

FEATHER RIVER AIR QUALITY MANAGEMENT DISTRICT
MEMORANDUM
08/03/2026

TO: FRAQMD BOARD OF DIRECTORS

FROM: Christopher D. Brown AICP, APCO

SUBJECT: Approve RFP selection for the Independent Auditor for FY25/26, FY26/27, FY27/28 for up to \$9,425 per fiscal year.

RECOMMENDATION:

Approve RFP selection for the Independent Auditor for FY25/26, FY26/27, FY27/28 for up to \$9,425 per fiscal year.

ALTERNATIVE:

Do not select the Independent Auditor and instruct the staff to initiate another Request for Proposal process.

BACKGROUND:

On June 8, 2026, the District issued a Request for Proposals (RFP) for independent auditing services. The deadline for proposal submissions was July 8, 2026.

The District received one proposal from Smith & Newell, CPAs, located in Yuba City, encompassing audit services for fiscal years 2025/26, 2026/27, and 2027/28. No other firms submitted a proposal.

Smith & Newell has provided independent auditing services to the District for several years. Most recently, the Board selected Smith & Newell to perform the District's audits for fiscal years 2022/23, 2023/24, and 2024/25.

DISCUSSION:

The Request for Proposal process was initiated as a best practice in fiscal governance. This process was not prompted by any inadequacies identified in the prior work performed by Smith & Newell.

The RFP stated the following evaluation criteria:

- Reputation and experience;

- Capability and availability of staff;
- Ability to meet the desired timelines; and
- Cost.

The proposal submitted by Smith & Newell is deemed sufficient and responsive to the District's requirements. The firm demonstrated extensive experience auditing governmental entities and special districts, qualified and available staff, the ability to meet the District's required timeline, and a satisfactory peer-review history.

Smith & Newell proposed a total all-inclusive maximum price of \$9,425 per year for each of the fiscal year 2025/26, 2026/27, and 2027/28 audits.

FISCAL IMPACT:

The maximum cost of the independent audit will be \$9,425 per fiscal year for fiscal years 2025/26, 2026/27, and 2027/28.



June 22, 2026

**Proposal to Provide Professional
Independent Auditing Services to:**

Feather River Air Quality Management District

Prepared by:

Norman Newell, CPA, Partner
and
Carrie Schroeder, CPA, Partner



SMITH & NEWELL CPAS
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YUBA CITY, CA 95993

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ACCOUNTING@SMITHANDNEWELL.COM

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June 22, 2026

Feather River Air Quality Management District
Attn: Shelley Channel
541 Washington Avenue
Yuba City, CA 95991

Dear Shelley:

Smith & Newell CPAs is pleased to submit our proposal to provide Feather River Air Quality Management District professional audit services for the fiscal years ending June 30, 2026, 2027, and 2028. We have carefully researched your requirements and believe that our technical approach and staffing plan described herein respond fully to the District's needs.

Understanding the Work

Our understanding of the scope of work is as follows:

- We will issue a report on the fair presentation of the financial statements in conformity with generally accepted accounting principles for Feather River Air Quality Management District.
- We will issue a report on the internal controls and compliance in accordance with Government Auditing Standards.
- We will prepare a Management Letter report and Auditor's Communication Letters
- We will be responsible for report preparation and printing of the District's Annual Financial Report including footnotes and Management Letter Report (if applicable). We will provide copies in PDF format, in addition to five printed copies.
- We are committed to performing the work within the time periods established and meeting the required delivery date of all required reports.

Smith & Newell Qualifications

We believe our audit approach involving experienced staff, extensive partner participation and our proposed work plan uniquely qualify Smith & Newell to be the best choice for Feather River Air Quality Management District.

Our staff, who will be assigned to the District's audit, are experienced professionals that have extensive experience with government audits. Each of our staff bring experience to the audit that allows for a new outlook with innovative suggestions to improve quality and efficiency. We have an extremely low percentage of key employee turnover and we are confident that we will provide the District with consistent staff over the contract period.

