

PROPOSAL TO PROVIDE AUDIT SERVICES
MARINA COAST WATER DISTRICT
MAY 3, 2015



MANN • URRUTIA • NELSON CPAs & ASSOCIATES, LLP

CONTACT: JUSTIN WILLIAMS, CPA, CVA, PARTNER

SACRAMENTO OFFICE • 2515 VENTURE OAKS WAY, SUITE 135 • SACRAMENTO, CA 95833 • O.916.929.0540 • F.916.929.0541

WWW.MUNCPAS.COM



TABLE OF CONTENTS

Transmittal Letter	1
Company Profile	2
Scope of Services	3
Audit Approach.....	4 - 6
Qualifications	
The Engagement Team	7
Resumes	8 - 11
Continuing Education	12 - 13
Recent Similar Auditing Experience	14
Client References	15 - 16
Cost Proposal	17
Peer Review	18
Certifications	19
Draft Engagement letter	20 - 24



May 3, 2015

Marina Coast Water District
Attn: Kelly Cadiente
11 Reservation Rd.
Marina, CA 93933

Dear Ms. Cadiente:

The partners and staff of Mann, Urrutia, Nelson CPAs are pleased to present our proposal to provide professional services to the Marina Coast Water District. Our Firm has experienced continuous growth and success as we meet and exceed client expectations. Our overall goal is to provide responsive, innovative services of the highest quality to our clients.

We understand we add value to the audit by providing specialized resources and technical proficiency. Our expertise in governmental auditing and accounting combined with our vast access to resources empowers us to solve challenges encountered during the audit. Our highly trained engagement team will maintain a knowledgeable, yet, non-intrusive, approach to the audit, and in this way, deliver an audit of exceptional quality requiring few disruptions in the conduct of the District's on-going operations.

I can attest that our firm is a legal entity in the State of California and has performed continuous CPA services for over twelve years. We are members in good standing of both the American Institute and California Society of Certified Public Accountants.

As a Partner listed on this proposal, I am authorized to make representations for and to bind our firm. Should you have any questions, I encourage you to contact me via telephone at (916) 929-0540 or email at jjw@muncpas.com

I am confident that our proposal addresses your needs and look forward to discussing and reviewing its content with you. We would welcome this opportunity to differentiate our Firm from our competition and further discuss our approach in providing quality service.

This proposal is a firm and irrevocable offer for a period of 60 days.

Sincerely,

A handwritten signature in blue ink, appearing to read "Justin Williams".

Justin Williams, CPA, CVA
Partner



COMPANY PROFILE

Mann, Urrutia, Nelson, CPAs & Associates LLP was founded twelve years ago and is a locally established and respected full service accounting and auditing firm offering audit, tax, consulting, litigation support, business valuations, and forensic accounting services. Our commitment to our clients has enabled the firm continued growth and success at developing and maintaining strong professional relationships.

We separate ourselves from our competition by:

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

Our industry specialization includes governmental, not-for-profit, for-profit, and retirement plans. Our clients range from small organizations to organizations with over \$500 million in assets. As voluntary members of the Government Audit Quality Control Center, California Society of Municipal Finance Officers, California Municipal Treasurers Association, and League of California Cities we have access to the latest developments in accounting, auditing, and the various rules and regulations that affect the different industries. Membership in these centers provides our firm with additional resources designed to enhance our audit quality and apply best audit practices to our engagements.

Our firm consists of 45 well trained professionals; we have ten (10) full time governmental audit staff members, of which five (5) will be dedicated to the Marina Coast Water District should services be awarded to our firm. We have office locations in Sacramento, Roseville, South Lake Tahoe, and Glendale, California. While the majority of audit engagements are performed out of the Sacramento office, our various office locations allow us to expand our services throughout the State of California. If awarded, work will be performed out of our Sacramento office.

