



CACHUMA CONSERVATION RELEASE BOARD BOARD OF DIRECTORS

MEETING AGENDA

**Goleta Water District
Board Conference Room
4699 Hollister Avenue
Goleta, CA 93110**

City of Santa Barbara (Kristen Sneddon, Pres.)

Goleta Water District (Lauren Hanson, Dir.)

Montecito Water District (Tobe Plough, V. Pres.)

**June 4, 2026
2:00 PM**

Members of the Cachuma Conservation Release Board (CCRB) Board of Directors (Board) intend to attend this meeting in person, absent an exception allowed under the Brown Act. It is the practice of CCRB to also present its meetings using Zoom videoconferencing as an accommodation to staff and members of the public. Members of the public may attend the meeting in person or participate by Zoom. CCRB cannot guarantee that Zoom will function or that all discussions of the Board can be heard on Zoom. Therefore, members of the public are advised to attend in person if they wish to ensure they can observe the meeting. The remote conferencing link for Zoom is as follows:

Join by videoconference:

<https://us06web.zoom.us/j/85398416739>

Join by conference call:

Dial 1.669.900.6833

Enter mtg. ID: 853 9841 6739#

CALL TO ORDER AND ROLL CALL OF BOARD MEMBERS

PUBLIC COMMENT PERIOD

Any member of the public may address the Board on any subject within the jurisdiction of the Board. The President of the Board will determine the total time for public comments. The Board is not responsible for the content or accuracy of statements made by members of the public, and no action will be taken by the Board on any Public Comment item. Those observing the meeting by video may comment during the designated public comment period using the “raise hand” feature of the video software. Commenters will be required to unmute their microphone when commenting. Those participating by telephone may comment during the designated public comment period by pressing *9 on the keypad to indicate such interest. Commenters will be prompted to press *6 to unmute their telephone when called upon to speak. CCRB will use best efforts to swiftly resolve requests for reasonable modifications or accommodations for individuals with disabilities, consistent with the Americans with Disabilities Act, and will resolve any doubt whatsoever in favor of accessibility.

CONSENT AGENDA

Matters listed here comprise a consent agenda that may be acted upon by a single roll call vote of the Board.

CA-1) Meeting Minutes

Approval of minutes of the Board of Directors' May 8, 2026 meeting.

CA-2) Unaudited Interim Financial Report for the Period Ending April 30, 2026

Receive and file an unaudited interim financial report for the period ending April 30, 2026.

REGULAR AGENDA

RA-1) Audit Services for FY2025-2026 and FY2026-2027

Consider engagement letter proposals from Nasif, Hicks, Harris & Co., LLP (NHH) to perform auditing services for FY2025-2026 and FY2026-2027 and authorize the Executive Director to engage the firm for a not-to-exceed-without-prior-approval amount of \$14,000 for each of the two audit periods. (Est. time: 10 minutes).

RA-2) Executive Director's Report

This item is reserved for the executive director to update and potentially seek informal feedback from the Board and general public regarding issues within his/her authority. This is for informational items only. No decisions will be made; no Board action will be taken. (Est. time: 5 min.)

CLOSED SESSION AGENDA

CS-1) Conference with Legal Counsel – Existing and Anticipated Litigation

- Government Code section 54956.9(d)(1) (Existing case: City of Solvang Petition to Change Water Rights Permit 15878 before the State Water Resources Control Board Administrative Hearing Office)
- Government Code section 54956.9(d)(4) (Anticipated litigation: two potential cases).

CS-2) Annual Performance Review

Conduct annual performance review, pursuant to Govt. Code sec. 54957(b)(1)(Executive Director)

CS-3) Public Employee Appointment [Govt. Code sec. 54957(b)(1) (Executive Director)]

CS-4) Conference With Labor Negotiators [Govt. Code sec. 54957.6(a)]

Agency-designated representative: board president
Unrepresented employee: executive director

Reconvene in open session and report on any actions taken in closed session pursuant to Government Code Sec. 54957.1.

