

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue
Beaumont, California 92223
Minutes of the
Board Finance and Budget Workshop
June 27, 2016

Directors Present: Mary Ann Melleby, Treasurer
Blair Ball, Director
Ron Duncan, Director
David Fenn, Director
Leonard Stephenson, Director

Directors Absent: John Jeter, President
Bill Dickson, Vice President

Staff and Consultants Present:
Jeff Davis, General 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 Mary Ann Melleby at 4:00 p.m., June 27, 2016, in the Agency Conference Room at 1210 Beaumont Avenue, Beaumont, California. Director Melleby led the Pledge of Allegiance to the flag. A quorum was present.
2. **Adoption and Adjustment of Agenda:** There were no adjustments to the agenda.
3. **Public Comment:** Tom Shalhoub announced that he had attended the WESCAS (Western Coalition of Arid States) meeting and had spoken to the Director of the Los Alamos Laboratory, who had many interesting things to say. No other member of the public wished to address the Board at this time.
4. **New Business:**
 - A. Ratification of Paid Invoices and Monthly Payroll for May, 2016 by Reviewing Check History Reports in Detail: After review and discussion, a motion was made by Director Duncan, seconded by Director Stephenson, to recommend that the Board ratify paid monthly invoices of \$469,639.45 and payroll of \$32,030.88 for the month of May, 2016, for a combined total of \$501,670.33. The motion passed 5 in favor, no opposed, with President Jeter and Vice President Dickson absent.
 - B. Review Pending Legal Invoices: After review and discussion, a motion was made by Director Duncan, seconded by Director Stephenson, to recommend that the Board approve payment of the pending legal invoices for May, 2016. The motion passed 5 in favor, no opposed, with President Jeter and Vice President Dickson absent.

- C. Review of May, 2016 Bank Reconciliation: After review and discussion, a motion was made by Director Duncan, seconded by Director Stephenson, to recommend that the Board acknowledge receipt of the Wells Fargo bank reconciliation for May, 2016 as presented. The motion passed 5 in favor, no opposed, with President Jeter and Vice President Dickson absent.
- D. Review of Budget Report for May, 2016: After review and discussion, a motion was made by Director Duncan, seconded by Director Stephenson, to recommend that the Board acknowledge receipt of the Budget Report for May, 2016. The motion passed 5 in favor, no opposed, with President Jeter and Vice President Dickson absent.
- E. Review of Proposed General Fund Budget for FY 2016-17: General Manager Davis opened the discussion. He reviewed the proposed budget, focusing on changes made since the draft budget was originally discussed last month. Major changes include lower cost of purchased water, higher tax revenues, a higher election cost, participation in Sites Reservoir and the Bunker Hill Conjunctive Use project, and a deletion of funding for construction of the Beaumont Avenue Recharge Facility. He explained that it would be better to proceed with this next year, when Prop 1 funding is likely to be available. Pie charts were discussed that demonstrated where revenues are expected to come from and where funds will be spent. General Manager Davis summarized the budget by pointing out the expected budget surplus of \$30,450. The Board asked to reduce the funding for an integrated regional water management plan from \$20,000 to \$5,000. No other changes were proposed. After discussion, Director Duncan moved, seconded by Director Stephenson, that the revised draft budget be brought to the Board for discussion and approval at the July 5 Board meeting. Motion passed 5-0 with President Jeter and Vice President Dickson absent.
5. **Announcements:** Chair Melleby reviewed the following announcements:
- A. The office will be closed for Independence Day, Monday, July 4, 2016
 - B. Regular Board Meeting, Tuesday, July 5, 2016 at 7:00 p.m.
 - C. Engineering/Allocation Workshop, July 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 5:00 p.m.



Jeffrey W. Davis, Secretary of the Board