

BELLA VISTA WATER DISTRICT

BOARD OF DIRECTORS

Monday, November 26, 2007

The Regular Meeting of the Board of Directors of Bella Vista Water District was called to order by the President of the Board at 5:45 pm at the District office.

Board Members Present:

President	-	Bob Nash
Vice President	-	Todd Sikes
Director	-	Nancy Polk
Director	-	Wally Wessel

Board Members Absent:

Director	-	Jeff Thompson
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Officer and Staff Present:

General Manager/ Secretary-Treasurer	-	David J. Coxey
District Engineer	-	Don Groundwater
Office Manager	-	Connie Wade
Engineering Tech	-	Clay Giuntini

Guests Present:

Lynette Blaisdell
Sharyn Cornelius, East Valley Times
John Kenny, Legal Counsel
Jan Lopez
Shirley Meeker
Alice Nelson
Steve Pitman, Nystrom & Company CPAs
Jeff Steppat
plus one additional guest

Item 1. Public Comment

There was no public comment.

Item 2. Consent Calendar

- 2-1 Approval of the Minutes of the Regular Meeting held on October 22, 2007
- 2-2 Financial Reports for Month Ending October 2007
- 2-3 Request for Will Serve – Parcel Map APN 079-050-008 (Garcia)
- 2-4 Quarterly Investment Portfolio

M/S/C [Sikes/Polk] Accept the Consent Calendar as presented.

NEW BUSINESS: Item 5 – New Business was moved ahead.

Item 5. Presentation of Annual 2007-06 Audit by Nystrom & Company

Steve Pitman, partner with Nystrom and Company CPAs introduced himself and explained that his firm has been performing the annual audit for the District for the past several years.

Copies of the financial statements had been provided to the Board previously. Since the Board was familiar with previous submittals from the auditors Steve said he would make some brief comments regarding the statements.

The financial statements are the responsibility of District management. The audit or opinion falls under the auditor's responsibility. In summary, Steve stated that the results express an unqualified opinion on the financial statements. This is the highest level of opinion which means that the financial statements are fairly stated and in compliance with generally accepted accounting principles. Review of every transaction is not done in an audit, rather the purpose is to be able to advise that the financial statements are fairly stated. Transactions are sampled and internal controls are reviewed.

Steve complimented District's management assistance in providing the information required and the internal controls that are in place regarding safeguarding public funds. There were no instances of noncompliance material to the financial statements disclosed during the audit. Bella Vista Water District was determined to be a low-risk auditee.

M/S/C [Wessel/Polk] Accept the 2007-06 audit report for filing.