RA-3) Employment Agreement for CCRB Executive Director

Consider and potentially approve an employment agreement between CCRB and the CCRB executive director; direct the CCRB board president to execute an employment agreement with the CCRB executive director. (Est. time: 10 min.)

RA-4) Directors' Requests for Agenda Items for Future Board Meetings

**RA-5) Set the Next CCRB Meeting for 2:00 pm Thursday July 2, 2026, location TBD; and
Adjourn**

NOTICE TO PUBLIC

Americans with Disabilities Act: In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Cachuma Conservation Release Board representative (pcantle@ccrb-board.org) at least 48 hours prior to the meeting to enable the Board to make reasonable arrangements.

[This Agenda was posted to the CCRB website and delivered in accordance with Sections 54954.1 and 54956 of the Government Code.]

MINUTES OF A MEETING
of the
CACHUMA CONSERVATION RELEASE BOARD
Held at the Montecito Water District Board Conference Room

May 8, 2026, 3:00 pm

CALL TO ORDER, ROLL CALL

The meeting was called to order at 3:04 pm by President Kristen Sneddon. Those attending the meeting were:

Directors Present:

Kristen Sneddon	City of Santa Barbara
Tobe Plough	Montecito Water District
Lauren Hanson	Goleta Water District

Also Present:

Ryan Drake	Jasmine Showers
Nick Turner	Peter Cante
Scott Shapiro	Joel Mulder
Brian Van Lienden	

PUBLIC COMMENT

No one from the general public attended or sought to comment.

CONSENT AGENDA

Executive Director Cante stated that he's anticipating constructive returns to Member Agencies and won't know specific amounts until closer to fiscal year end. Director Plough moved, and Director Hanson seconded approval of the Consent Agenda. The motion passed 3-0 by roll call vote.

REGULAR AGENDA

RA-1, Designate Board Member to Negotiate with Unrepresented Employee. Director Cante noted that his two-year employment contract ends June 30, 2026 and expressed his interest to renew the agreement. The board designated President Sneddon to negotiate for the agency.

RA-2, Proposed Budget, 2026/2027. Cante noted this is the second hearing of the item and presented a proposed budget of \$1,239,000, which is \$216,000 less than the current approved budget. He stated that the consulting (legal, biological, hydrological) portion of the budget is \$863,000 and will be more fully discussed in closed session. There were no additional questions.

CLOSED SESSION

The board went into closed session at 3:12 pm. The board came out of closed session at 3:37 pm with no reportable actions

REGULAR AGENDA – CONT.

RA-2, Proposed Budget, FY2026/2027 – cont. Director Hanson moved, and Director Plough seconded approval of the proposed FY2026/2027 budget. The motion passed 3-0 by roll call vote. Cantle will circulate the approved budget to Member Agencies for consideration and approval by their decision-making bodies.

RA-3, Executive Director’s Report. Cantle stated that staff continue to engage with Reclamation, COMB and the downstream interests in developing chapters of the draft Biological Assessment to initiate federal consultation. He also noted that he is working with CCRB’s vendors to improve the invoice review and processing system for the agency.

RA-4, Items for Future Board Meetings. No additional items were identified.

RA-5, Confirm Next Meeting(s) and Adjourn. The next meeting of the CCRB board was set for 2 pm Thursday, June 4, 2026 at the Goleta Water District.

President Sneddon then adjourned the meeting at 3:42 pm.

Respectfully submitted,



Secretary to the Board



Cachuma Conservation
Release Board
Board of Directors

City of Santa Barbara
Goleta Water District
Montecito Water District

For Agenda Of: June 4, 2026
Estimated Time: (Consent)
Continued Item: No
If Yes, date from:

TO: Board Members
FROM: Peter Cantle, Executive Director
SUBJECT: CA-2: Unaudited Interim Financial Report for Period Ending April 30, 2026

Legal Concurrence

As to form: N/A

Recommended Actions

Receive and file an unaudited interim Financial Report for the period ending April 30, 2026.

