

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue
Beaumont, California 92223
Minutes of the
Board Finance and Budget Workshop
June 28, 2021

In an effort to prevent the spread of COVID-19 (Coronavirus), and in accordance with the Governor's Executive Order N-29-20, this meeting was held via Zoom.

Directors Present via Zoom:

Steve Lehtonen, President
Larry Smith, Vice President
Blair Ball, Director
Ron Duncan, Director (joined 1:43 pm)
Chander Letulle, Director
Robert Ybarra, Director

Directors Absent: Mickey Valdivia, Treasurer

Staff and Consultants Present via Zoom:

Lance Eckhart, General Manager
Tom Todd, Jr., Finance Manager
Sarah Meacham, PFM Asset Management

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 Steve Lehtonen at 1:30 pm, June 28, 2021. President Lehtonen led the Pledge of Allegiance to the flag. A quorum was present.

President Lehtonen informed participants that the meeting was being held via Zoom and telephonically.

2. **Adoption and Adjustment of Agenda:** The agenda was adopted as posted.
3. **Public Comment:** President Lehtonen asked if anyone connected to the meeting wished to make a comment; no members of the public requested to speak at this time.
4. **New Business:**
 - A. **State Water Contractors Objectives:** Jennifer Pierre, General Manager, presented an overview of State Water Contractors, Inc. and its goals and objectives.
 - B. **Review and Discussion of Updated Investment Policy:** Sarah Meacham, Managing Director of PFM Asset Management, presented a brief overview of the current status of the economy and an updated investment policy for Board consideration. The updates included bringing the policy up-to-date with government codes, included language for best practices as described by the California Municipal Treasurers Association, and added investments vehicles suggested by PFM. After review and discussion, a motion was made by

Director Smith, seconded by director Duncan, to recommend that the Board adopt the revised investment policy by adopting Resolution 2021-11. President Lehtonen requested a roll call vote.

| Roll Call | Ayes | Noes | Abstain | Absent |
|--------------------|-------------------------------------|--------------------------|--------------------------|-------------------------------------|
| Director Ball | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Director Duncan | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Director Letulle | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Director Smith | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Director Valdivia | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Director Ybarra | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| President Lehtonen | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

The motion passed 6 in favor, no opposed.

C. Review and Discussion of Cost of Living Adjustment for FY 2021-22: Finance Manager Todd reviewed the staff report included in the agenda packet which contained statistical information about the increase in the Consumer Price Index from March 2020 to March 2021, as well as a table listing decisions the Board has made about COLA changes in previous years. After review and discussion, a motion was made by Director Duncan, seconded by Director Letulle, to recommend that the Board approve a cost of living adjustment of 3.5% for FY 2021-22, effective for staff July 1, 2021, and effective for Board members January 1, 2022. President Lehtonen requested a roll call vote.

| Roll Call | Ayes | Noes | Abstain | Absent |
|--------------------|-------------------------------------|--------------------------|--------------------------|-------------------------------------|
| Director Ball | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Director Duncan | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Director Letulle | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Director Smith | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Director Valdivia | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Director Ybarra | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| President Lehtonen | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

The motion passed 6 in favor, no opposed.

Items D – G were considered as a group.

D. Ratification of Paid Invoices and Monthly Payroll for May, 2021 by Reviewing Check History Reports in Detail: The Board reviewed paid monthly invoices of \$1,187,614.06 and payroll of \$36,508.86 for the month of May, 2021, for a combined total of \$1,224,322.92.

E. Review Pending Legal Invoices: The Board reviewed the pending legal invoice for May, 2021 for \$18,520.69.

F. Review of May, 2021 Bank Reconciliation: The Board reviewed the bank reconciliation for May, 2021.

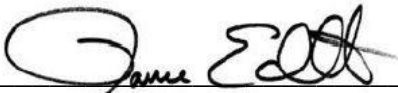
G. Budget Report for May, 2021: The Board reviewed the Budget Report for May, 2021.

A motion was made by President Lehtonen, seconded by Director Duncan, to recommend that the Board approve items D and E, and accept items F and G as presented. President Lehtonen requested a roll call vote:

| Roll Call | Ayes | Noes | Abstain | Absent |
|--------------------|-------------------------------------|--------------------------|--------------------------|-------------------------------------|
| Director Ball | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Director Duncan | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Director Letulle | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Director Smith | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Director Valdivia | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Director Ybarra | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| President Lehtonen | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

The motion passed, 6 in favor, 0 opposed.

- 5. Announcements:** President Lehtonen reviewed the announcements:
- A. Office will be closed Monday, July 5, 2021 in observance of Independence Day.
 - B. Regular Board meeting, July 12, 2021, 1:30 pm – Zoom/Teleconference
 - C. Board Finance & Engineering Workshop, July 19, 2021, 6:00 pm – Zoom/Teleconference
- 6. Adjournment:** The Finance and Budget Workshop of the San Gorgonio Pass Water Agency Board of Directors was adjourned at 2:55 pm.



Lance E. Eckhart, Secretary of the Board