Partner involvement is also key to the audit's success. Norman Newell, engagement partner, actively participates in all phases of the audit. He will be responsive to the District's needs and is available to assist the District at any time during the year. His extensive experience with government auditing provides the benefit of recommendations based on valuable insights to better improve the District's operations and procedures.

Our proposed work plan is based on years of experience with government auditing. We understand the demands placed on governments today and the challenges they face. In developing our work plan, we use the latest audit technology and methodologies to accomplish the goals of the engagement in the most efficient manner which minimizes disruption to normal District operations.

The following individuals are authorized to make representations for Smith & Newell CPAs:

Norman Newell, CPA, Partner
950 Tharp Rd, Ste 502
Yuba City, CA 95993
(530) 673-9790
accounting@smithandnewell.com

Carrie Schroeder, CPA, Partner
950 Tharp Rd, Ste 502
Yuba City, CA 95993
(530) 673-9790
accounting@smithandnewell.com

We hope that as you read through this proposal, you recognize the philosophy of our firm which is to provide each of our clients with exceptional service, experienced staff, and an audit approach that will fit their needs. Our dedication to quality, professional standards and service has been the guiding force in our firm since its inception in 1988. Thank you for providing us the opportunity to present our proposal. This is a firm and irrevocable offer for 60 days from the date of this proposal. As partners in the firm of Smith & Newell, CPAs, Norman Newell and Carrie Schroeder are authorized to make representations for the firm. If you have any questions concerning this proposal, please contact Norman Newell or Carrie Schroeder.

Sincerely,
Smith & Newell CPAs



Carrie Schroeder, CPA
Partner



Executive Summary

Smith & Newell CPAs is a full-service CPA firm located in Yuba City, California. Carrie Schroeder, CPA will lead the proposed auditing services that include an audit of the annual financial statements and compliance for Feather River Air Quality Management District for the fiscal years ending June 30, 2026, 2027, and 2028.

When considering whether to hire our firm, you will find that Smith & Newell stands out from our competitors in several areas, such as:

Experienced and Involved Partners

Norman Newell, CPA and Carrie Schroeder, CPA have over 46 years of combined professional auditing, accounting and consulting experience. Both partners will be extensively involved in the District's audit, and will freely lend their expertise on any accounting or internal control issues.

Timely Audits

Smith & Newell is committed to meeting all audit deadlines. Our audits are performed in accordance with an agreed-upon schedule, and submissions to the State of California are filed on time.

Commitment to Quality

Smith & Newell receives a peer review of our system of quality control for our accounting and auditing practice every three years. Our most recent peer review was completed with a *pass* rating. All audits submitted to the State have been approved.

Audit Process

Smith & Newell has extensive experience auditing governmental and nonprofit entities, which makes for a smooth audit process. Our firm guarantees that our staff are experienced and supervised, our clients will be given an audit plan prior to the start of fieldwork, and that we will be considerate of your staff's time during our audit and fieldwork. We will also issue a draft of our reports to the District and will discuss any questions, concerns and audit findings with the District before the reports are finalized.

Areas of Improvement

Smith & Newell CPAs is adept at identifying areas for improvement that may exist in your organization and providing solutions to help mitigate those areas in the future. Both partners will freely discuss any areas that could be changed or improved to help your organization.

Our proposal that follows provides more specific information on the scope of audit services we will provide, our firm and staff experience, qualifications, references and approach to the audit. We hope you choose Smith & Newell CPAs for your auditing needs.



Section I – Technical Proposal

1. LICENSE TO PRACTICE IN THE STATE OF CALIFORNIA

Smith & Newell CPAs is licensed to practice accounting in the State of California and has complied with all applicable California State Board of Accountancy requirements. In addition, all of the key professional staff that will be assigned to the audit are also licensed to practice in the State of California and have complied with all applicable State Board of Accountancy standards.