Discussion

The Board of Directors approves the CCRB budget each fiscal year. Upon subsequent approval by each Member Agency's governing body, it becomes CCRB's operating budget for the fiscal year beginning July 1. Through the fiscal year, the Board receives monthly unaudited financial reports to compare fiscal performance against the adopted budget. This report addresses the period ending April 30, 2026.

Fiscal Analysis

CCRB's approved FY25/26 budget is \$1,455,000.00. CCRB Member Agencies are billed quarterly for their pro-rata contributions to the approved budget. Total income through April 30, 2026 was \$1,091,250.00, reflecting receipt of first-, second-, and third-quarter payments from each Member Agency. Total expenditures of \$440,698.46 through April 30, 2026 reflect costs incurred for legal, technical, management and administrative services.

Attachments

Attachment 1: Unaudited Interim Financial Report for the period ending April 30, 2026

Authored by

Peter Cantle, Executive Director

ATTACHMENT 1

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE
PERIOD ENDING APRIL 30, 2026**

Cachuma Conservation Release Board
Statement of Revenue and Expense- Budget vs. Actual
July 2025 through April 2026

	Jul '25 - Apr 26	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4200 · Income	1,091,250.00	1,455,000.00	-363,750.00	75.0%
Total Income	1,091,250.00	1,455,000.00	-363,750.00	75.0%
Expense				
5050 · Office Lease	4,174.50	5,000.00	-825.50	83.5%
5100 · Audit	14,000.00	15,000.00	-1,000.00	93.3%
5200 · Liability Insurance	1,850.38	7,000.00	-5,149.62	26.4%
5301 · Managers Salary				
5301.01 · Managers Gross Wages	165,000.00			
5301.02 · Employer Tax Expense	12,138.09			
5301 · Managers Salary - Other	0.00	210,000.00	-210,000.00	0.0%
Total 5301 · Managers Salary	177,138.09	210,000.00	-32,861.91	84.4%
5304 · Administrative Support	5,829.21	16,000.00	-10,170.79	36.4%
5312 · Misc Admin Expense	2,722.96	4,000.00	-1,277.04	68.1%
5313 · Communications/Computer	6,819.37	8,000.00	-1,180.63	85.2%
5316 · Admin Fixed Assets	0.00	4,000.00	-4,000.00	0.0%
5330 · Admin Travel Expense	0.00	4,000.00	-4,000.00	0.0%
5331 · Travel Federal & State Meetings	0.00	12,000.00	-12,000.00	0.0%
5332 · Transportation	0.00	1,000.00	-1,000.00	0.0%
6500 · Contingency	0.00	51,000.00	-51,000.00	0.0%
7000 · Legal	13,325.00	75,000.00	-61,675.00	17.8%
7001 · BO Reconsultation Legal Support	108,943.75	447,000.00	-338,056.25	24.4%
7002 · SWRCB Water Rights	105,895.20	501,000.00	-395,104.80	21.1%
7100 · SWRCB Support				
7200 · SWRCB Proceedings Support	0.00	44,000.00	-44,000.00	0.0%
Total 7100 · SWRCB Support	0.00	44,000.00	-44,000.00	0.0%
7500 · Hydrologic Technical Support	0.00	51,000.00	-51,000.00	0.0%
Total Expense	440,698.46	1,455,000.00	-1,014,301.54	30.3%
Net Ordinary Income	650,551.54	0.00	650,551.54	100.0%
Net Income	650,551.54	0.00	650,551.54	100.0%

12:52 PM

05/04/26

Cachuma Conservation Release Board
Reconciliation Summary
1020 · CWB - Chkg #7204, Period Ending 04/30/2026

