

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Ave, Beaumont, CA 92223
Board Finance & Budget Workshop
Agenda
November 23, 2020 at 1:30 p.m.

IN AN EFFORT TO PREVENT THE SPREAD OF COVID-19 (CORONAVIRUS), AND IN ACCORDANCE WITH THE GOVERNOR'S EXECUTIVE ORDER N-29-20, **THERE WILL BE NO PUBLIC LOCATION FOR ATTENDING THIS BOARD MEETING IN PERSON.** MEMBERS OF THE PUBLIC MAY LISTEN AND PROVIDE PUBLIC COMMENT TELEPHONICALLY BY CALLING THE FOLLOWING NUMBER:
669-900-6833, Meeting ID 876 9866 8365 OR JOIN BY ZOOM:
<https://us02web.zoom.us/j/87698668365>

1. Call to Order, Flag Salute

2. Adoption and Adjustment of Agenda

3. Public Comment: Members of the public may address the Board at this time concerning items relating to any matter within the Agency's jurisdiction. To comment on a specific agenda item, please complete a speaker's request form and hand it to the Board secretary. Speakers are requested to keep their comments to no more than five minutes. Under the Brown Act, no action or discussion shall take place on any item not appearing on the agenda, except that the Board or staff may briefly respond to statements made or questions posed for the purpose of directing statements or questions to staff for follow up.

4. New Business (Discussion and possible recommendations for action at a future regular Board meeting)

- A. Ratification of Paid Invoices and Monthly Payroll for October, 2020 by Reviewing Check History Reports in Detail*
- B. Review of Pending Legal Invoices*
- C. Review of October, 2020 Bank Reconciliation*
- D. Review of Budget Report for October, 2020*
- E. Discussion of Tax Revenue*

5. Announcements

- A. Regular Board Meeting, December 7, 2020, 1:30 pm, via Teleconference/Zoom
- B. The office will be closed in observance of the Thanksgiving Holiday, November 26th and 27th, 2020
- C. Engineering Workshop, December 14, 2020, 1:30 pm, via Teleconference/Zoom

6. Adjournment

***Information Included In Agenda Packet**

1. Materials related to an item on this agenda submitted to the Board of Directors after distribution of the agenda packet are available for public inspection in the Agency's office at 1210 Beaumont Ave., Beaumont, CA 92223 during normal business hours. 2. Pursuant to Government Code section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection at the Agency's office, during regular business hours. When practical, these public records will also be available on the Agency's Internet website, accessible at <http://www.sgpwa.com>. 3. Any person with a disability who requires accommodation in order to participate in this meeting should telephone the Agency (951-845-2577) at least 48 hours prior to the meeting to make a request for a disability-related modification or accommodation.

San Geronio Pass Water Agency
Check History Report
October 1 through October 31, 2020