Our firm undergoes a peer review every three years as established by the American Institute of Certified Public Accountants. Our last peer review was completed in May 2013 and resulted in a pass rating (the highest rating possible) on our system of quality control for accounting and auditing. This quality control review included a review of specific government engagements. A copy of this peer review report is included in this proposal for your review.

We have NOT had any Field Reviews, Desk Reviews or Disciplinary actions taken against, or pending against, the Firm.

We believe our unique combination of technical expertise, combined with our philosophy of total client commitment throughout all phases of the engagement provides our clients the highest quality service and products available.





SCOPE OF SERVICES

We understand that the Marina Coast Water District requires timely audit services and we are committed to meeting all terms, conditions, and requirements as addressed in the request for proposal. With our experience and expertise, we fully understand the audit requirements, as well as your expectations.

The period covered will be for the fiscal year ending June 30, 2015 with the option to extend the contract for two (2) additional years. It is our understanding the scope of services will be the following:

1. Audit the financial statements and submit audit report to the Marina Coast Water District, to include all applicable footnotes.
2. Assist, review and provide recommendations to the District in their preparation of the Comprehensive Annual Financial Report.
3. Prepare Management letter, to include a statement of audit findings and recommendations affecting the financial statements, internal control structure, accounting procedures, accounting systems, legality of actions, and any instances of non-compliance with laws and regulations and any other material matters.
4. Perform Single Audit, if required.
5. Prepare Annual State Controller's Financial Transactions Report, if requested.
6. Attend District Board of Director's meeting when audited financial statements are presented.

The audit will be performed in accordance with generally accepted accounting principles; generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; *the Basic Audit Program and Reporting Guidelines for California Special Districts*, as prescribed by the State Controller.





THE AUDIT APPROACH

Our audit process begins with the assignment of staff to the engagement. Our engagement team has the expertise to provide a level of service desired and deserved by your organization. Our engagements are supervised by the engagement partner and the manager. As high-level involvement is vital to a quality audit, the partner and manager's time will account for approximately 30% of total hours spent on the engagement. Our team's approach is to be efficient yet non-intrusive.

We believe on-going communication throughout the entire audit will ensure that all aspects of the audit are thoroughly addressed. We encourage regular communications throughout the year, not just during fieldwork. As such, we do not anticipate any potential audit problems to arise during our engagement.

Audit Planning

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

Risk Assessment

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

Control Environment

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

- ◇ Disbursements
- ◇ Receipts
- ◇ Payroll
- ◇ Financial reporting
- ◇ Journal entry process
- ◇ IT and general computer controls
- ◇ Grant compliance and reporting



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

Substantive Procedures

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

- ◇ Tests of account details
- ◇ Analytical procedures
- ◇ Use of data analysis software
- ◇ Unpredictability tests
- ◇ Review of management's estimates
- ◇ Review of subsequent events and contingencies

Audit Sampling

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

Preparation of Audit Report and Review

Audit workpapers are reviewed throughout the audit by the manager and engagement partner. Before we leave your offices, the file will be substantially reviewed and any issues will be discussed and resolved. The financial statements are prepared by the audit manager. All reports are reviewed by the engagement partner and concurring partner.

Upon approval, we will issue drafts of all reports based on a predetermined schedule allowing adequate time for review and distribution of reports.

Technological Advantages

We utilize the latest technology, including virtual servers, smart devices and online libraries to provide us with the most up-to-date information to better serve our clients. First, our online client portal ShareFile gives us the capability of sending and receiving information to and from our clients faster and more securely. As portals are encrypted and use password protection to ensure that data can only be viewed by the appropriate client, we are dedicated to protecting the District's confidential information.





Furthermore, we streamline our audit process and organize support documents through use of the program CaseWare Working Papers. By effectively reviewing large volumes of data through these programs, we are able to develop a better understanding and gain a broader view of the Marina Coast Water District. These technologies enable us to increase both the scope of our engagement and the reliability of our audit opinion more efficiently, as a larger amount of information can be processed, analyzed and interpreted in a short time frame.

