

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue
Beaumont, California 92223
Minutes of the
Board Finance and Budget Workshop
February 25, 2013

Directors Present: John Jeter, President
Bill Dickson, Vice President
Mary Ann Melleby, Treasurer
Ron Duncan, Director
Ray Morris, Director
Barbara Voigt, Director

Directors Absent: Ted Haring, Director

Staff and Consultants Present:
Jeff Davis, General Manager
Tom Todd, Jr., Finance Manager

1. **Call to Order, Flag Salute and Roll Call:** The Finance and Budget workshop of the San Gorgonio Pass Water Agency Board of Directors was called to order by President John Jeter at 1:30 p.m., February 25, 2013, in the Agency Conference Room at 1210 Beaumont Avenue, Beaumont, California. President Jeter led the Pledge of Allegiance to the flag. A quorum was present.
2. **Adoption and Adjustment of Agenda:** The agenda was adopted as presented.
3. **Public Comment:** There was no public comment at this time.
4. **New Business:**
President Jeter turned the meeting over to Director Voigt, Chair of the Finance & Budget Committee.
 - A. Ratification of Paid Invoices and Monthly Payroll for the Month of January, 2013 by Reviewing Check History Reports in Detail: After review and discussion, a motion was made by Director Dickson, seconded by Director Duncan, to recommend that the Board ratify paid monthly invoices of \$1,672,860.66 and payroll of \$29,515.25 for the month of January, 2013, for a combined total of \$1,702,375.91. The motion passed unopposed with Director Haring absent.
 - B. Review and Consideration of Pending Legal Invoices for January, 2013: After review and discussion, a motion was made by Director Melleby, seconded by Director Dickson, to recommend that the Board approve payment of the pending

legal invoices for January, 2013. The motion passed unopposed with Director Haring absent.

- C. Review of January, 2013 Bank Reconciliation: After review and discussion, a motion was made by Director Duncan, seconded by Director Melleby, to acknowledge receipt of the Wells Fargo bank reconciliation for January, 2013 as presented. The motion passed unopposed with Director Haring absent.
- D. Review of Budget Report for January, 2013: After review and discussion, a motion was made by Director Duncan, seconded by Director Dickson, to acknowledge receipt of the Budget Report for January, 2013 as presented. The motion passed unopposed with Director Haring absent.
- E. Consideration of Proposed Budget Revision for FY2012-13 Budget: The proposed budget revision provides a new line item for previously approved and purchased land for environmental mitigation purposes for EBX2. The new line item is called "EBX2 Mitigation Land Purchase." The amount to be added to the Debt Service Budget is \$358,932.00. After review and discussion, a motion was made by Director Dickson, seconded by Director Duncan, to recommend that the Board approve the proposed budget revision. The motion passed unopposed with Director Haring absent.
- F. Discussion of Financing EBX2 and Potential Future Tax Rates: General Manager Jeff Davis opened the discussion by reviewing the meeting he and Doug Headrick, General Manager of San Bernardino Valley Municipal Water District had with members of the DWR staff in Sacramento on February 15, 2013. Finance Manager Tom Todd handed out copies of a spreadsheet presented to the general managers with possible options for financing EBX2. Then General Manager Davis discussed various projections to compare tax rates necessary to meet the Agency's obligations for the coming years, which were handed out by Finance Manager Todd. The projections all included 22-year bonds for EBX2. The Board expressed a desire to meet with the DWR director about contract extension before discussing this issue any further.

5. Announcements: Director Voigt made the following announcements:

- A. Regular Board Meeting, March 4, 2013 at 1:30 p.m.
- B. Engineering Workshop, March 11, 2013 at 1:30 p.m., which will be a field trip.
- C. Regular Board Meeting, March 18, 2013 at 1:30 p.m.

6. Adjournment: The Finance and Budget workshop of the San Geronio Pass Water Agency Board of Directors was adjourned at 3:11 p.m.


Jeffrey W. Davis, Secretary of the Board