ACCOUNTS PAYABLE

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
10/05/2020	119831	ASSOCIATION OF CALIFORNIA WATER AGENCIES	24,245.00
10/05/2020	119832	ACWA JPIA	21,408.00
10/05/2020	119833	BARTEL ASSOCIATES, LLC	1,400.00
10/05/2020	119834	BDL ALARMS, INC.	78.00
10/05/2020	119835	BEST BEST & KRIEGER	9,126.35
10/05/2020	119836	BEAUMONT HOME CENTER	88.27
10/05/2020	119837	OFFICE SOLUTIONS	172.32
10/05/2020	119838	THE PRESS-ENTERPRISE	120.39
10/05/2020	119839	PROVOST & PRITCHARD	83,982.55
10/05/2020	119840	SAN BERNARDINO VALLEY MUNI WATER DISTRICT	215,553.44
10/05/2020	119841	VALLEY OFFICE EQUIPMENT, INC.	188.98
10/05/2020	119842	WASTE MANAGEMENT INLAND EMPIRE	115.90
10/16/2020	119843	ALBERT WEBB ASSOCIATES	1,125.00
10/16/2020	119844	ERNST & YOUNG LLP	1,111.00
10/16/2020	119845	ERSC	4,309.65
10/16/2020	119846	FRONTIER COMMUNICATIONS	1,321.68
10/16/2020	119847	OFFICE SOLUTIONS	341.07
10/16/2020	119848	TULLY & YOUNG	6,497.50
10/16/2020	119849	UNLIMITED SERVICES	295.00
10/23/2020	119850	ACWA BENEFITS	962.48
10/23/2020	119851	AT&T MOBILITY	231.67
10/23/2020	119852	CALPERS RETIREMENT	100,000.00
10/23/2020	119853	FEDERAL EXPRESS	28.26
10/23/2020	119854	MATTHEW PISTILLI LANDSCAPE SERVICES	350.00
10/23/2020	119855	NICE-INCONTACT	68.89
10/23/2020	119856	SITES PROJECT JPA	840,000.00
10/23/2020	119857	UNDERGROUND SERVICE ALERT	44.65
10/23/2020	119858	WELLS FARGO ELITE CREDIT CARD	5,112.47
10/26/2020	119859	ACWA JPIA	1,056.40
10/26/2020	119860	DESERT FIRE EXTINGUISHER	89.85
10/30/2020	119861	STANDARD INSURANCE COMPANY	548.05
10/28/2020		check order - Checks Unlimited	342.14
10/15/2020	587213	EMPLOYMENT DEVELOPMENT DEPARTMENT	1,062.53
10/15/2020	557968	ELECTRONIC FEDERAL TAX PAYMENT SYSTEM	6,467.10
10/30/2020	528556	EMPLOYMENT DEVELOPMENT DEPARTMENT	1,040.62
10/30/2020	595556	ELECTRONIC FEDERAL TAX PAYMENT SYSTEM	7,653.27
10/15/2020	900346	CALPERS RETIREMENT	5,735.53
10/15/2020	900347	CAL PERS RETIREMENT - SIP-457	1,050.00
10/23/2020	900348	CALPERS HEALTH	9,756.04
10/30/2020	900349	CALPERS RETIREMENT	5,652.32
10/30/2020	900350	CAL PERS RETIREMENT - SIP-457	1,050.00
10/31/2020	900351	DEPARTMENT OF WATER RESOURCES	1,120,905.00
TOTAL ACCOUNTS PAYABLE CHECKS			<u>2,480,687.37</u>

San Geronio Pass Water Agency
Check History Report
October 1 through October 31, 2020

PAYROLL

Date	Number	Name	Amount
10/14/2020	801980	JEFFREY W. DAVIS	3,380.12
10/14/2020	801981	LANCE E. ECKHART	5,900.02
10/14/2020	801982	KENNETH M. FALLS	3,429.12
10/14/2020	801983	CHERYLE M. STIFF	2,459.43
10/14/2020	801984	THOMAS W. TODD, JR.	3,798.63
10/29/2020	801985	JEFFREY W. DAVIS	3,092.21
10/29/2020	801986	RONALD A. DUNCAN	1,272.58
10/29/2020	801987	LANCE E. ECKHART	5,900.02
10/29/2020	801988	KENNETH M. FALLS	3,461.15
10/29/2020	801989	DAVID L. FENN	1,272.58
10/29/2020	801990	STEPHEN J. LEHTONEN	2,290.65
10/29/2020	801991	LEONARD C. STEPHENSON	1,272.58
10/29/2020	801992	CHERYLE M. STIFF	2,459.43
10/29/2020	801993	MICHAEL D. THOMPSON	1,272.58
10/29/2020	801994	THOMAS W. TODD, JR.	3,798.63
TOTAL PAYROLL			45,059.73
TOTAL DISBURSEMENTS FOR OCTOBER, YEAR			2,525,747.10

SAN GORGONIO PASS WATER AGENCY

**LEGAL INVOICES
ACCOUNTS PAYABLE INVOICE LISTING**

<u>VENDOR</u>	<u>INVOICE NBR</u>	<u>COMMENT</u>	<u>AMOUNT</u>
BEST, BEST & KRIEGER	201030	LEGAL SERVICES OCTOBER 2020	7,902.77

TOTAL PENDING INVOICES FOR APPROVAL NOVEMBER 2020

7,902.77

**SAN GORGONIO PASS WATER AGENCY
BANK RECONCILIATION
October 31, 2020**

BALANCE PER BANK ON 10/31/2020 - CHECKING
ACCOUNT

2,365,911.43

LESS OUTSTANDING CHECKS

CHECK NUMBER	AMOUNT	CHECK NUMBER	AMOUNT
119852	100,000.00	119859	1,056.40
119856	840,000.00	119861	548.05
119857	44.65	900350	1,050.00
	<u>940,044.65</u>		<u>2,654.45</u>