Work Paper Retention

Audit programs, workpapers and reports will be retained for a period of seven (7) years after the completion of the audit and made available for inspection by the Marina Coast Water District, oversight or cognizant agencies, parties designated by the federal or state governments, auditors of entities of which the Marina Coast Water District is a sub recipient of grant funds or component unit, and additional auditors if requested by them.





THE ENGAGEMENT TEAM

The team assigned to perform the audit of the Marina Coast Water District is composed of highly trained professionals with extensive experience in audit engagements. Our small, efficient working group will maintain a knowledgeable, yet non-intrusive, approach to the audit, and in this way, deliver an audit of exceptional quality requiring few disruptions in the conduct of the District's on-going operations. The technical qualifications of Mann, Urrutia, Nelson, CPAs and Associates, LLP personnel selected for this audit ensures service of the highest quality. Engagements at Mann, Urrutia, Nelson, CPAs and Associates, LLP, are conducted under the supervision of an engagement partner and manager, which assures that quality standards are maintained and all client requirements are met.

We propose the following audit team:

JUSTIN WILLIAMS, CPA, CVA, Engagement Partner
MICHELLE NELSON, CPA, CFE, CVA, Concurring Partner
ERICA PASTOR, CPA, Senior Manager
EMILY HSIA, CPA, Senior Accountant

Our commitment to governmental accounting is further amplified by our involvement with respected organizations. The proposed Engagement Partner, Justin Williams, is a presenter for the League of California Cities Municipal Finance Conference, has presented at several CSMFO chapter meetings, and is a member of the California Special Districts Association Audit Committee and Finance Committee. Michelle Nelson, the Concurring Partner, frequently reviews submitted financial statements as a member of the GFOA Certificate of Achievement for Excellence in Financial Reporting Program. Senior Manager, Erica Pastor, is a CalCPA, Sacramento Chapter, Board member and both Michelle and Erica are leading presences on the CalCPA Accounting & Auditing Committee, Sacramento Chapter.

All audit partners and managers have been involved in the implementation of GASB financial reporting requirements. In addition to auditing and assisting with the preparation of GASB financial statements, all audit partners and managers have provided hands-on assistance with implementation of new GASB financial reporting requirements.

The U.S. Government Accountability Office's Yellow Book, *Government Auditing Standards*, requires auditors to maintain their professional competence through continuing professional education. Each auditor performing work under generally accepted government accounting standards is required to complete a minimum of 80 hours of continuing professional education every two years; 24 of the 80 hours must be directly related to government auditing or the government environment. All of our staff exceed the required educational hours, receiving governmental and A-133-specific training throughout the year through external conferences hosted by the CalCPA and internal training provided by our Firm. Furthermore, as 23 local government and non-profit clients have an A-133 Single Audit requirement, all engagement team members, including audit staff, have current A-133 experience. *All staff receive governmental and A-133-specific training throughout the year through external conferences hosted by the CalCPA and internal training provided by our Firm.*

Our Firm takes great pride in not only selecting high quality staff members, but providing them an environment designed for their success and betterment. With that said, all audit management staff and engagement partners have been with our firm for no less than six years. We believe our history of low staff turnover is an asset we are proud to present to the Marina Coast Water District.





JUSTIN WILLIAMS, CPA, CVA
Engagement Partner

Justin’s professional career includes more than 18 years of public and private accounting experience, of which 16 years has been heavily concentrated on audits of governmental, not-for-profits, employee benefit plans and privately held businesses throughout Northern California. Justin will serve as partner in charge for the audit engagement.

