



City Council Meeting Agenda

Monday, December 01, 2025 at 6:00 PM

33 Church Street, Sutter Creek, CA 95685

The Agenda can be found on the City's Website: www.cityofsuttercreek.org

The City of Sutter Creek City Council Meeting will be available via Zoom and in person.

Join Zoom meeting:

<https://us02web.zoom.us/j/81391466458?pwd=4jXmBm1AP5bEbiID3iDwuxk4GpreRY.1>

Please note: Zoom participation is only available for VIEWING the Council meeting.

Public Comment will not be taken from Zoom

Or Dial by phone: 301 715 8592 Webinar ID: 816 8589 0182 Passcode: 186036

Unless stated otherwise on the agenda, every item on the agenda is exempt from review under the California Environmental Quality Act ("CEQA") per CEQA Guidelines Sections 15060(c), 15061(b)(3), 15273, 15378, 15301, 15323 and/or Public Resources Code Section 21065.

- 1. Call to Order and Establish a Quorum for Regular Meeting**
- 2. Pledge of Allegiance to the Flag**
- 3. Public Forum**

At this time, the public is permitted to address the City Council on items not appearing on the agenda. Comments may not exceed 5 minutes. In accordance with State Law, however, no action or discussion may take place on any item not appearing on the posted agenda. The City Council may respond to statements made or questions asked or may request Staff to report back at a future meeting on the matter. The exceptions under which the City Council may discuss and/or take action on items not appearing on the agenda are contained in Government Code §54954.2. Public comment on any item listed below shall be limited to five minutes, unless additional time is permitted by the Mayor/Council.

- 4. City Manager's Report**

This section is an opportunity to provide Council members with a brief status update on staff activities. No action is expected to be taken by the Council.

5. Presentations

A. Commendation for Officer Daniel Rego

Present a Proclamation commending Officer Daniel Rego for his contributions, heroism, and service to the City of Sutter Creek; and for being recently honored as 2025 Amador County Peace Officer of the Year by the Amador County Peace Officers Association.

B. Introduce New City Clerk, Pam Caronongan.

6. Approval of Minutes

A. City Council Minutes of November 3, 2025

Recommendation: By motion, approve minutes as presented.

7. Consent Agenda

Items listed on the consent agenda are considered routine and shall be enacted in one motion. Any item may be removed for discussion at the request of Council or the Public.

A. Amador City to Sutter Creek Multimodal Improvements

Amend Resolution supporting Bicycle/Pedestrian Plan between Sutter Creek and Amador City.

B. Audit Contract with LSL

Adopt Resolution approving LSL as the City's auditor for next three years with option for two more, and approve the first year engagement letter.

8. Ordinances and Public Hearing

9. Administrative Agenda

A. 2025 Year in Review

Receive Presentation by City Manager Highlighting accomplishments of City Council and City Staff in 2025.

B. Urgency Ordinance Imposing Moratorium on Approval or Processing of Short-Term Rental Applications

Staff recommend the following:

1. Discuss and consider the matter regarding Short-Term Rental Applications.

*2. Introduce and waive the first and final readings by substitution of the title, and adopt **Ordinance No. 25-26-XX** - an Urgency Ordinance of the City Council of the City of Sutter Creek Imposing a Moratorium on the Permitting of Short-Term Rentals Within City Limits Pending the Development of a Permanent Ordinance Regulating Such Rentals.*

10. Mayor and Council Member Reports

This section is to provide Council members an opportunity to present updates on their activities and to request items be placed on future agendas.

11. City Attorney’s Report

This section provides an opportunity for the City Attorney to report on any activities or upcoming legislation of importance to the City. No action is expected to be taken by the Council.

12. Future Agenda Items

This section provides an opportunity for Council members to request items to be added to the agenda in the future with a majority Council vote.

13. Information and Correspondence

- A. [Treasurer - October 2025 Monthly Report](#)
- B. [Finance - October 2025 Monthly Report](#)
- C. [Planning - October 2025 Monthly Report](#)
- D. [Public Works - October 2025 Monthly Report](#)
- E. [Police - October 2025 Monthly Report](#)
- F. [Engineering - October 2025 Monthly Report](#)

14. Closed Session

- A. Public Employee Performance Evaluation pursuant to Government Code Section §54957. Position:
City Manager

15. Report from Closed Session

16. Adjournment

The regularly scheduled meeting on Monday, January 19, 2026 (which would have been moved to Tuesday, January 20, 2026 due to Martin Luther King Jr. Day) is cancelled.

The next meeting of the Sutter Creek City Council will be on Saturday, January 24, 2026 at 8:00 AM. This special meeting is for the City Council's Annual Priority Setting.

The next regularly scheduled meeting will be on February 2, 2026 at 6:00 PM.

**A PROCLAMATION OF THE CITY COUNCIL OF THE CITY OF SUTTER CREEK
RECOGNIZING OFFICER DANIEL REGO FOR HIS OUTSTANDING CONTRIBUTIONS,
HEROISM, AND SERVICES ON BEHALF OF SUTTER CREEK, AS WELL AS
CONGRATULATING HIM FOR BEING NAMED THE
2025 AMADOR COUNTY PEACE OFFICER OF THE YEAR**

WHEREAS, Police Officer Daniel Rego has served the City of Sutter Creek with distinction, dedication, and an exceptional level of commitment to the safety and well-being of our citizens; and

WHEREAS, Officer Rego's performance over the last year has been profoundly impactful, showcasing a level of hard work and accomplishment rarely seen, earning the highest personal and professional praise; and

WHEREAS, his proactive policing efforts have been exemplary, resulting in **733 traffic stops, 130 arrests, 70 citations, and 178 criminal reports**, including **14 DUI arrests** (for which he was recognized with the Mothers Against Drunk Driving Award - MADD) and **22 drug-related arrests**; and

WHEREAS, he has continuously sought opportunities to improve the Police Department and community, volunteering to successfully secure an **ABC grant** for alcohol-related enforcement and education, and taking the lead in organizing the last two highly successful **National Night Out events**; and

WHEREAS, Officer Rego has shown leadership and compassion by helping to create a peer support and wellness program for officers, including the purchase and installation of exercise equipment for police and city staff; and

WHEREAS, while often working the night shift as the only officer on duty, his immense productivity and tenacious nature are even more impressive, reflecting his humble demeanor and the high regard in which he is held by the community, having received many favorable comments; and

WHEREAS, in a decisive action in July of this year, Officer Rego quickly discovered a fire in the Police Department basement after midnight and immediately notified the Fire Department, averting what could have been a catastrophic destruction of the entire building; and

WHEREAS, Officer Rego consistently distinguishes himself as a true team player, quick to volunteer and lend a hand to fellow officers and the community, embodying the spirit of selflessness that makes Amador County one of the safest in the state.

NOW, THEREFORE, I, Mayor Gunselman, on behalf of the City Council, citizens and employees of the City of Sutter Creek, do hereby formally recognize and commend **Police Officer Daniel Rego** for his monumental contributions, heroism, and outstanding service to the City of Sutter Creek and strongly congratulate him for being awarded the **2025 Amador County Peace Officer of the Year** by the Amador County Police Officer Association.

THE CITY OF SUTTER CREEK

Claire Gunselman, Mayor



City Council Meeting Agenda

Monday, November 3, 2025 at 6:00 PM

33 Church Street, Sutter Creek, CA 95685

The Agenda can be found on the City's Website: www.cityofsuttercreek.org

1. Call to Order and Establish a Quorum for Regular Meeting

Present: Council members Riordan, Sierk, Gunselman, Swift, Feist

Absent: None

City Treasurer: Victoria Runquist

Staff: Tom DuBois - City Manager, Jim O'Connell - Chief of Police, Dan Lafontaine - Director of Public Works, Will Watson - Project Manager, Derek Cole - City Attorney

2. Pledge of Allegiance to the Flag

3. Public Forum

4. City Manager's Report

5. Presentations

A. Tri County Wildlife Care

Susan Manning presented an update on the services provided by the Tri County Wildlife Care non-profit and answered questions from the council. They do public outreach by bringing animals to the schools to share with students. All funding is from local donations, no state or federal funds.

B. Sutter Creek Fire Protection District

Presentation

Fire Chief Dominic Moreno presented a detailed update on the Sutter Creek Fire district. 60% of calls are medical, Still considering a siren.

6. Approval of Minutes

A. City Council Minutes of November 3, 2025

Recommendation: By motion approve minutes as presented.

Motion to approve the Minutes from October 20, 2025 by Julia Sierk, second by Council member Feist.

AYES: Council members Sierk, Gunselman, Swift, Feist, Riordan
ABSENT: None
NOES: None
MOTION CARRIED 5-0

7. Consent Agenda

A. 2025 Bryan Park Bathroom Project Award of Contract

Motion to approve the low bid an additive alternates #1, #2, and #3 and award the contract by Dan Riordan, second by Council member Sierk.

AYES: Council members Sierk, Gunselman, Swift, Feist, Riordan
ABSENT: None
NOES: None
MOTION CARRIED 5-0

8. Ordinances and Public Hearing

9. Administrative Agenda

A. Sutter Creek Police Department Annual Update

Information Report for Discussion and Feedback

Police Chief O'Connell gave an annual update on the Sutter Creek Police Department. Recognized Matt Brewer, Mark Este volunteer, former PD here, Dan Rego - officer of the year, Jim McKeon - manages programs. Highlighted need for administrative assistance in the department. Reviewed RIPA data showing alignment between county demographics and police stops. Council members expressed concern about level of warnings vs citations, feeling the community is aware that warning is likely.

B. Report out from Finance Ad-hoc on Sustainable Police Budget

Council member Riordan gave an update on the committee. Council discussed the need to have a sustainable budget, consider additional revenue sources and collaboration with other agencies. Council expressed openness to consider a different level of service from the current situation.

C. City Tree Planting Update

Information Report for Discussion and Feedback

Dan Lafontaine gave an update, saying Public Works will plant trees in the city parking lot near the post office. Council. Suggested looking at trees in Miner’s Bend Park.

D. Short Term Rental Moratorium

Continued to meeting on December 1, 2025

10.Future Agenda Items

Council Member Sierk highlighted a planning grant for sidewalks on Gopher Flat Road. ACTC described a 3 grant process to her. Staff meeting with the grant writer and will investigate.

11.Mayor and Council Member Reports

Nothing to report

12.City Attorney’s Report

Nothing to report

13.Information and Correspondence

14.Closed Session

A. Public Employee Performance Evaluation

Title: City Manager

15.Report from Closed Session

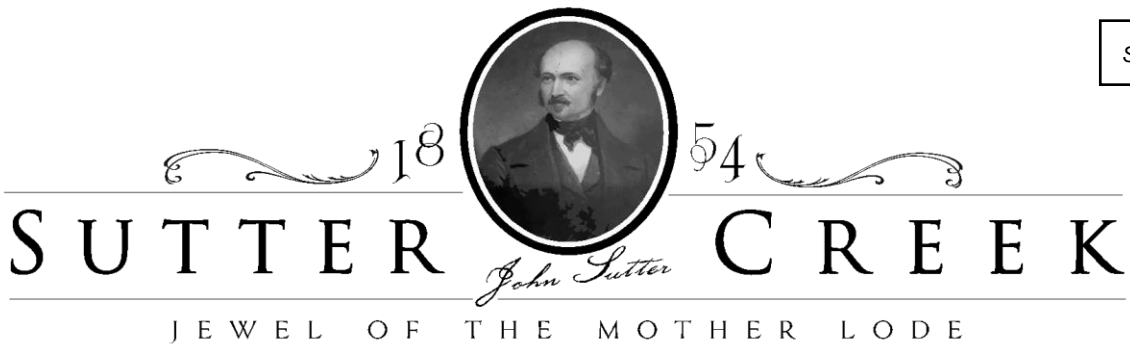
Nothing to report

16.Adjournment

Meeting adjourned at 9:35PM. The next regularly scheduled meeting is December 1, 2025.

Minutes Approved: November 3, 2025

Attest: Pam Caronongan, City Clerk



STAFF REPORT

TO: THE HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
MEETING DATE: JULY 21, 2025
FROM: TOM DUBOIS, CITY MANAGER
SUBJECT: AMENDMENT TO BIKE PED RESOLUTION

RECOMMENDATION:

Approve the change in language of Resolution passed by Council on Oct 20th

BACKGROUND:

Council passed this resolution on October 20th. ACTC requested that the language be slightly modified.

DISCUSSION:

This resolution is changed to read:

***BE IT FURTHER RESOLVED**, that the City Council of Sutter Creek direct City staff to take appropriate steps to implement the Amador City to Sutter Creek Bicycle and Pedestrian Improvement Project once passed by both entities.*

This is identical to the Amador City wording, and indicates our support for the entire project, not just the portion within Sutter Creek. We remain committed to managing directly the portion within City limits

BUDGET IMPACT:

No change

ATTACHMENT:

**RESOLUTION 25-26-XX
A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF SUTTER CREEK APPROVING
AMADOR CITY TO SUTTER CREEK MULTIMODAL IMPROVEMENTS**

WHEREAS, the cities of Amador City and Sutter Creek wish to improve safety and awareness of multi-modal travel between the two cities; and,

WHEREAS, an ad-hoc Bicycle and Pedestrian Advisory Committee (BPAC), composed of representatives from both cities has developed conceptual plans for measures to improve safety and awareness of multi-modal travel; and,

WHEREAS, the cities approved, by Resolution, the effort to identify specific measures that would support safety and awareness between the cities and have conducted a public interest Workshop to survey the Public to determine the favorability of segment improvements; and,

WHEREAS, at the Workshop members of the public reviewed potential improvements identified along several segments on a route between the two cities and identified preferred improvements to each segment; and,

WHEREAS, the BPAC developed a rough plan to accompany the itemized listing of improvements for the Amador City to Sutter Creek Bicycle and Pedestrian Project,

NOW, THEREFORE BE IT RESOLVED, that the City Council of Sutter Creek approves the Amador City to Sutter Creek Bicycle and Pedestrian Project Plan; and,

BE IT FURTHER RESOLVED, that the City Council of Sutter Creek direct City staff to take appropriate steps to implement the Amador City to Sutter Creek Bicycle and Pedestrian Improvement Project once passed by both entities.

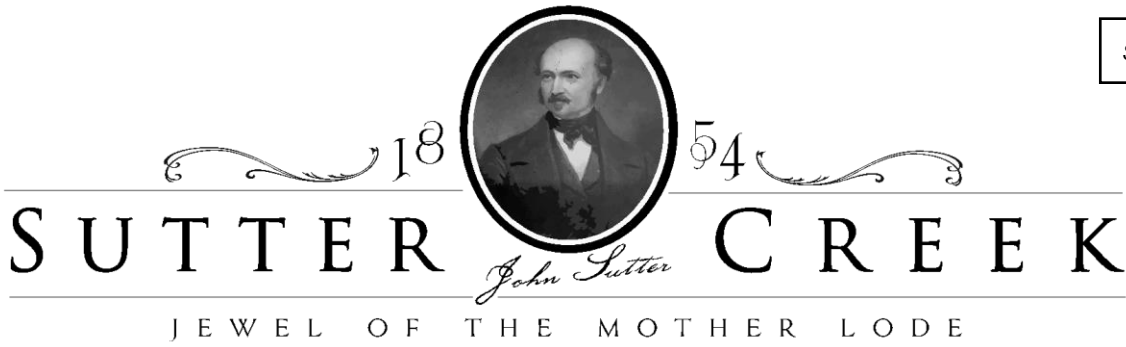
PASSED AND ADOPTED by the City Council of the City of Sutter Creek on this Monday the 20th day of October, 2025 by the following vote:

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

ATTEST:

Claire Gunselman, Mayor

Pam Caronongan, City Clerk



STAFF REPORT

TO: THE HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
MEETING DATE: JULY 21, 2025
FROM: TOM DUBOIS, CITY MANAGER
SUBJECT: RESOLUTION TO APPROVE LSL AS NEW CITY AUDITOR

RECOMMENDATION:

Approve resolution authorizing the city manager to sign engagement letters with LSL for the next three years, and an option to extend an additional two years.

BACKGROUND:

We worked with our previous auditor, Maze, for longer than the recommended time to stick with one firm. We issued an RFP earlier this year and interviewed two firms.

DISCUSSION:

LSL was the winning firm. They are a large auditing firm with an excellent reputation within California. Please see their proposal for information about the company and the partner that will work on our account.

Their proposal includes all auditor work and an annual state report that we previously did in house. Their rate is the same as what Maze was charging us. Year 1 is \$56,130 including an onboarding fee as they come up to speed on our financial systems and chart of accounts. Years 2 and 3 are slightly less expensive at \$52,100 each year.

BUDGET IMPACT:

This will be budget neutral, continuing our current audit costs.

ATTACHMENT:

- Attachment A - Resolution
- Attachment B - LSL Proposal
- Attachment C - LSL engagement letter for 2025

RESOLUTION NO. 25-26-XX

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUTTER CREEK
AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH LSL,
LLP FOR AUDITING SERVICES FOR THE NEXT THREE YEARS, WITH AN
OPTION FOR TWO ADDITIONAL YEARS.**

WHEREAS, California Government Code section 37103 authorizes cities to contract with any specially trained and experienced person, firm, or corporation for special service and advice in financial, economic, accounting, engineering, legal, or administrative matters.

WHEREAS, in accordance with this authorization, the City of Sutter Creek desires to retain LSL, LLP to provide specialized auditing services to the City.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Sutter Creek authorizes the City Manager to execute the Engagement Letter attached as Exhibit A to this Resolution, for this year and for the following two years, with an option to continue for an two years following that, as described in the LSL Proposal attached as Exhibit B..

The foregoing resolution was duly passed and adopted at a regular meeting of the City Council of the City of Sutter Creek on the 1st day of December, 2025 by the following vote.

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

ATTEST:

Claire Gunselman Mayor

Pam Caronongan, City Clerk

EXHIBIT A

November 6, 2025

To: Tom Dubois, City Manager

City of Sutter Creek
18 Main Street
Sutter Creek, CA 95685

We are pleased to confirm our understanding of the services we are to provide for the City of Sutter Creek, California (hereafter, the City) for the year ended June 30, 2025.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, including the disclosures, which collectively comprise the basic financial statements, of the City as of and for the year ended June 30, 2025.

Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management’s discussion and analysis (MD&A), to supplement the City’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 the City’s RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 appropriate evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

- 1) Management’s Discussion and Analysis
- 2) Budgetary Comparison Schedules for the General Fund and any major special revenue funds
- 3) GASB-required supplementary pension schedules
- 4) GASB-required other postemployment benefits schedules

We have also been engaged to report on supplementary information other than RSI that accompanies the City’s financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS, and we will provide an opinion on it in relation to the financial statements as a whole in a separate written report accompanying our auditors’ report on the financial statements or in a report combined with our auditors’ report on the financial statements, depending on the presentation of supplementary information.

- 1) Schedule of Expenditures of Federal Awards (SEFA), if applicable Single Audit thresholds are met
- 2) Combining and individual fund statements and schedules

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditors' report that includes our opinions about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP, and 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. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements. The objectives also include reporting on:

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- If applicable Single Audit thresholds are met, internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Auditors' Responsibilities for the Audit of the Financial Statements and, if applicable, Single Audit

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. If applicable Single Audit thresholds are met, we will also conduct our audit in accordance with the Single Audit Act Amendments of 1996 and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable 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 the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

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 an unavoidable risk that some material misstatements or noncompliance may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government 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 or on major programs. 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. We will include such matters in the reports required by *Government Auditing Standards* or for a Single Audit. 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.

In connection with this engagement, we may communicate with you or others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that emails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement and they may bill you for responding to this inquiry.

