

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue
Beaumont, California 92223
Minutes of the
Board Finance and Budget Workshop
May 23, 2016

Directors Present: John Jeter, President
Mary Ann Melleby, Treasurer
Blair Ball, Director
David Fenn, Director
Leonard Stephenson, Director

Directors Absent: Bill Dickson, Vice 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 President John Jeter at 4:00 p.m., May 23, 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:** General Manager Jeff Davis asked to postpone item 4F to the next Finance and Budget workshop at the suggestion of Director Ball. Staff is preparing an analysis for him, which is not complete. The Board members had no objection. The agenda was adopted as adjusted.
3. **Public Comment:** Tom Shalhoub announced that a Memorial Day celebration will be held at Desert Lawn on Monday, May 30 at 10:00 am.
4. **New Business:**
 - A. Ratification of Paid Invoices and Monthly Payroll for April, 2016 by Reviewing Check History Reports in Detail: After review and discussion, a motion was made by Director Ball, seconded by Director Stephenson, to recommend that the Board ratify paid monthly invoices of \$648,980.12 and payroll of \$31,565.47 for the month of April, 2016, for a combined total of \$680,545.59. The motion passed 5 in favor, no opposed, with Director Dickson and Director Duncan absent.
 - B. Review Pending Legal Invoices: After review and discussion, a motion was made by Director Ball, seconded by Director Stephenson, to recommend that the Board

- approve payment of the pending legal invoices for April, 2016. The motion passed 5 in favor, no opposed, with Director Dickson and Director Duncan absent.
- C. Review of April, 2016 Bank Reconciliation: After review and discussion, a motion was made by Director Stephenson, seconded by President Jeter, to recommend that the Board acknowledge receipt of the Wells Fargo bank reconciliation for April, 2016 as presented. The motion passed 5 in favor, no opposed, with Director Dickson and Director Duncan absent.
 - D. Review of Budget Report for April, 2016: After review and discussion, a motion was made by Director Fenn, seconded by Director Stephenson, to recommend that the Board acknowledge receipt of the Budget Report for April, 2016. The motion passed 5 in favor, no opposed, with Director Dickson and Director Duncan absent.
 - E. Review of Proposed General Fund Budget for FY 2016-17: General Manager Davis opened the discussion. He reviewed each line item, with comments about increases and decreases. Major increases include expected income from water sales and expected expenses from purchased water. It is expected that the cost of purchased water will exceed the income from water sales. It was suggested to add a line item called "SBVMWD Conjunctive Use Project" but with no dollar amount, as a place holder, in case the Agency's participation in the project requires expenditures during the coming fiscal year. General Manager Davis summarized the budget by pointing out the expected budget shortfall of \$166,450. He asked Board members to contact staff with any other suggestions. The next presentation of the budget will be at the June Finance and Budget workshop.
 - F. Further Discussion of Water Rates: This item was postponed until the next Finance and Budget workshop.
5. **Announcements:** Chair Melleby reviewed the following announcements:
- A. The office will be closed for Memorial Day, Monday, May 30, 2016
 - B. Regular Board Meeting, June 6, 2016 at 7:00 p.m.
 - C. Engineering Workshop, June 13, 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 5:03 p.m.



Jeffrey W. Davis, Secretary of the Board