- INDUSTRY EXPERIENCE:
 - Special Districts
 - Cities
 - Not-for-profit
 - Privately held businesses
 - Retirement/ employee benefit plans

- OTHER EXPERTISE:
 - GASB implementation
 - Board of Directors training
 - Federal A-133 grant compliance
 - Federal and State compliance and financial reporting
 - Fraud investigations
 - Internal control implementation
 - Peer reviews

- RELEVANT ENGAGEMENT EXPERIENCE:

Association of California Water Agencies	City of Gridley
Tahoe City Public Utilities District	City of Rio Vista
Ironhouse Sanitary District	City of Patterson
Rodeo Sanitary District	City of Piedmont
San Joaquin Regional Transit District	
Sacramento-Yolo Mosquito & Vector District	

- DESIGNATIONS:
 - Certified Public Accountant (CPA)
 - Certified Valuation Analyst (CVA)

- PROFESSIONAL MEMBERSHIPS:
 - American Institute of Certified Public Accountants
 - California Society of Certified Public Accountants
 - GFOA Budget Awards Program
 - National Association of Certified Valuation Analysts
 - Society of California Accountants
 - CSDA Audit Committee Member
 - CSDA Finance Committee Member
 - National Institute of Pension Administrators, Sacramento Chapter

- EDUCATION:
 - Bachelor of Science, Accounting
 - Case Western Reserve University – Cleveland, Ohio

- COMMUNITY SERVICE:
 - Treasurer, California Capital Airshow
 - Previous Treasurer and Board Member, Capital Stage Company





MICHELLE NELSON, CPA, CFE, CVA
 Concurring Partner

Michelle founded and continues to manage the Audit practice of Mann, Urrutia, Nelson CPAs & Associates, LLP. She has specialized in auditing for over 30 years, focusing on such industries as for-profit companies, governmental, non-profit and retirement entities. As a Certified Fraud Examiner, Michelle has provided expert insight in the areas of fraud prevention, detection and implementing processes/internal controls to hinder fraud from happening.

- INDUSTRY EXPERIENCE:** Cities
 Special Districts
 Not-for-profit
 Privately held businesses
 Retirement/ employee benefit plans
- OTHER EXPERTISE:** Board retreats and trainings
 Consulting on new accounting and auditing pronouncements
 Federal and grant compliance
 Financial reporting
 Fraud engagements
 Review and evaluation of internal controls
- RELEVANT ENGAGEMENT EXPERIENCE:** Sacramento-Yolo Mosquito & Vector District Town of Truckee
 City of Pinole Town of Paradise
 City of Hollister
 City of Marina
 City of Dixon
- DESIGNATIONS:** Certified Public Accountant (CPA)
 Certified Fraud Examiner (CFE)
 Certified Valuation Analyst (CVA)
- PROFESSIONAL MEMBERSHIPS:** American Institute of Certified Public Accountants
 California Society of Certified Public Accountants
 Nevada Society of Certified Public Accountants
 GFOA Cert. of Achievement for Excellence in Financial Reporting Program
 CalCPA Governmental Accounting & Auditing Committee, Sac. Chapter
 National Association of Certified Valuation Analysts
 Association of Certified Fraud Examiners
- EDUCATION:** Bachelor of Science, Accounting
 University of Nevada – Reno, Nevada
- Masters in Taxation
 Golden Gate University – San Francisco, California
- COMMUNITY SERVICE:** Previous Board member and Treasurer, Rails to Trails Foundation
 Previous Treasurer and Board member, Chester Foundation
 Board member, Project R.I.D.E.





ERICA PASTOR, CPA
Senior Manager

Erica has twelve years of public accounting experience and spent over seven years working for Mann Urrutia Nelson CPA's & Associates, LLP. Erica has considerable experience serving clients in the government industry, specializing in providing audit and accounting services to counties, cities and special districts. She has significant experience preparing and reviewing CAFRs and auditing grants under the Single Audit Act.

