

BEAUMONT BASIN WATERMASTER
INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING
AGREED-UPON PROCEDURES
ON THE BEAUMONT BASIN WATERMASTER SCHEDULES

OCTOBER 11, 2011



**INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING
AGREED-UPON PROCEDURES**

Yucaipa Valley Water District as treasurer
of the Beaumont Basin Watermaster
Yucaipa, California

We have performed the procedures enumerated below, which were agreed to by the Yucaipa Valley Water District (District), as treasurer of the Beaumont Basin Watermaster (Watermaster), solely to assist the District in evaluating certain amounts reported in the Watermaster Schedules (Schedules), attached as Exhibit A and Exhibit B, on the full accrual basis of accounting. The District and Watermaster is responsible for the accuracy of the Schedules. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representations regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. Procedure

Agree the opening equity on Exhibit B to the ending equity noted on the trial balance for the fiscal year ended June 30, 2010.

Finding

No exceptions were noted as a result of applying the procedure.

2. Procedure

Agree the cash balance reported on Exhibit A to the bank reconciliation, bank statement and trial balance. Select all of the deposits in transit and outstanding checks and trace their clearing to the subsequent month's bank statement.

Finding

No exceptions were noted as a result of applying the procedure.

3. Procedure

Trace all member agency assessments recorded in the schedule to invoices and the bank statements.

Finding

No exceptions were noted as a result of applying the procedure.

4. Procedure

Compare the ending check number for the fiscal year ended June 30, 2010 to the beginning check number for the period beginning on July 1, 2010. Note any breaks in check sequence for the period of July 1, 2010 through June 30, 2011.

Finding

No exceptions were noted as a result of applying the procedure. No breaks in check sequence were noted during the period of July 1, 2010 through June 30, 2011.

5. Procedure

Based on the population of checks issued during July 1, 2010 through June 30, 2011, select all payments and trace the check to supporting invoice noting whether the activity pertains to the Watermaster. Agree the dollar amount and vendor on the invoice to the check for accuracy.

Finding

No exceptions were noted as a result of applying the procedure.

6. Procedure

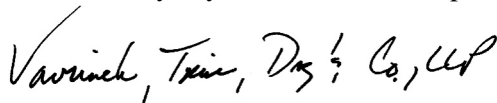
Obtain the general ledger detail for the period of July 1, 2010 to June 30, 2011. Select all journal entries and trace the transaction to an approved journal entry and documentation supporting the nature and rationale of the journal entry.

Finding

No exceptions were noted as a result of applying the procedure.

We were not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion on the schedules of assets, liabilities and equity (Exhibit A) and assessments and expenses (Exhibit B) or the related internal control structure. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the Beaumont Basin Watermaster and the District and is not intended to be and should not be used by anyone other than the specified party.



Rancho Cucamonga, California
October 11, 2011

BEAUMONT BASIN WATERMASTER
SCHEDULE OF ASSETS, LIABILITIES AND NET ASSETS
(UNAUDITED)
JUNE 30, 2011

ASSETS	
Cash and Cash Equivalents	<u>\$ 40,430</u>
LIABILITIES	
Accounts Payable	<u>-</u>
NET ASSETS	
Unrestricted	<u><u>\$ 40,430</u></u>

See Independent Accountant's Agreed Upon Procedures Report.

BEAUMONT BASIN WATERMASTER
SCHEDULE OF ASSESSMENTS AND EXPENSES
(UNAUDITED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

REVENUES	
Assessments	\$ 30,000
Interest Revenue	4
	<u>30,004</u>
Total Revenues	
	<u>30,004</u>
EXPENSES	
Administrative Expenses:	
Meetings and Miscellaneous	1,297
Legal and Professional	2,525
Bank Charges and Miscellaneous	411
	<u>4,233</u>
Total Expenses	
	<u>4,233</u>
Change in Net Assets	25,771
NET ASSETS	
Unrestricted Net Assets, Beginning of Year	14,659
	<u>14,659</u>
Unrestricted Net Assets, End of Year	\$ 40,430
	<u>40,430</u>

See Independent Accountant's Agreed Upon Procedures Report.