

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue
Beaumont, California 92223
Minutes of the
Board Finance and Budget Workshop
November 26, 2018

Directors Present: David Fenn, President
Ron Duncan, Vice President
Blair Ball, Director
David Castaldo, Director
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 President David Fenn at 1:30 pm, November 26, 2018, in the Agency Conference Room at 1210 Beaumont Avenue, Beaumont, California. President Fenn 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, 2018 by Reviewing Check History Reports in Detail: After review and discussion, a motion was made by Director Duncan, seconded by Director Thompson, to recommend that the Board ratify paid monthly invoices of \$1,554,966.41 and payroll of \$36,958.96 for the month of October, 2018, for a combined total of \$1,591,925.37. The motion passed 6 in favor, no opposed, with Director Stephenson absent.
 - B. Review Pending Legal Invoices: After review and discussion, a motion was made by Director Castaldo, seconded by Director Thompson, to recommend that the Board approve payment of the pending legal invoices for October, 2018. The motion passed 6 in favor, no opposed, with Director Stephenson absent.
 - C. Review of October, 2018 Bank Reconciliation: After review and discussion, a motion was made by Director Ball, seconded by Director Castaldo, to recommend that the Board acknowledge receipt of the Wells Fargo bank


reconciliation for October, 2018 as presented. The motion passed 6 in favor, no opposed, with Director Stephenson absent.

- D. Review of Budget Report for October, 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 October, 2018. The motion passed 6 in favor, no opposed, with Director Stephenson absent.
- E. Review of Cash Reconciliation Report for September 30, 2018: General Manager Jeff Davis introduced this item by pointing out that the starting amounts listed on the report are the finalized, audited amounts as of June 30, 2018. Finance Manager Tom Todd reviewed the report and answered questions from the Board. After further review and discussion, a motion was made by Director Thompson, seconded by Director Ball, to recommend that the Board accept the Cash Reconciliation Report for September 30, 2018. The motion passed 6 in favor, no opposed, with Director Stephenson absent.
- F. Review of Reserve Allocation Report for September 30, 2018: General Manager Davis and Finance Manager Todd reviewed this item. There were no additions to the Additional Water category because water delivery costs are currently more than water sales revenue. After further review and discussion, a motion was made by Director Duncan, seconded by Director Castaldo, to recommend that the Board accept the Reserve Allocation Report for September 30, 2018 as presented. The motion passed 6 in favor, no opposed, with Director Stephenson absent.
- G. Review of Investment Report for September 30, 2018: Finance Manager Todd briefly reviewed this item. General Manager Davis commented on the columns that list the carrying value or the face value of investments that the Agency has, and the columns that list the current values of investments, and noted the differences, if any. The Board discussed the current practices of the Agency regarding sale and maturity of investments, and the disposition of interest payments. General Manger Davis also discussed U.S. T-Bills, which the Agency has invested in previously. The Agency expects major tax deposits in December and January, and the Board discussed possible investment vehicles. The recommendation of the Board was that T-Bills, in 3-month to 6-month maturities, invested through TVI, would be appropriate investments at this time. After further review and discussion, a motion was made by Director Thompson, seconded by Director Duncan, to recommend that the Board accept the Investment Report for September 30, 2018, and recommend that staff use T-Bills as investments as described. The motion passed 6 in favor, no opposed, with Director Stephenson absent.
- H. Discussion: Date for December Finance & Budget Workshop: The Board decided to hold the December Finance & Budget Workshop on Thursday, December 20, 2018 at 1:30 pm.

5. Announcements

- A. ACWA Conference in San Diego, November 27-30, 2018
- B. Regular Board Meeting, December 3, 2018, 1:30 pm
- C. Engineering Workshop, December 10, 2018, 1:30 pm

6. Adjournment: The Finance and Budget workshop of the San Geronio Pass Water Agency Board of Directors was adjourned at 2:17 pm.



Jeffrey W. Davis, Secretary of the Board