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Audit Procedures—Internal Control

We will obtain an understanding of the government and its environment, including the system of internal control, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

If applicable Single Audit thresholds are met, as required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. 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, *Government Auditing Standards*, and, if applicable, the Uniform Guidance.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

If the City is subject to Single Audit requirements, the Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the City's major programs. For federal programs that are included in the Compliance Supplement, our compliance and internal control procedures will relate to the compliance requirements that the Compliance Supplement identifies as being subject to audit. The purpose of these procedures will be to express an opinion on the City's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Responsibilities of Management for the Financial Statements and, if applicable, Single Audit

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for (1) designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, the SEFA, and all accompanying information in conformity with accounting principles generally accepted in the United States of America; and for compliance with applicable laws and regulations (including federal statutes), rules, and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

You are also responsible for making drafts of financial statements, the SEFA, all financial records, and related information available to us; for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers); and for the evaluation of whether there are any conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for the 12 months after the financial statements date or shortly thereafter (for example, within an additional three months if currently known). 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, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance, if applicable; (3) additional information that we may request for the purpose of the audit; and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements; the SEFA; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and related matters.

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 of each opinion unit 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, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. You are also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review at the start of scheduled fieldwork.

If the City is subject to Single Audit requirements, you are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the SEFA (including notes and noncash assistance received, and COVID-19-related concepts, such as lost revenues, if applicable) in conformity with the Uniform Guidance. You agree to include our report on the SEFA in any document that contains, and indicates that we have reported on, the SEFA. You also agree to include the audited financial statements with any presentation of the SEFA that includes our report thereon or make the audited financial statements readily available to intended users of the SEFA no later than the date the SEFA is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the SEFA in accordance with the Uniform Guidance; (2) you believe the SEFA, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the SEFA.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles (GAAP). You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

Other Services

We will also assist in preparing the financial statements, the SEFA (if applicable), and related notes of the City in conformity with accounting principles generally accepted in the United States of America and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, the SEFA, and related notes services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities for the financial statements and, if applicable, the SEFA, and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, the SEFA, and related notes and that you have reviewed and approved the financial statements, the SEFA, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Agreed-Upon Procedures Engagements

As part of our contract with the City, certain agreed-upon procedures engagements have been requested to be performed within the scope of services for the year ended June 30, 2025. They are identified as follows:

1) Appropriations Limit

You have requested LSL, LLP to perform specific agreed-upon procedures with respect to the calculation of the City's Appropriations Limit (GANN limit), in accordance with Article XIII-B of the California Constitution (the Subject Matter). The City is responsible for the Subject Matter. The specific procedures to be performed are included as an attachment to this Engagement Letter.

Independent Accountants' Responsibilities for Applying Agreed-Upon Procedures

Our engagement will be conducted in accordance with attestation standards established by the AICPA. Because the procedures included in the attachment to this Engagement Letter do not constitute an examination or review, the objective of which is the expression of an opinion or conclusion, respectively, we will not express an opinion or any other form of assurance thereon and if additional procedures were to be performed, other matters might have come to our attention.

At the conclusion of our engagement, we will submit a report in letter form outlining the procedures performed and our findings resulting from the procedures performed.

Our report will contain a statement that it is intended solely for the use of the City and should not be used by those who have not agreed to the procedures and taken responsibility for the appropriateness of the procedures for their purposes.

If circumstances arise relating to the condition of the City's records, the availability of appropriate evidence that, in our professional judgment, prevent us from completing the engagement, we retain the unilateral right to take any course of action permitted by professional standards, including declining to express our findings or issue a report, or withdrawing from the engagement.

The procedures that we will perform are not designed and cannot be relied upon to disclose errors, fraud or illegal acts, should any exist. However, we will inform the appropriate level of management and those charged with governance of any material errors that come to our attention and any fraud or illegal acts that come to our attention, unless they are clearly inconsequential.

We will maintain our independence in accordance with the standards of the AICPA and *Government Auditing Standards*.

Management's Responsibilities for Agreed-Upon Procedures Engagements

The appropriateness of the procedures included in the attachment is solely the responsibility of the City. We make no representation regarding the appropriateness of the procedures described above, either for the purpose for which these services have been requested or for any other purpose. Management is responsible for:

- 1) Providing to us, prior to the conclusion of the engagement, written acknowledgment that the attached procedures are appropriate for the intended purpose of this engagement
- 2) Providing to us, at the conclusion of the engagement, a representation letter in accordance with attestation standards established by the AICPA
- 3) The design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the Subject Matter that is free from material misstatement, whether due to fraud or error
- 4) 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 City involving management, employees who have significant roles in internal control, and others where the fraud could have a material effect on the Subject Matter
- 5) Informing us of its knowledge of any allegations of fraud or suspected fraud affecting the City received in communications from employees, former employees, analysts, regulators, or others

Preparation Engagements

We have also been engaged to prepare the City's Financial Transaction Report, on a regulatory basis in the form prescribed by the California State Controller.

The preparation of these reports will be conducted by our subcontractor (see paragraph below on use of subcontractors), in accordance with Statements on Standards for Accounting and Review Services (SSARs) promulgated by the Accounting and Review Services Committee of the AICPA and comply with the AICPA's Code of Professional Conduct, including the ethical principles of integrity, objectivity, professional competence, and due care. We will not audit or review the accompanying information in these reports and, accordingly, will not express an opinion or provide any assurance about whether they are in accordance with the applicable requirements.

Engagement Administration, Fees, and Other

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

We will schedule the engagement based in part on deadlines, working conditions, and the availability of your key personnel. We will plan the engagement based on the assumption that your personnel will cooperate and provide assistance by performing tasks such as preparing requested schedules, retrieving supporting documents, and preparing confirmations. If, for whatever reason, your personnel are unavailable to provide the necessary assistance in a timely manner, it may substantially increase the work we have to do to complete the engagement within the established deadlines, resulting in an increase in fees over our original fee estimate.

If the City is subject to Single Audit reporting requirements, at the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, the SEFA, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the Federal Audit Clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditors' reports or nine months after the end of the audit period.

We will provide electronic copies of our reports to the City; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of LSL, LLP 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 your federal cognizant or oversight agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of LSL, LLP's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by your federal cognizant agency, oversight agency, or pass-through entity. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Ryan Domino, CPA, is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. For the audit of the year ended June 30, 2025, Ryan Domino, CPA, has designated Steven B. Warnick, CPA, Senior Manager, to supervise the engagement and sign the reports under his oversight. We expect to begin our audit in February 2026.

Our all-inclusive maximum fee for these services is **\$56,130**, as quoted in our response to the City's request for proposals. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 90 days or more overdue and may not be resumed until your account is paid in full. 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(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee 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 keep you informed of any problems we encounter and our fees will be adjusted accordingly.

As an attest client, LSL, LLP cannot retain your documents on your behalf. This is in accordance with the ET 1.295.143 of the AICPA Code of Professional Conduct. The City is responsible for maintaining its own data and records.

LSL, LLP utilizes portals, including ShareFile and CaseWare Collaborate, as a means of exchanging information and deliverables with our attest clients. These portals are used solely as a method of exchanging information and is not intended to store the City's information. At the end of the engagement, LSL, LLP will provide the City with an electronic copy (unless otherwise specified in our contract with the City) of deliverables and data related to the engagement from the portals.

Upon completion of the engagement, data and other content will either be removed from the portals or become unavailable to LSL, LLP. within a reasonable time frame (6 months).

You may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you regarding the scope of the additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

Reporting

We will issue written reports upon completion of our audit(s). Our reports will be addressed to the City Council of the City. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditors' report, or if necessary, withdraw from this engagement. If our opinions 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 issue reports, or we may withdraw from this engagement.

If circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming an opinion on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue reports, or withdrawing from the engagement.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will state that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. If applicable, the Uniform Guidance report on internal control over compliance will state that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

You have requested that we provide you with a copy of our most recent external peer review report and any subsequent reports received during the contract period. Accordingly, our 2022 peer review report accompanies this letter.

We appreciate the opportunity to be of service to the City 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 attached copy and return it to us.

Very truly yours,

LSL, LLP

LSL, LLP

RESPONSE:

This letter correctly sets forth the understanding of the City:

Signature: _____

Name: _____

Entity Name (If Relevant): City of Sutter Creek

Date: _____

Overview

This addendum to the engagement letter describes our standard terms and conditions (“Terms and Conditions Addendum”) related to our provision of services to you. This addendum, and the accompanying engagement letter, and, if applicable, our contract or professional services agreement with you comprise your agreement with us (“Agreement”). The hierarchy of precedence of the documents comprising our Agreement is as follows: (1) the contract or professional services agreement, (2), the engagement letter, and (3) this *Terms and Conditions Addendum*. If there is any inconsistency between the engagement letter, this *Terms and Conditions Addendum*, and our contract or professional services agreement, the contract or professional services agreement will prevail to the extent of the inconsistency. If there is any inconsistency between this *Terms and Conditions Addendum* and the engagement letter, then the engagement letter will prevail to the extent of the inconsistency.

For the purposes of this *Terms and Conditions Addendum*, any reference to “firm,” “we,” “us,” or “our” is a reference to LSL, LLP, and any reference to “you,” or “your” is a reference to the party or parties that have engaged us to provide services. References to “Agreement” mean the engagement letter or other written document describing the scope of services, any other attachments incorporated therein, and this Terms and Conditions Addendum.

Billing and Payment Terms

Our firm’s practice may require payment of a retainer upon execution of this Agreement. You agree that the retainer will be earned as our professional time to complete the engagement is incurred. The retainer will be applied to the final billing, and any unused balance will be refunded at the end of the engagement.

We will bill you for our professional fees and out-of-pocket costs. Payment is due upon receipt of the invoice. Failure to pay timely will result in interest charges of 1.5% per month (18% annually) on the unpaid balance. You have thirty 30 days from the invoice date to review the invoice and to communicate to us, in writing, any disagreement with the charges, after which you waive the right to contest the invoice.

In accordance with our firm policies, we reserve the right to suspend or terminate our work for non-payment of fees. In the event that work is discontinued, either temporarily or permanently, as a result of delinquent payment, we shall not be liable for any damages you may incur as a result of the work stoppage. Work will be suspended if your account becomes 90 days or more overdue and will not be resumed until your account is paid in full. Work will be terminated if your account balance becomes 180 days overdue. If our work is suspended or terminated, you assume all risk associated with your failure to meet governmental and other deadlines, for any penalties or interest that may be assessed against you resulting from your failure to meet such deadlines, and for any other damages (including but not limited to consequential, indirect, lost profits, or punitive damages) incurred as a result of the suspension or termination of our services.

Termination and Withdrawal

We reserve the right to withdraw from the engagement without completing services for any reason, including, but not limited to, non-payment of fees, your failure to comply with the terms of this Agreement, or as we determine professional standards require. If our work is suspended or terminated, you agree that we will not be responsible for your failure to meet governmental and other deadlines, or for any liability, including but not limited to, penalties or interest that may be assessed against you resulting from your failure to meet such deadlines.

If this Agreement is terminated before services are completed, you agree to compensate us for the services performed and expenses incurred through the effective date of termination.

The City may, at any time, for any reason, with or without cause, suspend or terminate this Agreement, by serving written notice to us. Upon receipt of this notice, we will immediately cease all work under this Agreement, unless the notice provides otherwise. In the event of the City exercising the right to terminate this Agreement, the terms and conditions of the preceding paragraphs shall apply.

Proprietary Information

You acknowledge that proprietary information, documents, materials, management techniques and other intellectual property are a material source of the services we perform and were developed prior to our association with you. Any new forms, software, documents or intellectual property we develop during this engagement for your use shall belong to us, and you shall have the limited right to use them solely within your business. All reports, templates, manuals, forms, checklists, questionnaires, letters, agreements and other documents which we make available to you are confidential and proprietary to us. Neither you, nor any of your agents, will copy, electronically store, reproduce or make available to anyone other than your personnel, any such documents. This provision will apply to all materials whether in digital, “hard copy” format or other medium.

Conflicts of Interest

If we, in our sole discretion, believe a conflict of interest has arisen affecting our ability to deliver services to you in accordance with either the ethical standards of our firm or the ethical standards of our profession, we may be required to terminate our services without issuing our work product.

Client Portals

To enhance our services to you, we will utilize client portals. These are collaborative, virtual workspaces in a protected, online environment. Client portals permit real-time collaboration across geographic boundaries and time zones and allows LSL, LLP and you to share data, engagement information, knowledge, and deliverables in a protected environment. In order to use one of our portals, you may be required by the provider of the portal to execute a client portal agreement and agree to be bound by the terms, conditions, and limitations of such agreement. You agree that we have no responsibility for the activities of the portal provider and agree to indemnify and hold us harmless with respect to any and all claims arising from or related to the operation of the portal.

LSL, LLP is not a host for any of your information. You are responsible for maintaining your own copy of this information. We do not provide back-up services for any of your data or records, including information we provide to you. Portals are utilized solely as a method of transferring data and are not intended for the storage of your information. Information on a portal may be deleted by LSL, LLP.

If you decide to transmit your confidential information to us in a manner other than a secure portal, you accept responsibility for any and all unauthorized access to your confidential information. If you request that we transmit confidential information to you in a manner other than a secure portal, you agree that we are not responsible for any liability, including but not limited to, (a) any loss or damage of any nature, whether direct or indirect, that may arise as a result of our sending confidential information in a manner other than a secure portal, and (b) any damages arising as a result of any virus being passed on or with, or arising from any alteration of, any email message.

Third-Party Service Providers or Subcontractors

We may use third-party service providers, subcontractors, commercially-available artificial intelligence, or software tools, some of which may utilize or offer artificial intelligence capabilities, (collectively, “external party” or “external parties”), to assist us where necessary to help provide professional services to you or support the needs of our firm. You consent to our use of external parties. Our firm remains responsible for exercising reasonable care in providing our services, and our services and work product will be subjected to our firm’s customary quality control procedures.

We may provide your confidential information to external parties in support of our services. You consent to the disclosure of your confidential information to those external parties. We take reasonably prudent business care consistent with our professional standards to prevent the unauthorized release of your confidential information.

In certain circumstances, we may require a separate, written consent from you before your information is transmitted to an external party or parties.

Records ManagementRecord Retention and Ownership

We will return any original records and documents you provide to us. Our copies of your records and documents are solely for our documentation purposes and are not a substitute for your own record-keeping obligations under any applicable laws or regulations. You are responsible for maintaining complete and accurate books and records, which may include financial statements, schedules, tax returns and other deliverables provided to you by us. If we provide deliverables or other records to you via an information portal, you must download this information within 30 days. Professional standards may preclude us from being the sole repository of your original data, records, or information.

Workpapers and other items created by us to support the delivery of our services are our property and will remain in our control. We will consider requests for copies of workpapers and other items created by us in accordance with the AICPA Code of Professional Conduct. Our workpapers will be maintained by us in accordance with our firm's record retention policy and any applicable legal and regulatory requirements. Our firm destroys workpaper files after a period of 7 years.

Catastrophic events or physical deterioration may result in damage to or destruction of our firm's records, causing the records to be unavailable before the expiration of the retention period, as stated in our record retention policy.

Working Paper Access Requests by Regulators and Others

State, federal and foreign regulators may request access to or copies of certain workpapers pursuant to applicable legal or regulatory requirements. Requests also may arise with respect to peer review, an ethics investigation, the sale of your organization, or the sale of our accounting practice. If requested, access to such workpapers will only be provided under the supervision of firm personnel. Regulators may request copies of selected workpapers to distribute the copies or information contained therein to others, including other governmental agencies.

If we receive such a request, we agree to inform you of it as soon as practicable unless we are prohibited from doing so by applicable laws or regulations. You may, within the time permitted for our firm to respond to any request, initiate such legal action as you deem appropriate, at your sole expense, to attempt to limit the disclosure of information. If you take no action within the time permitted for us to respond, or if your action does not result in a judicial order protecting us from supplying requested information, we may construe your inaction or failure as consent to comply with the request.

If we are not a party to the proceeding in which the information is sought, you agree to reimburse us for our professional time and expenses, as well as the fees and expenses of our legal counsel, incurred in responding to such requests.

Summons or Subpoenas

All information you provide to us in connection with this engagement will be maintained by us on a confidential basis.

If we receive a summons or subpoena which our legal counsel determines requires us to produce documents from this engagement or testify about this engagement, provided that we are not prohibited from doing so by applicable laws or regulations, we agree to inform you of such summons or subpoena as soon as practicable. You may, within the time permitted for our firm to respond to any request, initiate such legal action as you deem appropriate, at your sole expense, to attempt to limit discovery. If you take no action within the time permitted for us to respond, or if your action does not result in a judicial order protecting us from supplying requested information, we may construe your inaction or failure as consent to comply with the request.

If we are not a party to the proceeding in which the information is sought, you agree to reimburse us for our professional time and expenses, as well as the fees and expenses of our legal counsel, incurred in responding to such requests.

Confidentiality

In providing services to you, we may require information that is considered confidential and may include Personally Identifiable Information (PII), i.e. information that can be used to distinguish or trace an individual's identity such as address, bank account and social security information. We will maintain all client information, including PII, on a confidential basis and have a duty to do so based on the standards promulgated by the American Institute of Certified Public Accountants as well as applicable laws and regulations. You assume the risk of loss if you provide us with information, including PII, which differs from the information we request in order to provide services to you in accordance with the Agreement.

Referrals

In the course of providing services to you, you may request referrals to products or professionals such as attorneys, brokers, or investment advisors. As a courtesy, we may identify professional(s) or product(s) for your consideration. However, you are responsible for evaluating, selecting, and retaining any professional or product and determining if the professional or product meets your needs. You agree that we will not oversee the activities of and have no responsibility for the work product of any professional or suitability of any product we refer to you or that you separately retain. Further, we are not responsible for any services we perform that fail to meet the intended outcomes as a result of relying on the services of other professionals or products you may retain.

Limitations on Oral and Email Communications

We may discuss with you our views regarding the treatment of certain items or decisions you may encounter. We may also provide you with information in an email. Any advice or information delivered orally or in an email (rather than through a memorandum delivered as an email attachment) will be based upon limited research and a limited discussion and analysis of the underlying facts. Additional research or a more complete review of the facts may affect our analysis and conclusions.

Due to these limitations and the related risks, it may not be appropriate to proceed with a decision solely on the basis of any oral or email communication from us. You accept all responsibility for any liability, including but not limited to additional tax, penalties or interest resulting from your decision (i) not to have us perform the research and analysis necessary to reach a more definitive conclusion and (ii) to instead rely on an oral or email communication. The limitation in this paragraph will not apply to an item of written advice that is a deliverable of a separate engagement. If you wish to engage us to provide formal advice on a matter on which we have communicated orally or by email, we will confirm this service in a separate agreement.

Brokerage, Investment Advisory or Digital Asset Statements

If you provide our firm with copies of brokerage, investment advisor, or digital asset statements, we will use the information solely for the purpose described in the *Engagement Objective and Scope* section of this Agreement. We will rely on the accuracy of the information provided in the statements and will not undertake any action to verify this information. We will not monitor transactions, investment activity, provide investment advice, or supervise the actions of the entity or individuals entering into transactions or investment activities on your behalf. We recommend that you receive and carefully review all statements upon receipt, and direct any questions regarding account activity to your banker, broker, or investment advisor.

Disclaimer of Legal and Investment Advice

Our services under this Agreement do not constitute legal or investment advice unless specifically engaged to provide investment advice in the *Engagement Objective and Scope* section of this Agreement. We recommend that you retain legal counsel and investment advisors to provide such advice.