- INDUSTRY EXPERIENCE:
 - Special Districts
 - Cities
 - Not-for-profit
 - Privately held businesses
 - Retirement/ employee benefit plans

- OTHER EXPERTISE:
 - Financial statement preparation
 - GASB implementation
 - Accounting services
 - Reviewed and compiled financial statements
 - Agreed-upon procedures
 - Audit committee training
 - Comprehensive Annual Financial Reports (CAFR)
 - Internal control evaluation
 - OMB Circular A-133 compliance
 - Other grants and contracts compliance

- RELEVANT ENGAGEMENT EXPERIENCE:
 - Tahoe City Public Utilities District
 - Sacramento-Yolo Mosquito & Vector District
 - San Joaquin Regional Transit District
 - League of California Cities
 - City of Hollister
 - City of Rio Vista
 - City of Piedmont
 - City of Patterson
 - City of Rodeo

- DESIGNATIONS:
 - Certified Public Accountant (CPA)

- PROFESSIONAL MEMBERSHIPS:
 - American Institute of Certified Public Accountants
 - CalCPA Governmental Accounting & Auditing Committee, Sacramento Chapter Co-Chair
 - CalCPA, Sacramento Chapter, Board Member

- EDUCATION:
 - Bachelor of Science, Managerial Economics
 - UC Davis – Davis, California
 - Certificate of Accountancy
 - National University – Sacramento, California





EMILY HSIA, CPA
Senior Accountant

Emily has three years of public accounting experience with our firm. As Senior Accountant, she provides audit services to a wide range of industries, including special districts, governmental, not-for-profit, and for-profit entities. Prior to joining our firm, Emily worked at a municipal bond research company in Cedar Rapids, Iowa. She has also gained experience being a bookkeeper at her family restaurant for several years.

- INDUSTRY EXPERIENCE: Special Districts
Cities
Not-For-Profit
For-profit entities

- OTHER EXPERTISE: Internal control evaluation
Accounting services
Inventory observations
OMB Circular A-133 compliance
Other grants and contracts compliance

- RELEVANT ENGAGEMENT EXPERIENCE: Association of California Water Agencies
San Joaquin Regional Transit District
Ironhouse Sanitary District
Tahoe City Public Utilities District
City of Gridley
City of Pinole
City of Rio Vista
City of Marina

- DESIGNATION: Certified Public Accountant (CPA)

- PROFESSIONAL MEMBERSHIPS: American Institutes of Certified Public Accountants
California Society of Certified Public Accountants

- EDUCATION: Bachelor of Business Administration, Accounting
Bachelor of Arts, Asian Languages & Literature (Chinese)
University of Iowa – Iowa City, Iowa





CONTINUING PROFESSIONAL EDUCATION

Continuing education is a top priority for Mann Urrutia Nelson CPA's. Each of our team members receives a wide variety of annual training and content updates from highly qualified instructors, ensuring that they remain on the forefront of issues that could potentially impact our clients.

Individuals who work on audits subject to Government Auditing Standards must obtain, every two years, at least 80 hours of CPE that directly enhance the auditor's professional proficiency to perform audits and/or attestation engagements. At least 20 of the 80 hours must be obtained annually. Individuals responsible for conducting substantial portions of the fieldwork, planning, directing, or reporting on audits subject to Government Auditing Standards must obtain 24 of those hours in subjects directly related to the government environment and government auditing.

All member of the City's engagement team meet all continuing education requirements of Federal, State and Applicable professional organizations.

The table presented in this proposal presents detail information on continuing professional education completed by the proposed solution team for the preceding three (3) years directly related to the governmental environment and governmental auditing.

Justin Williams, CPA, CVA

Course	Credit Hours	Course	Credit Hours
2012 Interim Government Auditing	6	2013 The Most Common Frauds in Cities and Counties	8
2012 Governmental Accounting & Auditing	8	2013 In-house Audit Procedures and Training	12
2012 2011 Yellow Book and Independence	1	2013 Governmental Accounting & Auditing Conference	8
2012 In-house Audit Training	12	2013 Single Audit Update	1
2012 Analytical Procedures	1	2013 Year-end Governmental and Non-profit training	9
2013 Year-End Audit Wrap	1	2014 Audit Wrap-up	1
2013 Overview of New GASB Pension Acctg Standards: Pt. 1	2	2014 Interim Training	8
2013 Independence Under New Yellow Book	1	2014 Year End Training	10
2013 Avoiding Problems In Conducting Single Audit Webcast	8	2014 Governmental & Auditing Conference	8