2. INDEPENDENCE

Smith & Newell CPAs is independent of Feather River Air Quality Management District and all of the component units of Feather River Air Quality Management District, as defined by auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards (commonly referred to as the “Yellow Book” standards), issued by the Comptroller General of the United States.

3. FIRM QUALIFICATIONS AND EXPERIENCE

Our Practice

Smith and Newell, CPAs was established in 1988 as a full-service firm. We are a CPA firm located in Yuba City, California. We are a general partnership providing auditing, tax, accounting and consulting services to governmental entities, nonprofits, corporations, partnerships and individuals. Government services constitute a significant portion of Smith & Newell’s total practice. The firm of Smith & Newell has a commitment to maintain a “hands on” approach to our governmental audits. We actively participate in all phases of each engagement and feel that because of this policy we are able to offer you a high-quality audit at a reasonable price.

Currently our firm consists of seven individuals, including six professionals and one administrative personnel. The professional staff consists of two partners, two senior staff accountants and two junior staff accountants. The District’s engagement will be staffed full-time, as required, by one partner, one senior and one junior staff accountant, plus administrative assistance.

Peer Review

Our firm is devoted to quality, and we have taken extra steps to assure that we meet the highest professional standards of quality. Our firm has a program of quality control to ensure that our engagements meet the standards of the Yellow Book, including qualifications, independence, due professional care, and quality control. Every three years we must undergo a peer review of our system of quality control for our accounting and auditing practice. Our peer review includes an onsite review of specific government engagements. A Peer Review Committee establishes the



standards and procedures governing the conduct of the peer review. Upon completion of the peer review, the reviewers communicate their findings to the reviewed firm and prepare a written report. These standards provide that the report should contain, among other things:

- The reviewer's opinion on whether the reviewed firm's quality control system met the guidelines of quality control standards established by the AICPA, and whether the system was being complied with to provide the firm with reasonable assurance of conforming to professional standards.
- The reviewer may issue an unqualified, qualified or adverse opinion. We are pleased to report that we have always received an unqualified opinion - the highest level of assurance possible. Our continued participation in periodic peer reviews and our voluntary membership in the AICPA and the California Society of CPAs support the firm's commitment to quality and client service.

A copy of our most recent peer review report is provided in Appendix B.

Professional Associations

We are members of the American Institute of Certified Public Accountants and the California Society of Certified Public Accountants. In addition, our firm is a member of the AICPA's Governmental Audit Quality Center. We are also members in the Governmental Finance Officers Association (GFOA).

No Record of Substandard Work

Our firm does not have a record of substandard audit work, nor any outstanding claim of substandard work or unsatisfactory performance pending with the State Board of Accountancy nor the Federal Inspector General. There have not been any positive enforcement actions or other matters that would reflect negatively on our professional qualifications, including any action for substandard audits taken by the State Board of Accountancy, or the Federal Inspector General.

Disciplinary Action

There are not any current or pending disciplinary or litigation actions against our firm in any manner related to our professional activities, nor have there been any such actions in the past.

4. PARTNER, SUPERVISORY, AND STAFF QUALIFICATIONS AND EXPERIENCE

Qualifications and Experience of Individuals Assigned to the Engagement

The engagement team for the audit of Feather River Air Quality Management District collectively possess over 66 years of auditing experience. They have the ability and expertise to meet the complex demands of the engagement. Following are summaries of experience of the partners at Smith & Newell.



