

## M E M O

TO: Board of Directors

FROM: District Manager

DATE: December 27, 2008

SUBJECT: FINANCIAL STATEMENT FOR FISCAL YEAR 2006-2007

### **RECOMMENDATION:**

It is recommended that the Board of Directors review this memo, receive the presentation from the firm of Charles Z. Fedak and Company and approve the Financial Statement for Fiscal Year 2006-2007. A resolution is attached.

### **BACKGROUND:**

The District is required by State law to annually examine its financial records. The firm of Charles Z. Fedak and Company has conducted an independent audit of the District's financial records for Fiscal Year 2006-2007. This examination of the District's financial records was conducted in accordance with generally accepted accounting standards and principles. The Financial Statement for Fiscal Year 2006-2007 and Management Report is transmitted under separate cover. A representative of Charles Z. Fedak and Company will be present to address your Board regarding this matter.

The Financial Statement furnishes information concerning the District's financial position and activities for the one (1) year period July 1, 2006 - June 30, 2007. Total operating income from all funds for FY 2006-2007 was \$3,527,557.00. This represents an increase in operating income from FY 2005-2006 in the sum of \$385,350.00. Total operating expenses for FY 2006-2007 was \$3,959,644.00. This represents an increase in operating expenses from FY 2004-2005 in the sum of \$742,074.00. The District's net assets at June 30, 2007 were \$25,113,158.00.

### **SUMMARY:**

The District has received the Financial Statement for Fiscal Year 2006-2007. This independent audit is required by State law and was conducted by the firm Charles Z. Fedak and Company. It is recommended that the District receive and approve the Financial Statement for Fiscal Year 2006-2007. A resolution is attached.

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James A. Mueller  
District Manager

JAM/bsb

Attachments

SAN LORENZO VALLEY WATER DISTRICT

**RESOLUTION NO. (06-07)**

SUBJECT: FINANCIAL STATEMENT FOR FISCAL YEAR 2006-2007

WHEREAS, by State law the District is required to annually examine its financial records; and

WHEREAS, each fiscal year the District has the District's financial records audited by an independent firm or agency; and

WHEREAS, the District utilized the services of Charles Z. Fedak and Company, Cypress, California to conduct an independent audit in accordance with generally accepted accounting principles; and

WHEREAS, Charles Z. Fedak and Company has completed the Financial Statement for Fiscal Year ending June 30, 2007;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Lorenzo Valley Water District that the Financial Statement prepared by Charles Z. Fedak and Company for the Fiscal Year ending June 30, 2005 is hereby approved and accepted.

\* \* \* \* \*

PASSED AND ADOPTED by the Board of Directors of the San Lorenzo Valley Water District, County of Santa Cruz, State of California, on the 3<sup>rd</sup> day of January, 2008 by the following vote of the members thereof:

AYES:

NOES:

ABSENT:

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Brandon Barchi, District Secretary  
San Lorenzo Valley Water District