Michelle Nelson, CPA, CFE, CVA

Course	Credit Hours	Course	Credit Hours
2012 California Regulatory Review	4	2013 Avoiding Problems in Conducting Single Audits	1
2012 Ethics for CPAs	4	2013 Most Common Frauds in Cities & Counties	8
2012 Interim Audit Training	8	2013 Audit Procedures & Training	8
2012 In-house Audit training	8	2013 Governmental Accounting & Auditing Conference	4
2012 An Enterprise Approach to Fraud Detection & Prevention in Government Programs	1	2013 Year End Governmental & Nonprofit training	8
2013 Year End Audit Wrap-up	1	2014 Audit Wrap-up	1
2013 Identifying Fraud Red Flags	2	2014 Governmental & Auditing Conference	8
2013 Transaction Auditing & Monitoring	1	2014 Ethics for California CPA's	4
2013 Independence Under New Yellow Book	1	2014 Interim Training	6
		2014 Year End Training	8





Erica Pastor, CPA

Course	Credit Hours	Course	Credit Hours
2012 Single Audit Series Part 1	1	2013 Independence Under New Yellow Book	1
2012 Redevelopment Agencies, Pension Plans, GASB Exposure Drafts	4	2013 Avoiding Problems in Conducting Single Audits	8
2012 Fraud II: Detection	8	2013 Most Common Frauds in Cities & Counties	8
2012 Interim Government Training	10	2013 Governmental Accounting & Auditing Conference	8
2012 Government Accounting & Auditing Conference	4	2013 Single Audit Update	1
2012 2011 Yellow Book and Independence	1	2013 Year End Governmental & Nonprofit training	8
2012 In-house Audit Training	13	2014 Audit Wrap-up	1
2012 Analytical Procedures	1	2014 Governmental & Auditing Conference	4
2013 Year End Audit Wrap-up	1	2014 Interim Training	8
2013 Government Pension Plans, RDA, Govt Matters	4	2014 Year End Training	8

Emily Hsia

Course	Credit Hours	Course	Credit Hours
2012 Defined Benefit/Cash Balance Design CPA Seminar	1	2013 In-house Audit Procedures & Training	8
2012 2011 Yellowbook and Independence	1	2013 Employee Benefit Plans: Audit & Acctg Essentials	8
2012 In-house Staff Training Level 1	20	2013 Governmental Accounting & Auditing Conference	8
2012 In-house Audit training	8	2013 2013 Single Audit Update	1
2012 Analytical Procedures	1	2013 Year End Governmental & Nonprofit training	8
2013 Year-end Audit Wrap-up	1	2014 Audit Wrap-up	1
2013 Independence Under New Yellow Book	1	2014 Non-Profit Conference	8
2013 Avoiding Problems in Conducting Single Audit	8	2014 Interim Training	8
2013 The Most Common Fraud in Cities & Counties	8	2014 Year End Training	10





LISTING OF RECENT SIMILAR PROJECTS

Mann, Urrutia, Nelson CPAs has extensive experience in providing audit services for several other district/governmental entities that are similar to that which is requested by the Marina Coast Water District. Below is a list of current relevant projects, of which two are Sanitary Districts.

Clients	Scope of Services
Tahoe City Public Utility District	Audit, Single Audit, CAFR*, Gann Limit
Ironhouse Sanitary District	District audit
Rodeo Sanitary District	District audit
Association of California Water Agencies	Association Audit
Sacramento-Yolo Mosquito & Vector Control District	District audit, State Controller's Report
City of Gridley - Water & sewer	Audit, Single Audit
City of Hollister - Water & sewer	Audit, Single Audit, CAFR*, Gann Limit
City of Marina	Audit, Single Audit, Gann Limit
City of Patterson - Water, sewer, garbage	Audit, Single Audit, Gann Limit
City of Pinole - Wastewater Utility Fund	Audit, Single Audit, CAFR*, Gann Limit
City of Rio Vista - Water, Wastewater Treatment, Beach Drive treatment	Audit, Single Audit, Gann Limit
City of Piedmont – Sewer fund, Aquatic fund	Audit, Single Audit, SCO Report, Gann Limit
San Joaquin Transit District	Audit, Single Audit, CAFR*

*GFOA Certificate of Achievement for Excellence in Financial Reporting received





CLIENT REFERENCES

Below are current relevant clients who can attest to our services and work performed on their behalf. We welcome the Marina Coast Water District to contact any of our references listed below.