TOTAL OUTSTANDING CHECKS

-942,699.10

BALANCE PER GENERAL LEDGER

1,423,212.33

BALANCE PER GENERAL LEDGER ON
09/30/2020

861,819.22

CASH RECEIPTS FOR OCTOBER

3,092,080.48

CASH DISBURSEMENTS FOR OCTOBER

ACCOUNTS PAYABLE - CHECK HISTORY REPORT
PAYROLL TRANSFER - BANK OF HEMET

(2,480,687.37)

-50,000.00

-2,530,687.37

BANK CHARGES

0.00

BALANCE PER GENERAL LEDGER AT
10/31/2020

1,423,212.33

REPORT PREPARED
BY:

Cheryle Stiff
Cheryle M. Stiff

**SAN GORGONIO PASS WATER AGENCY
DEPOSIT RECAP
FOR THE MONTH OF OCTOBER 2020**

<u>DATE</u>	<u>RECEIVED FROM</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>TOTAL DEPOSIT AMOUNT</u>
DEPOSIT TO CHECKING ACCOUNT				
10/16/20	BCVWD	WATER SALES	690,669.00	690,669.00
10/21/20	STATE OF CALIF/DWR	EBX BND CVR SEP19	1,456,275.00	
10/21/20	STATE OF CALIF/DWR	WSRB BOND CVR JUL19	113,114.00	
10/21/20	STATE OF CALIF/DWR	TSAB BND CVR SEP19	4,417.00	1,573,806.00
10/27/20	STATE OF CALIF/DWR	SMIF INTEREST	35,547.00	35,547.00
10/27/20	TVI	CD - BOND INTEREST	24,709.82	24,709.82
10/28/20	RIVERSIDE COUNTY	PROPERTY TAXES	767,348.66	767,348.66
TOTAL FOR OCTOBER 2020			3,092,080.48	3,092,080.48

SAN GORGONIO PASS WATER AGENCY
BUDGET REPORT FY 2020-21
BUDGET VS. REVISED BUDGET VS. ACTUAL
FOR THE OCTOBER MONTHS ENDING ON OCTOBER 30, 2020

FOR THE FISCAL YEAR JULY 1, 2020 - JUNE 30, 2021

	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
GENERAL FUND - INCOME				Comparison:	67%
INCOME					
WATER SALES	4,200,000		4,200,000	1,563,282.00	62.78%
TAX REVENUE	3,300,000		3,300,000	194,677.03	94.10%
INTEREST	250,000		250,000	31,547.83	87.38%
DESIGNATED REVENUES	910,000		910,000	0.00	100.00%
CAPACITY FEE	0		0	0.00	
OTHER (REIMBURSEMENTS, TRANSFERS)	32,000		32,000	29,343.05	8.30%
TOTAL GENERAL FUND INCOME	8,692,000	0	8,692,000	1,818,849.91	79.07%
GENERAL FUND - EXPENSES					
COMMODITY PURCHASE					
PURCHASED WATER	6,000,000		6,000,000	1,303,867.00	78.27%
TOTAL COMMODITY PURCHASE	6,000,000	0	6,000,000	1,303,867.00	78.27%
SALARIES AND EMPLOYEE BENEFITS					
SALARIES	543,000		543,000	158,852.41	70.75%
PAYROLL TAXES	48,000		48,000	14,790.84	69.19%
RETIREMENT	470,000		470,000	172,283.94	63.34%
OTHER POST-EMPLOYMENT BENEFITS (OPEB)	63,000		63,000	13,861.57	78.00%
HEALTH INSURANCE	78,000		78,000	26,842.13	65.59%
DENTAL INSURANCE	6,100		6,100	2,040.53	66.55%
LIFE INSURANCE	1,700		1,700	588.94	65.36%
DISABILITY INSURANCE	5,800		5,800	1,949.22	66.39%
WORKERS COMP INSURANCE	4,500		4,500	966.40	78.52%
SGPWA STAFF MISC. MEDICAL	12,000		12,000	533.94	95.55%
EMPLOYEE EDUCATION	3,000		3,000	190.00	93.67%
TOTAL SALARIES AND EMPLOYEE BENEFITS	1,235,100	0	1,235,100	392,899.92	68.19%

