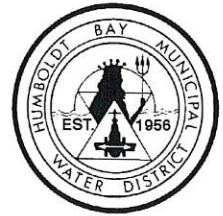


Humboldt Bay Municipal Water District
828 7th Street, Eureka

Minutes for Audit Committee of the Board of Directors
Meeting Start Time: 10:00 am
November 8, 2022



1. ROLL CALL

The following individuals were present: Director Rupp, Director Lindberg, GM Friedenbach, Business Manager Chris Harris, Auditor Michael O'Connor, CPA.

2. PUBLIC COMMENT

No members of the public were present.

3. REVIEW DRAFT REPORT FOR FY2020/21 REGULAR AUDIT

Auditor O'Connor explained their audit opinion and basis for it. He stated the District received a "clean opinion" with no audit qualification nor modifications. He then reviewed the Statement of Net Position, Changes in Net Position, and footnotes. Director Rupp asked for clarification of the presentation of the PARS pension account which was provided.

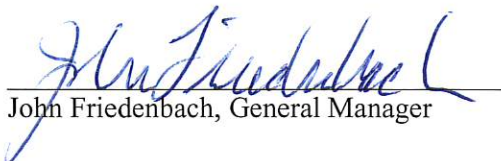
Director Rupp also inquired if there were any new accounting standards that are being promulgated that might affect the District in the future? Auditor O'Connor explained that GASB 87 regarding Lease Accounting may affect the District's audit for the FY 2021-22.

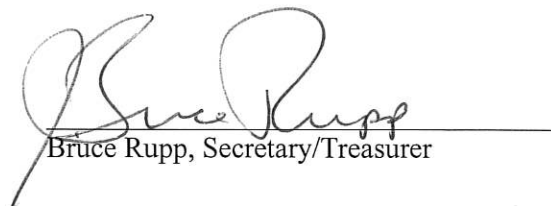
Auditor O'Connor then reviewed the Management Letter with the Committee. No issues with the District's Internal Accounting Controls (IC's) were identified during the audit. He commented that the District has very good IC's in place.

At the conclusion of the discussions, the Audit Committee stated that they will recommend to the Board acceptance of the audit.

ADJOURNMENT

The meeting was adjourned at 10:40 am.


John Friedenbach, General Manager


Bruce Rupp, Secretary/Treasurer