Clients	Name and Position	Scope of Services
Rodeo Sanitary District	Nancy Lefebvren Administrative Manager (510) 799-2970	<ul style="list-style-type: none"> • District audit
Ironhouse Sanitary District	Michael Welty, Accountant (530) 878-3988	<ul style="list-style-type: none"> • District audit
Tahoe City Public Utilities District	Ramona Cruz Director of Accounting (510) 583-3796	<ul style="list-style-type: none"> • District audit • Additional Contracting Procedures • Single audit
Sacramento-Yolo Mosquito & Vector Control District	Janna McLeod Administrative Manager (916) 685-1022	<ul style="list-style-type: none"> • District audit • Annual State Controller's report
City of Pinole	Sandra Sato Interim Finance Director (510) 724-9823	<ul style="list-style-type: none"> • City audit • Single audit • CAFR* • Component unit
City of Patterson	Minnie Moreno, Finance Director (209) 895-8046	<ul style="list-style-type: none"> • City audit • West Patterson Financing Authority audit • TDA Funds audit • GANN Limit
City of Hollister	Brett Miller, Finance Director (831)636-4300	<ul style="list-style-type: none"> • City audit • Single audit • CAFR* • GANN Limit

*GFOA Certificate of Achievement for Excellence in Financial Reporting received





LETTER OF RECOMMENDATION



CITY OF PINOLE

2131 Pear Street
Pinole, CA 94564

Tel: (510) 724-9000
Fax: (510) 724-9826

November 29, 2012

Prospective Audit Clients

Re: Professional Reference for
Mann, Urrutia, Nelson CPA's & Associates

To Whom It May Concern:

I am pleased to offer my full and unreserved recommendation for retention of *Mann, Urrutia, Nelson CPA's (MUN)*.

I has been my good fortune to take the lead in the financial management and fiscal reporting of two California cities, during my tenure in local government. During that time, *MUN* was selected through competitive bidding to perform the external auditing and completion of Comprehensive Annual Financial Reports (*CAFR document*) for both Auburn and Pinole. Completion of these tasks included preparation of separate component unit reports for Redevelopment Agencies, and included the review of "full service" municipalities, operating Enterprise Funds for Airport, Transit and Wastewater Treatment activities. Additionally, as deemed appropriate *MUN* was retained under separate contracts for Agreed Upon Procedure Engagements, related to cash handling discrepancies and controls, grant compliance, and redevelopment agency close-out projects.

At all times, *MUN* has completed their contractual obligations on time and within budget. The Principals of this Accounting/Auditing Firm are hands-on and on-site during field work activities, providing supervision and mentoring to their Junior Associates. My personal belief is that *MUN* offers a unique perspective to Government Auditing, in that they take the time to fully understand the individual nuances of similar but distinct reporting entities, and then generate a meaningful client dialog about the accuracy and more importantly the completeness of the financial reporting that they oversee. I believe that *MUN* is especially cost competitive with their peers, due to the time efficiencies generated by their investment in fully computerized workpaper preparation. We routinely, submit our "client prepared" account reconciliations, trial balance information and other financial documentation in electronic format, which is also a beneficial to us as the audit client.

Please do not hesitate to call upon me directly (510-407-3979 or 510-724-9823) for additional information regarding *MUN*.

