

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue
Beaumont, California 92223
Minutes of the
Board Finance and Budget Workshop
March 28, 2016

Directors Present: John Jeter, President
Bill Dickson, Vice President
Mary Ann Melleby, Treasurer
Blair Ball, Director
Ron Duncan, Director, arrived at 4:18 pm
David Fenn, Director
Leonard Stephenson, 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 4:00 p.m., March 28, 2016, 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.

President Jeter 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. Ratification of Paid Invoices and Monthly Payroll for February, 2016 by Reviewing Check History Reports in Detail: After review and discussion, a motion was made by Director Stephenson, seconded by President Jeter, to recommend that the Board ratify paid monthly invoices of \$449,428.85 and payroll of \$29,971.65 for the month of February, 2016, for a combined total of \$479,400.50. The motion passed 6 in favor, no opposed, with Director Duncan absent.
 - B. Review Pending Legal Invoices: After review and discussion, a motion was made by Director Stephenson, seconded by Director Dickson, to recommend that the Board approve payment of the pending legal invoices for February, 2016. The motion passed 6 in favor, no opposed, with Director Duncan absent.
 - C. Review of February, 2016 Bank Reconciliation: After review and discussion, a motion was made by Director Stephenson, seconded by Director Dickson, to

recommend that the Board acknowledge receipt of the Wells Fargo bank reconciliation for February, 2016 as presented. The motion passed 6 in favor, no opposed, with Director Duncan absent.

- D. Review of Budget Report for February, 2016: After review and discussion, a motion was made by Director Stephenson, seconded by Director Duncan, to recommend that the Board acknowledge receipt of the Budget Report for February, 2016. The motion passed 7 in favor, no opposed.
- E. Review of Proposed Budget Revision: General Manager Davis reviewed the items for the proposed budget revision: (1) increase the budget for Accounting and Auditing from \$21,000 to \$22,000 because of extra time spent on integrating GASB 68 retirement reporting requirements; (2) reduce the budget for Notice of Preparation + EIR, related to the Flume/FERC process from \$50,000 to \$0, and reduce Environmental Justice, related to the Flume/FERC process from \$27,000 to \$0 because neither project is going to be done; (3) establish a new line item, Flume Support, for \$22,000, to budget for consulting by Roy McDonald; and (4) increase Other Conservation, Education and P.R. from \$10,000 to \$25,000 for elected official education and messaging and possibly doing a 'State of the Water' presentation similar to the first one the Agency put on. Net changes: reductions of \$77,000, and increases of \$38,000, for a net reduction of \$39,000. After review and discussion, a motion was made by Director Dickson, seconded by Director Duncan, to recommend that the Board approve the budget revision as presented. The motion passed 7 in favor, no opposed.
- F. Discussion of Increasing Costs of DWR: General Manager Davis reviewed the letter written by Jeff Kightlinger, General Manager of Metropolitan Water District and Curtis Creel of Kern County Water Agency that expressed concern about the increasing costs those agencies have experienced in charges from DWR. The letter was signed by 14 other State Water Contractors, including the Agency, which represents over 90% of the water delivered through the State Water Project. General Manger Davis explained this was presented to inform the Board, as this information may impact the Board's decision about tax rates which will be set later this year.
5. **Announcements:** Chair Melleby reviewed the following announcements:
A. Regular Board Meeting, April 4, 2016 at 7:00 p.m.
B. Engineering Workshop, April 11, 2016 at 4:00 p.m.
6. **Adjournment:** The Finance and Budget workshop of the San Gorgonio Pass Water Agency Board of Directors was adjourned at 4:51 p.m.



Jeffrey W. Davis, Secretary of the Board