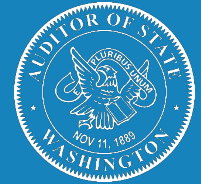


Exit Conference

Jefferson County Public Utility District No. 1



Office of the
Washington
State Auditor
Pat McCarthy

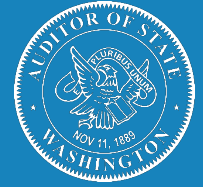
Amy Strzalka, CPA
Audit Manager

Danae Welty
Audit Lead

January 24, 2023

Disclaimer: This presentation is intended to be viewed in conjunction with the complete packet of exit materials provided. A copy of those materials may be requested by contacting the presenters listed or by emailing PublicRecords@sao.wa.gov.

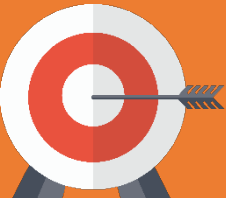
Results that Matter



Increased trust in government



Independent, transparent examinations



Improved efficiency and effectiveness of government



Pat McCarthy
State Auditor

Accountability Audit Results

January 1, 2020 through December 31, 2021



Results in Brief

This report describes the overall results and conclusions for the areas we examined.

In those selected areas, District operations complied, in all material respects, with applicable state laws, regulations, and its own policies, and provided adequate controls over the safeguarding of public resources.

In keeping with general auditing practices, we do not examine every transaction, activity, policy, internal control, or area. As a result, no information is provided on the areas that were not examined.

Accountability Audit Results



Using a risk-based audit approach, for the District, we examined the following areas during the period:

- Accounts receivable – billing adjustments, late fees, account forgiveness, and voluntary contributions
- Accounts payable – electronic funds transfers
- Ordering, receiving and tracking of materials inventory
- Open public meetings – compliance with minutes, meetings and executive session requirements
- Financial condition – reviewing for indications of financial distress

Work of Other Auditors

- A financial statement audit was performed by Jackson Thornton CPA & Consultants of the Jefferson County Public Utility District No. 1
- We did not find anything about their work that caused concern about its quality
- No limitations restricted our analysis of the other audit
- Did not notice any instance in which a material misstatement of the financial statements has or may have resulted from fraud or suspected fraud



Thank You!



- We thank District officials and staff for timely communications throughout the audit process.
- In particular, we would like to thank Mike Bailey , our audit liaison, for his responsiveness and availability. His positive attitude towards the audit process made him very easy to work with. We would also like to thank the rest of the Finance staff for the time they took with me to discuss the District's processes and procedures for electronic funds transfers.
- We would also like to thank Jesse Bland for the time and effort he put in preparing for our onsite Materials Inventory testing.



Report Publication

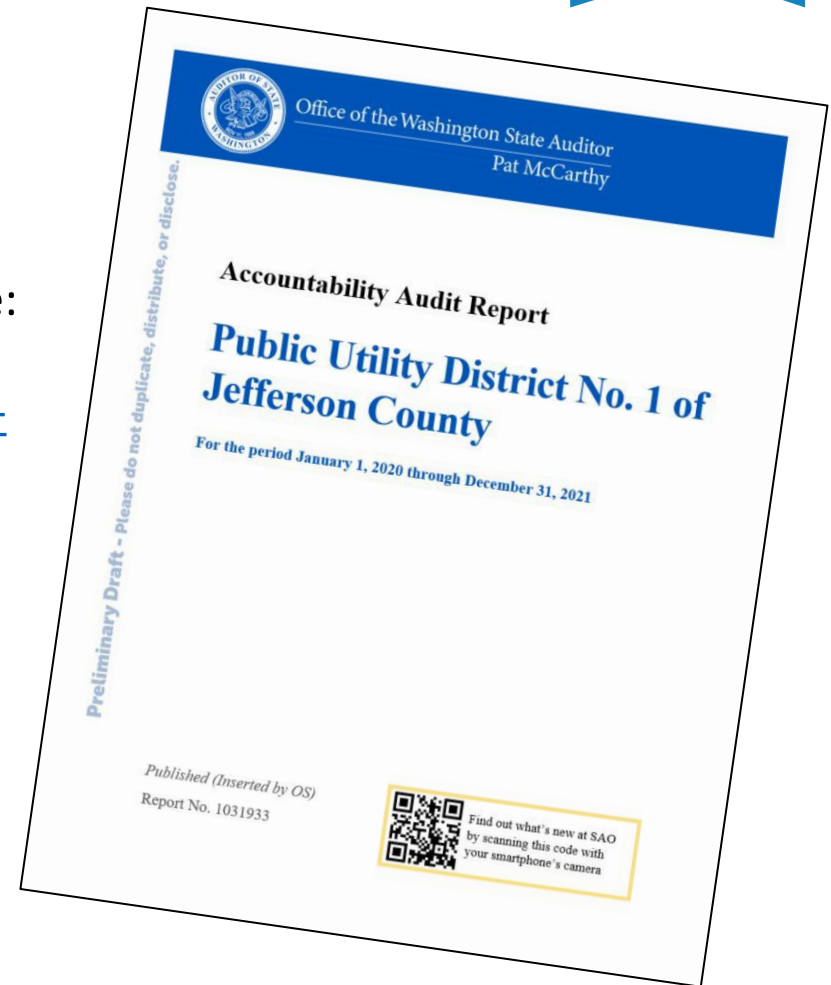
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We value your opinions on our audit services and hope you provide feedback.



Closing Remarks

- Audit costs are less than our original estimate and will be approximately \$21,000
- Next audit: Spring/Fall 2023
 - Accountability for public resources
 - CPA review
 - Clean Energy Transformation Act

An estimated cost for the next audit has been provided in our exit packet



Clean Energy Transformation Act (CETA) Examination



January 1, 2019 through December 31, 2021

Greenhouse Gas Content Calculation

- We will examine the District's compliance in reporting the greenhouse gas emissions content of energy supplied to its retail customers for calendar years 2020 and 2021.

Energy Assistance to Low-Income Households

- We will examine the District's compliance in offering programs and funding and assessing its program for the 2019 and 2020 reporting period.

Clean Energy Implementation Plan (CEIP)

- We will examine the District's compliance in developing and adopting its CEIP for the four-year period ended December 31, 2025.

Examination Opinion

- We will issue one opinion on compliance with these requirements



Clean Energy Transformation Act (CETA) Examination

January 1, 2019 through December 31, 2021



CETA

- Estimated examination cost: \$11,000
- We will reach out to schedule your CETA examination in early 2023
- We will perform examination work remotely
- For any questions, please contact:
 - Thomas Bernard, CPA (Program Manager) Thomas.Bernard@sao.wa.gov or
 - Travis Beyerl, CPA (Assistant Audit Manager) Travis.Beyerl@sao.wa.gov



Questions?

