

Spreckels Community Services District
REGULAR MEETING OF THE BOARD OF DIRECTORS
September 21, 2016

6:30 pm

Spreckels Veterans Memorial Building, 5th & Llano, Spreckels, CA 93962

AGENDA

Agenda order may be adjusted by Chair for purposes of meeting flow and to be respectful of the time concerns of guests present.

*If you will be attending a meeting and would like to request translation into a language other than English, including sign language interpretation, please notify the office at (831) 455-7855 or by email to <SpreckelsCSD@gmail.com> **at least 48 hours prior to the time of the meeting**. In compliance with the Americans with Disabilities Act, for those requiring special assistance to access the Board meeting room, to access written documents being discussed at the Board meeting, or to otherwise participate at Board meetings, please contact the Business Manager's Office at (831) 455-7855 for assistance. Notification of at least 48 hours before the meeting will enable the Spreckels Community Services District to make reasonable arrangements to ensure accessibility to the Board meeting and to provide any required accommodations, auxiliary aids or services. Documents provided to a majority of the Board of Directors regarding an open session item on this agenda will be made available for public inspection in the Business Manager's Office located at the Spreckels Veterans Memorial Building, 5th & Llano, Spreckels, CA 93962 during normal business hours.*

1. Opening Business

1.1 Call to Order

1.2 Roll Call & Establishment of Quorum

Ron Eastwood, President
James Riley, Vice President
Scott Henningsen, Director
Otto Kramm, Director
Cathy McDougall, Director
Paul Ingram, Business Manager & Clerk to the Board

1.3 Pledge of Allegiance

1.4 Adoption of Agenda

Changes, additions and approval of the Agenda as presented. 2/3 vote required if any item is added to the Agenda.

1.4.1 Changes to the Agenda

1.4.2 Additions to the Agenda

1.4.3 Adoption of the Agenda

RECOMMENDATION/ACTION: Paul Ingram, Business Manager

“That the Board of Directors of the Spreckels Community Services District adopts the agenda as presented.”

2. Communications

2.1 Correspondence

2.2 Oral Comments from the Public

(At this time any person may comment on any item not on the agenda. Please state your name and address for the record. Action will not be taken on any item that is not on the agenda. If it requires action, it will be referred to staff and/or placed on the next agenda. Board members may briefly respond to statements made or questions posed as permitted by Government Code Section 54954.2. In order that all interested parties have an opportunity to speak, please limit comments to a maximum of five (5) minutes. Any member of the public may comment on any matter listed on this agenda at the time the matter is being considered by the Board of Directors.)

3. Consent Agenda

(Action Items included on the Consent Agenda are considered to be routine and are acted on by the Board of Directors in one motion. There is not discussion of these items before the Board vote unless a member of the Board, staff, or public requests specific items be discussed and/or removed from the Consent Agenda. It is understood that the Administration recommends approval on all Consent items. Each item on the Consent Agenda approved by the Board of Directors shall be deemed to have been considered in full and adopted as recommended.)

RECOMMENDATION/ACTION: At the Pleasure of the Board

“That the Board of Directors approves the Consent Agenda as presented.”

3.1 Approval of the Minutes of the Regular Meeting of August 17, 2016

4. Business Manager’s Report: Monthly Financials

5. Unfinished Business Action Items

5.1 Business Manager/Board Clerk: Contract for Services: Proposed Contract from Paul J. Ingram to provide Management Services to Spreckels Community Services District.

RECOMMENDATION/ACTION: At the Pleasure of the Board

“That the Board of Directors approves proposed contract from Paul J. Ingram to provide Management Services to Spreckels Community Services District at the rate and under the conditions specified in attached Exhibit “A”.”

- 5.2 Approve Final Drafts of Annual Audits of Financial Statements for FY's 2006-07 and 2007-08.

RECOMMENDATION/ACTION: At the Pleasure of the Board

"That the Board of Directors approves the Annual Audits of Financial Statements for FY's 2006-07 and 2007-08."

- 5.3 Discussion and possible approval of Letter of Engagement with McGilloway, Ray, Brown & Kaufman for Annual Audits, Fiscal Years 2009 & 2010, not-to-exceed \$18,000.

RECOMMENDATION/ACTION: Business Manager Paul Ingram

"That the Board of Directors approves the Letter of Engagement with McGilloway, Ray, Brown & Kaufman to perform audits of the financial statements for fiscal years 2008-09 and 2009-10 not-to-exceed \$18,000."

