

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue
Beaumont, California 92223
Minutes of the
Board Finance and Budget Workshop
July 23, 2015

Directors Present: Bill Dickson, Vice President
Mary Ann Melleby, Treasurer
Blair Ball, Director
Leonard Stephenson, Director

Directors absent: John Jeter, President
Ron Duncan, Director

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

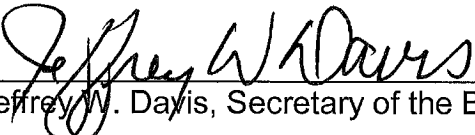
1. **Call to Order, Flag Salute and Roll Call:** The Finance and Budget workshop of the San Gorgonio Pass Water Agency Board of Directors was called to order by Vice President Bill Dickson at 1:30 p.m., July 23, 2015, in the Agency Conference Room at 1210 Beaumont Avenue, Beaumont, California. Director Blair Ball led the Pledge of Allegiance to the flag. A quorum was present.

Vice President Dickson turned the meeting over to the Chair of the Finance & Budget Committee, Director Mary Ann Melleby.

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:**
 - A. Lyle Defenbaugh, Client Relations Director of CalTRUST, made a presentation about CalTRUST, a potential investment option. He answered a number of questions from the Board.
 - B. Ratification of Paid Invoices and Monthly Payroll for the Month of June, 2015 by Reviewing Check History Reports in Detail: After review and discussion, a motion was made by Director Dickson, seconded by Director Director Ball, to recommend that the Board ratify paid monthly invoices of \$803,313.08 and payroll of \$31,345.68 for the month of June, 2015, for a combined total of \$834,658.76. The motion passed 4 in favor, no opposed, with President Jeter and Director Duncan absent.
 - C. Review and Consideration of Pending Legal Invoices for June, 2015: After review and discussion, a motion was made by Director Ball, seconded by Director Dickson, to recommend that the Board approve payment of the pending legal invoices for June,

2015. The motion passed 4 in favor, no opposed, with President Jeter and Director Duncan absent.

- D. Review of June, 2015 Bank Reconciliation: After review and discussion, a motion was made by Director Dickson, seconded by Director Stephenson, to recommend that the Board acknowledge receipt of the Wells Fargo bank reconciliation for June, 2015 as presented. The motion passed 4 in favor, no opposed, with Director President and Director Duncan absent.
- E. Review of Budget Report for June, 2015: After review and discussion, a motion was made by Director Ball, seconded by Director Dickson, to recommend that the Board acknowledge receipt of the unaudited Budget Report for June, 2015. The motion passed 4 in favor, no opposed, with President Jeter and Director Duncan absent.
- F. Review of Proposed Debt Service Fund Budget for FY 2015-16: General Manager Jeff Davis presented the Debt Service Fund budget by reviewed expected expenses and projected income. The budget was presented in detail and summary forms. He next presented and reviewed spreadsheets prepared by Finance Manager Tom Todd that estimated EBX expenses, Statement of Charges expenses, total Debt Service Expenses, projected Debt Service income and a summary of expenses and income and their net effect on reserves from now until 2035. After review and discussion, a motion was made by Director Dickson, seconded by Director Stephenson, to recommend that the Board set the tax rate for FY 2015-16 at 18.5 cents per \$100 of assessed valuation. The motion passed 4 in favor, no opposed, with President Jeter and Director Duncan absent. Next, a motion was made by Director Dickson, seconded by Director Ball, to recommend that the Board approve the proposed Debt Service Fund Budget for FY 2015-16. The motion passed 4 in favor, no opposed, with President Jeter and Director Duncan absent.
- G. Review of Investment Strategies: Finance Manager Todd passed out a set of graphs showing where the Agency's surplus money was currently invested, and what rate of return it was earning. After review and discussion, the consensus of the Board was to direct staff to make some suggestions for investments that would provide a better rate of return, to be presented at a future Board meeting.
5. **Announcements:** Chair Melleby reviewed the following announcements:
- A. Special Board Meeting, Public Hearing, Facility Capacity Fee, Monday, July 27, 2015, at 7:00 p.m.
 - B. Regular Board Meeting, August 3, 2015 at 1:30 p.m.
 - C. Special Board Meeting, Thursday, August 6, 2015, at 6:00 p.m.
 - D. Engineering Workshop, August 10, 2015 at 1:30 p.m.
6. **Adjournment:** The Finance and Budget workshop of the San Gorgonio Pass Water Agency Board of Directors was adjourned at 3:20 p.m.



Jeffrey W. Davis, Secretary of the Board