

BOLINAS COMMUNITY PUBLIC UTILITY DISTRICT

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O'Connor and Company
1701 Novato Blvd., Suite 302
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We are providing this letter in connection with your audit of the basic financial statements of Bolinas Community Public Utility District as of June 30, 2024 and June 30, 2023, and for the years then ended, for the purpose of expressing an opinion as to whether the basic financial statements present fairly, in all material respects, the respective financial position of the business-type activities of Bolinas Community Public Utility District and the respective changes in financial position and cash flows thereof, in conformity with U.S. generally accepted accounting principles. We confirm that we are responsible for the fair presentation of the previously mentioned basic financial statements in conformity with U.S. generally accepted accounting principles. We are also responsible for adopting sound accounting policies, establishing, and maintaining effective internal control, and preventing and detecting fraud.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material if they involve an omission or misstatement of accounting information that, considering surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material because of qualitative factors.

We confirm, to the best of our knowledge and belief, the following representations made to you during your audit(s):

1. The basic financial statements referred to above are fairly presented in conformity with U.S. generally accepted accounting principles and include all properly classified funds and other financial information of the primary government and all component units required by U.S. generally accepted accounting principles to be included in the financial reporting entity.
2. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
3. We have made available to you all:
 - a. Financial records and related data and all audit or relevant monitoring reports, if any, received from funding sources.
 - b. Minutes of the meetings of Bolinas Community Public Utility District Board of Directors or summaries of actions of recent meetings for which minutes have not yet been prepared.
 - c. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters, and all audit or relevant monitoring reports, if any, received from funding sources.
 - d. Additional information that you have requested from us for the purpose of the audit.
 - e. Unrestricted access to persons within Bolinas Community Public Utility District from whom you determined it necessary to obtain audit evidence.
4. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
5. There are no material transactions that have not been properly recorded in the accounting records underlying the basic financial statements.
6. We acknowledge our responsibility 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.
7. The effects of uncorrected misstatements are immaterial, both individually and in aggregate, to the financial statements for each opinion unit.
8. Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.

9. Adjustments or disclosures have been made for all events, including instances of noncompliance, after the date of the financial statements that would require adjustment to or disclosure in the financial statements or in the schedule of findings and questioned costs.
10. We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud.
11. We have assessed the risk that the financial statements may be materially misstated because of fraud. The results of our risk assessment are that the financial statements are not materially misstated as the result of fraud.
12. We have no knowledge of any fraud or suspected fraud affecting Bolinas Community Public Utility District involving:
 - a. Management,
 - b. Employees who have significant roles in internal control, or
 - c. Others where fraud could have a material effect on the basic financial statements.
13. We have no knowledge of any allegations of fraud or suspected fraud affecting Bolinas Community Public Utility District received in communications from employees, former employees, analysts, regulators, or others.
14. We have no knowledge of any employees or governing board members working in collusion to circumvent or override internal controls.
15. Bolinas Community Public Utility District's assets are properly insured against the risk of loss and damage from acts of employee dishonesty and fraud.
16. Bank and investment statements and related reconciliations are reviewed each month by a responsible official and we are not aware of any unauthorized transactions reported in our monthly bank and investment statements.
17. We are unaware of any unauthorized, erroneous or fraudulent credit or debit card transactions and electronic transfers.
18. We have taken timely and appropriate steps to remedy identified and suspected fraud or noncompliance with provisions of laws, regulations, contracts, and grant agreements that you have reported to us.
19. We have identified and disclosed to you all instances of identified and suspected fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we believe have a material effect on the financial statements.
20. We have a process to track the status of audit findings and recommendations (if any).
21. Bolinas Community Public Utility District has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or fund equity.
22. We have disclosed to you the names of the Bolinas Community Public Utility District's related parties and all the related party relationships and transactions, including any side agreements.
23. The following, if any, have been properly recorded or disclosed in the basic financial statements:
 - a. Related party transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties.
 - b. Guarantees, whether written or oral, under which Bolinas Community Public Utility District is contingently liable.
 - c. All accounting estimates that could be material to the basic financial statements, including the key factors and significant assumptions underlying those estimates, and we believe the estimates are reasonable in the circumstances.
24. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.