	<u>Apr 30, 26</u>
Beginning Balance	717,517.30
Cleared Transactions	
Checks and Payments - 8 items	<u>-25,822.44</u>
Total Cleared Transactions	<u>-25,822.44</u>
Cleared Balance	<u><u>691,694.86</u></u>
Uncleared Transactions	
Checks and Payments - 5 items	<u>-43,440.86</u>
Total Uncleared Transactions	<u>-43,440.86</u>
Register Balance as of 04/30/2026	<u><u>648,254.00</u></u>
Ending Balance	648,254.00



OK
May 13, 2026

Cachuma Conservation Release Board
Reconciliation Detail
 1020 · CWB - Chkg #7204, Period Ending 04/30/2026

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						717,517.30
Cleared Transactions						
Checks and Payments - 8 items						
Bill Pmt -Check	03/23/2026		Downey Brand Attor...	X	-8,167.50	-8,167.50
Bill Pmt -Check	03/23/2026		Rauch Communicati...	X	-661.50	-8,829.00
Bill Pmt -Check	03/23/2026		AccountabilityPlus, Inc	X	-618.60	-9,447.60
Bill Pmt -Check	03/23/2026		CIO Solutions LP	X	-25.00	-9,472.60
Check	03/31/2026		CalPERS 457 Plan	X	-942.31	-10,414.91
General Journal	04/13/2026			X	-7,232.61	-17,647.52
Check	04/16/2026		CalPERS 457 Plan	X	-942.31	-18,589.83
General Journal	04/29/2026			X	-7,232.61	-25,822.44
Total Checks and Payments					-25,822.44	-25,822.44
Total Cleared Transactions					-25,822.44	-25,822.44
Cleared Balance					-25,822.44	691,694.86
Uncleared Transactions						
Checks and Payments - 5 items						
Bill Pmt -Check	04/23/2026		Downey Brand Attor...		-41,456.25	-41,456.25
Bill Pmt -Check	04/23/2026		AccountabilityPlus, Inc		-726.28	-42,182.53
Bill Pmt -Check	04/23/2026		Peter Cantle		-291.02	-42,473.55
Bill Pmt -Check	04/23/2026		CIO Solutions LP		-25.00	-42,498.55
Check	04/30/2026		CalPERS 457 Plan		-942.31	-43,440.86
Total Checks and Payments					-43,440.86	-43,440.86
Total Uncleared Transactions					-43,440.86	-43,440.86
Register Balance as of 04/30/2026					-69,263.30	648,254.00
Ending Balance					-69,263.30	648,254.00

OK
May 13, 2026



Cachuma Conservation
Release Board
Agenda Letter

Board of Directors

City of Santa Barbara

Goleta Water District

Montecito Water District

For Agenda Of: June 4, 2026

Estimated Time: 10 minutes

Continued Item: No

If Yes, date from:

TO: Board Members
FROM: Peter Cantle, Executive Director
SUBJECT: Item RA-1: Audit Services for FY2025-2026 and FY2026-2027

Legal Concurrence

As to form: N/A

Recommended Actions

Consider engagement letter proposals from Nasif, Hicks, Harris & Co., LLP (NHH) to perform auditing services for FY2025-2026 and FY2026-2027 and authorize the Executive Director to engage the firm for a not-to-exceed-without-prior-approval amount of \$14,000 for each of the two audit periods.

Discussion

NHH has submitted two engagement letter proposals to perform audits of CCRB's FY2025-2026 and FY2026-2027 finances (Attachment 1). The firm has audited CCRB's finances in previous fiscal years and is well qualified. The attached proposals are appropriately scoped for CCRB's needs and both proposals offer the firm's services at a cost not to exceed \$14,000 without prior approval. This is the same price as the previous year's audit. I recommend the Board authorize engagement with NHH for FY2025-2026 and FY2026-2027 auditing services.

