

**Stanislaus Regional Water Authority
Questions Received Related to RFP for Audit Services**

1. When was your last property, plant and equipment inventory?

Response:

The SRWA is in the process of constructing the surface water treatment plant; therefore no capital asset inventory has been done to date.

2. When was your last GASB 75 other postemployment benefit valuation?

Response:

The SRWA currently has no employees. The personnel assistance during the construction phase is either on a contractual basis or is being provided by employees of the City of Ceres or the City of Turlock on a reimbursement basis.

3. Do you plan to issue new debt in the near future?

Response:

The SRWA is finalizing documents with the State of CA Water Resources Control Board for \$213 million in funding. The funding is comprised of \$28 million in grant dollars and \$185 million in an SRF loan. The final document, which was approved by the SRWA Board in August 2021, can be found in the August 19, 2021 agenda packet which may be found on the SRWA website under "Board Meetings".

4. Do you expect any major changes in the near future?

Response:

Construction, which is currently underway, will be continuing until mid-2023 at which time the surface water treatment plant will be commissioned and come on-line. During the construction period, the General Manager, in conjunction with contract project manager, will be working on the staffing structure for the plant operations.

5. How many audit adjustments did you have for your most recently completed audit?

Response:

One

6. Have you had or do you anticipate any management turnover?

Response:

The City of Turlock is currently recruiting for a Finance Director. Since the SRWA accounting function utilizes the City of Turlock staff, this recruitment could impact the SRWA.

7. Have you had or do you anticipate any board turnover?

Response:

The Board is comprised of 2 elected officials each from the Cities of Ceres and Turlock (4 Board members total). The City's appoint their respective representatives. Each City is on a two-year election cycle, so there is the potential for turnover.

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(continued)**

8. Why are you requesting a proposal for audit services at this time?

Response:

Requested by the Board Chair due to the length of tenure of the current audit firm.

9. Are there any specific concerns, by management or the board, related to the audit?

Response:

No

10. What was the all inclusive cost of your most recently completed audit?

Response:

\$4,740

11. Please provide a copy of your most recently issued audit management letter.

Response

See attached documents