Electronic Data Communication and Storage

In the interest of facilitating our services to you, we may send data over the Internet, temporarily store electronic data via computer software applications hosted remotely on the Internet, or utilize cloud-based storage. Your confidential electronic data may be transmitted or stored using these methods. In using these data communication and storage methods, our firm employs measures designed to maintain data security. We use reasonable efforts to keep such communications and electronic data secure in accordance with our obligations under applicable laws, regulations, and professional standards.

You recognize and accept that we have no control over the unauthorized interception or breach of any communications or electronic data once it has been transmitted or if it has been subject to unauthorized access while stored, notwithstanding all reasonable security measures employed by us. You consent to our use of these electronic devices and applications during this engagement.

Marketing and Educational Communications

We may send newsletters, emails, updates, explanations of technical developments or similar communications to you. These communications are of a general nature and should not be construed as professional advice. We may not send all such communications to you. These communications, by themselves, do not create a contractual relationship between us and you, a binding obligation for us to provide services to you, nor a requirement on our part to monitor issues for you.

Federally Authorized Practitioner – Client Privilege

Internal Revenue Code §7525, *Confidentiality Privileges Related to Taxpayer Communication*, provides a limited confidentiality privilege applying to tax advice embodied in taxpayer communications with federally authorized tax practitioners in certain limited situations.

This privilege is limited in several important respects. For example, the privilege may not apply to your records, state tax issues, state tax proceedings, private civil litigation proceedings, or criminal proceedings.

While we will cooperate with you with respect to the privilege, asserting the privilege is your responsibility. Inadvertent disclosure of otherwise privileged information may result in a waiver of the privilege. Please contact us immediately if you have any questions or need further information about this federally authorized practitioner-client privilege.

Dispute Resolution

If a timely dispute arises out of or relates to this Agreement, including the scope of services contained herein, or the breach thereof, and if the dispute cannot be settled through negotiation, the parties agree first to try to settle the dispute by mediation administered by the American Arbitration Association (“AAA”) under the *AAA Accounting and Related Services Arbitration Rules and Mediation Procedures* before resorting to arbitration, litigation, or any other dispute resolution procedure. The mediator will be selected by mutual agreement of the parties. If the parties cannot agree on a mediator, a mediator shall be designated by the AAA. The mediation will be conducted in California.

The mediation will be treated as a settlement discussion and, therefore, all discussions during the mediation will be confidential. The mediator may not testify for either party in any later proceeding related to the dispute. No recording or transcript shall be made of the mediation proceedings. The costs of any mediation proceedings shall be shared equally by all parties. Any costs of legal representation shall be borne by the hiring party.

This provision shall not apply to any dispute of fees owed, billed or due.

If any dispute, controversy, or claim cannot be resolved by mediation, then the dispute, controversy, or claim will be settled by arbitration in accordance with the American Arbitration Association’s Accounting and Related Services Arbitration Rules and Mediation Procedures. Such arbitration shall be binding and final. In agreeing to arbitration, we both acknowledge that 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 are accepting the use of arbitration for resolution.

Limitation of Damages

You agree to hold us harmless from any and all claims which arise from knowing misrepresentations to us, or the intentional withholding or concealment of information from us by your management. You also agree to indemnify us for any claims made against us by third parties, which arise from any of these actions by your management. The provisions of this paragraph shall apply regardless of the nature of the claim.

The following applies to non-attest engagements only:

Unless otherwise stated in the Agreement, you agree to indemnify, defend, and hold harmless LSL, LLP and any of its partners, principals, shareholders, officers, directors, members, employees, agents or assigns with respect to any and all claims made by third parties arising from this engagement, regardless of the nature of the claim, and including the negligence of any party, excepting claims arising from the gross negligence or intentional acts of LSL, LLP.

Statute of Limitations

You agree that any claim arising out of this Agreement shall be commenced within 3 year(s) of the delivery of the work product to you, regardless of any longer period of time for commencing such claim as may be set by law. A claim is understood to be a demand for money or services, the service of a suit, or the institution of arbitration proceedings against LSL, LLP.

Insurance

LSL, LLP shall, during the term of the engagement, maintain in full force and effect, accountants' professional liability insurance coverage from an insurer or insurers licensed to conduct business in the state of California. As of the policy effective date, such insurer or insurers shall be rated A- (Excellent), by A.M. Best with a Financial Size Category of Class VII or greater. Premiums for said insurance policy shall be paid by LSL, LLP.

Upon your written request, LSL, LLP shall furnish certificates of insurance for the required insurance coverage. Such certificate of insurance shall indicate the minimum limits of liability per claim and in the aggregate, as required by you.

Independent Contractor

When providing services to your company, we will function as an independent contractor and in no event will we or any of our employees be an officer of you, nor will our relationship be that of joint venturers, partners, employer and employee, principal and agent, or any similar relationship giving rise to a fiduciary duty to you.

Our obligations under this Agreement are solely obligations of LSL, LLP, and no partner, principal, employee, or agent of LSL, LLP shall be subjected to any personal liability whatsoever to you or any person or entity.

Severability

If any portion of this Agreement is deemed invalid or unenforceable, said finding shall not operate to invalidate the remainder of the terms set forth in this Agreement.

Survivability

The following sections of this Terms and Conditions Addendum shall survive termination of the Agreement: Limitation of Liability, Limitation of Damages, Indemnification, and Statute of Limitations.

Assignment, No Third Party Beneficiaries

All parties acknowledge and agree that the obligations and responsibilities of this Agreement cannot be assigned to any third party except as agreed to in writing. This Agreement has been entered into solely between you and LSL, LLP, and no third-party beneficiaries are created hereby.

Force Majeure

Neither party shall be held liable for any delays resulting from circumstances or causes beyond our reasonable control, including, without limitation, fire or other casualty, act of God, strike or labor dispute, war or other violence, epidemics or pandemics as defined by The Centers for Disease Control and Prevention, or any law, order or requirement of any governmental agency or authority. However, no Force Majeure event shall excuse you of any obligation to pay any outstanding invoice or fee or from any indemnification obligation under this Agreement.

Electronic Signatures and Counterparts

Each party hereto agrees that any electronic signature intended to replicate a written signature, shall be presumed valid, and we may reasonably rely upon it. For purposes hereof, "electronic signature" includes, but is not limited to, a scanned copy of a manual signature, an electronic copy of a manual signature affixed to a document, a signature incorporated into a document utilizing touchscreen capabilities, or a digital signature. Documents may be executed in one or more counterparts, each of which shall be considered an original instrument, but all of which shall be considered one and the same agreement.

Firm Associations

The firm is a member of PrimeGlobal, the association of advisory and accounting firms. No PrimeGlobal member firm is an agent or partner of the association or of any other member firm. No PrimeGlobal member firm has the authority to enter into any legal obligations on behalf of the association or any other member firm. If the firm introduces you to another PrimeGlobal member firm, this firm specifically denies any liability for any work performed by that firm. You should make your own contractual arrangements with that firm for work that they perform. The fact that you may have been introduced to us by another PrimeGlobal member firm does not make that firm, its partners, or its employees responsible for any of our acts or omissions.

The firm is not the agent or partner of PrimeGlobal or any other member firm, and does not have the authority to enter into legal obligations on behalf of either the association or any other member firm thereof. You agree that this firm has the sole liability for any work performed under this engagement and you undertake not to make any claim or bring any proceedings against either PrimeGlobal or any other member of PrimeGlobal in relation to work covered by this engagement.

Entire Agreement

This Agreement, including this *Terms and Conditions Addendum*, represents the entire agreement of the parties and supersedes all previous oral, written or other understandings and agreements between the parties. Any modification to the terms of this Agreement must be made in writing and signed by both parties. This Agreement has been entered into solely between you and LSL, LLP, and no third-party beneficiaries are created hereby.



THIS AGREEMENT CONTAINS AN ARBITRATION PROVISION. You and the firm agree that any dispute between us relating to our services shall be submitted to formal mediation and, if not resolved, mandatory, binding, and confidential arbitration. ***We specifically direct your attention to the Dispute Resolution provision on page 5 of our Terms and Conditions Addendum***

Very truly yours,

LSL, LLP

Accepted:

Signature: _____

Name: _____

Entity Name (If Relevant): City of Sutter Creek

Date: _____

Exhibit A

APPROPRIATIONS LIMIT PROCEDURES

1. We will obtain the completed Worksheets No. 1 through No. 7 (or other alternative computations) and compare the limit and annual adjustment factors included in those worksheets to the limit and annual adjustment factors that were adopted by resolution of the City Council. We will also compare the population and inflation options included in the aforementioned worksheets to those that were selected by a recorded vote of the City Council.
2. For the accompanying Appropriations Limit Worksheet No. 6, we will multiply line A, last year's limit, by line D, ratio of change, and agree the resulting amount to line E, this year's limit.
3. We will compare the current year's information presented in the accompanying Appropriations Limit Worksheet No. 6 to the other worksheets described in No. 1 above.
4. We will compare the prior year appropriations limit presented in the accompanying Appropriations Limit Worksheet No. 6 to the prior year appropriations limit adopted by the City Council for the prior year.



PREPARED BY
LSL, LLP
Certified Public Accountants
License Number 2584

**PROPOSAL PRESENTED TO
CITY OF SUTTER CREEK**
RFP FOR PROFESSIONAL AUDITING SERVICES
DATE OF SUBMISSION: OCTOBER 15, 2025
VALID FOR 30 DAYS

Authorized by
Ryan Domino, CPA, Partner
Ryan.Domino@lslcpas.com
2151 River Plaza Dr
Suite 150
Sacramento, CA 95833
(916) 503 - 9691

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Transmittal Letter

October 15, 2025

Tom DuBois, City Manager &
Mason Peters, Finance Supervisor
City of Sutter Creek
18 Main Street
Sutter Creek, CA 95685

mpeters@cityofsuttercreek.org

Dear Mr. DuBois and Peters,

LSL, LLP (“LSL”) is pleased to present our proposal for Professional Auditing Services, and we value the opportunity to demonstrate our professional qualifications and commitment to excellence to the City of Sutter Creek (“City”).

This proposal details our understanding of the scope of work outlined in the City’s RFP and showcases our firm’s experience, knowledge, and creative problem-solving capabilities in governmental auditing. We understand that the City of Sutter Creek is seeking a qualified firm to audit its financial statements for a contract period of three years, beginning with the fiscal years ending June 30, 2025, through 2027, with the option to extend for two additional one-year periods, extending through 2029. This includes expressing an opinion on the fairness of the general purpose government-wide financial statements and individual fund statements and schedules, as well as completing the annual State Controller’s Office Financial Transaction report.

We are dedicated to providing thorough high-quality governmental audits aligned with GAAS and current GASB pronouncements. With our expertise in government audits, we prioritize accuracy and timely report delivery. Our commitment to collaboration and transparency with the City ensures the integrity of its financial reporting and compliance with all regulatory requirements. Grounded in years of specialized experience with local governments, we are confident that LSL is the best-qualified accounting firm for the City and our commitment to perform the work within the requested time period.

AUTHORIZED REPRESENTATIVE

Ryan Domino is the designated Engagement Partner who will serve as the primary point of contact for this proposal. He is authorized to make representations on behalf of our firm and can be reached directly by phone at (714) 592-1814 or by email at Ryan.Domino@lslcpas.com. Please contact Ryan for any clarification or contract negotiations related to this proposal.

We affirm that our proposal fully aligns with all terms, conditions, and requirements outlined in the City's RFP. Our proposal is a firm and irrevocable offer for thirty (30) calendar days following the closing date of the receipt of proposals.

We welcome the opportunity to discuss any aspect of our proposal to ensure your complete satisfaction.

Sincerely,



Ryan Domino, CPA, Partner
LSL, LLP
2151 River Plaza Dr
Suite 150
Sacramento, CA 95833
(916) 503 - 9691

Detailed Proposal / Technical Proposal

INDEPENDENCE

LSL meets the independence requirements set forth by generally accepted auditing standards/ the U.S. General Accounting Office's Government Auditing Standards. We affirm that we are independent of the City of Sutter Creek - our partners have no ownership in any other business organization that currently or will potentially provide services, supplies, materials, or equipment to the City. We annually distribute a listing of our firm's clients to all employees to ensure that any possible independence threats are properly documented and reviewed. Additionally, we will give the City written notice of any professional relationships entered into during the period of this agreement.

LICENSE TO PRACTICE IN CALIFORNIA

LSL is a public accounting firm licensed by the State of California Department of Consumer Affairs as a Public Accounting Partnership. Additionally, we are members of the American Institute of Certified Public Accountants (AICPA) and the California Society of Certified Public Accountants (CalCPA). All key members assigned to this engagement are licensed or are in the process of obtaining their license as Certified Public Accountants by the State of California.

Business License

LSL affirms that we will obtain and maintain active business licensure with the City of Sutter Creek upon award of contract.

FIRM QUALIFICATIONS AND EXPERIENCE

History & Size

LSL, LLP is a limited liability partnership and is not a wholly owned subsidiary of a parent company. LSL was established in 1929 and has grown as a leader in the government sector. Our full-service accounting firm is powered by a dynamic team of 15 partners, 2 principals, and 150 employees. We provide auditing, accounting, and consulting services to over 100 municipal clients, including counties, cities, water and electric utility districts, and special-purpose government agencies. Our government sector services encompass a broad range of specialties, including attestation, compliance, consulting, outsourced accounting and reporting, year-end close assistance, interim staffing, strategic planning, and tax services.

LSL's Government Team Resources


Our governmental staff consists of three (3) Partners, one (1) Director, four (4) Senior Managers, five (5) Managers, ten (10) Supervisors, and nineteen (19) Professional Staff.

LSL will not be subcontracting any portion of the City’s audit. All staff assigned to the audit portion of the engagement will be employed by LSL on a full-time basis and have extensive experience providing auditing services for cities, counties, and special-purpose government agencies. However, LSL does collaborate with a third-party for the preparation of the SCO (State Controller’s Office) reports to ensure that the reports are prepared and filed correctly and timely by experts in those reports.

Location

Our Offices

Irvine, CA
500 Technology Drive, Suite 350
Irvine, CA 92618
Phone: (949) 829-8299


Sacramento, CA
2151 River Plaza Dr., Suite 150
Sacramento, CA 95833
Phone: (916) 503-9691

The Woodlands, TX
21 Waterway Avenue, Suite 30089
The Woodlands, TX 77380
Phone: (936) 828-4587

Our Sacramento office is available to locally support the City; however, we regularly share staff and resources across our offices to leverage the virtual footprint of our government team that spans across the United States. This collaborative approach ensures that you receive the highest level of industry-specialized service while maintaining a streamlined, reliable audit and comprehensive coverage.

Peer Review

Our firm has participated in the AICPA Peer Review Program since its inception. All our peer reviews have covered specific governmental engagements and have received *pass* ratings. Our most recent peer review conducted by Spafford and Landry CPAs can be found in **Appendix A – Peer Review Report**.

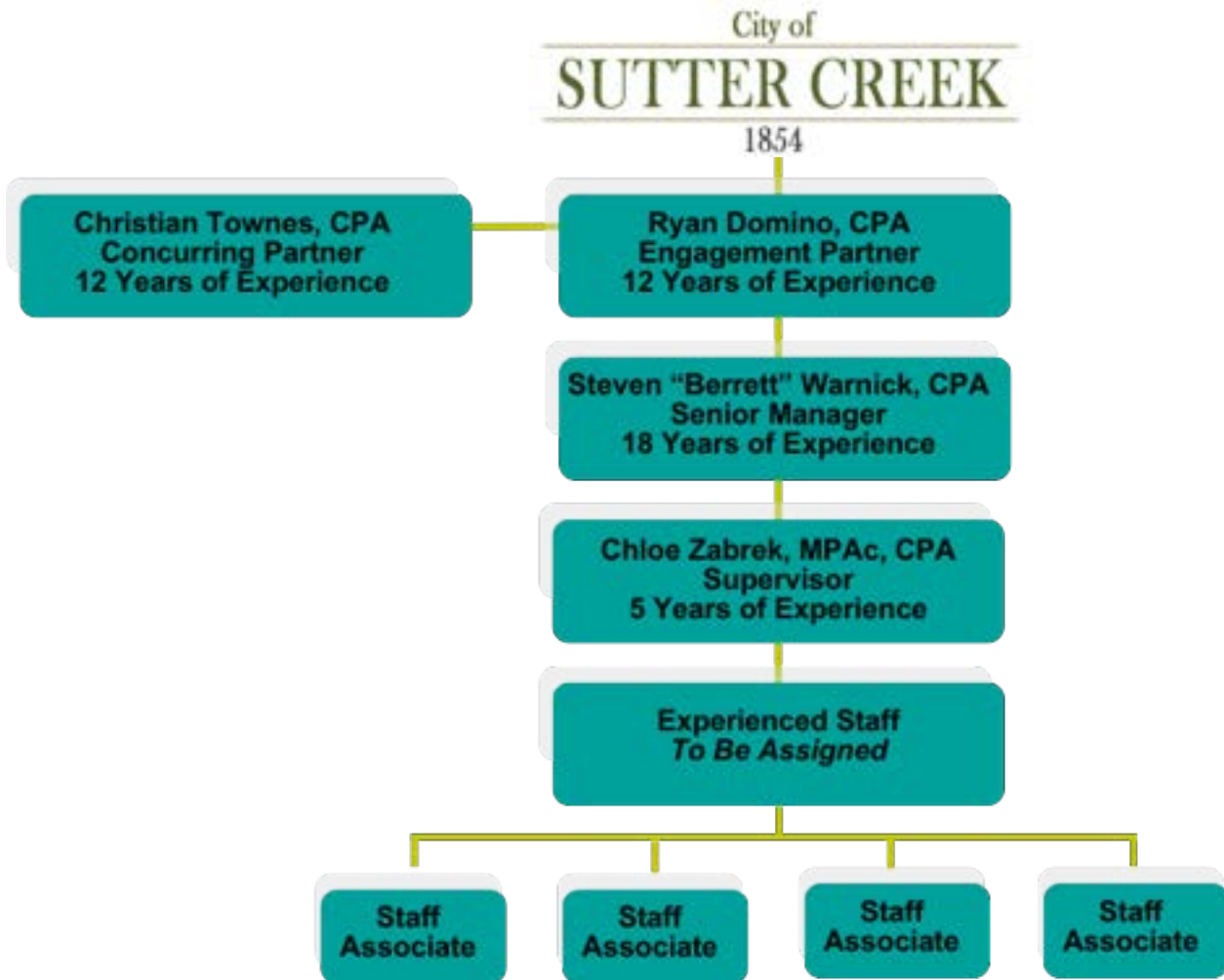
Desk Review / Disciplinary Action

There have been no disciplinary actions against our organization since its inception. There have been no litigations against our firm in the past three years. Our Single Audit reports are desk reviewed either by the federal cognizant agency or the State Controller’s Office acting as the Oversight Agency. LSL has never had a report rejected by any of these agencies and is highly regarded and recognized by the staff of the State Controller’s Office for top-quality reports.

PARTNER, SUPERVISORY AND STAFF QUALIFICATIONS AND EXPERIENCE

A current list of municipal clients can be found in **Appendix B – Current List of Municipal Clients**, which includes LSL’s most significant engagements conducted within the last three (3) years that are similar to the engagement described in this request for proposal.

Organizational Chart of Principal Supervisory and Management Team



Ryan Domino, CPA
Engagement Partner

Ryan Domino has a strong technical focus and specializes in governmental accounting and auditing. He currently serves as a technical reviewer for the Government Finance Officers Association (GFOA) and regularly presents at our firm’s annual GASB Update and at CSMFO’s chapter meetings where he presents and trains on the latest GASB pronouncements. Ryan is an expert on Single Audit planning and execution and holds advanced certification from the AICPA. Ryan provides our clients with a competitive advantage as a member of GFOA’s Special Review Committee for the Award for Excellence in Financial Reporting and able to provide valuable insights and recommendations to help organizations achieve excellence in financial reporting.