Fiscal Analysis

The cost to perform the FY2025-2026 audit is anticipated in the Board-approved FY2026-2027 budget, when these costs will be incurred. While the FY2027-2028 budget is not yet developed, approving engagement now gives CCRB certainty regarding future costs of the service. Engagement of NHH for the fiscal year that closes June 30 facilitates timely completion of the audit, in alignment with CCRB's Strategic Plan Goal 5 and performance measure: *Administer CCRB's operations effectively and transparently (perform financial audits in a timely manner).*

Attachments:

Att. 1: *Nasif, Hicks, Harris & Co., LLP Letters (two) Dated May 20, 2026*

Authored by:

Peter Cantle, Executive Director

ATTACHMENT 1

NASIF, HICKS, HARRIS & Co., LLP
LETTERS (TWO) DATED MAY 20, 2026

May 20, 2026

VIA EMAIL: pcantle@ccrb-board.org

Mr. Peter Cantle, Executive Director
Cachuma Conservation Release Board

Dear Mr. Cantle:

The following represents our understanding of the services we will provide Cachuma Conservation Release Board (“CCRB”).

You have requested that we audit the statements of net position of CCRB as of June 30, 2026 and the related statements of revenues, expenses, and changes in net position and cash flows for the year then ended and the related notes to the financial statements, which collectively comprise CCRB’s basic financial statements. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audit will be conducted with the objective of our expressing an opinion on those basic financial statements.

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 to issue an auditors’ report that includes our opinion. 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 auditing standards generally accepted in the United States of America (GAAS) 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 made by a reasonable user based on the financial statements.

Accounting principles generally accepted in the United States of America (“U.S. GAAP”), as promulgated by the Governmental Accounting Standards Board (“GASB”) require that Management’s Discussion and Analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, 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 required supplementary information (“RSI”) in accordance with auditing standards generally accepted in the United States of America (“U.S. GAAS”). These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation and comparing the information for consistency with management’s responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by U.S. GAAP. This RSI will be subjected to certain limited procedures but will not be audited:

- Management’s Discussion and Analysis

Auditor Responsibilities

We will conduct our audit in accordance with U.S. GAAS and the State Controller’s Minimum Audit Requirements for California Special Districts (“SCMAR–CSP”). As part of an audit in accordance with GAAS and SCMAR–CSP, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
4. Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about CCRB’s ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS and SCMAR–CSP.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

Although we are currently in the planning stage of our audit, we have identified the following potentially significant risks during our audit to date that require special audit consideration:

1. Calculation and recognition of member unit cost sharing of assessment.
2. Potential unaccrued attorney or consulting fees billed in future periods.
3. Potential disclosure of legal contingencies or commitments related to CCRB activities.
4. Potential limitations in internal control roles due to the small size of the entity.

Compliance with Laws and Regulations

As previously discussed, as part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we will perform tests of CCRB's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objectives of our audit will not be to provide an opinion on overall compliance, and we will not express such an opinion.

Management Responsibilities

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance acknowledge and understand that they have responsibility:

1. For the preparation and fair presentation of the basic financial statements in accordance with U.S. GAAP;
2. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements; and
3. To provide us with:
 - a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the basic financial statements such as records, documentation, and other matters;
 - b. Additional information that we may request from management for the purpose of the audit; and
 - c. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.
4. For including the auditor's report in any document containing basic financial statements that indicates that such basic financial statements have been audited by the entity's auditor;
5. For identifying and ensuring that the entity complies with the laws and regulations applicable to its activities;
6. For adjusting the basic 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 current year period(s) under audit are immaterial, both individually and in the aggregate, to the basic financial statements as a whole; and
7. For acceptance of non-attest services, including identifying the proper party, Mr. Peter Cantle, Executive Director, to oversee non-attest work;
8. For maintaining adequate records, selecting, and applying accounting principles, and safeguarding assets;
9. For informing us of any known or suspected fraud affecting the entity involving management, employees with significant role in internal control and others where fraud could have a material effect on the financials; and

10. For the accuracy and completeness of all information provided.

As part of our audit process, we will request from management and, when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit.

