



SOUTH FEATHER WATER & POWER

TO: Board of Directors

FROM: Pat Sands, Business Manager

DATE: January 20, 2005

RE: General Information (regarding matters not scheduled on agenda)
01/25/05 Board of Directors Meeting

South Fork Relicensing Consulting Services

Devine, Tarbell and Associates, Inc. (DTA), consultant for the South Fork Project relicensing submitted their Monthly Activity Reports for the period of November 1, 2004 through November 28, 2004 (\$169,777.05), and November 29, 2004 through December 31, 2004 (\$341,096.05). The November 2004 invoice was paid on December 22, 2004, and the December invoice will be paid by January 31, 2005. The reports are attached for the Board's review.

December 31, 2004 Audit

Davis Hammon & Company, Steve Norman (auditor) conducted the annual physical inventory test with Dawn Cook on January 6, 2005. Everything went well and Steve will report when the December 31, 2004 Draft Financial Statement is presented to the Board at the June 28, 2005 meeting.

Debby Cunningham and I are in the process of writing journal entries and posting them to water and power division's general ledgers, in closing the 2004 books. The Trial Balance Reports will be submitted to Davis Hammon & Company, on March 31, 2005, for them to do the State Controls Annual Report.

On April 18, 2005, the auditors will return to complete the field audit. They expect to complete this phase by the end of April 2005.