

# Notice and Agenda of a Meeting of the Beaumont Basin Watermaster

Wednesday, October 1, 2014 at 10:00 a.m.

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## Meeting Location:

Beaumont Cherry Valley Water District  
560 Magnolia Avenue  
Beaumont, California 92223  
(951) 845-9581

## Watermaster Members:

City of Banning  
City of Beaumont  
Beaumont Cherry Valley Water District  
South Mesa Water Company  
Yucaipa Valley Water District

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### I. Call to Order

### II. Roll Call

City of Banning: Duane Burk (Alternate: Arturo Vela)

City of Beaumont: Dave Dillon (Alternate: Kyle Warsinski)

Beaumont Cherry Valley Water District: Eric Fraser (Alternate: Tony Lara)

South Mesa Water Company: George Jorritsma (Alternate: Dave Armstrong)

Yucaipa Valley Water District: Joseph Zoba (Alternate: Jennifer Ares)

### III. Pledge of Allegiance

**IV. Public Comments** At this time, members of the public may address the Beaumont Basin Watermaster on matters within its jurisdiction; however, no action or discussion may take place on any item not on the agenda. To provide comments on specific agenda items, please complete a Request to Speak form and provide that form to the Secretary prior to the commencement of the meeting.

### V. Consent Calendar

A. Meeting Minutes

1. Approval of Meeting Minutes for August 6, 2014

### VI. Reports

A. Report from Engineering Consultant - Hannibal Blandon, ALDA Engineering

B. Report from Legal Counsel - Keith McCullough, Alvarado Smith

### VII. Discussion Items

A. Overview of the 2013 Consolidated Annual Report and Engineering Report  
[Memorandum No. 14-09, Page 3 of 11]

Recommendation: That the Watermaster Committee receives and files the 2013 Consolidated Annual Report and Engineering Report.

B. Independent Accountant's Financial Report of Agreed-Upon Procedures for the Beaumont Basin Watermaster [Memorandum No. 14-10, Page 4 of 11]

Recommendation: That the Watermaster Committee receives and files the Independent Accountant's Financial Report for the period ending June 30, 2014.

### VIII. Topics for Future Meetings

A. Other Topics

### IX. Comments from the Watermaster Committee Members

**X. Announcements**

- A. The next regular meeting of the Beaumont Basin Watermaster is scheduled for Wednesday, December 3, 2014 at 10:00 a.m.

**XI. Recess the Meeting to a Beaumont Basin Watermaster Special Project Committee**

- - - - - Meeting Recess- - - - -

**XII. Reconvene the Meeting of the Beaumont Basin Watermaster - Special Project Committee of Beaumont Cherry Valley Water District, City of Banning, Yucaipa Valley Water District, and South Mesa Mutual Water Company**

- A. Status Report on the Beaumont Basin Groundwater Model and Redetermination of Safe Yield [[Memorandum No. 14-11, Page 11 of 11](#)]

Recommendation: That the Special Project Committee sets workshops meetings at 10:00 am on October 15, 2014, October 29, 2014 and November 12, 2014, to review and discuss the model and final report.

**XIII. Adjournment**

# BEAUMONT BASIN WATERMASTER

## MEMORANDUM NO. 14-09

**Date:** October 1, 2014

**From:** Joseph Zoba, Treasurer

**Subject:** Overview of the 2013 Consolidated Annual Report and Engineering Report

**Recommendation:** That the Watermaster Committee receives and files the 2013 Consolidated Annual Report and Engineering Report.

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At the Beaumont Basin Watermaster meeting held on December 4, 2013, the Watermaster members authorized our consultant Alda, Inc. to prepare a consolidated Annual Report and Engineering Report for 2013 ("Consolidated Report").

On August 6, 2014, our consultant provided an overview of the Consolidated Report.

On August 7, 2014, the draft Consolidated Report was added to the Watermaster's website and notice was provided by email to subscribers following the activities of the Beaumont Basin Watermaster.

The purpose of this agenda item is to receive and file the Consolidated Report.