Christian Townes, CPA
Concurring Partner

Christian has dedicated over 12 years to public accounting, with a focus on governmental services and auditing, including federal grant compliance. She has a strong background in navigating the complexities of GASB regulations, ensuring compliance and accuracy in financial processes. Christian specializes in Single Audit planning and execution, along with a strategic approach to audit processes. She excels in evaluating and performing Single Audit-specific requirements, including major program determination, audit sampling, and reporting on the compliance of internal controls. As a Partner in LSL’s Government Services, Christian takes the initiative to work closely with her clients, troubleshooting their difficulties and developing the best processes that fit their needs.



Engagement Team Resumes

Team resumes are available in **Appendix C – Engagement Team Resumes**, which details the position of each team member in the firm, their educational background, and their years and types of experience. The resumes also provide information on relevant continuing education completed by the team members during the past three years. Proposed team members will be available for ninety (90) days from the proposal due date. LSL will promptly notify the City of any changes in key personnel prior to award.

Staff Continuity

To ensure the quality of our staffing, we have established firm policies that prioritize the continuity of engagement teams, except in cases where an employee has left the firm or has been promoted. In the event of any changes in staffing at the Manager position and above, LSL will first seek written permission from the City.

Quality of Staff Assurance

LSL is committed to providing the City with a stable and experienced team that is dedicated to delivering a high-quality audit and exceptional service. We understand the importance of maintaining a strong and reliable team throughout the engagement, and we will work closely with the City to ensure that any staffing changes are handled with minimal disruption to the continuity of the engagement.

Continuing Education

At LSL, we strongly emphasize professional development and continuing education to ensure that our team members are up to date on the latest developments in governmental accounting and auditing. As a firm policy, all LSL government staff are required to complete a minimum of 40 hours of continuing education every year, with at least 24 hours in governmental accounting and auditing in a two-year period.

LSL Training & Seminars

LSL offers a range of training courses and seminars to keep both clients and staff informed and prepared in governmental accounting and auditing with continued support throughout. We regularly lead instructional sessions and learning opportunities in financial-reporting, internal control risk assessments, and GASB update for the latest guidance, information and ideas that impact your industry. These opportunities are made available through our firm to the City for training or continuing professional education credits. Some of the topics include:

- Uniform Guidance (UG) Updates
- GASB Updates
- Addressing Staffing Challenges
- ERP Implementation Panel
- Back to Basics Series:
 - GASB 101: Compensated
 - Absences
 - Capital Assets
 - Bank Reconciliations
 - Pension & OPEB
 - Accounts Receivable
 - A/P, Accrued Liabilities, and Long-Term Debt
 - Leases & SBITAS

For upcoming webinars, please visit. <https://lslcpas.com/webinars>

Additional Resources

The LSL team is comprised of top talent within the industry with comprehensive experience beyond governmental audit, accounting, and advisory services. When you partner with LSL, you gain access to the experience, knowledge, and resources of our entire team, including our consulting and technology teams. We are committed to helping finance departments thrive by providing the guidance, tools, and services that foster lifelong success for your finance team. We encourage our clients to tap into our full professional team of industry and product experts for your full-service consulting and staffing.



Financial & Compliance
Audits



Consulting, Staffing &
Training



ERP &
Other Technologies



Kelly Telford, CPA
Consulting Partner

Kelly is a respected leader in public finance and is known for being a change agent and thought leader in organizational strategy. She has developed her expertise in public and local government accounting and auditing, financial forecasting, budget development, public utilities, investment management, grant management, human resources, and information technology. She has taught classes for GFOA and CSMFO and has presented at annual conferences for GFOA, CSMFO and GFOAA. She has previously served as Finance Director for the cities of Costa Mesa and Seal Beach as well as the Los Angeles Community Development Agency. Kelly has a proven track record of helping agencies identify operating inefficiencies assisted in departmental reorganizations, identify internal control challenges, completing year-end close procedures, and serving as an outsourced Finance Director. Her practical recommendations are instrumental in helping our team and our clients achieve a high-quality and efficient audit while providing valuable feedback for organizational improvements.



GFOA Award Program

LSL understands the significance of obtaining and maintaining the Certificate of Excellence in Financial Reporting from the GFOA. We have prepared financial statements and footnote disclosures for many of our local government clients who have received this award. Our governmental partners, managers, and seniors are closely involved in the preparation of these reports. Clients currently receiving the GFOA award are also noted in **Appendix B – Current List of Municipal Clients**.

Single Audit Experience

Our firm has extensive experience in performing Single Audits for local government agencies under the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, Audit Requirements of Federal Awards (Uniform Guidance), and the United States Office of Management and Budget (OMB). **Appendix B – Current List of Municipal Clients** also includes a list of government audit clients for which a Single Audit has been performed in the last fiscal year. Additionally, the table on the following page highlights recent examples of federal programs audited by LSL.

Federal Granting Agency	AL #	Name of Program
U.S. Department of Agriculture	10.557	Special Supplemental Nutrition Program for Women, Infant, and Children
U.S. Department of Housing & Urban Development	14.195	Section 8 Housing Assistance Payment Program
U.S. Department of Housing & Urban Development	14.218	Community Development Block Grants/Entitlement Grants
U.S. Department of Housing & Urban Development	14.228	Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii
U.S. Department of Housing & Urban Development	14.239	HOME Investment Partnerships Program
U.S. Department of Housing & Urban Development	14.856	Lower Income Housing Assistance Program Section 8 Moderate Rehabilitation
U.S. Department of Housing & Urban Development	14.871	Section 8 Housing Choice Vouchers
U.S. Department of Transportation	20.106	Airport Improvement Program
U.S. Department of Transportation	20.205	Highway Planning and Construction
U.S. Department of Transportation	20.507	Federal Transit Formula Grants
U.S. Department of Treasury	21.019	Coronavirus Relief Fund (CRF)
U.S. Department of Treasury	21.027	Coronavirus State and Local Fiscal Recovery Funds (SLFRF)
U.S. Environmental Protection Agency	66.458	Capitalization Grants for Clean Water State Revolving Funds
U.S. Department of Health and Human Services	93.563	Child Support Enforcement
U.S. Department of Health and Human Services	93.667	Social Services Block Grant
U.S. Department of Health and Human Services	93.676	Unaccompanied Alien Children Program
U.S. Department of Health and Human Services	93.778	Medical Assistant Program - Medicaid Cluster
U.S. Department of Homeland Security	97.036	Disaster Grants- Public Assistance (Presidentially Declared Disasters)
U.S. Department of Homeland Security	97.067	Homeland Security Grant Program

PRIOR ENGAGEMENTS WITH THE CITY

LSL has had no previous relationship or engagements with the City of Sutter Creek.

SIMILAR ENGAGEMENTS WITH OTHER GOVERNMENT ENTITIES

The following references highlight our experience in providing professional auditing services to other governmental organizations with comparable size and scope as the City of Sutter Creek. We invite you to contact them to gain insight into our working relationships and quality of service.

City of Irwindale	
Contact	Kambiz Borhani, Finance Director
Telephone	(626) 430 - 2222
Dates of Service	2012 – Present
Scope of Work	Audit of the City's ACFR, which receives the GFOA Award; Single Audit; AUP over the City's Gann Limit; Housing Successor FS Audit; Mining Tax AUP; Irwindale Community Foundation Audit; State Controller's Report; Redevelopment.
Total Hours	350

City of San Marino	
Contact	Mark Siegfried, Accounting Manager/Controller
Telephone	(626) 300 - 0704
Dates of Service	2011 – Present
Scope of Work	Audit of an Annual Comprehensive Financial Report (ACFR) which receives the GFOA award; Single Audit; performed agreed-upon procedures over the City’s GANN Limit calculation; performed agreed-upon procedures over the City’s Investment and Transfer
Total Hours	350

City of San Juan Capistrano	
Contact	Ken Al-Imam, Chief Financial Officer / City Treasurer
Telephone	(949) 443 - 6301
Dates of Service	2021 – Present
Scope of Services	Audit of the City’s ACFR which receives the GFOA award; Single Audit; Gann Appropriation Limit AUP; Coastal Animal Services Authority (CASA) Audit
Total Hours	400

WORK PLAN & AUDIT SCHEDULE

Our Understanding of the Scope of Work

LSL understands that the City of Sutter Creek is seeking a qualified firm to perform the City’s financial audit and related services, consisting of the following final financial and compliance reports:

- Financial Statement Audit
- State Controller’s Report
- Single Audit, If Applicable
- Gann Limit AUP

This includes the following reports to be issued:

- A report on the fair presentation of the government-wide financial statements.
- A report on the internal control structure based on our understanding of the control structure and assessment of control risk.
- A report on compliance with applicable laws and regulations.
- If applicable, a schedule of Federal Financial Assistance and an “in-relation-to” report on the schedule of federal financial assistance.
- If applicable, a report on the internal control structure used in administering federal financial assistance programs.
- If applicable, a report on the compliance with laws and regulations related to major and non-major federal financial assistance programs.

Government Auditing Standards

LSL understands its responsibilities to perform audits and issue opinions on the City's financial statements as well as its fair presentation. Our financial audits are performed in accordance with the Generally Accepted Government Auditing Standards (GAGAS) issued by the Comptroller General of the United States, and our Single Audits are performed in accordance with the requirements of the Uniform Guidance. We will also evaluate the City's internal control system and provide recommendations for growth and improvement.

Project Management Methodology

The LSL team holds itself to a high standard for timely delivery and effective communication of key milestones. We understand the importance of being responsive and communicative with our clients, and we are committed to being available on a day-to-day basis to address any questions or concerns that may arise throughout the engagement. Areas of concern and potential findings will be communicated to the City as soon as they are discovered to mitigate any surprises throughout the audit.

At the beginning of the engagement, we will hold a planning meeting with you to determine the timeline, expectations, and desired outcome of the agreement on the issuance of financial statements. Throughout the process, we will have periodic meetings with you to provide updates and discuss progress. Upon award of contract and per the City's requested timeline, LSL will work closely with the City to develop an audit plan and timeline to ensure compliance and timely deliverables.

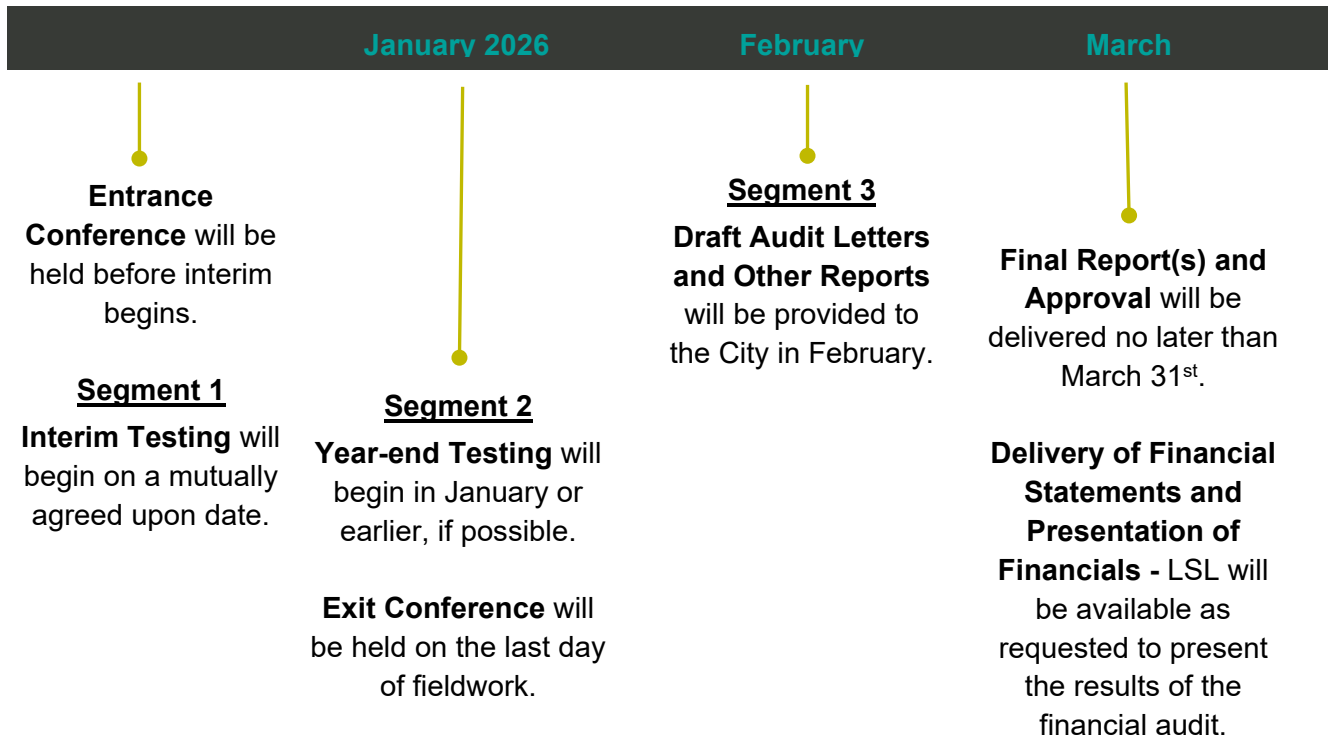
As part of the Scope of Work and time requirements, we assume that the City will provide all necessary information needed to complete the financial statements. We will proactively identify and communicate any pending information from the City that could hinder our ability to complete the objectives of the engagement in a timely manner.

Quality Management System

LSL's Quality Management System fully complies with the AICPA's Statement of Quality Management Standards No. 1 and showcases our unwavering commitment to excellence in audit and assurance services. Designed to meet and exceed industry standards, our framework integrates robust risk management, ethical compliance, and continuous improvement across every engagement. With clear policies for governance, client relationships, resource allocation, and performance monitoring, our system empowers every team member to deliver reliable, high-quality results. By fostering a culture of transparency, accountability, and innovation, LSL ensures clients receive exceptional service and peace of mind, backed by proven processes and a dedication to quality at every level.

Project Schedule

LSL assumes under the time requirements that the City will have closed its books and will present the LSL team with general ledger balances that are auditable prior to the start of fieldwork. A sample timeline is provided below displaying the key stages of the audit and the deliverables for the FY 2025-26 year.



Proposed Work Plan

At LSL, we use a governmental audit program that will be tailored to the City’s operations to accommodate its specific circumstances and organizational structure. LSL’s audit programs are organized by financial statement category, which we believe is the most effective and efficient approach to substantially reduce the risk of omitting important procedures. Our approach is designed to increase audit efficiency by linking financial statement assertions, audit objectives, and procedures that are basic to most governmental audit engagements.

LSL’s Quality Control Procedures

LSL’s policy mandates that all audit and related service engagements be conducted in accordance with professional standards, applicable legal and regulatory requirements, and internal policies. We employ standardized accounting and auditing resources that are regularly updated under the guidance of the Managing Partner. Personnel are trained in their use to ensure uniformity and compliance.

For engagements involving unfamiliar industries, senior team members are required to complete relevant continuing education prior to the planning phase. All engagements are thoroughly supervised and documented with a strong emphasis on professional skepticism. Final documentation is assembled within established deadlines and retained per LSL internal policies, legal, and professional guidelines.

Proposed Segmentation

Our audit services will be divided into the three succeeding segments:

- Segment 1 – Planning and Obtaining an Understanding
- Segment 2 – Financial Audit Testing
- Segment 3 – Conclusion

Segment 1 – Planning and Obtaining an Understanding

LSL will provide an annual audit communication letter, engagement letter, and Government Audit Quality Center Information letter. The audit communication letter is to be provided to the City Council and/or Board of Directors and can be communicated orally to those charged with governance, if requested, where we will discuss planning stages, responsibilities of the City Council and/or Board of Directors, Auditors, and Management, and provide an opportunity to communicate with us as the auditors.

An entrance conference will be scheduled prior to the agreed-upon week of interim testing to ensure that the transition to new auditors is as seamless as possible. Discussions in this meeting include, but are not limited to, an understanding of reports and key milestones for deliverables, prior audit reportable conditions and issues, and “Prepared by Client” (PBC) schedules.

A trial balance is requested for our planning meeting to assist the LSL team in obtaining knowledge of economic conditions, industry elements, and new standards that may affect the City. We will compile a list of PBC items based on our review of the prior year's financial statements and the gathered information that will be provided to the City one month prior to testing or earlier if requested. We operate on a paperless software system and provide a secured cloud-based portal for all clients. The City will have a separate folder that can be customized to organize, and upload requested schedules, support documents, etc.

After interim testing, we will hold an exit meeting to discuss potential weaknesses, if any, and provide feedback for improvements or valuable information gathered from any outside clientele that would benefit the City.

Segment 2 – Financial Audit Testing

Based on the information gathered thus far, we will utilize a customized audit program based on the risk assessment developed during our assessment of the City’s internal controls and *Government Auditing Standards*. The primary benefit of a tailored program is a focused set of procedures to address relevant areas. We believe that this approach is both effective and efficient and is critical to compliance with other material laws and regulations.

We will annually compile another customized PBC list for the year-end testing provided at least one month prior or earlier if requested. We will request trial balances from the City for our analytical review to be provided one week before testing is scheduled to commence. Year-end testing will include testing of the balance sheet, revenue and expenditures accounts, confirmation of selected balances, analytical procedures, evaluation of the internal controls, and preparation of reports and letters.

Segment 3 – Conclusion

Based on our year-end exit meeting we will discuss a plan to finalize the financial statements according to the timetable of the City. We will schedule dates for the initial and final drafts including time for LSL’s and the City’s review and approval of the financial statements. This period will also account for review by the engagement partner and quality assurance partner. After the review and receipt of the signed Representation Letter from the City, LSL will provide a final report by March 31st for the FY 2025-26 year, and on mutually agreed upon dates each year thereafter.

Level of Staff Assigned and Number of Hours to be Assigned

Segment/Task	TOTAL PROPOSED HOURS					
	Partners/ Sr. Manager	Supervisor	Experienced Staff	Staff	Clerical	Total
Financial Statement Audit						
Interim test work	0	0	20	40	0	60
Year-End test work	0	0	40	90	0	130
Report/Review/Supervision	10	40	0	0	10	60
Subtotal	10	40	60	130	10	250
Single Audit (If Applicable) *						
Test work	0	0	10	20	0	30
Report/Review/Supervision	2	6	0	0	2	10
Subtotal	2	6	10	20	2	40
State Controller's Report						
Test work	0	0	0	25	0	25
Report/Review/Supervision	0	5	0	0	0	5
Subtotal	0	5	0	25	0	30
Gann Limit AUP						
Test work	0	0	0	2	0	2
Report/Review/Supervision	0	1	1	0	1	3
Subtotal	0	1	1	2	1	5
TOTAL PROPOSED HOURS:	12	52	71	177	13	325

* Hours proposed are for one (1) major program.

Audit Sampling

For tests of controls, we use audit sampling. Tests of controls are procedures directed towards determining the effectiveness of the design or operation of an internal structure policy or procedures. Audit sampling is typically used for tests of controls and compliance that involve the inspection of documents and reports indicating the performance of the applicable policy or procedures and compliance with the applicable laws and regulations. Sample sizes vary based on the population and risk-based calculations.

Type And Extent of Analytical Procedures

For the audits of the financial statements, we will use analytical procedures as an overall review of the financial information in the preliminary and final stages of the audits. These procedures are designed to assist us in planning our audits and in assessing the propriety of the conclusions reached and evaluating the overall financial statement presentation.

The procedures to be utilized consist of determining expectations for changes to significant revenue, expenditure, and balance sheet accounts, reading the financial statements and related notes, reviewing the budget and related material, and focusing on overall relationships within the financial statements.

