

**BEAUMONT CHERRY VALLEY WATER DISTRICT
MEETING OF THE FINANCE & AUDIT COMMITTEE
March 11, 2010**

CALL TO ORDER, ROLL CALL

Chairman Ball called the meeting to order, 560 Magnolia Avenue, Beaumont, California. Those present at this meeting were Directors Ball and Ross. Also present at this meeting were Interim General Manager Anthony Lara, Business Manager Julie Salinas and Commercial Office Supervisor Mary Martin. Public present at this meeting were Patsy Reeley and Frances Flanders.

PUBLIC INPUT

Chairman Ball invited Frances Flanders to address the Committee on an item not on the agenda. Ms. Flanders expressed her disappointment that today's agenda did not include a report by the expert the District hired to make recommendations. Ms. Flanders is frustrated as she has been waiting for an overview of finances and procedures provided by an expert unbiased outside person since before the last election.

Chairman Ball asked if Ms. Flanders was referring to Siebert Botkins Hickey draft report. Ms. Flanders clarified that she was referring to the Governance Study conducted in 2007.

Interim General Manager Lara added that the District had interviewed candidates for the position of Controller (a recommendation made in the Governance Study, Grand Jury Report and Financial Consultant's draft report) and that a second round of interviews were going to be scheduled this coming week. It is anticipated that the District will hire someone in the coming week and will have someone on staff by April.

1. Adoption and Adjustment of Agenda (additions and/or deletions)

The agenda was adopted as presented.

2. Review and Acceptance of February 5, 2010 Minutes of the Finance and Audit Committee**

Director Ross suggested correcting the word mean to means (last bulleted item under 6 – Action List). The Minutes of February 5, 2010 were accepted as corrected.

3. Financial Reports/Recommendations

a. Review of Invoices for the Month of February 2010**

After review of Invoices for the Month of February 2010 the Committee recommended presenting the invoices to the full Board for approval.

b. Review of February 2010 Invoices Pending Approval**

After review, the Committee recommended sending the February 2010 invoices pending approval to the full Board for approval.

c. Review of the February 2010 Financial Statement**

After review, the Committee recommended sending the February 2010 Financial Statement to the full Board for approval.

4. Action List Updates/Recommendations**a. South Mesa Water Company – Lara**

Interim General Manager Lara reported that a letter was sent to South Mesa Water Company. They do not have any water for sale this year, they will be holding on to it.

b. Update on Liens/Collections – Salinas

Business Manager Salinas reported that she had spoken with Online Utilities Exchange regarding collections. They will accept all accounts that have a balance of \$25.00 or greater, and up to 6 years and 9 months. Anything that is up to 1 year old is at the rate of 35% of whatever is collected. Because the District does not have Social Security Numbers for the majority of their accounts, the rate would actually be 40%. The rate for anything that is more than 1 year old is 50%. There are at least 484 accounts with balances greater than \$25.00 and up to 6 years and 9 months for a total of \$95,477.41.

The Committee requested to see the data broken down by year and by dollar amount owed.

Business Manager Salinas then reported her findings on property liens. The Committee directed Ms. Salinas to research filing liens on the properties that are currently locked off for non-payment/vacancy with a balance (195 accounts with balances of approximately \$41,000).

5. Action List

- Hudec's Computer Consulting – Backup material for invoices
- Cancel Yellow Pages Advertisement

PUBLIC INPUT

Chairman Ball adjourned the meeting at 4:27 p.m.

Dr. Blair Ball

Dr. Blair Ball, Chairman of the
Finance and Audit Committee of the
Beaumont Cherry Valley Water District