With respect to any non-attest services we perform,

- Prepare the financial statements of CCRB for the years ended June 30, 2026, in conformity with U.S. GAAP, based on information provided by management.
- Prepare the Special District Financial Transactions Report with the California State Controller Local Government Financial Reporting System for the year ended June 30, 2026.

We will not assume management responsibilities on behalf of CCRB. However, we will provide advice and recommendations to assist management of CCRB in performing its responsibilities.

CCRB's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

Our responsibilities and limitations of the nonattest services are as follows:

1. We will perform the services in accordance with applicable professional standards.
2. The nonattest services are limited to the preparation of financial statements and preparation of Special District Financial Transactions Report previously outlined. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account coding and approving journal entries.

Reporting

We will issue a written report upon completion of our audit of CCRB's basic financial statements. Our report will be addressed to the governing body of CCRB. 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 an emphasis-of-matter or other-matter paragraph(s) to our auditor's report, or if necessary, withdraw from the engagement. If our opinions on the basic financial statements 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 to issue a report as a result of this engagement.

Engagement Administration, Fees and Other

We understand that your employees will prepare all confirmations we request and will locate any documents selected by us for testing.

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

Regarding the electronic dissemination of audited financial statements, including financial statements published electronically on your internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Professional standards prohibit us from being the sole host and/or the sole storage for your financial and non-financial data. As such, it is your responsibility to maintain your original data and records and we cannot be responsible to maintain such original information. By signing this engagement letter, you affirm that you have all the data and records required to make your books and records complete.

Mitchell Thomas is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fees for this engagement will not exceed \$14,000 without prior approval from CCRB. Our fees for these services will be based on the actual time spent at our standard hourly rates, plus travel and other out-of-pocket costs, such as report production, technology fees, and postage. Current hourly rates for services provided by Nasif, Hicks, Harris & Co., LLP partners and staff range from \$128 - \$700 per hour and are subject to change annually. Requests for expanded scope of audit services will be billed at our standard hourly rates.

The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Payments for services are due when received and interim invoices may be submitted as work progresses and expenses occur. If we have not received payment within 45 days of our invoice, all work may be suspended until your account is brought current.

During the course of the audit we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

You agree to inform us of facts that may affect the basic financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

It is our policy to keep records related to this engagement for eight years. However, we do not keep any original client records, so we will return those to you at the completion of the services rendered under this engagement. When records are returned to you, it is your responsibility to retain and protect your records for possible future use, including potential examination by any government or regulatory agencies.

By your signature below, you acknowledge and agree that upon the expiration of the eight-year period Nasif, Hicks, Harris & Co., LLP shall be free to destroy our records related to this engagement.

At the conclusion of our audit engagement, we will communicate to the governing body of CCRB following significant findings from the audit:

1. Our view about the qualitative aspects of the entity's significant accounting practices;
2. Significant difficulties, if any, encountered during the audit;
3. Uncorrected misstatements, other than those we believe are trivial, if any;

4. Disagreements with management, if any;
5. Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
6. Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
7. Representations we requested from management;
8. Management's consultations with other accountants, if any; and
9. Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

If any dispute arises among the parties hereto, the parties agree to first try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Rules for Professional Accounting and Related Services Disputes before resorting to litigation. The costs of any mediation proceeding shall be shared equally by all parties.

Client and accountant both agree that any dispute over fees charged by the accountant to the client will be submitted for resolution by arbitration in accordance with the Rules for Professional Accounting and Related Services Disputes of the American Arbitration Association.

Such arbitration shall be binding and final. In agreeing to arbitration, we both acknowledge that, in the event of a dispute over fees charged by the accountant, 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.

If the above is in agreement with your needs, please sign and date and return to us.

We thank you for the opportunity to be of service to Cachuma Conservation Release Board and look forward to a long and mutually beneficial relationship.

Sincerely,

Nasif, Hicks, Harris & Co., LLP

By,



Mitchell Thomas

Enclosure:

S:\Clients\Cachuma Conservation Release Board\2026.06.30\Engagement Letter Cachuma Conservation Release Board Year End 2026.docx

ACKNOWLEDGMENT AND ACCEPTANCE:

The foregoing terms are in agreement with the needs of Cachuma Conservation Release Board and are hereby accepted.