SAN GORGONIO PASS WATER AGENCY
BUDGET REPORT FY 2020-21
BUDGET VS. REVISED BUDGET VS. ACTUAL
FOR THE OCTOBER MONTHS ENDING ON OCTOBER 30, 2020

FOR THE FISCAL YEAR JULY 1, 2020 - JUNE 30, 2021

	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
GENERAL FUND - EXPENSES				Comparison:	67%
ADMINISTRATIVE & PROFESSIONAL					
DIRECTOR EXPENDITURES					
DIRECTORS FEES	117,000		117,000	29,489.20	74.80%
DIRECTORS TRAVEL & EDUCATION	15,000		15,000	118.00	99.21%
DIRECTORS MISC. MEDICAL	21,000		21,000	3,847.43	81.68%
OFFICE EXPENDITURES					
OFFICE EXPENSE	15,000		15,000	6,513.00	56.58%
POSTAGE	600		600	56.52	90.58%
TELEPHONE	11,500		11,500	4,269.01	62.88%
UTILITIES	5,000		5,000	781.69	84.37%
SERVICE EXPENDITURES					
COMPUTER, WEB SITE AND PHONE SUPPORT	25,000		25,000	6,163.92	75.34%
GENERAL MANAGER & STAFF TRAVEL	12,000		12,000	834.00	93.05%
INSURANCE & BONDS	23,000		23,000	23,974.87	-4.24%
ACCOUNTING & AUDITING	21,000		21,000	14,000.00	33.33%
STATE WATER CONTRACT AUDIT	6,000		6,000	3,888.00	35.20%
DUES & ASSESSMENTS	35,000		35,000	26,110.00	25.40%
OUTSIDE PROFESSIONAL SERVICES	100,000		100,000	30,823.22	69.18%
BANK CHARGES	1,500		1,500	333.02	77.80%
MISCELLANEOUS EXPENSES	500		500	0.00	100.00%
MAINTENANCE & EQUIPMENT EXPENDITURES					
TOOLS PURCHASE & MAINTENANCE	1,000		1,000	0.00	100.00%
VEHICLE REPAIR & MAINTENANCE	8,000		8,000	2,391.75	70.10%
MAINTENANCE & REPAIRS - BUILDING	25,000		25,000	3,599.72	85.60%
MAINTENANCE & REPAIRS - FIELD	25,000		25,000	2,967.55	88.13%
CONTRACT OPERATIONS AND MAINTENANCE	140,000		140,000	0.00	100.00%
WATER TREATMENT EXPENSE	75,000		75,000	0.00	100.00%
COUNTY EXPENDITURES					
LAFCO COST SHARE	7,500		7,500	6,434.93	14.20%
ELECTION EXPENSE	125,000		125,000	0.00	100.00%
TAX COLLECTION CHARGES	10,000		10,000	881.65	91.18%
TOTAL ADMINISTRATIVE & PROFESSIONAL	825,600	0	825,600	167,477.48	79.71%

SAN GORGONIO PASS WATER AGENCY
BUDGET REPORT FY 2020-21
BUDGET VS. REVISED BUDGET VS. ACTUAL
FOR THE OCTOBER MONTHS ENDING ON OCTOBER 30, 2020