# BEAUMONT BASIN WATERMASTER

## MEMORANDUM NO. 14-10

**Date:** October 1, 2014

**From:** Joseph Zoba, Treasurer

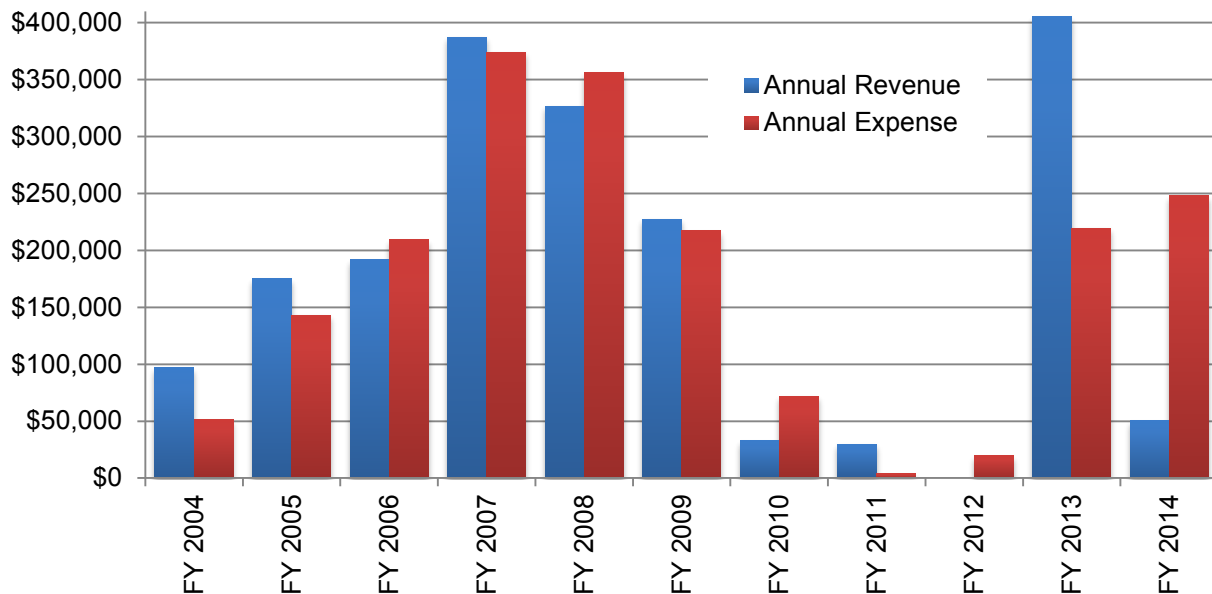
**Subject:** Independent Accountant's Financial Report of Agreed-Upon Procedures for the Beaumont Basin Watermaster

**Recommendation:** That the Watermaster Committee receives and files the Independent Accountant's Financial Report for the period ending June 30, 2014.

The Beaumont Basin Watermaster engaged the firm of Rogers, Anderson, Malody & Scott to perform an independent financial review of the Watermaster activities for the fiscal year ending June 30, 2014. The independent financial review was conducted under the same terms and scope as the prior fiscal year.

At the beginning of the 2013-2014 fiscal year, the Beaumont Basin Watermaster had unrestricted net assets in the amount of \$219,553. During the fiscal year, the Watermaster collected \$50,407 in revenues and expended \$247,903. As of June 30, 2013, the Watermaster had unrestricted net assets in the amount of \$22,057.

The following illustration provides a summary of the annual revenues and expenses of the Beaumont Basin Watermaster since its formation in 2004.



