

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue
Beaumont, California 92223
Minutes of the
Board Finance and Budget Workshop
November 27, 2017

Directors Present: David Fenn, President
Ron Duncan, Vice President
David Castaldo, Director; arrived 1:36 pm
Blair Ball, Director; arrived 1:50 pm
Steve Lehtonen, Director
Mike Thompson, Director

Directors Absent: Lenny Stephenson, Treasurer

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 Director Mike Thompson at 1:30 pm, November 27, 2017, in the Agency Board Room at 1210 Beaumont Avenue, Beaumont, California. Director Thompson 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 requested to speak at this time.
4. **New Business:**
 - A. Ratification of Paid Invoices and Monthly Payroll for October, 2017 by Reviewing Check History Reports in Detail: After review and discussion, a motion was made by Director Duncan, seconded by President Fenn, to recommend that the Board ratify paid monthly invoices of \$1,166,379.10 and payroll of \$36,996.64 for the month of October, 2017, for a combined total of \$1,203,375.74. The motion passed, 4 in favor, no opposed, with Directors Ball and Castaldo not yet present, and Director Stephenson absent.
 - B. Review Pending Legal Invoices: After review and discussion, a motion was made by Director Lehtonen, seconded by Director Thompson, to recommend that the Board approve payment of the pending legal invoices for October, 2017. The motion passed, 4 in favor, no opposed, with Directors Ball and Castaldo not yet present, and Director Stephenson absent.
 - C. Review of October, 2017 Bank Reconciliation: After review and discussion, a motion was made by Director Duncan, seconded by Director Lehtonen, to recommend that the Board acknowledge receipt of the Wells Fargo bank reconciliation for October, 2017 as presented. The motion passed, 5 in favor, no opposed, with Director Ball not yet present, and Director Stephenson absent.

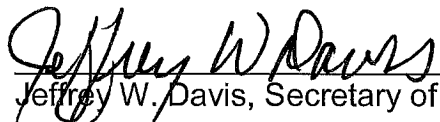
- D. Review of Budget Report for October, 2017: After review and discussion, a motion was made by Director Duncan, seconded by President Fenn, to recommend that the Board acknowledge receipt of the Budget Report for October, 2017. The motion passed, 5 in favor, no opposed, with Director Ball not yet present, and Director Stephenson absent.

- E. Discussion of General Fund Monies Previously Used for SWP: General Manager Jeff Davis presented information from Agency records about expenditures made to build facilities to transport water from DWR's original point of delivery at Devil Canyon to the Agency's service area. The Agency and San Bernardino Valley Municipal Water District shared the facilities and the cost of construction. Construction started in FY 1970-71 and continued through FY 1989-90. The total amount expended on the facilities from the General Fund was \$7,759,939. The Agency made payments to SBVMWD starting in FY1989-90 through FY2002-03. Payments from the Debt Service fund to SBVMWD totaled \$873,981. When the State Water Project decided to build the East Branch Extension, these facilities were included as part of the SWP. As a result, the Board authorized transfers of funds from the Debt Service Fund to "repay" the General Fund in August, 2004. A total for \$1,030,00 was transferred until October, 2010, when the Board suspended transfers until such time as further action was taken. It was the consensus of the Board that this matter be discussed and possible action taken at a future Board meeting with input from General Counsel.

5. Announcements: Director Thompson referred to the announcements:

- A. Regular Board Meeting, December 4, 2017, 1:30 pm
- B. Engineering Workshop, December 11, 2017, 1:30 pm
- C. Finance and Budget Workshop, December 18, 2017, 1:30 pm

6. Adjournment: The Finance and Budget workshop of the San Gorgonio Pass Water Agency Board of Directors was adjourned at 2:07 pm.



Jeffrey W. Davis, Secretary of the Board