
Total cash and investments	<u>\$ 717,901</u>

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. These principles recognize a three-tiered fair value hierarchy. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Authority did not have investments that are measured under Level 1, Level 2, or Level 3.

Investments Authorized by the California Government Code

The table on the following page identifies the investment types that are authorized for the Authority by the California Government Code. The table also identifies certain provisions of the California Government Code that address interest rate risk, credit risk, and concentration of credit risk.

**PAJARO RIVER WATERSHED FLOOD PREVENTION AUTHORITY**  
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**NOTE 2 – CASH AND INVESTMENTS (Continued)**

Investments Authorized by the California Government Code (Continued)

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Authority Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Authority Securities	5 years	None	None
Bankers' Acceptances	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base value	None
Medium-Term Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Fund	N/A	None	None
Local Authority Investment Fund (LAIF)	N/A	None	None
JPA Pools (other investment pools)	N/A	None	None

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the Authority manages its exposure to interest rate risk is by purchasing a combination of shorter-term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the Authority's investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following table that shows the distribution of the Authority's investments by maturity:

<u>Investment Type</u>	<u>Carrying Amount</u>	<u>Remaining Maturity (in Months)</u>			
		<u>12 Months or Less</u>	<u>13 - 24 Months</u>	<u>25 - 60 Months</u>	<u>More than 60 Months</u>
LAIF	\$ 146,727	\$ 146,727	\$ -	\$ -	\$ -
Total	\$ 146,727	\$ 146,727	\$ -	\$ -	\$ -

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of rating by a nationally recognized statistical rating organization. Presented on the following page is the minimum rating required by the California Government Code, and the actual rating as of fiscal year end for each investment type.

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**NOTE 2 – CASH AND INVESTMENTS (Continued)**

Disclosures Relating to Credit Risk (Continued)

Investment Type	Carrying Amount	Minimum Legal Rating	Exempt from Disclosure	Rating as of Fiscal Year End		
				AAA	Aa	Not Rated
LAIF	\$ 146,727	N/A	\$ -	\$ -	\$ -	\$ 146,727

Concentration of Credit Risk

The investment policy of the Authority contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There are no investments in any one issuer that represent 5% or more of total Authority investments.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the Authority's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure the Authority's deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

None of the Authority's deposits with financial institutions in excess of the federal depository insurance limits were held in uncollateralized accounts.

The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Authority's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

**NOTE 3 – CONTINGENCIES**

No contingent liabilities are outstanding, and no lawsuits are pending of any real financial consequence.

**NOTE 4 – NET POSITION**

GASB Statement No. 63 requires that the difference between assets added to the deferred outflows of resources and liabilities added to the deferred inflows of resources be reported as net position. Net position is classified as either net investment in capital assets, restricted, or unrestricted.

*Restricted Net Position* – This category presents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

**PAJARO RIVER WATERSHED FLOOD PREVENTION AUTHORITY**  
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**NOTE 5 – RELATED PARTY TRANSACTIONS**

The Authority was charged \$23,338 by Regional Analysis and Planning Services, Inc. (RAPS), which is a component unit of the Association of Monterey Bay Area Governments (AMBAG), for shared personnel and administrative services. As of June 30, 2024, \$7,837 was an inter organization payable.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**PAJARO RIVER WATERSHED FLOOD PREVENTION AUTHORITY****BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**

For the Fiscal Year Ended June 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Membership administrative contributions	\$ 80,000	\$ 80,000	\$ 80,000	\$ -
Interest income	2,500	2,500	5,448	2,948
Total revenues	82,500	82,500	85,448	2,948
<b>Expenditures:</b>				
Regional Analysis and Planning Services, Inc.				
Administration	45,000	45,000	23,339	21,661
Legal	10,000	10,000	7,286	2,714
Insurance	1,400	1,400	1,080	320
Professional Services:				
Soap Lake Preservation	70,000	70,000	12,749	57,251
Other charges	18,460	18,460	11,288	7,172
Total expenditures	144,860	144,860	55,742	89,118
Excess of revenues over (under) expenditures	(62,360)	(62,360)	29,706	92,066
Fund balance - July 1	677,100	677,100	677,100	
Fund balance - June 30	<u>\$ 614,740</u>	<u>\$ 614,740</u>	<u>\$ 706,806</u>	<u>\$ 92,066</u>