Once determined, these are reviewed to evaluate if the changes appear reasonable or require further analysis. For all significant differences, explanations are obtained as to why the situation occurred and additional substantive procedures may be applied, and related evidence is gathered to resolve concerns and questions.

Electronic Data Processing Software & AI Technology

LSL is always at the forefront of technology and finding ways to increase efficiency in our audits. Our goal is to effectively streamline the audit process to make the burden of an audit easier on our clients and ease any technical disagreements.

Caseware

At LSL, we partner with and utilize **Caseware** to perform our audits and retain electronic workpapers and supporting documentation in a fully cloud-based platform. During our preparation, all financial statements and schedules are linked to Caseware and audit documentation, ensuring accuracy and consistency with City records and eliminating the risk of manual errors.

LSL Caseware Cloud Portal

Our web-based portal system provides clients with the ability to securely share information in a user-friendly platform. Integrated with **Caseware OnPoint Collaborate**, this state-of-the-art tool enhances collaboration in accounting and auditing. It enables direct communication with clients throughout the audit process for feedback exchange and tracks activities such as audit requests, client uploads, and progress. Access to the secure hub can be restricted to relevant individuals. This tool eliminates the necessity of sending sensitive documents via email, enhancing efficiency. Client dashboards are customizable to meet specific needs.

Data Extraction & Audit Analytics

We believe software is only as effective as those who know how to use it. That's why we train all our staff and incorporate the use of **Caseware Analytics AI** and **IDEA** into our audit approach. These two complement each other to create a risk-based transaction analysis tool. We utilize them to scan transaction sets, identify exceptions warranting further investigation, and provide additional assurances to our clients. These tools offer users a high-level summary and reduce time spent in transaction analysis by automatically performing multiple tests on the entire transaction set. They assist in identifying duplicate payments, high-risk journal entries, and developing expectations for analytical procedures used during the audit.

Experience With ERP Systems

Many of our clients have updated their system software with new Enterprise Resource Planning (ERP) systems over the years. We make ourselves available for questions and recommendations, including assistance with the vendor selection process. Our clients' transition to more sophisticated ERP systems has allowed us to gain a better understanding of each system and its unique capabilities. We often obtain read-only access to our clients' software and can work directly within the system. This allows us to provide useful observations and recommendations regarding internal controls and facilitates efficient audit test work. Some of the ERP and Property Tax Systems we have extensive experience with include **Tyler Technologies (Munis, New World, Eden, Incode), One Solution, Oracle, SAP, Infor, Megabyte**, and more.

Determining Laws and Regulations Subject to Audit Test Work

The Laws and Regulations that will be subject to audit test work are determined by the applicable laws, regulations, contracts, and grant agreements which we identify through the understanding we obtain of the City and our extensive experience with other governmental entities.

Drawing Audit Samples for Compliance

The sampling procedures test the operating effectiveness of an internal control structure policy or procedure by determining how the policy or procedure was applied, the consistency with which it was applied during the audit period, and by whom it was applied. We will draw samples for disbursements, receipts, and payroll when applicable. Each document selected will be tested for various attributes that are designed to verify compliance with different aspects of internal controls and applicable laws and regulations. Additionally, each sample item will be tested for coding to the proper accounts and posting to the general ledger.

LSL's Approach to Understanding the City's Internal Control Structure

LSL will perform procedures as required by SAS 122-125 to obtain an understanding of the City and its environment along with assessing the risks of material misstatements in order to gain insight into the internal control structure over the financial statements. Our review will encompass various areas such as financial reporting, cash, revenues and receivables, utility billing, expenses, accounts payable, payroll, capital assets, long-term debt, and grant reporting. We will issue a management letter (SAS 115 Letter) that identifies any significant deficiencies and/or material weaknesses found as required by the Government Auditing Standards.

Our process is to obtain and review the City's annual budget book, organizational charts, standard operations procedures, manuals, policies, or other written documentation to identify processes and controls for critical transaction cycles. As much as is possible, we attempt to gather the data from the City's publicly available documents prior to beginning the audit to reduce the workload of the City's audit staff.

During Segment 1 of the audit, LSL will conduct interviews with the management of finance and responsible parties of each audit section to understand the processes and controls through observation and discussions. We will also perform sampling transactions as part of a “walk-through” process to verify that the system of control is functioning as per the policies and procedures.

Anticipation Of Potential Audit Problems, Roles & Responsibilities of the City

Outside of the complexities that arise with the implementation of GASB pronouncements, LSL does not anticipate any audit problems or conflicts in the performance of the services requested in this RFP. Our approach is to partner with our clients to provide information, training, and the resources necessary to successfully implement any new changes in accounting principles.

As mentioned previously, LSL assumes that the City will have closed its books and present auditable general ledger balances and that the City will provide all necessary information to complete the financial statement and single audits. The LSL assigned to this engagement will help identify and communicate any pending information needed from the City that may hinder the engagement’s objectives and timely completion.

Working Paper Retention and Access

All working papers and reports will be retained at LSL’s expense for a minimum of six (6) years unless otherwise notified in writing by the City of the need to extend that retention period. Upon written request, we will make working papers available to parties designated by the City. Furthermore, we will respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

HIGHLIGHTS: AWARDS & VALUES

LSL is a multi-location firm with formidable resources that provides a personal feel and hands-on client experience.

			
Ranked #17 on the Orange County Business Journal's CPA Firm Book of Lists	Established in 1929	15 Partners	150 employees (and growing!)

Accounting Today Regional Leader

LSL has again been recognized as an Accounting Today Regional Leader in 2025. The list ranks the top CPA firms that have shown exceptional growth, embraced technology, and who ‘think outside the box’ when providing solutions.



INSIDE Public Accounting Award

LSL is honored to be recognized among the Top 300 accounting firms in the nation by INSIDE Public Accounting! Each year, IPA ranks CPA firms based on net revenue, and LSL proudly advanced from #220 in 2024 to #201 in 2025. Our fantastic team and the trust of our valued clients are the driving force behind this upward momentum and continued growth.



Best of Accounting Award

LSL has consistently secured the ClearlyRated *Best of Accounting* award since 2019. This exclusive program awards accounting firms who demonstrate high-level service of excellence within the accounting industry and solely leverages statistically validated survey responses from our clients.



Our Core Values

Our values weren’t decided on by management and handed down. Every member of the LSL team worked together to share what values matter most to us. From there, we came up with the following five core values that embody how we approach each other, our work, and our clients.



PURSUE EXCELLENCE



LOVE WHAT YOU DO



LEAD WITH INTEGRITY



ACCOMPLISH MORE TOGETHER



FORWARD THINKING

[COMPREHENSIVE DOLLAR COST BID ON THE FOLLOWING PAGES]

Comprehensive Dollar Cost Bid

TOTAL ALL-INCLUSIVE MAXIMUM PRICE

LSL, LLP is the sole prime on this bid and will not subcontract any portion of this engagement. Ryan Domino, CPA, is the assigned Engagement Partner for this proposal and is entitled and empowered to submit this bid as well as authorized to sign a contract with City of Sutter Creek.

All-Inclusive Maximum Price by Report					
Report	2024-25	2025-26	2026-27	Optional 2027-28	Optional 2028-29
Financial Statement Audit	\$40,300	\$40,300	\$40,300	\$41,510	\$42,760
Single Audit (If Applicable) *	\$6,480	\$6,480	\$6,480	\$6,670	\$6,870
State Controller's Report	\$4,550	\$4,550	\$4,550	\$4,690	\$4,830
Gann Limit AUP	\$770	\$770	\$770	\$790	\$810
New Client Onboarding Fee **	\$4,030	\$0	\$0	\$0	\$0
Out-of-Pocket Expenses	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>
Total for Fiscal Year (Not-to-Exceed)	\$56,130	\$52,100	\$52,100	\$53,660	\$55,270

* Price includes one (1) major program. Each additional program is \$2,600.

** LSL charges a one-time new client onboarding feed equal to 10% of the base audit amount. This is due to the estimated 10% increase in audit hours during the first year of the audit to perform initial audit procedures, which are not repeated in subsequent years.

RATES BY PARTNER, SPECIALIST, SUPERVISORY AND STAFF LEVEL TIMES HOURS ANTICIPATED FOR EACH

Auditor's Standard Billing Rates	Anticipated Hours Per Staff Level	2024-25	2025-26	2026-27	Optional 2027-28	Optional 2028-29
Partner	6	\$390	\$390	\$390	\$402	\$415
Director	0	\$320	\$320	\$320	\$330	\$340
Senior Manager	6	\$290	\$290	\$290	\$299	\$308
Manager	0	\$250	\$250	\$250	\$258	\$266
Supervisor	52	\$210	\$210	\$210	\$217	\$224
Senior Accountant	0	\$190	\$190	\$190	\$196	\$202
Experienced Staff	71	\$160	\$160	\$160	\$165	\$170
Staff Accountant	177	\$140	\$140	\$140	\$145	\$150
Clerical	13	\$120	\$120	\$120	\$124	\$128

The quoted fees above include a standard 3% increase year-over-year beginning in 2027-28. A detailed hour breakdown per report can be found in **Level of Staff Assigned and Number of Hours to be Assigned**.

APPENDIX B

**Comprehensive All-Inclusive
Schedule of Professional Fees and Expenses
For Each Audit Year
For the City of Sutter Creek**

Year of Audit: 2025-26

Submit a page for each of the three years

	Hours	Standard Hourly Rates	Standard Hourly Rates	Total
Partners	<u>6</u>	<u>390</u>	<u>290</u>	<u>\$1,740</u>
Managers	<u>6</u>	<u>290</u>	<u>290</u>	<u>\$1,740</u>
Supervisory Staff	<u>52</u>	<u>210</u>	<u>210</u>	<u>\$10,920</u>
Expierenced Staff	<u>71</u>	<u>160</u>	<u>160</u>	<u>\$11,360</u>
Other Specify				
Staff	<u>177</u>	<u>140</u>	<u>140</u>	<u>\$24,780</u>
Clerical	<u>13</u>	<u>120</u>	<u>120</u>	<u>\$1,560</u>
Sub-Total				<u>\$52,100</u>
Out of Pocket Expense: Meals and lodging				<u>Included</u>
Transportation Other-Specify	<u>New Client Onboarding Fee</u>			<u>\$4,030</u>
Total all-inclusive maximum price for annual audit				<u>\$56,130</u>

Note: The rate quoted should not be presented as a general percentage of standard hourly rate or as a gross deduction from the total all-inclusive price.

APPENDIX B

**Comprehensive All-Inclusive
Schedule of Professional Fees and Expenses
For Each Audit Year
For the City of Sutter Creek**

Year of Audit: 2026-27

Submit a page for each of the three years

	Hours	Standard Hourly Rates	Standard Hourly Rates	Total
Partners	<u>6</u>	<u>390</u>	<u>290</u>	<u>\$1,740</u>
Managers	<u>6</u>	<u>290</u>	<u>290</u>	<u>\$1,740</u>
Supervisory Staff	<u>52</u>	<u>210</u>	<u>210</u>	<u>\$10,920</u>
Expierenced Staff	<u>71</u>	<u>160</u>	<u>160</u>	<u>\$11,360</u>
Other Specify				
Staff	<u>177</u>	<u>140</u>	<u>140</u>	<u>\$24,780</u>
Clerical	<u>13</u>	<u>120</u>	<u>120</u>	<u>\$1,560</u>
Sub-Total				<u>\$52,100</u>
Out of Pocket Expense: Meals and lodging				<u>Included</u>
Transportation Other-Specify				
Total all-inclusive maximum price for annual audit				<u>\$52,100</u>

Note: The rate quoted should not be presented as a general percentage of standard hourly rate or as a gross deduction from the total all-inclusive price.

APPENDIX B

Comprehensive All-Inclusive
Schedule of Professional Fees and Expenses
For Each Audit Year
For the City of Sutter Creek

Year of Audit: 2027-28

Submit a page for each of the three years

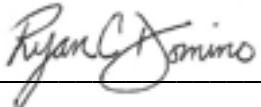
	Hours	Standard Hourly Rates	Standard Hourly Rates	Total
Partners	<u>6</u>	<u>390</u>	<u>290</u>	<u>\$1,740</u>
Managers	<u>6</u>	<u>290</u>	<u>290</u>	<u>\$1,740</u>
Supervisory Staff	<u>52</u>	<u>210</u>	<u>210</u>	<u>\$10,920</u>
Expierenced Staff	<u>71</u>	<u>160</u>	<u>160</u>	<u>\$11,360</u>
Other Specify				
Staff	<u>177</u>	<u>140</u>	<u>140</u>	<u>\$24,780</u>
Clerical	<u>13</u>	<u>120</u>	<u>120</u>	<u>\$1,560</u>
Sub-Total				<u>\$52,100</u>
Out of Pocket Expense: Meals and lodging				<u>Included</u>
Transportation Other-Specify				
Total all-inclusive maximum price for annual audit				<u>\$52,100</u>

Note: The rate quoted should not be presented as a general percentage of standard hourly rate or as a gross deduction from the total all-inclusive price.

APPENDIX A

PROPOSER GUARANTIES and WARRANTIES

- A. The proposer certifies it can and will provide and make available, at a minimum, all services set forth in section II, Nature of Services Required.
- B. Proposer warrants that it is willing and able to comply with State of California laws with respect to foreign (non-state of California) corporations.
- C. Proposer warrants that it is willing and able to obtain an errors and omissions insurance policy providing \$1,000,000 policy coverage for the willful or negligent acts, or omissions of any officers, employees or agents thereof.
- D. Proposer warrants that it shall indemnify, defend, and hold harmless the City of Sutter Creek and its officers, officials, employees and agents from and against any and all liability, loss, damage, expense, costs (including without limitation costs and fees of litigations) of every nature arising out of or in connection with proposers work hereunder or its failure to comply with any of its obligations contained in the agreement, except such loss or damage which was caused by the sole negligence or willful misconduct of the City.
- E. Proposer warrants that it will not delegate or subcontract its responsibilities under an agreement without the express prior written permission of the City of Sutter Creek.
- F. Proposer warrants that all information provided by it in connection with this proposal is true and accurate.

Signature of Official 

Name (typed) Ryan Domino

Title: CPA, Partner

Firm: LSL, LLP

Date: October 15, 2025

Appendix A – Peer Review Report



Patrick D. Spafford, CPA
Todd C. Landry, CPA

Licensed by the California Board of Accountancy
Member: American Institute of Certified Public Accountants

Report on the Firm's System of Quality Control

To Lance, Soll & Lunghard, LLP
and the Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Lance, Soll & Lunghard, LLP (the firm) in effect for the year ended May 31, 2022. 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 (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a system review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of the applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act and employee benefit plan audits.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Lance, Soll & Lunghard, LLP in effect for the year ended May 31, 2022, 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*. Lance, Soll & Lunghard, LLP has received a peer review rating of *pass*.



March 30, 2023

Appendix B – Current List of Municipal Clients

Current List of Municipal Clients						
Client Name	Client Class	Contact Person	Services	Years	Phone	
* Barstow	M	Sydney Harris	A1, A2	11	760-255-5115	
Big Bear Fire Authority	S	Kristin Mandolini	A1	9	909-866-5831	
* Big Bear Lake	M	Kelly Ent	A1	27	909-866-5831	
* Brea	M	Monica Lo	A1, A2	13	714-990-7600	
* Burbank	M	Heidi Okimoto	A1, A2	15	818-236-5500	
* Butte County	C	Graciela Gutierrez	A1, A2	1	530-552-3600	
Canyon Lake	M	Aaron Brown	A1, A2	30	951-244-2955	
* Carlsbad	M	Zach Korach	A1, A2	3	760-602-2430	
* Cathedral City	M	Kevin Biersack	A1, A2	15	760-770-0378	
* Chino Hills	M	Nicole Lugotoff	A1, A2	28	909-364-2648	
* Citrus Heights	M	Alberto Preciado	A1, A2	6	916-272-4776	
* Citrus Heights Water District	S	Annie Liu	A1	4	916-735-7703	
* Coachella Valley Water District	S	Karla Romero	A1, A2	12	760-366-2651	
* Colver City	M	Lisa Soghor	A1, A2	1	310-253-6016	
* Dana Point	M	Sheryl Mariano	A1	1	949-248-3516	
* Diamond Bar	M	Jason Jacobsen	A1, A2	15	909-839-7051	
* Downey	M	Francesca Navarro	A1, A2	11	562-904-7265	
Duarte	M	Angela Chiaromonte	A1	1	626-357-7931	
Durham Mosquito Abatement District	S	Anita Weinreich	A1	1	530-518-0364	
* East Bay Municipal Utility District	S	Melody Wang	A1, A2	6	510-287-0280	
* Eastern Municipal Water District	S	Wilma Gariz	A1, A2	4	951-928-3777	
El Dorado County	C	Alison Winter	A1, A2	1	530-621-6729	
* El Toro Water District	S	Vishav Sharma	A1	1	949-599-2504	
* Fullerton	M	Toni Smart	A1, A2	4	714-738-6522	
* Galt	M	Cindy Nguyen	A1	7	209-366-7150	
Grand Terrace	M	Christine Clayton	A1, A2	11	909-824-6621	
Inglewood	M	Sharon Koike	A1, A2	10	310-412-5257	
* Irwindale	M	Lori Svet	A1	30	626-430-2200	
Kress	T	Johnny Taylor	A1	1	806-694-5051	
* La Quinta	M	Claudia Martinez	A1, A2	1	760-777-7055	
* Laguna Beach	M	Shannon Espinoza	A1	1	949-497-0319	
Livingston	M	Happy Bains	A1	4	209-394-8041	
* Lodi	M	Cha Lor	A1, A2	2	209-269-4638	
* Lompoc	M	Christie Donnelly	A1, A2	4	805-875-8283	
* Malibu	M	Renee Neerman	A1	21	310-456-2489	
* Manhattan Beach	M	Julie Bondarchuk	A1	15	310-802-5564	
* Mesa Water District	S	Anthony Phou	A1	3	949-574-1022	
* Monrovia	M	Buffy Bullis	A1, A2	24	626-932-5513	
Monterey Peninsula Airport District	S	Mark Wilson	A1, A2	6	831-648-7000	
* Napa	M	Rajneil (Raj) Prasad	A1, A2	1	707-257-9698	
Nevada City	M	Stephen Efranson	A1	1	530-265-2496	
* Nevada County	C	Gina Will	A1	1	530-265-1580	
* Newark	M	Krysten Lee	A1, A2	6	510-578-4288	
* Oceanside	M	Jill Moya	A1, A2	16	760-435-3887	
Orange	M	Trang Nguyen	A1, A2	2	714-744-2251	
Orchard Dale Water District	S	Ron Richard	A1	6	562-941-0114	

* Palm Desert	M	Veronica Chavez	A1, A2	8	760-346-0611
* Pasadena	M	Amine Trashian	A1, A2	12	626-744-4000
* Placer County	C	Debbie Chan	A1, A2	1	530-880-4180
* Rainbow Municipal Water District	S	Rick Aragon	A1	5	760-728-1178
* Rancho Cucamonga	M	Caroline Cruz-Contreras	A1, A2	47	909-774-2434
Rolling Hills	M	Robert Samario	A1	16	310-377-1521
* Rosemead	M	Maria Teresita Anson	A1, A2	7	626-568-2146
* Roseville	M	Kyle Horton	A1, A2	4	916-774-5526
* Sacramento Transportation Authority	S	Dustin Parinton	A1	2	916-323-0694
* San Bernardino Municipal Water Department	S	Cynthia Mouser	A1, A2	6	909-453-6010
* San Clemente	M	Jacob Rahn	A1, A2	7	949-361-8360
* San Joaquin Council of Governments	S	Lynette Castle	A1, A2	6	209-235-0454
* San Marino	M	Hilary Gurola-Leon	A1, A2	32	626-300-0708
* Santa Monica	M	Steve Gomez	A1, A2	9	310-458-8272
* Shasta County	C	Nelda Short	A1	1	530-245-6657
* South Coast Air Quality Management District	S	Susanna Leung	A1, A2	2	909-396-2623
Stanislaus Council of Governments	S	Jean Foletta	A1	1	209-525-4891
Sutter County	C	Nathan Black	A1, A2	6	530-822-7127
* Three Valleys Municipal Water District	S	Jose Velasquez	A1	17	909-626-5568
* United Water Conservation District	S	Brian Zahn	A1	2	805-695-3870
* Vacaville	M	Ken Matsumiya	A1, A2	5	707-448-5180
* Vallejo	M	Rekha Nayar	A1, A2	6	707-648-5433
* West Sacramento	M	Becky Robertson	A1, A2	2	916-617-4584
Woodland	M	Kimberly McKinney	A1	5	530-661-5849
Yolo County	C	Tom Haynes	A1, A2	6	530-666-8162
* Yorba Linda Water District	S	David Christian	A1	3	714-961-7140

Client Codes:

C - California County

M - California Municipality (City)

S - California Special District or Other Government

T - Texas Municipality (City)

Service Codes:

A1 - Audit Under *Government Auditing Standards*

A2 - Single Audit Act Engagement

* Participated in the GFOA Award Programs and has received or anticipates receiving outstanding awards

Appendix C – Engagement Team Resumes



Ryan Domino, CPA

ENGAGEMENT PARTNER

ACHIEVEMENTS

Ryan currently serves as a technical reviewer for the Government Finance Officers Association (GFOA), and has been a presenter for CSMFO's annual conference and various chapter meetings. He has been involved with teaching current audit and accounting-related material at LSL's in-house training seminars, and annual GASB Update.