6. New Business Action Items

6.1 Review of Accounts Payable:

a. Paul J. Ingram	Management Services	\$ 500.00
b. Salinas Valley Landscaping	Monthly Service	\$ 1,275.00
c. Spreckels Memorial Dist.	AT&T	\$ 47.09
d. Spreckels Water Company	Monthly Service	\$ 287.82
e. Monterey County Counsel	Legal Services	\$ 518.52
f. SCI Consulting Group	Parcel Audit	\$ 4,786.20
g. McGilloway, Ray, Brown & Kaufman	Audit FY's 2007 & 2008	\$ 9,400.00
h. Monterey County Auditor-Controller	LAFCO Fees	\$ 143.00
i. Frank Bettencourt	Backflow Device Testing	\$ 225.00
	TOTAL	\$ 17,182.63

RECOMMENDATION/ACTION: Paul Ingram, Business Manager

"That the Board of Directors of the Spreckels Community Services District approves the Accounts Payable for the period of July 2016."

7. Public Hearing

8. Unfinished Business Non Action Items

- 8.1 Review of Landscape Maintenance Contract
8.2 Letter to Parcel Holders & Constituents to be sent with assessment refund

9. New Business Non Action Items

10. Comments by Members of the Board

10.1 Board Members:

- a. Mitigation Fees
- b. Standard Pacific Homes Subdivision
- c. Zoning
- d. Historical
- e. Community Service
- f. Street Lights
- g. Drainage
- h. Grading
- i. Legal Counsel
- j. Alleys
- k. Trees:
- l. Landscaping
- m. Sidewalk Repairs
- n. Wheel Chair/Access Ramps
- o. Quarterly Services
- p. Trench Work

11. Reports from Standing and Ad Hoc Committees

12. Community Member Recognition

13. Consideration of Items for Future Meetings

13.1 Proposed Future Agenda Items

14. Next Meeting Dates:

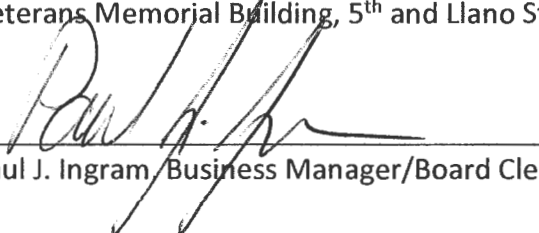
October 19, 2016- 6:30 PM
 November 16, 2016-6:30 PM


Agenda Items due October 13, 2016
 Agenda Items due November 10, 2016

15. Adjournment

Certification

I, Paul J. Ingram, Business Manager/Board Clerk for Spreckels Community Services District, do hereby declare that the foregoing agenda was posted at least (72) hours prior to the September 21, 2016 Regular Meeting of the District Board of Directors scheduled for 6:30 pm at Spreckels Veterans Memorial Building, 5th and Llano Streets Spreckels, CA 93962.


 Paul J. Ingram, Business Manager/Board Clerk


 Date

Spreckels Community Services District
MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
August 17, 2016

6:30 pm

Spreckels Veterans Memorial Building, 5th & Llano, Spreckels, CA 93962

1. Opening Business

1.1 Call to Order

The meeting was called to order by Vice President Riley at 6:30 pm.

1.2 Roll Call & Establishment of Quorum

Ron Eastwood, President
James Riley, Vice President
Scott Henningsen, Director
Otto Kramm, Director
Cathy McDougall, Director
Paul Ingram, Business Manager & Clerk to the Board

Present: Riley, Henningsen, McDougall

Absent: Eastwood [emergency], Kramm [vacation] QUORUM ESTABLISHED

1.3 Pledge of Allegiance

1.4 Adoption of Agenda

Changes, additions and approval of the Agenda as presented. 2/3 vote required if any item is added to the Agenda.

1.4.1 Changes to the Agenda

1.4.2 Additions to the Agenda

1.4.3 Adoption of the Agenda

RECOMMENDATION/ACTION: Paul Ingram, Business Manager

"That the Board of Directors of the Spreckels Community Services District adopts the agenda as presented."

Motion to approve, [McDougall] 2nd [Henningsen]

Ayes: Riley, Henningsen, McDougall

Noes: None

MOTION CARRIED

2. Communications

2.1 Correspondence

Spreckels Water Company backflow device notification.