FOR THE FISCAL YEAR JULY 1, 2020 - JUNE 30, 2021

	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
GENERAL FUND - EXPENSES				Comparison:	67%
GENERAL ENGINEERING					
SGMA					
GSP CONSULTANT	500,000		500,000	101,144.95	79.77%
YUCAIPA GSA	30,000		30,000	0.00	100.00%
STUDIES					
URBAN WATER MANAGEMENT PLAN (UWMP)	125,000		125,000	6,497.50	94.80%
WATER RATE NEXUS STUDY	52,000		52,000	0.00	100.00%
CAPACITY FEE NEXUS STUDY UPDATE	20,000		20,000	3,849.63	80.75%
WHEELING RATE STUDY	4,000		4,000	0.00	100.00%
USGS	115,000		115,000	27,221.00	76.33%
UPDATED STUDY ON AVAILABLE WATER SOURCES	2,000		2,000	0.00	100.00%
GENERAL ENGINEERING STUDIES	15,000		15,000	0.00	100.00%
OTHER PROJECTS					
FLUME MONITORING	30,000		30,000	0.00	100.00%
INFRASTRUCTURE PLAN	12,000		12,000	930.00	92.25%
BASIN MONITORING TASK FORCE	30,000		30,000	16,737.00	44.21%
GIS SERVICES	5,000		5,000	1,252.50	74.95%
GENERAL AGENCY, CEQA, ETC.	10,000		10,000	6,219.85	37.80%
TOTAL GENERAL ENGINEERING	950,000	0	950,000	163,852.43	82.75%
LEGAL SERVICES					
LEGAL SERVICES - GENERAL	125,000		125,000	34,415.00	72.47%
TOTAL LEGAL SERVICES	125,000	0	125,000	34,415.00	72.47%
CONSERVATION & EDUCATION					
SCHOOL EDUCATION PROGRAMS	16,000		16,000	0.00	100.00%
ADULT EDUCATION PROGRAMS	10,000		10,000	0.00	100.00%
SPONSORSHIPS	5,000		5,000	0.00	100.00%
OTHER CONSERVATION, EDUCATION AND P. R.	15,000		15,000	0.00	100.00%
TOTAL CONSERVATION & EDUCATION	46,000	0	46,000	0.00	100.00%

SAN GORGONIO PASS WATER AGENCY
BUDGET REPORT FY 2020-21
BUDGET VS. REVISED BUDGET VS. ACTUAL
FOR THE OCTOBER MONTHS ENDING ON OCTOBER 30, 2020

FOR THE FISCAL YEAR JULY 1, 2020 - JUNE 30, 2021

	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
GENERAL FUND - EXPENSES				Comparison:	67%
GENERAL FUND CAPITAL EXPENDITURES					
BUILDING & EQUIPMENT					
BUILDING	10,000		10,000	0.00	100.00%
FURNITURE & OFFICE EQUIPMENT	25,000		25,000	0.00	100.00%
OTHER EQUIPMENT	0		0	0.00	0.00%
MT. VIEW CONNECTION					
INTEGRATION AND PROGRAMMING	7,500		7,500	4,220.00	43.73%
NOBLE TURNOUT EXPANSION					
INTEGRATION AND PROGRAMMING	2,500		2,500	4,088.80	-63.55%
BUNKER HILL CONJUNCTIVE USE PROJECT	40,000		40,000	0.00	100.00%
SITES RESERVOIR	1,400,000		1,400,000	859,942.83	38.58%
TOTAL GENERAL FUND CAPITAL EXPENDITURES	1,485,000	0	1,485,000	868,251.63	41.53%
TRANSFERS TO OTHER FUNDS	0	0	0	0	
TOTAL GENERAL FUND EXPENSES	10,666,700	0	10,666,700	2,930,763.46	72.52%
GENERAL FUND NET INCOME YEAR TO DATE	-1,974,700	0	-1,974,700	-1,111,914	
ITEMS FUNDED BY RESERVES					
MT. VIEW INTEGRATION AND PROGRAMMING	7,500				
NICKEL WATER SUBSIDY	1,000,000				
SITES RESERVOIR	1,000,000				
TOTAL ITEMS FUNDED BY RESERVES	2,007,500				

SAN GORGONIO PASS WATER AGENCY
BUDGET REPORT FY 2020-21
BUDGET VS. REVISED BUDGET VS. ACTUAL
FOR THE OCTOBER MONTHS ENDING ON OCTOBER 30, 2020