CONTINUING EDUCATION

As a firm policy, all LSL government staff are required to complete a minimum of 40 hours of continuing education every year, with at least 24 hours in governmental accounting and auditing in a two-year period. Ryan meets the requirements for Government Auditing Standards in governmental CPE.

EXPERIENCE

Ryan has over 11 years of experience in governmental auditing including financial statement audits, preparation of Annual Comprehensive Financial Reports, Housing Successor compliance audits, TDA compliance audits, Single Audits, Federal Student Financial Aid audits, and various consulting and agreed-upon procedures projects.

Ryan is one of the firm's leaders in ensuring audit quality control and Government Practice training for staff. He is a regular presenter at the firm's annual GASB Update where he has presented training to our clients on the latest GASB pronouncements and has been a presenter for CSMFO's chapter meetings and the annual CSFMO Conference.

Some of his presentations have covered:

- General auditing in accordance with GAGAS
- Accounting for capital assets
- GASB Statement Nos. 89, 90, 91, 94, 100, 101, and 102
- Fraud risks and internal controls

MEMBERSHIPS

AICPA, CalCPA, CSMFO, GFOA, GFOAT

EDUCATION

Bachelor of Arts Degree in Business Administration, with an emphasis in Accounting – California State University, Fullerton

LICENSES & CERTIFICATIONS

Certified Public Accountant
California
Texas

AICPA Advanced
Single Audit Certificate

AUDIT ENGAGEMENTS

City of Agoura Hills, CA
City of Big Bear Lake, CA
City of Brea, CA
City of Burbank, CA
City of Carlsbad, CA
City of Cathedral City, CA
City of Chino Hills, CA
City of Dana Point, CA
City of Kress, TX
City of La Quinta, CA
City of Lompoc, CA
City of Monrovia, CA
City of Moorpark, CA
City of Oceanside, CA
City of Orange, CA
City of Palm Desert, CA
City of Rialto, CA
City of Rosemead, CA
City of San Clemente, CA
City of San Juan Capistrano, CA
City of Santa Monica, CA
Monterey Peninsula Airport District
Orange County Water District
Orchard Dale Water District
Rainbow Municipal Water District
San Bernardino Muni. Water Dept.
Three Valleys Muni. Water District
United Water Conservation District
Yorba Linda Water District

Ryan Domino CPE Records 2023 - Current

Program	Sponsor	Completed
Back to Basics Uniform Guidance Update Encore Presentation	LSL, LLP	09/10/2025
2025 Government Workshop Series	LSL CPAs	09/09/2025
2025 Government Workshop Series	LSL CPAs	09/02/2025
2025 GAGAS Training Day 2	LSL, LLP	08/28/2025
2025 Government Workshop Series	LSL CPAs	08/26/2025
2025 GAGAS Training Day 1	LSL, LLP	08/27/2025
2025 Government Workshop Series	LSL CPAs	08/05/2025
Developing as a Rainmaker	Convergence Coaching	06/23/2025
Back to Basics GASB 101: Compensated absences	LSL, LLP	06/05/2025
The New Psychology of Fraud 2024-2025	Calcpa	05/14/2025
New Quality Management Standards: Bringing It All Together - Exploring All Components of a Quality Management System	Aicpa	04/24/2025
New Quality Management Standards: What's New for Firms' Monitoring and Remediation Processes	Aicpa	04/17/2025
Single Audit Training - 01/24/2025	LSL CPAs	01/24/2025
Back to Basics - Capital Assets Crash Course	LSL CPAs	09/10/2024
Back to Basics Put the Pieces Together: A Guide to Bank Reconciliations	LSL CPAs	08/27/2024
A CPA's Guidebook to Ethical Behavior: A CPE Ethics Course for Texas CPAs	Becker Professional Education	08/23/2024
Government Year-End Training 8/8/24 (Webinar)	LSL CPAs	08/09/2024
LSL Government Audit, Accounting & Technology (GAAT) Update	LSL CPAs	05/01/2024
2024 Govt. Interim Training - Audit Roadmap	LSL CPAs	04/05/2024
2024 Govt. Interim Training: Internal Control Documentation in Orb	LSL CPAs	04/04/2024
Audit Nightmares: Expenses	Lumiq	02/13/2024
LSL CPAs Strategic Planning	Boomer Consulting	01/18/2024
Designing a Training Program: Setting Goals, Objectives, and Mediums		01/03/2024
Key Recipient Roles and Responsibilities in Single Audits	Aicpa	12/15/2023
Audit & Assurance Discussion Webinar	Primeglobal	10/19/2023
2023 DHCS GAGAS Training Day 2	LSL CPAs	08/31/2023
2023 DHCS GAGAS Training Day 1	LSL CPAs	08/30/2023
2023 Uniform Guidance Update	Becker Professional Education	08/21/2023
Understanding and Applying SAS 142: Audit Evidence	Becker Professional Education	07/31/2023
Risk Assessment Under SAS No. 145	Aicpa	07/20/2023
Selecting and Managing a Project Portfolio with Microsoft Project		07/18/2023
2023 Govt. Lunch & Learn! Writing Good Findings	LSL CPAs	07/14/2023
Becoming a Thought Leader		07/13/2023
2023 Govt. Year-End Training - Time Management (Level 1)	LSL CPAs	06/30/2023
2023 Govt. Year-End Training - Financial Statements (Level 2)	LSL CPAs	06/29/2023
2023 Govt. Year-End Training - Payroll (Level 1)	LSL CPAs	06/29/2023
2023 Govt. Year-End Training - Revenue & Receivables (Level 2)	LSL CPAs	06/29/2023
2023 Govt. Year-End Training - Revenue & Receivables (Level 1)	LSL CPAs	06/28/2023
2023 Govt. Year-End Training - GASB 100	LSL CPAs	06/27/2023
2023 Govt. Year-End Training - Year-End Expectations	LSL CPAs	06/27/2023
2023 Govt. Year-End Training - Inventory and YE Expectations	LSL CPAs	06/26/2023
2023 Govt. Year-End Training - Basics of Government	LSL CPAs	06/26/2023
2023 Govt. Lunch & Learn! Long-term Debt	LSL CPAs	06/16/2023
Critical Thinking – The Key to Success in Any Job	Becker Professional Education	06/14/2023
2023 OMB Compliance Supplement and Single Audit Update	Aicpa	06/13/2023
GASB Other Postemployment Benefits (OPEB)	Becker Professional Education	06/12/2023
Building Professional Relationships		06/06/2023
Balancing Multiple Roles as a Leader		06/05/2023
2023 Govt. Lunch & Learn! Cash and Investments	LSL CPAs	06/02/2023
2023 Fraud Update	Becker Professional Education	05/09/2023
Start-up and Small Business Financial Statements: Issues and Fraud 2022	Calcpa	05/09/2023
2023 GASB Update: The Age of Enlightenment (for finance departments!)_LIVE	LSL CPAs	05/04/2023
2023 Annual Required GAQC Webcast	Aicpa	05/02/2023
California Ethics	Becker Professional Education	04/26/2023
2023 Interim Training - Assignments and Expectations	LSL CPAs	03/10/2023
2023 Interim Training - Live Case Study	LSL CPAs	03/10/2023
2023 Interim Training - Changes Since Re-Engineering	LSL CPAs	03/09/2023
2023 Interim Training - Introduction to Government Audits	LSL CPAs	03/09/2023
2023 Interim Training - Audit Documentation	LSL CPAs	03/09/2023
2023 Interim Training - Basics of Internal Control	LSL CPAs	03/09/2023
Accounting Firm's System of Quality Control, Part 1	Becker Professional Education	01/16/2023



Christian Townes, CPA

CONCURRING PARTNER

ACHIEVEMENTS

With over 12 years of experience in public accounting, Christian brings a strong focus on governmental services and auditing, including federal grant compliance. She has a strong background in navigating the complexities of GASB regulations, ensuring compliance and accuracy in financial processes. Additionally, she specializes in Single Audit planning and execution and excels in evaluating requirements, including major program determination, audit sampling, and internal control compliance.

CONTINUING EDUCATION

As a firm policy, all LSL government staff are required to complete a minimum of 40 hours of continuing education every year, with at least 24 hours in governmental accounting and auditing in a two-year period. Christian meets the requirements for Government Auditing Standards in governmental CPE.

EXPERIENCE

She has performed all phases of our government audits, including special districts, ACFR audits, and Single Audits.

Her work has entailed:

- Assisting in the preparation of the Annual Comprehensive Financial Report
- Performing analytical and substantive audit procedures on account balances
- Planning the nature, timing, and extent of procedures involved in the audit process audits in accordance with the provisions of Government Auditing Standards and the provisions of the Single Audit Act and the Uniform Guidance
- Assisting clients with the preparation and review of GASB related journal entries, including implementation of GASB 87 and 96.

MEMBERSHIPS

AICPA, GFOA, CSMFO

EDUCATION

Bachelor of Science in Accounting with a minor in Economics –
The College at Brockport, State University of New York

A.S. in Business Administration – Genesee Community College

LICENSES & CERTIFICATIONS

Certified Public Accountant
New York
California

AICPA Advanced
Single Audit Certificate

ENGAGEMENTS

Bay Area Clean Water Agencies
City of Citrus Heights
City of Diamond Bar
City of Dixon
City of Escalon, TDA
City of Galt
City of Inglewood
City of Lathrop, TDA
City of Lodi
City of Lodi, TDA
City of Manhattan Beach
City of Ripon, TDA
City of Shafter
City of Stockton, TDA
City of Tracy, TDA
City of Vacaville
City of Vallejo
County of Butte
County of El Dorado
County of Nevada
County of Placer
County of Sutter
DSRSD-EBMUD Recycled Water
Authority
East Bay Municipal Utility District
Freeport Regional Water Project
Monterey One Water
Sacramento Transportation Authority
San Joaquin COG
San Joaquin Rail Commission, TDA
San Joaquin Transit District, TDA
San Joaquin County, TDA
Stanislaus Council of Governments
Sutter County
Upper Mokelumne River Watershed
Authority

Christian Townes CPE Records 2023 - Current

Program	Sponsor	Completed
2025 Government Workshop Series	LSL CPAs	09/09/2025
2025 Government Workshop Series	LSL CPAs	09/09/2025
2025 Government Workshop Series	LSL CPAs	09/02/2025
2025 Government Workshop Series	LSL CPAs	09/02/2025
2025 Government Workshop Series	LSL CPAs	08/12/2025
2025 Government Workshop Series	LSL CPAs	08/12/2025
Quality Management Standards	Becker Professional Education	05/13/2025
Quality Management Standards	Becker Professional Education	05/13/2025
Quality Management Standards	Becker Professional Education	05/13/2025
Single Audit Training - 01/24/2025	LSL CPAs	01/24/2025
Back to Basics Grants from A-Z	LSL CPAs	09/24/2024
Government Year-End Training 8/8/24 (Webinar)	LSL CPAs	08/09/2024
Back to Basics: Mastering AR Reconciliations for Year-End	LSL CPAs	07/16/2024
Back to Basics Pension & OPEB for Beginners	LSL CPAs	07/10/2024
Back to Basics Leases & SBITA Accounting: Year Two & Beyond	LSL CPAs	06/18/2024
2023 Yellow Book Update	Becker Professional Education	08/22/2023
Yellow Book and Single Audit Update - 2023	Becker Professional Education	08/16/2023
2023 Fraud Update	Becker Professional Education	08/11/2023
Annual GASB Update - 2023	Becker Professional Education	08/10/2023
Professional Judgment in Audit	Becker Professional Education	08/09/2023
2023 Uniform Guidance Update	Becker Professional Education	08/03/2023
2023 Govt. Year-End Training - Time Management (Level 1)	LSL CPAs	06/30/2023
2023 Govt. Year-End Training - Communication Skills/Audit Documentation (Level 1)	LSL CPAs	06/29/2023
2023 Govt. Year-End Training - Financial Statements (Level 2)	LSL CPAs	06/29/2023
2023 Govt. Year-End Training - Revenue & Receivables (Level 2)	LSL CPAs	06/29/2023
2023 Govt. Year-End Training - People Management (Level 2)	LSL CPAs	06/29/2023
2023 Govt. Year-End Training - Payroll (Level 2)	LSL CPAs	06/28/2023
2023 Govt. Year-End Training - GASB 100	LSL CPAs	06/27/2023
2023 Govt. Year-End Training - Expenditures & Payables (Level 2)	LSL CPAs	06/27/2023
2023 Govt. Year-End Training - Year-End Expectations	LSL CPAs	06/27/2023
2023 Govt. Year-End Training - Audit Documentation (Level 2)	LSL CPAs	06/27/2023
2023 Govt. Year-End Training - Basics of Government	LSL CPAs	06/26/2023
2023 Govt. Year-End Training - Inventory and YE Expectations	LSL CPAs	06/26/2023
2023 Govt. Lunch & Learn! Long-term Debt	LSL CPAs	06/16/2023
2023 Govt. Lunch & Learn! Cash and Investments	LSL CPAs	06/02/2023
2023 GASB Update: The Age of Enlightenment (for finance departments!)_LIVE	LSL CPAs	05/04/2023
Statement of Cash Flows: Preparation, Presentation, and Use	Aicpa	03/27/2023
Financial Instruments and Leases	Aicpa	03/23/2023
Current Audit Environment and ASB Activity	Aicpa	03/22/2023
Yellow Book: Staying Compliant with Government Auditing Standards	Aicpa	03/20/2023
Risk Management Techniques and Tools	Aicpa	03/16/2023
Contract Accounting and Lease Accounting and Their Impact on Construction Contractors	Aicpa	03/14/2023
Auditing Digital Assets	Aicpa	03/13/2023
2023 Interim Training - Live Case Study	LSL CPAs	03/10/2023
2023 Interim Training - Assignments and Expectations	LSL CPAs	03/10/2023
2023 Interim Training - Audit Documentation	LSL CPAs	03/09/2023
2023 Interim Training - Basics of Internal Control	LSL CPAs	03/09/2023
2023 Interim Training - Changes Since Re-Engineering	LSL CPAs	03/09/2023
2023 Interim Training - Introduction to Government Audits	LSL CPAs	03/09/2023



Steven (Berrett) Warnick, CPA

SENIOR MANAGER

ACHIEVEMENTS

Berrett dove headfirst into the world of accounting in 2007 and never looked back. He's been a licensed CPA since 2011 and has honed his specialty in helping state and local governments tackle major challenges, including the implementation of new GASB standards such as revenue recognition, leases and fiduciary activities.

CONTINUING EDUCATION

As a firm policy, all LSL government staff are required to complete a minimum of 40 hours of continuing education every year, with at least 24 hours in governmental accounting and auditing in a two-year period. Berrett meets the requirements for Government Auditing Standards in governmental CPE.

EXPERIENCE

Berrett has over 18 years of experience in governmental auditing including financial statement audits, preparation of Annual Comprehensive Financial Reports, TDA compliance audits, Single Audits, and various consulting and agreed-upon procedures projects.

Berrett is an active contributor to the firm's webinars to help educate staff and clients. His passion for solving complex challenges with calm confidence translates into his ability to explain common industry issues with simplified, understandable solutions.

His work has entailed:

- Assisting in the preparation of the Annual Comprehensive Financial Report
- Assisting clients with obtaining the GFOA award of excellence for the first time.
- Presentation of audit results to Audit Committees or other charged with governance.
- Planning the nature, timing, and extent of procedures involved in the audit process audits in accordance with the provisions of Government Auditing Standards and the provisions of the Single Audit Act and the Uniform Guidance
- Risk assessment and evaluation of internal controls with COSO and Federal Green Book.
- Assisting clients with the implementation of new GASB pronouncements including GASB 68, 75, 84, 87, 96 and 100.

MEMBERSHIPS

AICPA, CalCPA

EDUCATION

Bachelor of Science Degree in Accounting, Minor in Information Systems - Brigham Young University, Idaho

LICENSE

Certified Public Accountant
California

AUDIT ENGAGEMENTS

Alpine County, CA
Amador County, CA
Butte County, CA
Calaveras County, CA
El Dorado County, CA
Inyo County, CA
Kern County, CA
Lake County, CA
Marin County, CA
Mendocino County, CA
Mono County, CA
Monterey County, CA
Napa County, CA
Nevada County, CA
Placer County, CA
San Bernardino County, CA
San Joaquin County, CA
San Luis Obispo County, CA
Sierra County, CA
Sutter County, CA
Tehama County, CA

Steven Berrett Warnick CPE Records 2023 - Current

Program	Sponsor	Completed	Subject Area
2025 Government Workshop Series	LSL CPAs	09/09/2025	
2025 Government Workshop Series	LSL CPAs	08/26/2025	
2025 Government Workshop Series	LSL CPAs	08/19/2025	
2025 Government Workshop Series	LSL CPAs	08/12/2025	
2025 Government Workshop Series	LSL CPAs	08/05/2025	
2025 Government Year-End Training	LSL CPAs	07/24/2025	
2025 Assurance Department Training	LSL CPAs	07/23/2025	
2025 Assurance Department Training	LSL CPAs	07/22/2025	
Back to Basics GASB 101: Compensated absences	LSL, LLP	06/05/2025	
2025 Government Interim Training	LSL CPAs	04/07/2025	
Understanding and Analyzing Financial Statements - CLFSN5	Interactive Self-Study	04/05/24	Technical Subject Areas
Balance Sheet and Other Schedules - CP12BS	Interactive Self-Study	04/05/24	Technical Subject Areas
Financial Statement Disclosures - Common Issues - CLDISC	Interactive Self-Study	04/05/24	Technical Subject Areas
C Corporations - Trade or Business Property Transactions - CLCOPB	Interactive Self-Study	05/06/24	Technical Subject Areas
C Corporations - Related Party Transactions-CLCOP2	Interactive Self-Study	04/25/24	Technical Subject Areas
Introduction to Partnerships and LLCs	Interactive Self-Study	07/05/24	Technical Subject Areas
Tax Research - Tax Law and Treasury Interpretations	Interactive Self-Study	07/24/24	Technical Subject Areas
Consolidated Tax Returns Qualifications & Requirements	Interactive Self-Study	07/12/24	Technical Subject Areas
Consolidated Tax Returns Calculating Income	Interactive Self-Study	07/24/24	Technical Subject Areas
Entity Comparisons-CLGT21	Interactive Self-Study	07/12/24	Technical Subject Areas
IRS Audits, Litigation and Regulation	Interactive Self-Study	07/24/78	Technical Subject Areas
Business Law for Accountants	Interactive Self-Study	07/15/24	Technical Subject Areas
Accounting Overview for Tax Professionals	Interactive Self-Study	07/05/24	Technical Subject Areas
Risk Assessment - Planning of a Financial Statement Audit	Interactive Self-Study	07/25/24	Fraud
Effective Writing for Accountants	Interactive Self-Study	07/26/24	Non-Technical Subject Areas
Governmental Fund Accounting and Interfund Activity	Interactive Self-Study	07/05/24	Government
Single Audits of Governmental and Nonprofit Entities	Interactive Self-Study	07/22/23	Government
Accounting for Governmental Assets and Liabilities	Interactive Self-Study	07/22/23	Government
Trends in Governmental Accounting	Interactive Self-Study	07/22/23	Government
Materiality in Planning a Governmental Audit	Interactive Self-Study	07/22/23	Government
AIS and Audit Methodology - Day 1	Interactive Self-Study	07/22/23	Government
Ethics for CPAs and Tax Professionals-EGENTX	Interactive Self-Study	10/09/23	Ethics
Caring Conversations Part 5: Talking Through Tension	Live Presentation	09/12/22	Non-Technical Subject Areas



Chloe Zabrek, MPAc, CPA

SUPERVISOR

ACHIEVEMENTS

Chloe is a skilled and dedicated senior auditor with a comprehensive understanding of all audit procedures and the ability to identify and resolve complex issues. As an experienced auditor, Chloe plays a crucial role in ensuring accuracy and compliance with both regulatory and professional standards, while focusing on the quality and effectiveness of the audit engagement.