Sincerely,

Richard H. Loomis, CCMT/CFIP
City of Pinole, California



MAY 3, 2015



COST PROPOSAL

TOTAL MAXIMUM PRICE FOR AUDIT SERVICES (ALL-INCLUSIVE)

In accordance with the Request for Proposal for Audit Services issued by the Marina Coast Water District, we hereby submit the following cost proposal:

Service	2014/15	2015/16	2016/17
Audit the financial statements of the Marina Coast Water District and review CAFR	\$23,530	\$23,530	\$23,530
Management Letter	Included	Included	Included
Out-of Pocket Expenses (Lodging, travel, meals)	2,000	2,000	2,000
Total	\$25,530	\$25,530	\$25,530
Single Audit Report, if required	3,000	3,000	3,000
State Controller's Transaction Report, if required	1,800	1,800	1,800
Total Fees for Services	\$30,330	\$30,330	\$30,330

Reimbursement Requirements – We require reimbursement of out-of-pocket expenses (lodging, travel, meals, administrative, etc.) up to a maximum of \$2,000. Any expenses incurred beyond the maximum will not be charged.

Additional Professional Services

Mann, Urrutia, Nelson, CPAs and Associates, LLP may also furnish other accounting services, which may include advisory and system accounting services as requested by the Marina Coast Water District. If it should become necessary for the District to request Mann, Urrutia, Nelson, CPAs and Associates, LLP to render any additional services to either supplement the services requested to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an addendum to the contract between the District and Mann, Urrutia, Nelson, CPAs and Associates, LLP. Any such additional work agreed to between the District and Mann, Urrutia, Nelson, CPAs and Associates, LLP shall be performed at the quoted hourly rates listed below:

Position	Standard Hourly Rates
Partner	\$ 250
Manager	185
Senior Staff	150
Staff	110





PEER REVIEW



60 South Market Street, Suite 800, San Jose, CA 95113

Phone 408.961.6300 Fax 408.961.6324 Email bpm@bpmcpa.com Web bpmcpa.com

SYSTEM REVIEW REPORT

To the Partners

Mann, Urrutia & Nelson, CPAs and Associates, LLP
and the Peer Review Committee of the CALCPA Peer Review Program

We have reviewed the system of quality control for the accounting and auditing practice of Mann, Urrutia & Nelson, CPAs and Associates LLP (the firm) in effect for the year ended December 31, 2012. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards* and audits of employee benefit plans.

In our opinion, the system of quality control of the accounting and auditing practice of Mann, Urrutia & Nelson, CPAs and Associates, LLP in effect for the year ended December 31, 2012 has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. Mann, Urrutia & Nelson, CPAs and Associates, LLP has received a peer review rating of *pass*.

Burr Pilger Mayer, Inc.

San Jose, California
May 8, 2013

ACCOUNTANTS & CONSULTANTS





CERTIFICATIONS

License to Practice

Mann, Urrutia, Nelson, CPAs and Associates, LLP is a properly licensed, certified public accounting firm in the State of California. All certified public accountants involved in audit engagements of the Firm are licensed to practice in the State of California and have received at least the minimum number of continuing professional education hours required by the State Board of Accountancy and American Institute of Certified Public Accountants.

Independence

Mann, Urrutia, Nelson, CPAs and Associates, LLP is independent of the Marina Coast Water District as defined by U.S. generally accepted auditing standards and the U.S. Government Accountability Office's *Government Auditing Standards* (latest edition).

Mann, Urrutia Nelson, CPAs and Associates, LLP is independent of all associated agencies of the Marina Coast Water District, as defined by U.S. generally accepted auditing standards and the U.S. Government Accountability Office's *Government Auditing Standards*.

If Mann, Urrutia, Nelson, CPAs and Associates, LLP shall enter into a professional relationship that would present a conflict of interest during the period of engagement with the Marina Coast Water District; a written notice will be presented to the Marina Coast Water District defining such conflict, if any.



MANN • URRUTIA • NELSON CPAs & ASSOCIATES, LLP

WWW.MUNCPAS.COM