

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue
Beaumont, California 92223
Minutes of the
Board Finance and Budget Workshop
April 23, 2018

Directors Present: David Fenn, President
Ron Duncan, Vice President
Lenny Stephenson, Treasurer
Blair Ball, Director
Steve Lehtonen, Director

Directors Absent: David Castaldo, Director
Mike Thompson, 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 Treasurer Lenny Stephenson at 1:31 pm, April 23, 2018, in the Agency Conference Room at 1210 Beaumont Avenue, Beaumont, California. Treasurer Stephenson 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 March, 2018 by Reviewing Check History Reports in Detail:** After review and discussion, a motion was made by Director Duncan, seconded by Director Lehtonen, to recommend that the Board ratify paid monthly invoices of \$5,713,096.13 and payroll of \$36,611.55 for the month of March, 2018, for a combined total of \$5,749,707.66. The motion passed 5 in favor, no opposed, with Directors Castaldo and Thompson absent.
 - B. **Review Pending Legal Invoices:** After review and discussion, a motion was made by Director Duncan, seconded by Director Lehtonen, to recommend that the Board approve payment of the pending legal invoices for March, 2018. The motion passed 5 in favor, no opposed, with Directors Castaldo and Thompson absent.
 - C. **Review of March, 2018 Bank Reconciliation:** After review and discussion, a motion was made by Director Duncan, seconded by Director Fenn, to recommend that the Board acknowledge receipt of the Wells Fargo bank

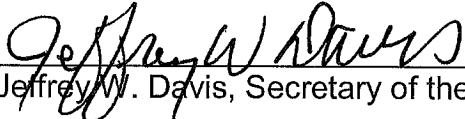
reconciliation for March, 2018 as presented. The motion passed 5 in favor, no opposed, with Directors Castaldo and Thompson absent.

- D. Review of Budget Report for March, 2018: After review and discussion, a motion was made by Director Duncan, seconded by Director Ball, to recommend that the Board acknowledge receipt of the Budget Report for March, 2018. The motion passed 5 in favor, no opposed, with Directors Castaldo and Thompson absent.
- E. Review of Cash Reconciliation Report for March, 2018: Finance Manager Tom Todd reviewed the report, noting the transfer from the Debt Service Fund to the General Fund of \$5,855,985 for the repayment of the Joint Facilities. After further review and discussion, a motion was made by Director Lehtonen, seconded by Director Duncan to recommend that the Board acknowledge receipt of the Cash Reconciliation Report for March, 2018. The motion passed 5 in favor, no opposed, with Directors Castaldo and Thompson absent.
- F. Review of Reserve Allocation Report for March, 2018: Finance Manager Todd reviewed the report, noting the affect of the Nickel Water purchase. General Manager Jeff Davis noted the affect of the transfer of the Joint Facilities funds. After further review and discussion, a motion was made by Director Duncan, seconded by Director Ball, to recommend that the Board approve the Reserve Allocation Report for March, 2018 as presented. The motion passed 5 in favor, no opposed, with Directors Castaldo and Thompson absent.
- G. Review of Investment Report for March, 2018: Finance Manager Todd handed out the report. He and General Manager Davis led the review of specific investments and their return. The Board asked for a comparison of Treasury Bill rates to be presented at the next Finance and Budget Workshop. After further review and discussion, a motion was made by Director Duncan, seconded by Director Fenn, to recommend that the Board acknowledge receipt of the Investment Report for March, 2018.
- H. Report on Checking Account for Payroll Purchases: Finance Manager Todd reported that he estimated the cost of a separate payroll account at the Bank of Hemet to be about \$40 per month. In addition, the Bank of Hemet said it would consider raising the interest rate on the Local Agency Money Market Account that the Agency currently has at the Bank. After further review and discussion, a motion was made by Director Fenn, seconded by Director Duncan to recommend that the Board authorize Staff to open a checking account for payroll purposes at the Bank of Hemet, and continue the process of enacting dual-custody on the Agency's Wells Fargo account. The motion passed 5 in favor, no opposed, with Directors Castaldo and Thompson absent.

5. Announcements

- A. San Gorgonio Pass Regional Water Alliance, April 25, 2018, 5:00 pm, Banning City Hall
- B. Regular Board Meeting, May 7, 2018, 1:30 pm
- C. Engineering Workshop, May 14, 2018, 130 pm

- 6. Adjournment:** The Finance and Budget workshop of the San Geronio Pass Water Agency Board of Directors was adjourned at 2:26 pm.



Jeffrey W. Davis, Secretary of the Board