CONTINUING EDUCATION

120 total hours over the last three years, 100 of which were in governmental accounting and auditing subjects. Chloe meets the requirements of governmental CPE Government Auditing Standards.

EXPERIENCE

With 5 years of experience in governmental auditing, Chloe has honed her expertise in all phases of government audits, including ACFR audits, housing authority audits, Transportation Development Act audits, Air Pollution Districts, State department audit, and Single Audits.

Her work has entailed:

- Assisting in the preparation of the Annual Comprehensive Financial Report (ACFR)
- Performing analytical and substantive audit procedures on account balances
- Supervising the nature, timing and extent of procedures involved in the audit process as well as Junior Staff
- Assisting clients with the preparation and review of GASB 68, 75, 87, and 96 journal entries
- Review of capital asset, debt service, federal and state award schedules

EDUCATION

Bachelor of Arts in Business Administration
with an emphasis in Accounting – Seattle University

Master of Professional Accountancy – University of California, Davis

LICENSE

Certified Public Accountant
California

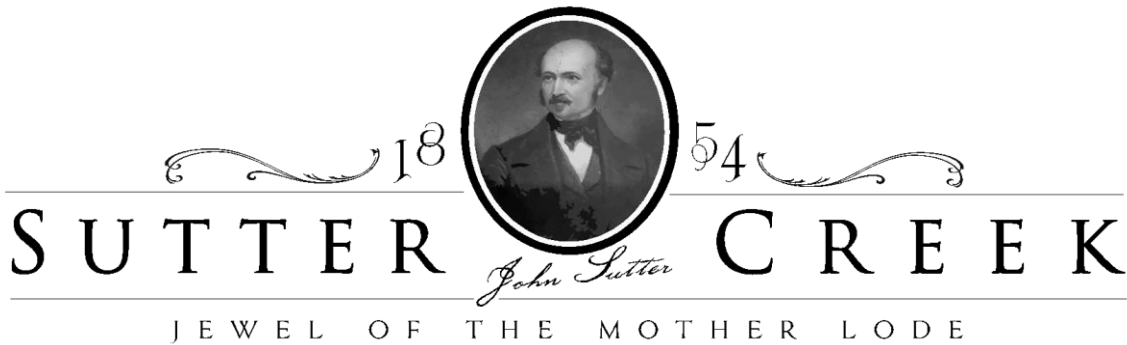
ENGAGEMENTS

County of Butte
County of El Dorado
City of Diamond Bar
City of Rancho Cucamonga
City of Redondo Beach
City of Roseville
City of San Juan Capistrano
City of Vallejo
South Coast Air Quality District

Engagements at CLA
County of Butte
County of Calaveras
County of El Dorado
County of Glenn
County of Humboldt
County of Kern
County of Lake
County of Mendocino
County of Monterey
County of Placer
County of San Bernadino
County of San Joaquin
County of San Luis Obispo
County of Shasta
County of Stanislaus
County of Tehama
County of Trinity
County of Yuba
City of Benicia
City of Porterville
City of Redding
California Housing Finance Agency
California Infrastructure and Economic
Development Bank
California Cannabis Authority
Eastern Sierra Transit Authority
Sacramento Law Library
San Luis Obispo APCD

Chloe Zabrek CPE Records 2023 - Current

Program	Sponsor	Completed
LSL GAAT Update 2025 Power Moves: Stay Ahead & Thrive Through Change	LSL, LLP	04/10/2025
Single Audit Training - 01/24/2025	LSL CPAs	01/24/2025
Back to Basics Put the Pieces Together: A Guide to Bank Reconciliations	LSL CPAs	08/27/2024
Government Year-End Training 8/8/24 (Webinar)	LSL CPAs	08/09/2024
Back to Basics Leases & SBITA Accounting: Year Two & Beyond	LSL CPAs	06/18/2024
Inventory Count Training (Government)	LSL CPAs	06/06/2024
2024 Govt. Interim Training - Audit Roadmap	LSL CPAs	04/05/2024
2024 Govt. Interim Training: Expectations	LSL CPAs	04/05/2024
2024 Govt. Interim Training: Internal Control Documentation in Orb	LSL CPAs	04/04/2024
Ethical and Independence Considerations in Yellow Book Engagements	Becker Professional Education	04/03/2024
Motivating remote workers	Becker Professional Education	04/03/2024
Identifying and Communicating Internal Control Matters on An Audit	Becker Professional Education	04/03/2024
GAO Green Book - Government Internal Control Standards	Becker Professional Education	04/02/2024
Evaluating internal controls post-pandemic	Becker Professional Education	04/02/2024
Evaluating Design and Implementation of Internal Controls on Audits	Becker Professional Education	04/01/2024
What is Changing in Risk Assessment	Becker Professional Education	03/21/2024
Financial Statement Fraud	Becker Professional Education	03/13/2024
Completing the Audit	Becker Professional Education	03/12/2024
Accounting Firm's System of Quality Control, Part 2	Becker Professional Education	03/08/2024
Accounting Firm's System of Quality Control, Part 1	Becker Professional Education	03/04/2024
Single Audit Quality: Focus on Designing and Performing Test of Control and Compliance	Becker Professional Education	02/28/2024
Writing Yellow Book and Single Audit Reports That Comply With Requirements	Becker Professional Education	02/27/2024
The Top 10 Project Management Mistakes, and How to Avoid Them		02/26/2024
Data Analytics for Students		02/19/2024
Working with Real-Time Data in Excel		02/19/2024
Fraud and Abuse in Nonprofit and Government Environments	Becker Professional Education	02/16/2024
Developing Your Leadership Philosophy		02/12/2024
Cultivating a Growth Mindset		02/09/2024
Audit Sampling, Part 2: Attribute Sampling for Tests of Controls and Selecting a Representative Sample	Becker Professional Education	02/06/2024
A Guide Through Common Audit Deficiencies	Becker Professional Education	02/06/2024
Audit Risk Assessment: The Do's and Don'ts, Part 1	Becker Professional Education	01/29/2024
Audit Risk Assessment: The Do's and Don'ts, Part 2	Becker Professional Education	01/29/2024
Big Data in the Age of AI		01/25/2024
Business Ethics for Managers and Leaders		01/25/2024
Yellow Book and Single Audit Update 2024	Becker Professional Education	01/24/2024
Asset Misappropriation Schemes	Becker Professional Education	01/24/2024
2023 Uniform Guidance Update	Becker Professional Education	01/23/2024
Business Collaboration in the Modern Workplace		01/23/2024
Finding a Better Work-Life Balance	Becker Professional Education	01/23/2024
AICPA Risk Assessment Requirements	Becker Professional Education	01/22/2024
AICPA's Ethics Codification Project	Becker Professional Education	01/22/2024
Critical Thinking		01/22/2024
Being an Effective Team Member		01/22/2024
Accountants' Responsibility Regarding Fraud, Part 2	Becker Professional Education	01/18/2024
Accounting Foundations: Internal Controls		01/18/2024
AICPA Control Risk Assessment Requirements	Becker Professional Education	01/18/2024
Accountants' Responsibility Regarding Fraud, Part 1	Becker Professional Education	01/17/2024
How to Properly Prepare Audit Documentation and Workpapers, Part 2	Becker Professional Education	01/16/2024
How to Properly Prepare Audit Documentation and Workpapers, Part 1	Becker Professional Education	01/16/2024
Government Ethics and Independence	Becker Professional Education	01/15/2024
Time Management for Busy People		01/12/2024
Fraud Update 2024	Becker Professional Education	01/12/2024
Writing Email		01/12/2024
Microsoft Teams Essential Training		01/12/2024
Professional Skepticism for Public Accountants	Becker Professional Education	01/11/2024
Working with Difficult People		01/11/2024
Getting "UP!" Supercharging Your Energy	Becker Professional Education	01/11/2024
10 Habits of highly successful careers	Becker Professional Education	01/11/2024
Prioritizing Your Tasks		01/11/2024
2023 Yellow Book Update	Becker Professional Education	01/10/2024
Internal Control Considerations—Focus on Non-profits and Governmental Entities	Becker Professional Education	01/10/2024
Introduction to Government/Fund Accounting	Becker Professional Education	01/09/2024



STAFF REPORT

TO: THE HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

MEETING DATE: NOVEMBER 3, 2025

FROM: DEREK COLE, CITY ATTORNEY

SUBJECT: MORATORIUM ON REVIEW, PROCESSING, OR APPROVAL OF NEW SHORT TERM-RENTAL APPLICATIONS PENDING THE CITY COUNCIL’S ADOPTION OF A PERMANENT ORDINANCE

Background and Analysis

The City has for several years considered how to regulate short-term rentals within City limits. In past years, the City Council considered various iterations of an ordinance regulating such rentals. Ultimately, the City Council chose to use its existing conditional use permit (“CUP”) process to address the issue. The Council previously determined it would allow up to 20 CUPs to be issued, and at or around the issuance of this number, the Council would consider the adoption of permanent regulations.

The City has issued 19 CUPs for short-term rentals. Because the 20-CUP threshold approaches, the City Council is requested to consider a moratorium on the issuance of new CUPs for short-term rentals. The purpose of the moratorium would be to create space to allow the City Council to revisit the regulations that would be enacted in a permanent short-term rental ordinance.

A *four-fifths* vote of the Council is required to approve the proposed moratorium. Should four-fifths of the City Council vote to enact the urgency ordinance, the ordinance would become effective immediately, but *only for a period of 45 days* unless extended

The ordinance may be extended *two* additional times, as follows: (1) for an extension of 10 months and 15 days, and (2) for an extension of an additional year. The ordinance may remain in effect for no longer than two years. The purpose of this overall two-year period is to allow the City Council to consider and formulate a permanent ordinance while the moratorium is in effect.

If the Council approves the ordinance, it should give direction regarding the scheduling of any further meeting to continue the urgency ordinance beyond the initial 45-day period. Without an extension, the initial moratorium would expire on December 18, 2025.

Fiscal Impact

There is no material financial impact associated with the adoption of the proposed moratorium.

Recommendation

The City Council should consider the adoption of an ordinance imposing a moratorium on the review, processing, or approval of new short-term rentals within City limits.

ATTACHMENTS:

1. Ordinance Imposing Moratorium on Approval or Processing of Short-Term Rental Applications

ORDINANCE NO.25-26-XX

AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUTTER CREEK IMPOSING A MORATORIUM ON THE PERMITTING OF SHORT-TERM RENTALS WITHIN CITY LIMITS PENDING THE DEVELOPMENT OF A PERMANENT ORDINANCE REGULATING SUCH RENTALS

WHEREAS, the City Council has previously considered the adoption of a Short-Term Rental (“STR”) Ordinance to establish permanent regulations for the use of privately-owned, single-family residential dwellings as STRs that minimize the negative secondary effects on the residential quality of surrounding neighborhoods.

WHEREAS, to date, in lieu of adopting a STR Ordinance, the City has issued conditional use permits (“CUPs”) with conditions for STRs, such as: (1) maintaining the exterior appearance of the vacation rental unit compatible with the single-family residence; (2) maintaining an adequate number of off-street parking spaces; (3) maintaining a valid City business license (4) paying the monthly transient occupancy tax (“TOT”) to the City; (5) providing the City with proof of insurance; (6) providing the City with a Site Plan and Floor Plan for the STR; (7) providing a completed checklist for fire safety; (8) ensuring the maximum number of overnight guests for an STR does not exceed two persons per bedroom; (9) complying with all standards and regulations stated in Chapter 10.50 of the City of Sutter Creek Municipal Code concerning noise; and (10) ensuring trash is not left in public view, except in proper containers.

WHEREAS, at its October 6, 2025 City Council meeting, City Staff reported to the Council that the City had approved 19 CUPs for STRs; and

WHEREAS, previously, the City Council has determined that the City Council should revisit the adoption of a permanent STR Ordinance when it reaches 20 approved CUPs for STRs; and

WHEREAS, pursuant to the City of Sutter Creek’s police power, the City Council of the City of Sutter Creek has the authority to enact and enforce ordinances and regulations for the public peace, morals, and welfare of the City and its residents; and

WHEREAS, California Government Code Section 65858 provides that, without following the procedures otherwise required prior to the adoption of a zoning ordinance and for the purpose of protecting the public safety, health and welfare, the City Council may adopt, as an urgency measure, an interim ordinance prohibiting any uses that may be in conflict with “a contemplated general plan, specific plan, or zoning proposal that the City Council, planning commission or the planning department is considering or studying or intends to study within a reasonable time”; and

WHEREAS, consistent with the above authority, and in response to conditions and evidence of which it has become aware through the workshops and meetings described above, the City Council desires to adopt a moratorium on the permitting of STUs within city limits to allow for evaluation of their impact on the residential quality of neighborhoods and for adequate time to adopt a

4908-1545-2021.1

permanent ordinance establishing STR regulations.

WHEREAS, for the reasons more fully described within, the City Council determines, by at least a four-fifths (4/5) vote, that this urgency ordinance is a matter of City-wide importance, is a reasonable and necessary measure designed for the immediate preservation and protection of the public health, safety, or welfare of the community; and is in accordance with the public purposes and provisions of applicable State and local laws and requirements.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SUTTER CREEK DOES ORDAIN AS FOLLOWS:

SECTION 1. MORATORIUM FINDINGS.

A. Currently, the City issues CUPS with conditions for STRs and the City has nearly reached its limit of 20 STRs within city limits imposed by the City Council.

B. Without the imposition of a temporary moratorium on STRs, the City may be required to process applications for STRs even though its existing conditions require updating based on study and analysis that results in recommendations of new standards and best practices for such uses.

C. There is a current and immediate threat to the public health, safety, and welfare of the City and its residents, thereby necessitating the immediate enactment of this urgency moratorium, in that the approval of any additional CPUs for STRs in the City would be required to be processed under the City’s existing conditions, without taking into consideration the potential negative impacts of STRs on the residential quality of neighborhoods.

D. The adoption of this urgency moratorium is necessary to protect the City and its residents from the overgrowth of STRs, which can be contentious in certain neighborhoods and also infringe on the rights of neighbors.

E. Imposition of the moratorium will allow the City sufficient time to conclude the preparation of a comprehensive ordinance for the regulation of STRs moving forward. While the moratorium is in effect, the City seeks to consider a permanent ordinance that will balance the needs and rights of property owners and neighbors, ensure the health and safety of guests and residents, support tourism in a balanced way, and be economically beneficial to the City.

SECTION 2. IMPOSITION OF MORATORIUM.

For so long as this Ordinance is in effect, including through any extension, the City shall not receive, accept, process, or approve any application for any conditional use permit or other City-issued authorization concerning any STR.

SECTION 3. CEQA FINDING.

The City Council determines that the provisions of this ordinance are exempt from the California Environmental Quality Act (“CEQA”) because the instant ordinance involves continuing administrative activities and thus is not a project, as CEQA defines, pursuant to Section 15378(b)(2) of the CEQA Guidelines. To the extent the adoption of this Ordinance constitutes a project, the City Council finds pursuant to CEQA Guideline Section 15061(b)(3) that the project is exempt from environmental review because it can be seen with certainty that the adoption of this urgency ordinance would not have any significant impact on the environment.

SECTION 4. REPORT.

The City Manager, or designee, is authorized and directed to prepare the report required by paragraph (d) of California Government Code Section 65858 describing the measures taken to alleviate the condition which led to adoption of this Ordinance for presentation to the City Council no later than ten days prior to the expiration of this Ordinance.

SECTION 5. EFFECTIVE DATE; FOUR-FIFTHS VOTE REQUIRED.

This Ordinance shall become effective immediately upon adoption if adopted by at least a four-fifths (4/5) vote of the total members of the City Council and shall be in effect for forty-five (45) days from the date of adoption, unless extended by the City Council as provided in California Government Code Section 65858.

SECTION 6. PUBLICATION.

The City Clerk shall certify to the passage of this Ordinance and shall cause this Ordinance or a summary thereof to be printed once within fifteen (15) days after its adoption in a newspaper of general circulation, published and circulated in the City of Sutter Creek.

PASSED, APPROVED, AND ADOPTED this 3rd day of November 2025 by the following vote:

- AYES:
- NOES:
- ABSTENTIONS:
- ABSENT:

APPROVED:

Claire Gunselman, Mayor

ATTEST:

Pam Caronongan, City Clerk

Date

4908-1545-2021.1

City of Sutter Creek						
City Treasurer's Report						
October 2025						
Receipts & Disbursements Report						
City's Checking Account						
Receipts						
	Deposits		\$ 599,494			
	Reversal of Bank Charges		-			
	Total			\$ 599,494		
Disbursements						
	Accounts Payable		\$ 490,717			
	Payroll & Benefits		186,482			
	Bank Charges		53			
	Total			\$ 677,252		
Net Amount of Investment Transfers				\$ -		
Recap of City Treasury						
Investments on Hand October 31, 2025					Market or Withdrawal Value	Rate of Return
	Bank of Marin Checking			\$ 790,167		0.01%
	Bank of Marin Money Market			\$ 12,311		4.25%
	Bank of Marin Money Market #2			\$ 2,017,449		4.25%
*	California State Treasurer's LAIF			\$ 1,773,859		4.34%
	Total			<u>\$ 4,593,786</u>		
	Total this month last year			\$ 4,300,798		
*	LAIF 1	\$ 65,224				
	LAIF 2	\$ 1,708,635				
The investment information provided in this report reflects the City's ability to meet expenditure requirements for the next six months. The investment portfolio is in compliance with the City's investment policy.						
			Victoria Runquist		11/14/2025	



TO: TOM DUBOIS, CITY MANAGER
MEETING DATE: DECEMBER 1, 2025
FROM: MASON PETERS, FINANCE SUPERVISOR
SUBJECT: FINANCE DEPT. NOVEMBER 2025 REPORT

CITY HALL/FINANCE DEPARTMENT UPDATE

- We processed our first late fees on any outstanding balances as of the beginning of November, and the process worked as intended. Sewer billing is back to its normal routine and we are enjoying the ease of use with the new utility billing system.
- We implemented the first phase of AP automation, and the approval paths and check printing processes are much smoother in this version of the Accounts Payable software than the previous version we started with. Both the AP approvers and the front office staff are finding this system to be simpler and more efficient while keeping the same security settings. We will move into Phase 2 in December.
- We are still identifying and learning about quirks in the online timesheet system, but it is working as intended most of the time. Any issues we encounter are typically simple to resolve.
- The online sewer payment website continues to gain users and more customers are signing up for autopay.
- We had a couple of audit agencies reach out with bids for auditing services for Sutter Creek - you will see the agreement we struck with LSL on this packet. They have a background of auditing other government agencies around this area, and we think they will be a good fit.
- I worked with the Merchant Services team at Tyler to resolve our credit card reader issues in City Hall - we updated the firmware on the device and it has been working flawlessly since. I will monitor it for the near future but otherwise it is working very well.
- I am assisting Pam get acquainted with some of the HR and Risk Management aspects of the City Clerk position. We are happy to have her here and are excited to see what she can achieve for Sutter Creek.

