

Policy Number: 2.3.0

Title: MONTHLY AND QUARTERLY FINANCIAL STATEMENTS

Introduction:

This policy has been developed to establish the content of the financial package presented to the Board of Directors at its regularly scheduled meetings.

Ends:

The Board of Directors shall receive the following reports in its monthly financial package presented at the Board's regularly scheduled meetings:

1. Accountant's Report: Summary of the month's financial highlights. The summary shall include: significant transactions, capital purchases to-date, accounts payable, prepaid expenses, stale-dated checks, accrued staff leave, detail of benefits. Any significant items that occur between the close of the month's reports and the date of the regularly scheduled Board meeting shall be reported to the Board on the Accountant's Report.
2. Profit and Loss Previous Year Comparison: Report of revenues and expenses for this year to date compared to last year to date.
3. Profit and Loss Budget Performance: Report of revenues and expenses for prior month compared to the Budget, year to date, year to date budget and Annual Budget.
4. Balance Sheet Previous Year and Month Comparison: Report of assets and liabilities as of the end of the month, prior month, same month last year. The Balance Sheet shall include line items for assets held by each financial institution.
5. Statement of Cash Flows: Year-to-date report reconciling cash balances to net income.
6. Quarterly Fund Reports: On a quarterly basis, the Balance Sheet, Profit & Loss Statement and Budget vs. Actual Report shall be prepared by fund: Water, Sewer, Garbage, Park, Fire.
7. Investment Return: Report of current investments, including rate of return and maturity date for each.
8. Check Register: Report of all disbursements for approval by the Board. Checks that have been approved by two Board members and the General Manager and mailed before the Board meeting shall be highlighted by an asterisk (*).

All accounting and reporting shall be on the accrual basis of accounting and conform to generally accepted accounting principles ("GAAP"). All monthly reports shall be prepared as of the close of business on the last day of each month.

Responsibility:

It is the responsibility of the Board of Directors to obtain and review reports of the District's financial condition to enable it to manage the assets of the District. The Budget & Finance Committee shall review the reports in detail before the monthly Board meeting. The District's accountant shall prepare the reports, with review and assistance from the General Manager, for inclusion in the monthly Board package.