Mr. Peter Cantle, Executive Director
Cachuma Conservation Release Board

Date

May 20, 2026

VIA EMAIL: pcantle@ccrb-board.org

Mr. Peter Cantle, Executive Director
Cachuma Conservation Release Board

Dear Mr. Cantle:

The following represents our understanding of the services we will provide Cachuma Conservation Release Board (“CCRB”).

You have requested that we audit the statements of net position of CCRB as of June 30, 2027 and the related statements of revenues, expenses, and changes in net position and cash flows for the year then ended and the related notes to the financial statements, which collectively comprise CCRB’s basic financial statements. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audit will be conducted with the objective of our expressing an opinion on those basic financial statements.

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 to issue an auditors’ report that includes our opinion. 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 auditing standards generally accepted in the United States of America (GAAS) 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 made by a reasonable user based on the financial statements.

Accounting principles generally accepted in the United States of America (“U.S. GAAP”), as promulgated by the Governmental Accounting Standards Board (“GASB”) require that Management’s Discussion and Analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, 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 required supplementary information (“RSI”) in accordance with auditing standards generally accepted in the United States of America (“U.S. GAAS”). These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation and comparing the information for consistency with management’s responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by U.S. GAAP. This RSI will be subjected to certain limited procedures but will not be audited:

- Management’s Discussion and Analysis

Auditor Responsibilities

We will conduct our audit in accordance with U.S. GAAS and the State Controller’s Minimum Audit Requirements for California Special Districts (“SCMAR–CSP”). As part of an audit in accordance with GAAS and SCMAR–CSP, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
4. Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about CCRB’s ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS and SCMAR–CSP.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

Although we are currently in the planning stage of our audit, we have identified the following potentially significant risks during our audit to date that require special audit consideration:

1. Calculation and recognition of member unit cost sharing of assessment.
2. Potential unaccrued attorney or consulting fees billed in future periods.
3. Potential disclosure of legal contingencies or commitments related to CCRB activities.
4. Potential limitations in internal control roles due to the small size of the entity.

Compliance with Laws and Regulations

As previously discussed, as part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we will perform tests of CCRB's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objectives of our audit will not be to provide an opinion on overall compliance, and we will not express such an opinion.

Management Responsibilities

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance acknowledge and understand that they have responsibility:

1. For the preparation and fair presentation of the basic financial statements in accordance with U.S. GAAP;
2. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements; and
3. To provide us with:
 - a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the basic financial statements such as records, documentation, and other matters;
 - b. Additional information that we may request from management for the purpose of the audit; and
 - c. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.
4. For including the auditor's report in any document containing basic financial statements that indicates that such basic financial statements have been audited by the entity's auditor;
5. For identifying and ensuring that the entity complies with the laws and regulations applicable to its activities;
6. For adjusting the basic 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 current year period(s) under audit are immaterial, both individually and in the aggregate, to the basic financial statements as a whole; and
7. For acceptance of non-attest services, including identifying the proper party, Mr. Peter Cantle, Executive Director, to oversee non-attest work;
8. For maintaining adequate records, selecting, and applying accounting principles, and safeguarding assets;
9. For informing us of any known or suspected fraud affecting the entity involving management, employees with significant role in internal control and others where fraud could have a material effect on the financials; and

10. For the accuracy and completeness of all information provided.

As part of our audit process, we will request from management and, when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit.

With respect to any non-attest services we perform,

- Prepare the financial statements of CCRB for the years ended June 30, 2027, in conformity with U.S. GAAP, based on information provided by management.
- Prepare the Special District Financial Transactions Report with the California State Controller Local Government Financial Reporting System for the year ended June 30, 2027.

We will not assume management responsibilities on behalf of CCRB. However, we will provide advice and recommendations to assist management of CCRB in performing its responsibilities.

