

# Olivehurst Public Utility District



## Agenda Item Staff Report

Meeting Date: July 18, 2026

### Item description/summary:

#### **Audit Completion FY 2024-25**

Attached are the District's financial statements for fiscal year 2024–2025. This marks the second year working with the current auditor, and for the second consecutive year, the audit was completed six months or more past the deadline.

During this year's process, the audit draft was reviewed and rejected twice by District staff, resulting in additional charges beyond the agreed-upon contract amount. The final draft provided includes a qualified opinion on a matter that had been accepted without qualification by prior auditors.

Given that further rejection would lead to additional costs, staff recommends accepting the attached version of the financial statements. Inaccuracies and comments to the auditor's management letter will be discussed.

The auditor's approach placed a significant strain on District resources. Based on this experience, a new audit firm was selected and approved by the Board during the May Board meeting.

### Fiscal Analysis:

Final Invoice of \$38,000 is an increase of 36% over the \$28,000 base audit fee.

Final invoice for the 2025 year end Financial Audit:

Original base audit fee	\$28,000.00
Additional services and fees requested by Karin Helvey, Financial Manager:	
GASB 101 Implementation	2,500.00
Research 2009-2023 engagements to locate source of fiduciary fund advice	2,650.00
Research GASB 34 and GASB 84. Verify application of GAAP	1,250.00
7 hours of recreating government-wide and fund statements from scratch	2,100.00
2 hours of recreating and adding new footnote disclosures	600.00
3 hours of drafting new supplementary combining reports	900.00
Total adjusted fees	\$38,000.00

Motion to accept 2024-25 Financial Statements

Prepared by:

Karin Helvey, Financial Manager