- Norman Newell, CPA – Norman is a partner with Smith & Newell CPAs, specializing in government auditing. As a partner in the firm he will have hands-on involvement in all aspects of this engagement. He will serve as quality assurance partner for the District's audit. He will be responsible for planning the audit and assuring that the design of audit programs achieves the objectives of the audit. As a partner in the firm he will assist in resolving technical issues and perform final review of reports for overall quality. He will work with the District regarding new accounting and auditing pronouncements, and ensure issues are identified and resolved in a timely manner.
- Carrie Schroeder, CPA – Carrie is a partner with Smith & Newell CPAs, specializing in government auditing. As a partner in the firm she will have hands-on involvement in all aspects of this engagement. She will serve as a quality assurance partner for the District's audit. She will also be responsible for onsite project management and for the day-to-day management of services to the District. She will be responsible for planning the audit and assuring that the design of audit programs achieves the objectives of the audit. She will review the progress of the audit, assist in resolving technical issues and review reports for overall quality. She reviews and signs all of the reports issued by Smith & Newell and is responsible for firm-wide quality control standards, including annual internal quality control inspections. She will have ultimate responsibility for the delivery of services to Feather River Air Quality Management District and will work with the District regarding new accounting and auditing pronouncements, and ensure issues are identified and resolved in a timely manner.

Engagement Staffing

We are committing the Norman Newell, the engagement partner, one senior and one junior accountant as assigned in this proposal, and they will not be changed unless those personnel leave the firm. Resumes of these key professionals to be assigned to District's audit are provided on the following pages.



NORMAN NEWELL, CPA, PARTNER

POSITION

Norm is a partner in Smith & Newell CPAs specializing in audits of governmental entities.

EDUCATION

Bachelor of Science degree in Business Administration with a concentration in Accounting from California State University, Chico

Bachelor of Science degree from University of California, Cal Poly

Licensed to practice as a Certified Public Accountant in California

BACKGROUND

Norm has over 30 years of professional experience providing auditing, accounting and consulting services to governmental entities. As a partner in Smith & Newell, he has managed audits for numerous counties, cities, housing authorities, redevelopment agencies, special districts and grants and special programs.

PROFESSIONAL ASSOCIATIONS

American Institute of Certified Public Accountants (AICPA)

California Society of Certified Public Accountants (CalCPA)

CONTINUING PROFESSIONAL EDUCATION

Norm has satisfied the “Yellow Book” requirement of having at least eighty hours continuing professional education every two years, of which twenty-four must directly relate to the government environment and government auditing.

2024

Governmental, Accounting, & Auditing/Fraud	41
Tax	8
Ethics, Regulatory & Review	6

2025

Governmental, Accounting, & Auditing/Fraud	37
Tax	8

RELEVANT EXPERIENCE

For the fiscal year ended June 30, 2025, Norm actively participated in the government audits of four counties, seven cities, and numerous special districts.



CARRIE SCHROEDER, CPA, PARTNER

POSITION

Carrie is a partner in Smith & Newell CPAs specializing in audits of governmental entities.

EDUCATION

Bachelor of Science in Business Administration with a concentration in Accounting from
California State University Sacramento

Licensed to practice as a Certified Public Accountant in California

BACKGROUND

Carrie has over 22 years of professional experience working with Smith & Newell. She has provided auditing and accounting services to a variety of governmental entities. As a partner in Smith & Newell, she has actively participated in audits for numerous counties, cities, housing authorities, redevelopment agencies, special districts, grants and special programs.

PROFESSIONAL ASSOCIATIONS

American Institute of Certified Public Accountants (AICPA)

California Society of Certified Public Accountants (CalCPA)

CONTINUING PROFESSIONAL EDUCATION

Carrie has satisfied the “Yellow Book” requirement of having at least eighty hours continuing professional education every two years, of which twenty-four must directly relate to the government environment and government auditing.

2024

Governmental, Accounting, & Auditing/Fraud	26
Tax	8

2025

Governmental, Accounting, & Auditing/Fraud	58
Ethics, Regulatory & Review	4
Tax	8

RELEVANT EXPERIENCE

For the fiscal year ended June 30, 2025, Carrie actively participated in the government audits of four counties, seven cities, and numerous special districts.



