



## **COMMITTEE REPORT**

**Committee:** Finance Committee

**Meeting Date:** September 27, 2016

**Present:** R. Bow (Chair), D. Arrighi, G. Galindo, T. Henton, L. Noriega and D. Michalko

**Staff Present:** T. Zampielo, L. Artis, K. Gardner and A. Jimenez

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### **I. Review of Draft Audit Report for Fiscal Year 2015-16**

Tony Zampielo, Executive Officer, introduced Ms. Tina Henton, with the accounting firm of Vicenti, Lloyd & Stutzman (VLS), to discuss the highlights of the Watermaster Draft Audit Report. Ms. Henton, VLS, reviewed the audit communication letter and financials, stating that Watermaster is operating well within the established financial standards.

Ms. Henton then stated that the Watermaster Audit and Management Report have been prepared as an unmodified opinion to ensure that the agency's financial reporting was of the highest level without material misstatements. She then reviewed the management analysis in the audit report; discussing Watermaster's operating expenses and noting the asset booking for the Water Resources Development Assessment (RDA).

Ms. Henton expressed her appreciation for staff's cooperation and flexibility in scheduling and delivering needed information. After a brief discussion of the members, the Committee recommended that this item be referred to Watermaster to receive and file.

**COMMITTEE RECOMMENDATION:** That Watermaster receive and file the draft audit report for FY 2015-16 as prepared by VLS.

### **III. Review of Cash Investment Policy**

The Executive Officer distributed a copy of the existing Cash Investment Policy that has been in place for many years. He stated that the policy establishes a set of comprehensive guidelines covering cash investments for Watermaster that are in line with Board objectives and acceptable levels of risk for specific types of investments. Watermaster is required to review its Cash Investment Policy on an annual basis.

**COMMITTEE RECOMMENDATION:** That Watermaster reaffirm the Cash Investment Policy.