ACCOUNTS PAYABLE ACTIVITY

In October 2025, 69 warrants were issued, totaling \$490,716.60. For comparison, in October 2024, all warrants totaled \$418,023.73. The major item this month in Accounts Payable included a progress payment for the Misc Sewer Collection System repairs to Soracco. We are expecting only one more payment to Soracco to complete the repairs.

ACCOUNTS RECEIVABLE ACTIVITY

In October 2025, we received:

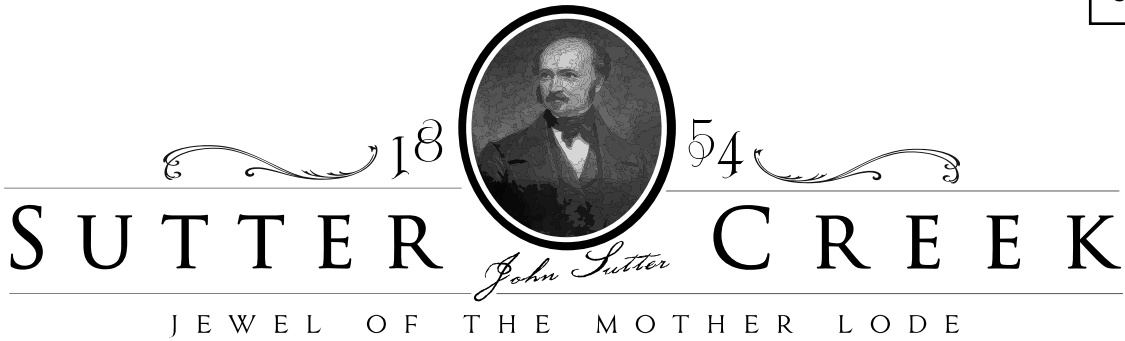
- Transient Occupancy Tax (TOT):
 - In October 2025, we received \$37,116.72 for September short term rentals. For comparison, in October 2024, we received \$34,680.91.

- Building Permits:
 - In October 2025, we issued 15 building permits, totaling \$9,007.00. Compared to October 2024, we issued 14 permits and total revenue generated at that time was \$68,392.66. Most of the work being done this month was re-roofs and water heaters.

- Sewer Billing
 - Auto Pay Customers
 - We had 15 new autopay enrollments in October
 - Currently we are at 325 autopay customers
 - E-Bill Customers
 - Current month: 217
 - Prior Month: 217

- Facility Rentals
 - In October 2025, we had the following:
 - 3 renters in the Auditorium, totaling \$3,285
 - We have a renter for the Auditorium that has been consistently hosting Jazzercise classes for many years and they are not reflected in these figures. I want these notes to reflect unique rental activity rather than regular classes
 - 3 renters in the Community Center, totaling \$860
 - 1 renter in the Historic Grammar School, totaling \$210

- We have 3 renters in the Grammar School that have been long term renters that host classes for yoga and dance. They are included in these figures since they are always renting rooms in the Grammar School and are very consistent, and I want these notes to reflect unique rental activity rather than regular classes
- 0 renters in the Snack Shack



TO: TOM DUBOIS, CITY MANAGER
MEETING DATE: DECEMBER 1, 2025
FROM: ERIN VENTURA, CONTRACT PLANNER
SUBJECT PLANNING DEPARTMENT REPORT FOR OCTOBER 2025

Executive Summary

Planning Commission- October 14, 2025

- 244 Oak Court, Variance for a front yard setback- Approved

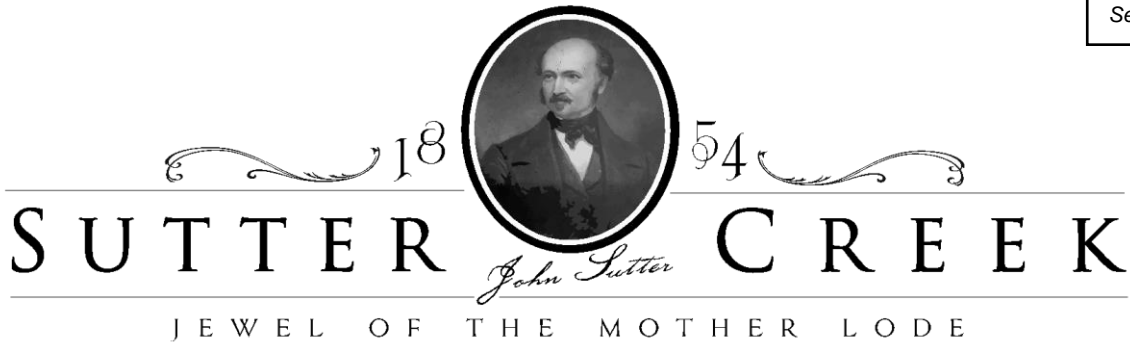
The Following items were reviewed at the October 14, 2025 DRC meeting:

- 150 Spanish Street- approved

Detailed Summary

Additional Projects:

- Impact Fee Study: The City is revising its LEAP Grant application to secure additional funding. A consultant is updating the Nexus Study.
- Short Term Rental: Staff has been working on revising the ordinance for City Council’s review
- Staff is working on revising the ADU ordinance in compliance with State Law.
- Panner Creek: Staff put out an RFP for CEQA for the Panner Creek Project. We received a proposal for the EIR. The CEQA work is on hold as the applicant continues to figure things out.
- Sutter Creek Ranch: The City received comments from outside agencies regarding the project. Those comments were passed to the applicant and they are making changes to the project.
- 12 Lots on Bryson Court: the applicant submitted preliminary plans and is preparing for DRC and Planning Commission.



STAFF REPORT

TO: TOM DUBOIS, CITY MANAGER
MEETING DATE: NOVEMBER 17, 2025
FROM: DAN LAFONTAINE, PUBLIC WORKS DIRECTOR
SUBJECT: PUBLIC WORKS DEPARTMENT REPORT FOR OCTOBER 2025

Objective: The objective of this staff report is to provide a monthly status update regarding activities within the Public Works Department.

Collection System Status:

CIP work

- *Miscellaneous Sewer Main Replacement Projects.* – Work has been completed as of September 22, 2025 on the 2025 collection system projects. The project replaced 230 lineal feet of 4-inch, 1,144 lineal feet of 6-inch, and 1,975 lineal feet of 8-inch collection system piping. The project also installed 6 manholes and 1 cleanout. The contractor has performed the CCTV of the collection system and the City is reviewing the footage for acceptance. A few manholes had some issues with the slope of the exit pipe not being laid correctly causing sewage backups and needed to be repaired. The contractor is working to fix these issues.
- City staff have reviewed the data from RH Borden and have identified a list of projects and some areas that need CCTV to verify the current status of the mains. The City is currently working to obtain a contractor to perform CCTV on the areas in question. Once the camera footage has been reviewed a list of potential repairs will be formulated. To reduce costs of the camera work PW will preclean the line and perform traffic control which will save an estimated 5K.
- The backup pump for the pump station has arrived and is ready to be installed. Installation will be completed as soon as time permits.

SSMP Activity

Calls for service.

- No calls for spills were reported in October.

Sewer System Cleaning and Maintenance.

- In October 2025 there was 100 Lineal feet of pipe cleaned. The total amount cleaned for the calendar year 2025 is 9,453 ft. The total cleaned for the calendar year 2024 is 19,207 feet.

Wastewater Treatment Plant Status:

The WWTP met all the effluent quality discharge requirements for the month of October 2025.

Table 1. Monthly Status of required reporting constituents.

Constituent	Monthly Results	Monthly Limits
Monthly Influent Flow	9.696 MG 0.313 MGD daily avg	0.48 mgd ¹
Effluent BOD, mg/L	14 mg/L	30 mg/l
Effluent Settleable Matter, mL/L	< 0.1 ml/L	0.5 ml/l
Effluent TSS, mg/L	22 mg/L	30 mg/l
Total Coliform, MPN	< 1.8 MPN	23 MPN
Sludge Wasted	39,669 gallons	
Rain	1.59 in.	24.15 in. YTD –27.52” Last YTD

¹ The 0.48 MGD is daily dry weather flow (May through October).

Plant Compliance Issues: The monthly September 2025 report was electronically submitted to the Regional Water Quality Control Board.

Operational Strategy Modifications:

- The rag bin was hauled on October 3, 2025.
- We continued normal sludge wasting in August with 40K gallons dewatered.
- The new Aerator has been received at the WWTP. Staff are working to remove vegetation that grew in the E-pond during the time period when the Aerator was not working. As soon as the vegetation is removed, staff will reinstall and begin Aeration.
- The week of October 20th and 27th, the crew fixed rotostrainer #3. With this rotostrainer in service we now have 3 (three) operational rotostrainers for the winter months #1, #3, and #4 (see picture below)
- The first WWTP design meeting was held on October 21, 2025. The next meeting is scheduled for November 4, 2025 onsite.



RotoStrainer #3

Effluent Disposal

- Bowers and irrigation resumed for the irrigation season on May 27, 2025. Ione has started receiving ARSA water on June 6, 2025, for the disposal season. On August 26, 2025, Ione stopped receiving water from ARSA. As of August 31, 2025, Ione has received approximately 250 acre-feet of ARSA water. Bowers irrigation was shut down on November 3, 2025.
- *Henderson Underdrain* – During most of October the contractor was working with its subcontractor (NorCal) to schedule pipe entry to clear out the ductile iron pipe from the concrete encasement. In the middle of October, NorCal’s safety team determined that it was not safe to perform pipe entry. After that delay, NorCal and Campbell plan to return on November 3rd to resume cleaning of the pipe.

On October 23, 2025, Campbell removed and replaced the pipe from the dumping valve to the parshall flume (outside DSOD jurisdiction). The pipe was joined with electrofusion joints. Concrete was repoured in that section on October 28, 2025. The piping above the dumping valve (open cut section before the concrete encasement) was removed on October 29, 2025. HDPE pipe was inserted into the concrete casing to approximately 10 feet from the dumping valve on October 30, 2025. A temporary piece of pipe was installed from the dumping valve box to the HDPE piping which can be removed if necessary prior to the CIPP.

On October 20, 2025, ARSA sent a formal design change request to DSOD to change from slip-lining to CIPP. ARSA received comments from the design change on October 30, 2025. The comments were turned around and sent back to DSOD on October 31, 2025. CCTV footage of the clean underdrain of the clean pipe was sent to DSOD and accepted on November 6, 2025. NorCal is reviewing the footage for acceptance and once approved will order the materials.

- The City is still waiting for the manufacturer to issue the RMA to return the Bowers Flow meter. A follow up email was sent and the sales representative will come onsite to pick up the flowmeter.

- The joint water balance was submitted on August 8, 2025. The technical memo concludes that both the City of Ione WWTF and the Combined System indicated there will be excess effluent volume from both system's respective water balance calculations. The water board is currently assessing the joint water balance.
- Ongoing maintenance of the cattle water troughs along the pipeline are occurring during the underdrain project. Irrigation sprinklers and valves were being repaired constantly (only at Bowers irrigation).
- Weed and rodent abatement at the three reservoirs.
- Send weekly updates to the Regional Board on reservoir levels and volumes.
- Daily flow checks and level readings.

Streets and City Right of Way.

- The City met with AWA and Sorraco on October 22, 2025 to discuss the upcoming leak detection work on Hayden and Broadway that AWA is performing under a grant. AWA has filed an extension to work past December 31, 2025 but has not been granted the exception yet. AWA began potholing Hayden Alley on October 24 and 27, 2025. Crews were given the option to work Saturdays (except holidays) to finish the work before the end of the calendar year. Residents will be allowed to enter their driveways during construction and roads should be open nightly and on the weekends when the crews are not working.
- On October 23, 2025, City crew mobilized to the ditch below Old Sutter Hill Road (across from Miners Bend) to remove the spoils from the debris from the drainage ditch. The spoils were tested for Arsenic and levels were reported within background limits. The spoils were redistributed at the mine head and capped with clean fill dirt. The turnout across from Miners Bend had gravel installed to eliminate any potential slipping from the clay/mud left after the spoils were removed.



Miners Bend - Spoils removed (Drain pipe under Main Street cleared)



Miners Bend - Finished turnout

- On October 24, 2025, City crews mobilized to the ditch below Amador trail to remove spoils from the drainage ditch. Spoils were placed on top of the Miners Bend spoils at the minehead as part of the clean fill along with some hay to provide erosion control and a cap for the Miners Bend Spoils.



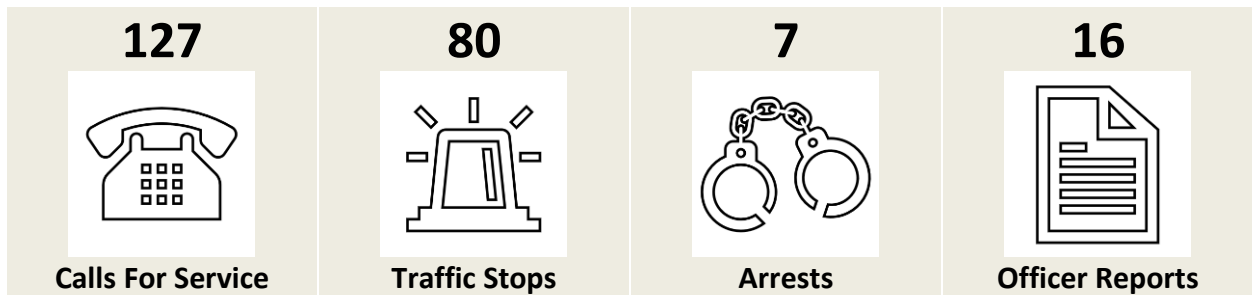
Amador Trail

Parks and Buildings

- The CalFire crews were not present in October due an ongoing project for CalFire at the training facility. We anticipate that the crews will return in December to help clear the remaining sections (below Main Street Bridge) of Sutter Creek.
- Bryson Bathroom – Bids were opened for the Bryson Bathroom on October 21, 2025. Five bids were opened and the low bid was submitted by John Allen Construction with a base bid of \$68,275. The additive alternatives #1 (Stainless Steel Plumbing), #2 (exterior Drinking fountain), and #3 (rollup door) are all within the current budget and will be added to the project. Pending passage by the resolution awarding construction contract, the City will begin working with John Allen Construction to get a contract in place. It is anticipated that the work will begin in January of 2026.
- The heater to the Community Building broke on October 27, 2025. A contractor was called and the problem was fixed by October 29, 2025. A one year maintenance contract for service of heat and air conditioners at the Auditorium (City hall and Police department), the Community Center, the Grammar School and the City Managers Office was entered into with AM heating and cooling for one year. The contract includes preventative maintenance to service all of the Cities aging capital equipment.

To: **Tom DuBois, City Manager**
 From: **Jim O’Connell, Chief of Police**
 Date: **December 1, 2025**
 Re: **October 2025 Staff Report**

October 2025 Department Statistics			
Calls For Service	127	+24	
Traffic Stops	80	-23	
Officer Initiated Incidents	351	+3	
Business Checks	209	+26	
Vehicle/Pedestrian Checks	14	-1	
Total Officer Reports	26	-2	
Arrests	7	-	
Moving Citations	16	+9	
Parking Citations	2	+1	
TOTAL	832	+42	



Volunteer Contributions:

During the month of October, our dedicated volunteers provided 24 hours of service to the community.

Community Engagement:

SCPD Officers continue to conduct regular foot patrol downtown on each of their respective shifts. Officers also spend regular time on our school campuses.

Notable Events Involving SCPD:

On October 5 SCPD participated in the emergency vehicle competition in Ripon. SCPD was awarded the first place award for Best in Service Police Vehicle class.



On October 11, Operation Care put on the Purple Tie Gala to raise funds to help support those who have experienced domestic violence. Along with many others from across Amador County, the City of Sutter Creek was represented by Celebrity Waiters Councilwoman Susan Feist, SCPD Officer Daniel Rego and SCPD Chief O’Connell.

Daniel Rego was named the Waiter of the Year based upon his incredible fundraising. We were honored to participate and surprisingly, did not drop any plates of food on anyone!



On October 25, SCPD participated in the Sutter Creek Witches Walk.



On October 29, SCPD participated in the Amador HS Big Game Rally!



On Halloween, SCPD and City staff welcomed awesome visitors from school!





Staff Report

To: Tom DuBois, City Manager
Meeting Date: December 1, 2025
From: Frank Whitmore, PE City Engineer
Subject: Project Status Update

Type: Project Status Memo

Tom, the following is a status update of all projects WGA is currently working on:

1. **Building Inspections/Plan Check** – Continuing building inspections on Tuesdays and Thursdays or as needed. Building plan check is being performed on a continual basis as plans are submitted. For October 2025:

- 2 Plan checks were completed
- 27 Inspections were completed

2. **Encroachment Permit Review** – Encroachment permits are reviewed as needed when requested by the City’s Account Clerk, Holly Boehme. For October 2025:

- 1 Permit reviews were completed
- 0 Inspection was completed

A. CVIN – The proposed encroachment permit plans for CVIN Fiberoptic Facilities through town have been reviewed by City Staff. City recently received additional required information and will issue permit as soon as possible. The applicant intends to start work in Jackson and work their way towards Sutter Creek. Anticipate construction in Sutter Creek commencing in early 2026.

3. **Code Enforcement**

- A. **30 Ridge Road** – The permit for the tank upgrades has been issued for removal only. The City put a condition on the permit that prior to the installation of the new tanks, the personal belongings onsite either need to be removed or screened from view from the public way.
- B. **300 Hanford Street** – Mr. Navarro has contracted with Weatherby-Reynolds-Friston (WRF) Engineering to complete the application and plans for a Use Permit. Followed up with WRF and they are currently preparing the site plan exhibit to include in the application and anticipate submitting in the next couple of weeks.
- C. **Eureka Mine Site** – No current action from code enforcement. WGA’s understanding is that the property owner is working with Planning and Robin Peters to resolve the DTSC soil issue.
- D. **Vehicles** – No current vehicle issues.

4. **Bryson Park Bathroom Expansion Project** – Project awarded at the 11/3/2025 City Council Meeting. The award package was sent out to the Contractor and returned to WGA. WGA is currently waiting for the City to sign the construction contract.

5. **Sutter Hill Road Asphalt Concrete Overlay Project** – Project approved by the Amador County Transportation Commission (ACTC) to the City on November 12 for construction and construction management funding only. City Staff directed WGA to get project design moving for bidding in early 2026.