5. SIMILAR ENGAGEMENTS WITH OTHER GOVERNMENT ENTITIES

Smith & Newell CPAs provides a significant amount of audit services to governmental entities. A firm resume of governmental audits we have performed in the last five years is included in Appendix A. A representative list of three of those audits follows:

Butte County Air Quality Management District

Scope of Services:

Conducted financial and/or compliance audits and prepared reports as follows:

- Annual Financial Report
- Annual Report of Financial Transactions

Client Contact:

Aleah Ing, Administrative Services Officer
629 Entler Ave, Ste 15
Chico, CA 95928
(530) 332-9400 (Ext. 110)
aing@bcaqmd.org

Sutter-Yuba Mosquito & Vector Control District

Scope of Services:

Conducted financial and/or compliance audits and prepared reports as follows:

- Annual Financial Report
- Annual Report of Financial Transactions

Client Contact:

Stephen Abshier, Manager
701 Bogue Rd
Yuba City, CA 95991
(530) 674-5456
steve@sutter-yubamvcd.org

Reclamation District No. 108

Scope of Services:

Conducted financial and/or compliance audits and prepared reports as follows:

- Annual Financial Report
- Annual Report of Financial Transactions

Client Contact:

Lewis Bair, General Manager
PO Box 50
Grimes, CA 95950
(530) 437-2221 (Ext.1)
lbair@rd108.org

6. SPECIFIC AUDIT APPROACH

Our audit methodology for performing financial statement audits of government entities involves four phases. Phase 1 – Planning and Strategy, Phase 2 – Systems Evaluation, Phase 3 – Testing and Analysis, Phase 4 – Reporting and Follow-Up. A general timeline is provided at each step. These phases are summarized below:

Phase 1 – Planning and Strategy (July/August)

This phase establishes our basic understanding of the District and its environment and forms the basis of our evaluation of internal control.

- Establish an understanding with the District
- Schedule staffing and conduct staff fraud and discussion meeting
- Develop and expand understanding of the District's operations by review of prior year workpapers, reviewing minutes and discussion and analysis
- Determine planning and design materiality and tolerable misstatement
- Perform preliminary determination of major programs and materiality
- Conduct entrance meetings with District personnel and management and inquire about fraud and abuse.
- Identify significant processes and internal controls
- Conduct observations and walkthrough of transactions
- Identify risk factors
- Perform tests of transactions for payroll transactions, cash receipts and disbursements
- Prepare initial Audit Preparation Schedule and transmit to the District

Phase 2 – Systems Evaluation (September)

The timing of this phase is dependent on when the District has completed the initial Client Preparation Schedule and closed the District general ledger.

- Request District closed trial balances
- Format financial statements and footnotes
- Perform preliminary analytical procedures
- Schedule meetings with District management to ensure good coordination of engagement
- Develop and expand understanding of information systems
- Identify control objectives
- Identify and understand relevant control activities for financial reporting
- Determine the nature, extent and timing of control tests and compliance
- Perform nonsampling control tests and test compliance
- Assess internal control on a preliminary basis
- Design and update audit programs

Phase 3 – Testing and Analysis (September)

The timing of this phase will be flexible to best accommodate the schedule of the District while keeping in line with statutory requirements.

- Conduct additional audit procedures to conclude on financial statement presentation



- Perform compliance procedures on required disclosures including pension, OPEB, and leases in accordance with GASB Statement Nos. 68, 75, and 87.
- Progress conference and exit conference with the District to discuss reports, pending items and observations
- Obtain legal representation letter and review for potential liability
- Documentation and review of workpapers

Phase 4 – Reporting and Follow-Up (October/November)

- Perform overall analytical procedures
- Reassess materiality and risk
- Evaluate misstatements
- Conclude other audit procedures and clear open items with District
- Determine conformity with applicable standards
- Complete comprehensive engagement review
- Prepare and compile draft reports including Annual Financial Report and Management Comment Report
- Review District comments and suggestions and make any required revisions
- Obtain Management Representation letter
- Make presentation to District

Technological Advantages

We have developed specialized resources for performing government audits. These resources include automated and electronic checklists for evaluation controls, source documents for risk-based audit methodology, standardized sample selection procedures, integrated trial balances, combining schedules and links to professional standards. Our staff have unlimited access to online reference libraries and electronic source documents to help maintain efficiency and accuracy during the audit process.