Business Manager Ingram reported notification from SWC. He will contact testing firm and inquire about shutting off unused hook ups.

American Transparency-Public Records Request.

Request was for names of employees. BM Ingram replied by email that SCSD does not have employees.

2.2 Oral Comments from the Public

3. Consent Agenda

RECOMMENDATION/ACTION: At the Pleasure of the Board.

“That the Board of Directors approves the Consent Agenda as presented.”

*3.1 Approval of the Minutes of the Regular Meeting of July 20, 2016

Motion to approve, [Henningsen] 2nd, [McDougall]

Ayes: Riley, Henningsen, McDougall

Noes: None

MOTION CARRIED

4. Business Manager’s Report: Monthly Financials

5. Unfinished Business Action Items

5.1 Business Manager/Board Clerk: Contract for Services/Employment Agreement: Proposed Contract from Spreckels Memorial District to provide Management Services to Spreckels Community Services District.

RECOMMENDATION/ACTION: At the Pleasure of the Board

“That the Board of Directors approves proposed contract from Spreckels Memorial District to provide Management Services to Spreckels Community Services District at the rate and under the conditions specified in attached Exhibit “A”.”

After a discussion there was a motion to table until the September 21st regular meeting [McDougall] 2nd [Henningsen]

Ayes: Riley, Henningsen, McDougall

Noes: None

MOTION CARRIED

6. New Business Action Items

6.1 Review of Accounts Payable:

a. Paul J. Ingram

Management Services \$ 527.27

b. Salinas Valley Landscaping	Monthly Service	\$ 1,275.00
c. Spreckels Memorial Dist.	AT&T	\$ 46.76
d. Spreckels Water Company	Monthly Service	<u>\$ 284.32</u>
	TOTAL	\$2,133.35

RECOMMENDATION/ACTION: Paul Ingram, Business Manager

“That the Board of Directors of the Spreckels Community Services District approves the Accounts Payable for the period of July 2016.”

Motion to approve, [McDougall] 2nd [Henningsen].

Ayes: Riley, Henningsen, McDougall

Noes: None

MOTION CARRIED

7. Public Hearing

7.1 Resolution 2016_03: Adopt Budget for FYE 6/30/2017

RECOMMENDATION/ACTION: Paul Ingram, Business Manager

“That the Board of Directors of Spreckels Community Services District adopts Resolution 2016_03 Budget for FYE 6/30/2017, as presented in attached Exhibit “A”.”

Motion to approve, [Henningsen] [McDougall].

Ayes: Riley, Henningsen, McDougall

Noes: None

MOTION CARRIED

7. Unfinished Business Non Action Items

7.1 Review of Landscape Maintenance Contract

7.2 Letter to Parcel Holders & Constituents to be sent with assessment refund

8. New Business Non Action Items

8.1 Presentation of Annual Audits of Financial Statements for FY’s 2006-07 and 2007-08 by Patricia Kaufman of McGilloway, Ray, Brown and Kaufman, Certified Public Accountants.

Draft audits were presented. Additional adjusting journal entries will be required. Patricia Kaufman recommended tabling approval of reports until the September 21st meeting. Business Manager Ingram will perform journal entries in MRBK’s office under supervision of auditor Deanna Thomas. AJE’s must be performed before FY’s 2009 and 2010 audits begin.

9. Comments by Members of the Board

9.1 Board Members:

- a. Mitigation Fees
- b. Standard Pacific Homes Subdivision
- c. Zoning
- d. Historical
- e. Community Service
- f. Street Lights
- g. Drainage

Director Riley reported beginning of sink hole at 2nd St. between Railroad and Hatton near storm drain manhole cover.

- h. Grading
- i. Legal Counsel
- j. Alleys
- k. Trees:
 - l. Landscaping
- m. Sidewalk Repairs
- n. Wheel Chair/Access Ramps
- o. Quarterly Services
- p. Trench Work

10. Reports from Standing and Ad Hoc Committees

11. Community Member Recognition

12. Consideration of Items for Future Meetings

12.1 Proposed Future Agenda Items

Approval of audits for FY's 2009 & 2010.