FOR THE FISCAL YEAR JULY 1, 2020 - JUNE 30, 2021

	ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	REMAINING PERCENT OF BUDGET
DEBT SERVICE FUND - INCOME				Comparison:	67%
INCOME					
TAX REVENUE	25,651,818		25,651,818	1,237,703.52	95.17%
INTEREST	600,000		600,000	119,504.30	80.08%
DWR CREDITS - BOND COVER, OTHER	3,307,573		3,307,573	1,642,476.00	50.34%
TOTAL DEBT SERVICE FUND INCOME	29,559,391	0	29,559,391	2,999,683.82	89.85%
DEBT SERVICE FUND - EXPENSES					
EXPENSES					
SALARIES	63,000		63,000	19,912.20	68.39%
PAYROLL TAXES	6,000		6,000	1,523.26	74.61%
BENEFITS	77,000		77,000	29,594.22	61.57%
STATE WATER CONTRACT PAYMENTS	23,000,000		23,000,000	12,758,174.00	44.53%
WATER TRANSFERS	2,107,500		2,107,500	0.00	100.00%
SWC CONTRACTOR DUES	75,000		75,000	58,515.00	21.98%
DELTA CONVEYANCE FACILITY AUTHORITY	0		0	0.00	0.00%
EBX CONTRACT OPERATIONS AND MAINTENANCE	150,000		150,000	0.00	100.00%
SWP ENGINEERING AND MAINTENANCE	250,000		250,000	0.00	100.00%
DEBT SERVICE UTILITIES	11,000		11,000	3,491.28	68.26%
STATE WATER PROJECT LEGAL SERVICES	0		0	0.00	0.00%
TAX COLLECTION CHARGES	90,000		90,000	8,010.99	91.10%
SBVMWD FOOTHILL PIPELINE CAPACITY	3,129,634		3,129,634	0.00	100.00%
TOTAL DEBT SERVICE FUND EXPENSES	28,959,134	0	28,959,134	12,879,220.95	55.53%
TRANSFERS FROM RESERVES	0		0	0.00	
DEBT SERVICE NET INCOME YEAR TO DATE	600,257	0	600,257	-9,879,537.13	

