

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue
Beaumont, California 92223
Minutes of the
Board Finance and Budget Workshop
August 25, 2014

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

Directors Absent: Ray Morris, Director

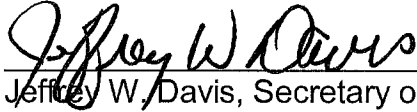
Staff and Consultants Present:
Jeff Davis, General Manager (until 1:40 p.m.)
Tom Todd, Jr, Finance Manager

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., August 25, 2014, 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 published.
3. **Public Comment:** No members of the public wished to make any comment at this time.
4. **New Business:**
President Jeter turned the meeting over to Director Barbara Voigt, Chair of the Finance & Budget Committee.
 - A. Ratification of Paid Invoices and Monthly Payroll for the Month of July, 2014 by Reviewing Check History Reports in Detail: After review and discussion, a motion was made by Director Haring, seconded by Director Duncan, to recommend that the Board ratify paid monthly invoices of \$1,680,343.91 and payroll of \$30,691.33 for the month of July, 2014, for a combined total of \$1,711,035.24. The Board requested a new format for the report which would include the full name of each vendor. Finance Manager Tom Todd said he would take care of the situation. The motion passed 6 in favor, no opposed, with Director Morris absent.

- B. Review and Consideration of Pending Legal Invoices for July, 2014: After review and discussion, a motion was made by Director Duncan, seconded by Director Melleby, to recommend that the Board approve payment of the pending legal invoices for July, 2014. The motion passed 6 in favor, no opposed, with Director Morris absent.
 - C. Review of July, 2014 Bank Reconciliation: After review and discussion, a motion was made by Director Duncan, seconded by Director Dickson, to acknowledge receipt of the Wells Fargo bank reconciliation for July, 2014 as presented. The motion passed 6 in favor, no opposed, with Director Morris absent.
 - D. Review of Budget Report for July, 2014: After review and discussion, a motion was made by Director Haring, seconded by Director Duncan, to acknowledge receipt of the Budget Report for July, 2014 as presented. The motion passed 6 in favor, no opposed, with Director Morris absent.
 - E. Review of Investment Policy (Resolution 2010-02): General Manager Jeff Davis introduced the topic, stating this is an annual review, and that staff have no recommendations for change. He turned the presentation over to Finance Manager Todd, and excused himself from the meeting. Finance Manager Todd reviewed the investment policy in detail, noting the kinds and amounts of investments in the various categories, both historically and currently. After further review and discussion, a motion was made by Director Dickson, seconded by Director Duncan, to recommend that the Board affirm the Investment Policy with no changes. The motion passed 6 in favor, no opposed, with Director Morris absent.
 - F. Discussion of Paying Off CalPERS Side Fund: Finance Manger Todd started the discussion by handing out a spreadsheet with estimates of future payments related to the CalPERS side fund. He explained the reason for the side fund, then reviewed the information presented in the spreadsheet. By paying the remaining balance of the side fund, \$205,700, the Agency would save approximately \$75,000 over the next 7 years, which is the estimate of the interest cost at a rate of about 8% on the unpaid balance per year. After review and discussion, a motion was made by Director Melleby, seconded by Director Dickson to recommend that the Board authorize staff to make the necessary arrangements to pay off the CalPERS side fund. The motion passed 6 in favor, no opposed, with Director Morris absent.
5. **Announcements:** Director Voigt reviewed the following announcements:
- A. San Gorgonio Pass Regional Water Alliance – Technical Committee Meeting, August 27, 2014 at 4:30 p.m. at Banning City Hall Conference Room.
 - B. San Gorgonio Pass Regional Water Alliance, August 27, 2014 at 6:00 p.m. at Banning City Council Chambers.
 - C. The office will be closed September 1, 2014 in observance of Labor Day.

D. Regular Board Meeting, Tuesday, September 2, 2014 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 2:15 p.m.



Jeffrey W. Davis, Secretary of the Board