

**Southwestern Water Conservation District
Board of Directors Special Meeting via Zoom
September 28, 2023**

Present: Dagan Chadd Amy Huff
 J.R. Ford Jenny Russell
 Rusty Hinger Charlie Smith

Absent: David Guilliams
Kenny Heldman
Gerald Koppenhafer

Staff: Monika Rock, Programs Coordinator

Consultants: Beth Van Vurst, General Council, Van Vurst Law, LLC.
Michelle Sainio, FredrickZink and Associates

1.0 Call to Order – Roll Call and Verification of Quorum

President Jenny Russell called a personnel meeting to order at 11:00 a.m. Roll was taken and a quorum was established.

2.0 Approve the Agenda

There was unanimous consent to approve the agenda.

3.0 Review & Possible Acceptance of FY2022 Audit Report

Michelle Sainio, Frederick Zink & Associates (FZA) walked through the FY2022 Audit document, noting changes from FY2021. Ultimately, FZA audited the District and issued a clean opinion, there was nothing that has been materially misstated. FZA attains reasonable assurance since they do not look at every transaction. During the overview, the board noted the following edits to make:

1. The board expressed concern about the audit document showing that the district lost investment money and thought it would be best for the audit document to add language to make it clear that these losses are unrealized and due to market fluctuations to notes to the basic financial statements.¹ (Section 3. Deposits and Investments)
2. Add language to clarify that the District uses Accrual Accounting to the management discussion section. (Section: Reporting the District as a whole)
3. Add total compensated absences to notes to the basic financial statements. (Section I. Compensated absences)
4. Fix typos throughout the document (missing commas, extra \$, etc.).

¹ After the meeting, FZA further reviewed investment reporting rules for local governments and found that since the losses shown on the draft audit document would never be realized, SWCD did not need to report these losses, therefore the final audit document does not show investment losses – added for clarification by Monika Rock.

Charlie Smith moved to accept the 2022 audit with the revisions discussed today and to direct staff to file the audit with the state no later than the close of business day tomorrow. J.R. Ford seconded the motion. The motion passed unanimously.


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6.0 Questions & Comments from the Public

No public attended the meeting.

7.0 Adjournment

Jenny Russell adjourned the meeting at 11:55 p.m.



President