14. Next Meeting Dates:

September 21, 2016 – 6:30 PM

October 19, 2016- 6:30 PM

Agenda Items due September 14, 2016

Agenda Items due October 13, 2016

15. Adjournment *Meeting was adjourned at 7:59 pm.*

Certification

I, Paul J. Ingram, Business Manager/Board Clerk for Spreckels Community Services District, do hereby declare that the foregoing agenda was posted at least (72) hours prior to the August 17, 2016 Regular Meeting of the District Board of Directors scheduled for 6:30 pm at Spreckels Veterans Memorial Building, 5th and Llano Streets Spreckels, CA 93962.

Paul J. Ingram, Business Manager/Board Clerk

Date

Exhibit "A"

Paul J. Ingram
P.O. Box 354
Carmel Valley, CA 93924
(831) 601-6518
paulj Ingram93924@gmail.com

SPRECKELS COMMUNITY SERVICES DISTRICT BUSINESS MANAGER/BOARD CLERK GENERAL DUTIES, JOB DESCRIPTION AND CONTRACT FOR SERVICES

Place of Work:

1. District office and place of work shall be shared office space with Spreckels Memorial District at Spreckels Veteran's Memorial Building, 90 Fifth Street, Spreckels, CA 93962.

Chain of Command:

1. Business Manager shall report to the current Board President and to the rest of the Board of Directors as directed by the Board President.

Office Hours:

1. Office hours shall be at the discretion of Business Manager and at a minimum will coincide with monthly agenda posting deadlines and regular meeting days.

Daily Tasks:

1. Monitor district phone voicemail by mobile phone application.
2. Monitor district email Inbox.
3. As a rule, response to messages shall wait until Business Manager is at work in district office. Business Manager shall use his discretion in deciding if messages need immediate response.

Weekly Tasks:

1. Check mail at Spreckels post office.
2. Review items received in mail and forward copies to Board Members as needed. Business Manager shall have authorization to open mail addressed to the Board President or specific board members.

Monthly Tasks:

1. Attendance at the regular meeting of the Board of Directors.
2. Drafting of regular meeting agenda for review by Board President.
3. Preparation of regular meeting agenda packet with minutes of previous meeting and supporting documents for circulation to Board Members, members of the public upon request and uploading to District website .
4. Posting of agenda without supporting documents at Post Office bulletin board.
5. Printing of full agenda packets for Board Members and members of the public upon request.
6. Recording of minutes for regular board meeting.
7. Preparing of monthly check request spreadsheet and transmittal for Monterey County Auditor-Controller's office check printing services.

8. Mailing of approved accounts payable and filing of checks and receipts by electronic media.
9. Recording of property tax income and special assessments from Monterey County Treasury Fund 634 Trial Balance Reports.

Yearly Tasks:

1. Preparation and transmittal of State Controller Government Compensation in California report.
2. Preparation and transmittal of State Controller Financial Transactions Report.
3. Assist Parcel Auditing firm with preparation and transmittal of Parcel Tax Resolution and parcel list Excel spreadsheet.
4. Preparation and transmittal of IRS Form 1099 to contractors and vendors.

Ongoing tasks:

1. Drafting and updating of mandatory District documents such as By-Laws, Conflict of Interest Code, [etc.].
2. Updating and adding features and information to District website.
3. Communication and assistance to accounting firm for the development of mandatory current and delinquent annual audits.

Compensation:

1. Yearly compensation for the above shall be \$6,000.00, payable monthly at the rate of \$500.00. Monthly payment shall be for previous month's period.

Additional Compensation: The following mandatory tasks shall be compensated at the rate of \$30.00 per hour, portal to portal. Automobile expense shall be reimbursed at current rates approved by the Internal Revenue Service.

1. Specially called meetings of the Board of Directors.
2. Committee meetings.
3. Meetings with District Counsel.
4. Meetings with Accounting Firm.
5. Meetings with other governmental agencies.
[Exceptions may be made for meetings held at Spreckels Veteran's Memorial Building during planned business hours.]
6. Preparation of Requests for Proposals, solicitation of contract bids and administration of bid selection process.

Renewal of Contract:

1. Review of contract shall occur July of each year with renewal to be approved at the August regular meeting of the Board of Directors.

