

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue
Beaumont, California 92223
Minutes of the
Board Finance and Budget Workshop
January 27, 2014

Directors Present: Bill Dickson, Vice President
Mary Ann Melleby, Treasurer
Ted Haring, Director
Ray Morris, Director
Barbara Voigt, Director

Directors Absent: John Jeter, President
Ron Duncan, Director

Staff and Consultants Present:
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 Vice-President Bill Dickson at 1:30 p.m., January 27, 2014, in the Agency Conference Room at 1210 Beaumont Avenue, Beaumont, California. Vice-President Dickson led the Pledge of Allegiance to the flag. A quorum was present.
2. **Adoption and Adjustment of Agenda:** Finance Manager Tom Todd requested that Item I be tabled to a later Finance and Budget Workshop. The rest of the agenda was adopted as published.
3. **Public Comment:** There was no public comment at this time.
4. **New Business:**
Vice-President Dickson 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 December, 2013 by Reviewing Check History Reports in Detail: After review and discussion, a motion was made by Director Haring, seconded by Vice-President Dickson, to recommend that the Board ratify paid monthly invoices of \$869,695.18 and payroll of \$30,717.08 for the month of December, 2013, for a combined total of \$900,412.26. The motion passed unopposed.
 - B. Review and Consideration of Pending Legal Invoices for December, 2013: After review and discussion, a motion was made by Vice-President Dickson, seconded by Director Melleby, to recommend that the Board approve payment of the pending legal invoices for December, 2013, after Director Voigt has discussed the

- invoice from Best Best & Kreiger with the General Manager. The motion passed unopposed.
- C. Review of December, 2013 Bank Reconciliation: After review and discussion, a motion was made by Vice-President Dickson, seconded by Director Haring, to acknowledge receipt of the Wells Fargo bank reconciliation for December, 2013 as presented. The motion passed unopposed.
 - D. Review of Budget Report for December, 2013: After review and discussion, a motion was made by Director Melleby, seconded by Vice-President Dickson, to acknowledge receipt of the Budget Report for December, 2013 as presented. The motion passed unopposed.
 - E. Review of Cash Reconciliation Report for December, 2013: After review and discussion, a motion was made by Vice-President Dickson, seconded by Director Haring, to acknowledge receipt of the Cash Reconciliation Report for December, 2013 as presented. The motion passed unopposed.
 - F. Review of Reserves Report for December, 2013: After review and discussion, a motion was made by Vice-President Dickson, seconded by Director Haring, to recommend that the Board approve the Reserves Report for December, 2013 as presented. The motion passed unopposed.
 - G. Consideration of Options for Pre-Funding CERBT: Finance Manager Todd opened this item by reviewing the past discussion about this subject. He handed out a copy of the spreadsheet that was considered at the Finance and Budget workshop of December 20, 2013. He reviewed the alternatives, and pointed out that a one-time contribution of \$300,000 provided the best return on the Agency's investment, in terms of the potential final balance of the CERBT, the funded status of the trust, and the total general ledger cost over the projected 5-year period. Finance Manager Todd also suggested that the amount could come out of the "Replacement" reserves category. A motion was made by Director Melleby, seconded by Director Dickson, to recommend that the Board approve making a \$300,000 contribution to the CERBT. The motion passed unopposed.
 - H. Consideration of Proposed Rate Increase by Legal Counsel: After review and discussion, the Board requested additional information in order to properly analyze the proposed increase. Staff will present information about the Agency's total cost of legal services, type of services it receives and a list of current firms the Agency employs at the next Finance and Budget workshop. No further action was taken at this time.
5. **Announcements:** Director Voigt reviewed the following announcements:
- A. Regular Board Meeting, February 3, 2014 at 1:30 p.m.
 - B. Beaumont Basin Watermaster Meeting, February 5, 2014 at 10:00 a.m. at Beaumont-Cherry Valley Water District
 - C. Engineering Workshop, February 10, 2014 at 1:30 p.m.
 - D. The office will be closed in observance of President's Day, February 17, 2014

E. Regular Board Meeting, Tuesday, February 18, 2014 1:30 p.m.

6. **Adjournment:** The Finance and Budget workshop of the San Geronio Pass Water Agency Board of Directors was adjourned at 2:23 p.m.



Jeffrey W. Davis, Secretary of the Board