25. There are no estimates that may be subject to a material change in the near term that have not been properly disclosed in the basic financial statements. We understand that *near term* means the period within one year of the date of the basic financial statements. In addition, we have no knowledge of concentrations existing at the date of the basic financial statements that make Bolinas Community Public Utility District vulnerable to the risk of severe impact that have not been properly disclosed in the basic financial statements. We understand that *concentrations* include individual or group concentrations of contributors, grantors, clients, customers, suppliers, lenders, products, services, fund-raising events, sources of labor or materials, licenses or other rights, or operating areas or markets. We further understand that *severe impact* means a significant financially disruptive effect on the normal functioning of Bolinas Community Public Utility District. We have identified all accounting estimates that could be material to the basic financial statements, including the key factors and significant assumptions underlying those estimates, and we believe the estimates are reasonable in the circumstances.
26. We have identified the most sensitive estimate(s) affecting the basic financial statements:
 - Accrual and disclosure of compensated absences.
 - Capital asset lives and depreciation expense.
 - Actuarial assumptions for retiree pension plan disclosure.
 - Fair value of investments and financial instruments.
27. There were no significant changes from prior years in methods or assumptions, outcomes, or degrees of uncertainty.
28. The methods, significant assumptions, and data used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in accordance with U.S. GAAP.
29. We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
30. Bolinas Community Public Utility District has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
31. We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
32. There are no:
 - a. Violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the basic financial statements or as a basis for recording a loss contingency, or for reporting on noncompliance.
 - b. Unasserted claims or assessments that our lawyer has advised us are probable of assertion and must be disclosed in accordance with Financial Accounting Standards Board (FASB) Statement No. 5, *Accounting for Contingencies*.
 - c. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by FASB Statement No. 5.
 - d. Reservations or designation of fund equity that was not properly authorized and approved.
 - e. We have no knowledge of any instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse whose effects should be considered when preparing financial statements.
33. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
34. Bolinas Community Public Utility District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
35. Bolinas Community Public Utility District has complied with all aspects of contractual agreements that would have a material effect on the basic financial statements in the event of noncompliance.

36. The basic financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
37. The basic financial statements properly classify all funds and activities in accordance with GAAP.
38. All funds that meet the quantitative criteria in Governmental Accounting Standards Board (GASB) Statement Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
39. Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (non-spendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
40. Investments, derivative instrument transactions, and land and other real estate held by endowments are properly valued.
41. Provisions for uncollectible receivables have been properly identified and recorded. All loans made by Bolinas Community Public Utility District or another entity acting on behalf of Bolinas Community Public Utility District are properly identified, recorded and reported in Bolinas Community Public Utility District's basic financial statements.
42. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
43. Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
44. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
45. Special and extraordinary items are appropriately classified and reported (if any).
46. Deposits and investment securities and derivative instrument transactions are properly classified as to risk and are properly disclosed.
47. Capital assets, including infrastructure assets, are properly capitalized, reported, and, if applicable, depreciated, or amortized.
48. We have appropriately disclosed Bolinas Community Public Utility District's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
49. We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
50. We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
51. With respect to the supplemental information:
 - a. We acknowledge our responsibility for presenting the supplemental information in accordance with accounting principles generally accepted in the United States of America, and we believe the supplemental information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the supplemental information listed in the table of contents in Bolinas Community Public Utility District's financial statements have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
 - b. If the supplemental information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.
52. All copies of original documents submitted to you have not been improperly altered or changed.

53. We have prepared the Management's Discussion and Analysis, and it is fairly presented as required by the Governmental Accounting Standards Board.
54. We are not aware of any off-balance sheet or general ledger accounts and transactions.
55. We are not aware of any errors in the pension plan census data for all plans.
56. We are not aware of any potential risks or financial reporting errors related to our information systems and related controls over data and related access. We are properly insured against the risk of cyber-attack and data loss.
57. All material transactions have been recorded in the accounting records and are reflected in the financial statements and the schedule of expenditures of federal awards (if applicable).
58. We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.
59. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
60. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
61. We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report (if any).
62. We have reviewed the Board of Directors & Management Report (Report to Governance) and agree with the information reported.
63. We are not aware of any indicators, information, or data that the Bolinas Community Public Utility District will not be able to pay their bills in a timely manner.
64. We have appropriately identified, recorded, and disclosed all leases in accordance with GASBS No. 87.
65. We have appropriately disclosed or recognized conduit debt obligations and/or certain arrangements associated with conduit debt obligations in accordance with GASBS No. 91.
66. We have appropriately identified, recorded, and disclosed subscription-based information technology arrangements in accordance with GASBS No. 96.
67. Regarding the financial statement non-attest preparation services performed by you, we have—
 - Assumed all management responsibilities.
 - Designated Georgia Woods, General Manager and Maze & Associates who has (have) suitable skill, knowledge, or experience to oversee the services.
 - Evaluated the adequacy and results of the services performed.
 - Accepted responsibility for the results of the services.
 - Ensured that the data and records are complete and we have sufficient information to oversee the services.

To the best of our knowledge and belief, no events, including instances of noncompliance, have occurred after the balance sheet date and through the date of this letter that would require adjustment to or disclosure in the basic financial statements.

Signed: _____

Title: _____

Date: _____