Approved by the Board of Directors, Spreckels Community Services this _____ day of

_____, 20____. Signed,

Ron Eastwood, President

Paul J. Ingram, Business Manager

McGILLOWAY, RAY, BROWN & KAUFMAN

Accountants & Consultants

2511 Garden Road, Suite A180
Monterey, CA 93940-5301
831-373-3337
Fax 831-373-3437

379 West Market Street
Salinas, CA 93901
831-424-2737
Fax 831-424-7936

February 11, 2016

To Spreckels Community Services District and the Board of Directors:

Spreckels Community Services District
P.O. Box 7432
Spreckels, CA 93962

Governmental Audit Engagement Letter

We are pleased to confirm our understanding of the services we are to provide Spreckels Community Services District for the years ended June 30, 2007, June 30, 2008, June 30, 2009, and June 30, 2010. We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of Spreckels Community Services District as of and for the years ended June 30, 2007, June 30, 2008, June 30, 2009, and June 30, 2010. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Spreckels Community Services District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Spreckels Community Services District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1) Management's Discussion and Analysis.

*Daniel M. McGilloway, Jr., CPA, CVA, Gerald C. Ray, CPA, Clyde W. Brown, CPA, Patricia M. Kaufman, CPA,
Larry W. Rollins, CPA, Jesus Montemayor, CPA*

*Sarita C. Shannon, CPA, Whitney Ernest, CPA, Devvyn MacBeth, CPA,
Smriti Shrestha, CPA, Wei Ding, CPA*

Audit Objective

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of Spreckels Community Services District's financial statements. Our report will be addressed to the Board of Directors of Spreckels Community Services District. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or may withdraw from this engagement.

Audit Procedures: General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Audit Procedures: Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

Audit Procedures: Compliance

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

Other Services

We will also prepare the financial statements of Spreckels Community Services District in conformity with U.S. generally accepted accounting principles based on the information provided by you.

Management Responsibilities

Management is responsible for establishing and maintaining effective internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we

may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

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

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws and regulations.

You agree to assume all management responsibilities for financial statement preparation services and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Engagement Administration, Fees, and Other

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

The audit documentation for this engagement is the property of McGilloway, Ray, Brown & Kaufman and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the Board of Directors or its designee. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of McGilloway, Ray, Brown & Kaufman personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the Board of Directors or its designee. The Board of Directors or its designee may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

Patricia M. Kaufman is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

We estimate that our fees for these services will be as follows:

	Year Ended	Amount
Audit Fees:	June 30, 2007	\$ 8,500.00
	June 30, 2008	9,000.00
	June 30, 2009	9,000.00
	June 30, 2010	9,000.00
Total:		<u>\$35,500.00</u>

You will also be billed for travel and other out-of-pocket costs such as report production, word processing, postage, etc. Currently, our rates range from \$100 per hour for clerical to \$270 per hour for partners. You will receive the final audited financial statements in one bound copy as well as an electronic (PDF) version. If you would like additional bound copy versions printed for you, the charge will be \$20 per copy. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation.

Accounts past due over 30 days are considered delinquent and will be subject to an annual finance charge of twelve percent (12%), or a monthly rate of one percent (1%). There will be a minimum finance charge of \$1.00. Payments received on account will first be credited against any delinquency charges. Further, we will cease performing services on delinquent accounts if the account becomes 60 days or more overdue and will not be resumed until your account is paid in full. All expenses incurred to collect past due accounts, including collection fees will be added to any amount due. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

If any dispute arises among the parties, they agree to try first in good faith to settle the dispute by mediation administered by the American Arbitration Association (AAA) under its Commercial Mediation Rules. All unresolved disputes shall then be decided by final and binding arbitration in accordance with the Commercial Arbitration Rules of the AAA. Fees charged by any mediators, arbitrators, or the AAA shall be shared equally by all parties. In agreeing to arbitration, we both acknowledge that in the event of a dispute, each of us is giving up the right to have the dispute decided in a court of law before a judge or jury and instead we accept the use of arbitration for resolution.

You agree to hold us harmless and to release, indemnify, and defend us from any liability or costs, including attorney's fees, resulting from management's knowing misrepresentation to us.

We appreciate the opportunity to be of service to Spreckels Community Services District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

McGilloway, Ray, Brown & Kaufman
Accountants & Consultants



Patricia M. Kaufman, CPA
Partner

Response:

This letter correctly sets forth the understanding of Spreckels Community Services District. Approval 9/21/2016 to perform audits for FY's 2009 & 2010, not to exceed \$18,000. Billing will be by itemized invoice. Further approval needed for additional years.

