



County of Yolo

www.yolocounty.gov

Tom Haynes
Chief Financial Officer

DEPARTMENT OF FINANCIAL SERVICES

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- Financial Leadership
- Budget & Financial Planning
- Treasury & Finance

- Tax & Revenue Collection
- Accounting & Financial Reporting
- Internal Audit

December 16, 2025

Peter Dwyer, Jr. and Members of the Board
Reclamation District No. 307
PO Box 518
Clarksburg, CA 95612

Subject: Required Audit for Reclamation District No. 307

Dear Mr. Dwyer and Members of the Board:

Government Code (GC) § 26909 requires that every special district receive an audit of the accounts and records of the district on an annual basis. Further, GC § 26909 (a) states that the county auditor shall either make or contract with a certified public accountant or public accountant to make the annual audit of the special district, and that any costs incurred by the county auditor in making the audit shall be charged to the special district.

Following a recent Municipal Service Review conducted by the Yolo County Local Area Formation Commission (LAFCo), the LAFCo Commission was notified that Reclamation District No. 307 (RD 307 or District) has not obtained an audit in many years and is out of compliance with GC § 26909. On July 24, 2025, the LAFCo Commission passed a motion to request the Yolo County Chief Financial Officer (serving in capacity as County Auditor) to make or contract with a public accountant to make an annual audit of the accounts and records of RD 307 and charge the costs against the District's funds per GC § 26909.

While we recognize that RD 307 uses the County's financial system, the District is a separate legal entity and is not included in the County's financial statements or annual audit.

As such, in accordance with the request from the LAFCo Commission and GC § 26909, my office will be contracting with a CPA firm to conduct an audit of RD 307 for the 2024-25 fiscal year. While the exact cost of this audit is not yet known, it is estimated be between \$10,000 - \$20,000. Once timing and costs are determined, DFS will communicate with RD 307 to coordinate efforts to begin the audit. It is anticipated that DFS will provide supporting documentation and financial reports readily available for auditing purposes as requested by the auditors. However, RD 307 staff and board members will need to address questions from the auditor specific to the business operations and internal controls of the District.

The timeframe for completion of the audit will depend on the level of cooperation and responsiveness by the District and DFS. Prolonged audit timelines could result in higher audit fees for the District. We believe cooperation and collaboration between our offices and the auditors is essential in order to make this a successful audit.

Please feel free to reach out to our office if you have any questions or would like to discuss.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Haynes", followed by a horizontal line.

Tom Haynes, Chief Financial Officer

TH:BA