

**BEAUMONT CHERRY VALLEY WATER DISTRICT
MEETING OF THE FINANCE & AUDIT COMMITTEE
April 9, 2010**

CALL TO ORDER, ROLL CALL

Director Ross called the meeting to order, 560 Magnolia Avenue, Beaumont, California. Those present at this meeting were Directors Ross and Halliwill. 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 Judy Bingham, Bill Dickson, Frances Flanders, Paul Kaymark, Ray Morris, Patsy Reeley and Luwana Ryan.

PUBLIC INPUT

No public input was presented.

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

The agenda was adopted as presented.

2. Review and Acceptance of March 11, 2010 Minutes of the Finance and Audit Committee**

The Minutes of March 11, 2010 were accepted as presented.

3. Financial Reports/Recommendations

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

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

b. Review of March 2010 Invoices Pending Approval**

Director Halliwill noted that page 2 of the memorandum from Steve Gratwick dated January 5, 2010 was missing. Staff was directed to include the missing page in the upcoming regular meeting agenda package.

Director Halliwill requested that staff contact Geoscience and verify that the final invoice for \$3,917 included the reimbursable charges in the amount of \$125. After review, the Committee recommended sending the March 2010 invoices pending approval to the full Board for approval.

c. Review of the March 2010 Financial Statement**

Business Manager Salinas reported that a new account had been created for monthly service charges. Ms. Salinas also reported that depreciation had been updated to reflect 100% depreciation. She went on to explain that staff had mistaken the Rate Consultant's suggestion to fund depreciation 50% with the actual booking of depreciation in the general ledger. District Auditor, Paul Kaymark, offered additional clarification on the matter. Ms. Salinas was asked to explain the summary page of the Month End Statement.

It was recommended that the "Budget Remaining" column in the *Construction in Progress Report* not show negative amounts for those projects without an adopted budget figure as the negative numbers reduce the actual budget remaining total.

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

d. Review of the First Quarter Report**

Following brief discussions on debt service, labor figures, depreciation, water sales and standby charges, the Committee recommended sending the First Quarter Report to the full Board for approval.

4. Action List Updates/Recommendations

a. Update on Liens/Collections – Salinas

Business Manager Salinas distributed the Aging Receivables breakdown as requested at the March 11th Committee meeting. Ms. Salinas reported that she had not had the opportunity to contact a second collection agency.

Ms. Salinas reported that she had spoken with District Legal Counsel regarding unclaimed property. Counsel referred staff to Government Code Sections 50050-50053. These code sections apply to unclaimed funds that are at least 3 years old. The procedure involves publishing a notice regarding the unclaimed funds once a week for two consecutive weeks in a paper of general circulation. Legal Counsel recommended running a notice in the paper and posting a complete detailed listing of unclaimed property on the District's website. Any funds remaining unclaimed may be transferred to the District general fund.

Legal counsel also referred staff to Government Code section 50055. This section states that unclaimed funds of \$15.00 or less that have been held by the District for more than one year do not need to be publicly noticed but may be transferred into the District's general fund by simple action of the Board.

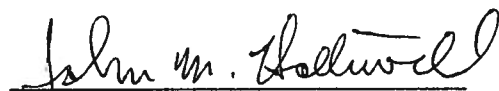
Ms. Salinas also reported that she had received a lien template from Legal Counsel. Staff has entertained filing liens on these properties in an attempt to collect outstanding funds on property where the service is locked off and an outstanding balance remains.

5. Action List

- Tony Lara – Contact Geoscience re Final Invoice

ADJOURNMENT

Director Ross adjourned the meeting around 4:40 p.m.



John Halliwill, (Alternate) Chairman to the
Finance and Audit Committee of the
Beaumont Cherry Valley Water District