Management Signature: _____

Print: _____

Title: Business Manager

Date: _____

Governance Signature: _____

Print: _____

Title: Board President

Date: _____

Office of the County Counsel - County of Monterey

168 West Alisal Street, 3rd Floor
Attn: Lynda Campos (831) 755-5045
Salinas, CA 93901-2680

INVOICE

Spreckels Community Services District
Attn: Ron Eastwood, President
PO Box 7432
Spreckels, CA 93962

Invoice Number: **16-000267**
Invoice Date: 8/23/2016
Account #: A-708

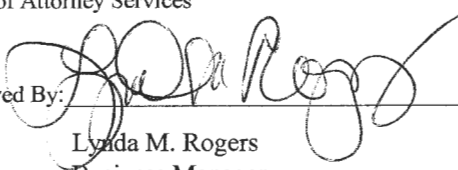
Hours	Description	Total
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For Legal Services Rendered

Jul 01, 2016 thru Jul 31, 2016

2.60	Hours of Attorney Services	\$518.52
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Approved By: _____


Lynda M. Rogers
Business Manager

All amounts due when rendered.

Make Checks Payable to: Treasurer -- County of Monterey
or Generate Interdepartmental Fund Transfer

Pay this amount:

\$518.52

Mail To: Office of the County Counsel - County of Monterey
168 West Alisal Street, 3rd Floor
Attn: Lynda Campos (831) 755-5045
Salinas, CA 93901-2680

Office of the County Counsel - County of Monterey
Billing Detail -- 7/1/2016 through 7/31/2016

Spreckels Community Services District

Summary	Date	Attorney Hours	Attorney Amount	Assistant Hours	Assistant Amount	Expenses	Total
Assignment							
A16-01496	Title: Spreckels Community Services District - General 2016 Staff: Whilden, Michael J. Task: Advise / Consultation Desc: Advise client re compliance with Brown Act.	7/1/2016	0.40		\$79.77		
A16-01496	Title: Spreckels Community Services District - General 2016 Staff: Whilden, Michael J. Task: Board Meeting/Hearing Desc: Prep for, travel to and advise Board.	7/6/2016	1.80		\$358.97		
A16-01496	Title: Spreckels Community Services District - General 2016 Staff: Whilden, Michael J. Task: Advise / Consultation Desc: Advise re communications with Regional Fire.	7/15/2016	0.40		\$79.77		
	A16-01496 Subtotal:		2.60		\$518.52	0.00	\$0.00
	Assignment Subtotal:		2.60		\$518.52	0.00	\$0.00
	Total		2.60		\$518.52	0.00	\$0.00

SCI Consulting Group

4745 Mangels Blvd.
Fairfield, CA 94534

(707) 430-4300

Invoice

DATE	INVOICE #
8/19/2016	C6654

BILL TO
Spreckels Community Services District P.O. Box 7432 Spreckels, CA 93962

PROJECT	
Parcel Tax Admin FY 2016-17	
P.O. #	

DESCRIPTION	AMOUNT
Tax Consulting Services: Annual Administration, Fiscal Year 2016-17	4,625.00
Verify Parcels in District and Calculate Parcel Taxes Quality Control and Levy Re-Verification Levy Administration Services and Parcel Tax Report Annual Accountability Reporting Responding to Public Inquiries and Appeals Payment due upon submittal of data to the County	
Total Reimbursable Expenses	161.20
Total	
	\$4,786.20

McGilloway, Ray, Brown & Kaufman

Phone: 831-373-3337
Fax: 831-373-3437

2511 Garden Road, Suite A180
Monterey, CA 93940

www.mcgilloway-ray.com
cpa@mcgilloway-ray.com

ID: 217625

Date: 07/31/16

Invoice: 2,000,018,940

Amount: \$850.00

Spreckels Community Services District
Paul Ingram
P.O. Box 7432
Spreckels, CA 93962

This invoice is for the following services rendered for Spreckels Community Services District.

Progress billing (95%) for audit of financial statements for the fiscal year ending June 30, 2007.	8,075.00
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Less prior progress billings.	(7,225.00)
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Billed Amount	\$850.00
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Invoice Total	\$850.00
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Please return this portion with payment. Mail to - 2511 Garden Road, Suite A180, Monterey, CA 93940.

