

**PUBLIC UTILITY DISTRICT NO. 1
OF
BENTON COUNTY
SPECIAL COMMISSION MEETING**

Date: March 5, 2007
Time: 8:00 a.m.
Place: Kennewick Main Office

Present:

Commissioners Hall, Sanders and Bertsch
General Manager Sanders
General Counsel Hultgrenn
Auditor/Director of Finance and Business Services Bartram
Manager of Risk Management & Treasury Bickford
Manager of Accounting White
Financial Analyst II Meyer
Commission Relations Specialist/Executive Assistant Hurst

Guests: Kent Zirker, Carol Ellinger and Kathy Jones; Washington State Auditor's Office

Auditor/Director of Finance and Business Services announced the Special Meeting of the Commission was called to allow for an entrance conference with the State Auditor's Office regarding the District's 2006 annual audit.

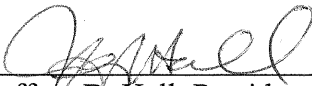
Mr. Zirker reviewed the scope of the planned audit, stated the audit will be conducted from a high risk approach in planning, and will cover state-wide issues for utility districts. Issues important to the public will also be taken into consideration. A complete review of the 2006 audit accountabilities was provided.

Mr. Zirker asked the Commission if they had additional areas of concern they would like addressed or issues they would like to discuss.

Commissioner Lori Sanders stated the Commission trusts that timely information is provided by District staff, and that staff periodically reports on audit results from other public entities.


General Manager thanked the District's Auditor and finance staff for their continued open communication with the state auditor's office.

Hearing no objection, President Jeff Hall adjourned the Commission Meeting at 8:17 a.m.



Jeffrey D. Hall, President

ATTEST:



Robert E. Bertsch, Secretary