Our firm utilizes Thomson Reuters' Workpapers CS trial balance software that streamlines the audit process, and gives us the ability to manage documents and data from a variety of sources.

Smith & Newell CPAs is dedicated to protecting our clients' information. We provide an online client portal that gives our staff and our clients a very secure way to send and receive information during the audit quickly and securely. Each drawer is encrypted and accessed with a username and password unique to each client.

With the improvement of technology, Smith & Newell utilizes remote and in-person audit work. The ability to upload audit information into the online client portal provides Smith & Newell with the ability to be more timely and efficient throughout the process of the audit.

Laws and Regulations

In Feather River Air Quality Management District's audit, substantial attention will be given to compliance with laws and regulations. Although management is responsible for ensure that the District complies with laws and regulations applicable to its activities, the independent auditor is responsible for considering them and how



they affect the audit. We design the audit to provide reasonable assurance that the financial statements are free of material misstatements resulting from violations of laws and regulations that have a direct and material effect on the determination of financial statement amounts.

Among other things, Government Auditing Standards establish additional requirements related to:

- Noncompliance with contracts and grant agreements
- Abuse
- Communication of fraud, illegal acts, noncompliance and abuse

Identification of Anticipated Potential Audit Problems

We are not aware of any anticipated problems.

Workpaper Retention

Audit programs, workpapers and reports will be retained for a period of seven years after the completion of the audit and made available for inspection by Feather River Air Quality Management District, oversight or cognizant agencies, parties designated by federal or state governments, auditors of entities of which Feather River Air Quality Management District is a subrecipient of grant funds or component unit, and additional auditors if requested by them.



Section II – Cost Proposal

1. FEE PHILOSOPHY

Our fee philosophy is to foster long-term client relationships by offering fair pricing commensurate with our expertise. We strive to maintain efficiency in our audit approach so we can achieve maximum results in the budgeted time. We also strive to maintain billing rates that are reasonable in relation to the expertise of our staff.

As partners in the firm of Smith & Newell CPAs, Norman Newell and Carrie Schroeder are authorized to represent the firm, empowered to submit the bid, and authorized to sign a contract with Feather River Air Quality Management District.

2. TOTAL ALL-INCLUSIVE MAXIMUM PRICE

	<u>2025/26</u>	<u>2026/27</u>	<u>2027/28</u>
Annual Financial Report/Management Comment Report	<u>\$ 9,425</u>	<u>\$ 9,425</u>	<u>\$ 9,425</u>
Total	<u><u>\$ 9,425</u></u>	<u><u>\$ 9,425</u></u>	<u><u>\$ 9,425</u></u>

If it should become necessary for Feather River Air Quality Management district to request the auditor to render any additional services to either supplement the services requested in the RFP or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an addendum to the contract between Feather River Air Quality Management district and Smith and Newell CPAs. Any such additional work agreed to between Feather River Air Quality Management District and Smith and Newell CPAs shall be performed at a negotiated (agreed-upon) rates relative to the contracted service fee.

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APPENDIX A

FIRM RESUME

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FIRM RESUME

(Last Five Years)

Cities (Including Single Audits)

City of Colusa
City of Grass Valley
City of Jackson
City of Red Bluff
City of Shasta Lake
City of Willows
City of Yreka

Counties (Including Single Audits)

County of Amador
County of Mariposa
County of Plumas
County of Siskiyou
County of Sierra

Treasury Oversight Examinations

Amador County Treasury Oversight
Mariposa County Treasury Oversight
Plumas County Treasury Oversight
Sutter Treasury Oversight

Redevelopment Agencies/Housing Authorities

Regional Housing Authority
Sutter Community Affordable Housing

Transportation Audits

Lake County/City Area Planning Council
Lake County Transit Authority
Mariposa County Transportation Commission/Transit
Plumas County Transportation Commission/Transit
Red Bluff Transportation Development
Sierra County Transportation Commission/Transit