CCRB's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

Our responsibilities and limitations of the nonattest services are as follows:

1. We will perform the services in accordance with applicable professional standards.
2. The nonattest services are limited to the preparation of financial statements and preparation of Special District Financial Transactions Report previously outlined. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account coding and approving journal entries.

Reporting

We will issue a written report upon completion of our audit of CCRB's basic financial statements. Our report will be addressed to the governing body of CCRB. 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 an emphasis-of-matter or other-matter paragraph(s) to our auditor's report, or if necessary, withdraw from the engagement. If our opinions on the basic financial statements 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 to issue a report as a result of this engagement.

Engagement Administration, Fees and Other

We understand that your employees will prepare all confirmations we request and will locate any documents selected by us for testing.

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

Regarding the electronic dissemination of audited financial statements, including financial statements published electronically on your internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Professional standards prohibit us from being the sole host and/or the sole storage for your financial and non-financial data. As such, it is your responsibility to maintain your original data and records and we cannot be responsible to maintain such original information. By signing this engagement letter, you affirm that you have all the data and records required to make your books and records complete.

Mitchell Thomas is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fees for this engagement will not exceed \$14,000 without prior approval from CCRB. Our fees for these services will be based on the actual time spent at our standard hourly rates, plus travel and other out-of-pocket costs, such as report production, technology fees, and postage. Current hourly rates for services provided by Nasif, Hicks, Harris & Co., LLP partners and staff range from \$128 - \$700 per hour and are subject to change annually. Requests for expanded scope of audit services will be billed at our standard hourly rates.

The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Payments for services are due when received and interim invoices may be submitted as work progresses and expenses occur. If we have not received payment within 45 days of our invoice, all work may be suspended until your account is brought current.

During the course of the audit we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

You agree to inform us of facts that may affect the basic financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

It is our policy to keep records related to this engagement for eight years. However, we do not keep any original client records, so we will return those to you at the completion of the services rendered under this engagement. When records are returned to you, it is your responsibility to retain and protect your records for possible future use, including potential examination by any government or regulatory agencies.

By your signature below, you acknowledge and agree that upon the expiration of the eight-year period Nasif, Hicks, Harris & Co., LLP shall be free to destroy our records related to this engagement.

At the conclusion of our audit engagement, we will communicate to the governing body of CCRB following significant findings from the audit:

1. Our view about the qualitative aspects of the entity's significant accounting practices;
2. Significant difficulties, if any, encountered during the audit;
3. Uncorrected misstatements, other than those we believe are trivial, if any;

4. Disagreements with management, if any;
5. Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
6. Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
7. Representations we requested from management;
8. Management's consultations with other accountants, if any; and
9. Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

If any dispute arises among the parties hereto, the parties agree to first try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Rules for Professional Accounting and Related Services Disputes before resorting to litigation. The costs of any mediation proceeding shall be shared equally by all parties.

Client and accountant both agree that any dispute over fees charged by the accountant to the client will be submitted for resolution by arbitration in accordance with the Rules for Professional Accounting and Related Services Disputes of the American Arbitration Association.

Such arbitration shall be binding and final. In agreeing to arbitration, we both acknowledge that, in the event of a dispute over fees charged by the accountant, 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.

If the above is in agreement with your needs, please sign and date and return to us.

We thank you for the opportunity to be of service to Cachuma Conservation Release Board and look forward to a long and mutually beneficial relationship.

Sincerely,

Nasif, Hicks, Harris & Co., LLP

By,



Mitchell Thomas

Enclosure:

S:\Clients\Cachuma Conservation Release Board\2027.06.30\Engagement Letter Cachuma Conservation Release Board Year End 2027.docx

ACKNOWLEDGMENT AND ACCEPTANCE:

The foregoing terms are in agreement with the needs of Cachuma Conservation Release Board and are hereby accepted.

Mr. Peter Cante, Executive Director
Cachuma Conservation Release Board

Date