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

**June 30, 2014**



**ROGERS, ANDERSON, MALODY & SCOTT, LLP**  
CERTIFIED PUBLIC ACCOUNTANTS, SINCE 1948



ROGERS, ANDERSON, MALODY & SCOTT, LLP  
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**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING  
AGREED-UPON PROCEDURES**

**PARTNERS**

Brenda L. Odle, CPA, MST  
Terry P. Shea, CPA  
Kirk A. Franks, CPA  
Matthew B. Wilson, CPA, MSA, CGMA  
Scott W. Manno, CPA, CGMA  
Leena Shanbhag, CPA, MST, CGMA  
Jay H. Zercher, CPA (Partner Emeritus)  
Phillip H. Waller, CPA (Partner Emeritus)

**MANAGERS / STAFF**

Bradferd A. Welebir, CPA, MBA  
Jenny Liu, CPA, MST  
Papa Matar Thiaw, CPA, MBA  
Maya S. Ivanova, CPA, MBA  
Seong-Hyea Lee, CPA, MBA  
Charles De Simoni, CPA  
Yiann Fang, CPA  
Daniel T. Turner, CPA, MSA  
David D. Henwood, CPA  
Nathan Statham, CPA, MBA  
Brigitta Bartha, CPA  
Gardenya Duran, CPA  
Juan Romero, CPA  
Ivan Gonzales, CPA, MSA

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 as of June 30, 2014 and for the year then ended. The District and Watermaster are 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, 2013.

**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.

**MEMBERS**  
American Institute of  
Certified Public Accountants

*PCPS The AICPA Alliance  
for CPA Firms*

*Governmental Audit  
Quality Center*

California Society of  
Certified Public Accountants

**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, 2013 to the beginning check number for the period beginning on July 1, 2013. Note any breaks in check sequence for the period of July 1, 2013 through June 30, 2014.

**Finding**

No exceptions were noted as a result of applying the procedure. We noted a break in the sequence which was due to two voided checks. The Watermaster was able to provide the original copies of the voided checks.

**5. Procedure**

Based on the population of checks issued during July 1, 2013 through June 30, 2014, 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, 2013 to June 30, 2014. 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 Watermaster and the District and is not intended to be and should not be used by anyone other than the specified party.

*Rogers Anderson Malooly & Scott, LLP*

August 19, 2014  
San Bernardino, CA



Exhibit A

**Beaumont Basin Watermaster  
Schedule of Assets, Liabilities and Net Assets  
(Unaudited)  
June 30, 2014**

<b>Assets</b>	
Cash and cash equivalents	<u>\$ 22,057</u>
<b>Liabilities</b>	
Accounts payable	<u>-</u>
<b>Net assets</b>	
Unrestricted	<u>\$ 22,057</u>

Exhibit B

**Beaumont Basin Watermaster  
Schedule of Revenues and Expenses  
(Unaudited)  
For the year ended June 30, 2014**

Revenues	
Assessments	\$ 50,253
Interest	<u>154</u>
Total revenues	<u>50,407</u>
Expenses	
Special projects	
Acquisition/computation and annual report	47,443
Engineering	187,591
Administrative	
Meetings and miscellaneous	432
Legal and professional	12,428
Bank charges	<u>9</u>
Total expenses	<u>247,903</u>
Change in net assets	(197,496)
Unrestricted net assets, beginning of year	<u>219,553</u>
Unrestricted net assets, end of year	<u><u>\$ 22,057</u></u>

# BEAUMONT BASIN WATERMASTER MEMORANDUM NO. 14-11

**Date:** October 1, 2014

**From:** Joseph Zoba, Treasurer

**Subject:** Status Report on the Beaumont Basin Groundwater Model and Redetermination of Safe Yield

**Recommendation:** That the Special Project Committee sets workshops meetings at 10:00 am on October 15, 2014, October 29, 2014 and November 12, 2014, to review and discuss the model and final report.

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As a result of litigation initiated by the City of Beaumont, the Beaumont Groundwater Model and Redetermination of Safe Yield has been classified as a Special Project of the Watermaster to include the following Watermaster Committee Members:

Beaumont Cherry Valley Water District  
City of Banning  
Yucaipa Valley Water District  
South Mesa Mutual Water Company

To complete the model and associated report, the Watermaster Committee will discuss setting tentative workshop meetings on October 15<sup>th</sup>, October 29<sup>th</sup>, and November 12<sup>th</sup>, to review and discuss the model and finalize the report.