Other Audits

Amador County Dept of Auto Ins Fraud Program
Amador County Dept of WC Ins Fraud Program
Amador County Jail Grant
Central Valleys Rice Growers Association
Children and Families First - Mariposa County
Children and Families First - Plumas County
Counseling Solutions
Family Life Foundation
Inter-Mountain Fair Heritage Foundation
Modoc District Fair
Nevada County AVA Service Authority
North Valley Behavioral Health
North Valley Behavioral Health Cirby Hills
North Valley Behavioral Health Stabler Lane
Northern California Resource Center
Plumas County Jail Grant
Priorities, Inc.
Tehama County AVA Service Authority
Willow Glen Care Center
Yuba Sutter Economic Development Corporation

Special Districts

Amador County Local Agency Formation Comm
Big Springs Irrigation District
Brophy Water District
Browns Valley Cemetery District
Butte County Air Quality Management District
Butte Valley Fire Protection District
Cemetery District No. 2 of Sierra County
Cemetery District No. 3 of Sierra County
Cemetery District No. 5 of Sierra County
Colusa County Resource Conservation District
Colusa County Water District
Colusa-Glenn Subwatershed Program
Colusa Mosquito Abatement District
Drainage District No. 1
Drainage District No. 100
Dunnigan Water District
Etna Cemetery District
Feather River Air Quality Management District
Feather River Resource Conservation District
Feather Water District
Gilsizer County Drainage District
Glenn County Resource Conservation District
Glenn Valley Water District
Hidden Valley Lake Community Services District
Higgins Area Fire Protection District
Hunter Valley Community Service District
Kelseyville Fire Protection District
Keystone Cemetery District
Knights Landing Ridge Drainage District
Lake County Fire Protection District
Lake of the Pines Ranchos CSD
Lakeport Fire Protection District
Levee District No. 1
Levee District No. 9
Live Oak Cemetery District
Loma Rica-Browns Valley CSD
Mariposa Resource Conservation District
Maxwell Fire Protection District
Maxwell Public Utility District
Mayten Fire Protection District
McCloud Community Services District
Montague Fire Protection District
Montague Water Conservation District
Monroeville Water District
Mystic Mine Road Community Services District
Newcastle Fire Protection District
North San Juan Fire Protection District
Northshore Fire Protection District
Oak Tree Park & Recreation District
Penryn Fire Protection District
Picard Cemetery District
Placer Hills Fire Protection District
Princeton Cemetery District
Reclamation District No. 108
Reclamation District No. 777
Reclamation District No. 2056
Roseville Public Cemetery District

Special Districts (Continued)

Rough & Ready Fire Protection District
Sacramento River Fire Protection District
Sacramento River Reclamation District
Sacramento River Westside Levee District
San Juan Ridge County Water District
Scott Valley Fire Protection District
Scott Valley Irrigation District
Scott Valley & Shasta Valley Watermaster District
Shasta Valley Cemetery District
Shasta Valley Resource Conservation District
Smartsville Fire Protection District
South Sutter Water District
South Yreka Fire Protection District
Stanislaus Consolidated Fire Protection District
Sutter Basin Fire Protection District
Sutter Cemetery District
Sutter Community Services District
Sutter-Yuba Mosquito and Vector Control District
Truckee Cemetery District
Tulelake Multi-County Fire Protection District
Williams Cemetery District
Williams Fire Protection Authority

APPENDIX B

PEER REVIEW

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Report on the Firm's System of Quality Control

To the Smith & Newell, CPAs
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 Smith & Newell, CPAs, (the firm) in effect for the year ended May 31, 2024. 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 of 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 engagements performed under the single audit act.

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 Smith & Newell, CPAs in effect for the year ended May 31, 2024, 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*. Smith & Newell, CPAs has received a peer review rating of *pass*.



February 18, 2025

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