Invoice: 2000018940 Date: 07/31/2016 Due Upon Receipt.	Payment Amount: \$ _____ Payment Type: <input type="checkbox"/> Check <input type="checkbox"/> Cash	ID: 217625 Spreckels Community Services District 831-455-7855
Payments received after the Date above are not reflected in the Amount Due. Call 831-373-3337 for inquiries. Amount Due is payable upon receipt. Past due amounts will incur a monthly finance charge of 1%.	Offices: 2511 Garden Road, Suite A180, Monterey, CA 93940, (831) 373-3337 379 West Market Street, Salinas, CA 93901, (831) 424-2737 822 Alhambra Avenue, Suite 11, Martinez, CA 94553, (831) 998-9455	
Please make checks payable to McGilloway, Ray, Brown & Kaufman.		

McGilloway, Ray, Brown & KaufmanPhone: 831-373-3337
Fax: 831-373-34372511 Garden Road, Suite A180
Monterey, CA 93940www.mcgilloway-ray.com
cpa@mcgilloway-ray.com

ID: 217625

Date: 07/31/16

Invoice: 2,000,018,941

Amount: \$8,550.00

Spreckels Community Services District
Paul Ingram
P.O. Box 7432
Spreckels, CA 93962

This invoice is for the following services rendered for Spreckels Community Services District.

Progress billing (95%) for audit of financial statements for the fiscal year ending June 30, 2008.	8,550.00
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Billed Amount	\$8,550.00
Invoice Total	\$8,550.00



Please return this portion with payment. Mail to - 2511 Garden Road, Suite A180, Monterey, CA 93940.

Invoice: 200018941 Date: 07/31/2016 Due Upon Receipt.	Payment Amount: \$ _____ Payment Type: <input type="checkbox"/> Check <input type="checkbox"/> Cash	ID: 217625 Spreckels Community Services District 831-455-7855
Payments received after the Date above are not reflected in the Amount Due. Call 831-373-3337 for inquiries. Amount Due is payable upon receipt. Past due amounts will incur a monthly finance charge of 1%.	Offices: 2511 Garden Road, Suite A180, Monterey, CA 93940, (831) 373-3337 379 West Market Street, Salinas, CA 93901, (831) 424-2737 822 Alhambra Avenue, Suite 11, Martinez, CA 94553, (831) 998-9455	
Please make checks payable to McGilloway, Ray, Brown & Kaufman.		

MONTEREY COUNTY

AUDITOR - CONTROLLER

(831) 755-5040 • FAX (831) 755-5098 • P.O. BOX 390 • SALINAS, CALIFORNIA 93902

MICHAEL J. MILLER, CPA, CISA, CITP
AUDITOR-CONTROLLER

ALFRED R. FRIEDRICH, CGFM
ASSISTANT AUDITOR-CONTROLLER



Jim Riley
General Manager
Spreckels Community Services District
P.O. Box 7432
Spreckels, CA 93962

September 1, 2016

Invoice #17-136
LAFCO BUDGET ALLOCATION 2016-2017

Pursuant to California State Code 56381, Section (b)(a) (c), each city and special district is required to pay LAFCO Administrative Charges. Your portion of these charges, based on LAFCO's Budget for Fiscal Year ended June 30, 2017, is \$143.00.

As per LAFCO Resolution 09-21 adopted December 7, 2009, if payment in full has not been received on or before September 30, 2016, the County Auditor will be directed to transfer the unpaid amount from your entity's revenues to LAFCO's fund.

Please make your check payable to Monterey County Auditor-Controller and send your remittance to:

Michael J. Miller
Monterey County Auditor-Controller
P.O. Box 390
Salinas, CA 93902
attn: General Accounting

FOR: Spreckels Community By

Invoice

SERVICES DISTRICT

P.O. Box ~~7432~~ (7432)

Spreckels, CA. 93962

ORDER NO. DATE

FRANK E BETTENCOURT

P.O. Box 2408

Hollister, CA 95024

DATE 9-16-16

TEST Back-flows

#6	1	Wilkins	975XL	1"	#2670115	\$45.00
#7	1	Febco	825YA	1 1/2"	#J00367	45.00
#8	1	Wilkins	975XL	1"	#2835941	45.00
#9	1	Wilkins	975XL	1"	#3192146	45.00
#10	1	Febco	825YA	1"	J006539	45.00
						<u>225.00</u>

Thank You
Frank