Primer On Tax Revenue

November 23, 2020 Finance Workshop

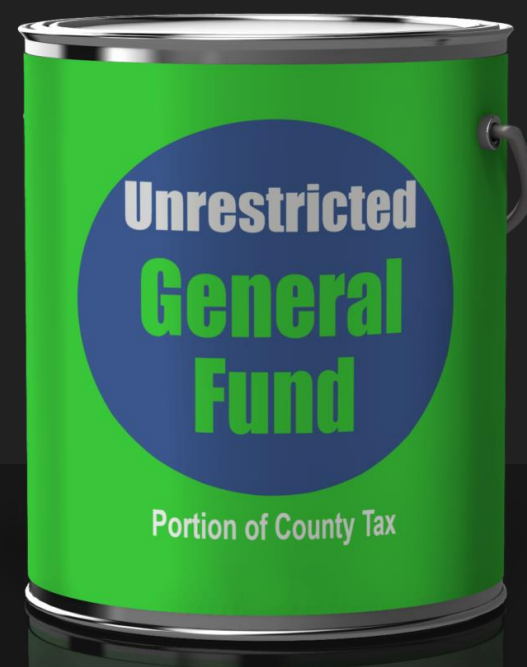


Two Sources of Tax Revenue

General Fund

Portion of 1% Property Taxes
Generally ~\$3M/year

We Don't Control Rate



Debt Service

Ad Valorem (Property Tax)
Generally ~\$25M/year

We Control Rate

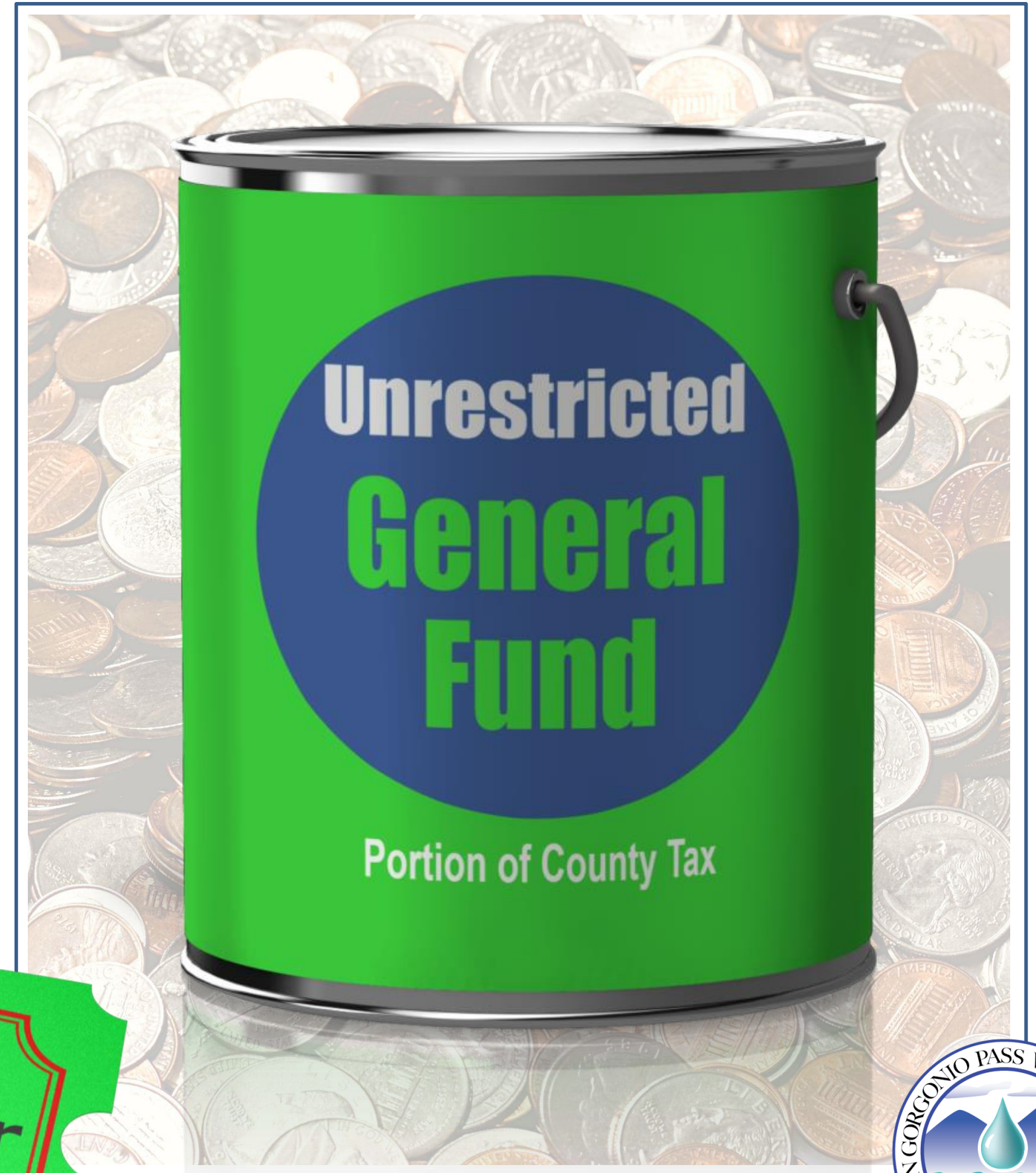


General Fund

Administrative Overhead
Engineering/Science
Local Projects (Major and Minor)

Water Purchases

Transport Cost
Non-Project Water
Power/Wheeling





Debt Service

Bond Payments
EBX 1 & 2

SWP Administrative Overhead
Project Water & Exchange Fixed Costs
SWP Projects & Repairs

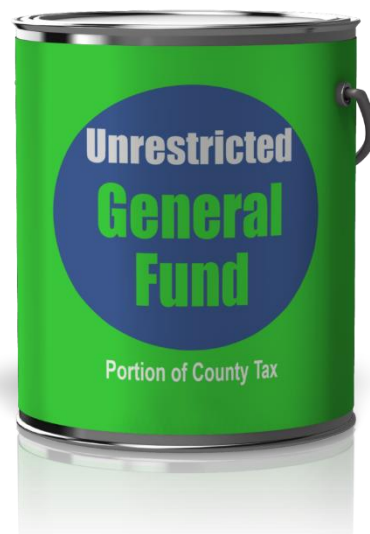
"Any SWP Related Costs"





~\$25M/Year
(~\$45M Reserve)

*Well Positioned to Address SWP
Investments and Major
Improvements*



~\$3M/Year
(~\$15M Reserve)

May be Inadequate to Support Major Projects



Questions?

