



BEAUMONT-CHERRY VALLEY WATER DISTRICT
AGENDA
MINUTES OF SPECIAL MEETING OF THE BOARD OF DIRECTORS
560 Magnolia Avenue, Beaumont, CA 92223
Thursday, December 1st, 2016
6:30 p.m.

Call to Order, President Cottrell

President Cottrell began the meeting at 6:38 p.m.

Roll Call

Present at the meeting were by roll call: Director Covington, Hoffman, Slawson, Douglass and President Cottrell. Legal Counsel: James Markman. District Staff: General Manager: Eric Fraser, Director of Engineering: Dan Jagers and Director of Finance and Administrative Services: Yolanda Rodriguez.

Public Comment

There was no public comment.

ACTION ITEMS

1. Review and Consider adoption of the BCVWD Fiscal Year 2017 Operating Budget. (pages 3-40)**

General Manager Fraser gave a PowerPoint presentation for the 2017 Operating Budget. He shared that the District is trying to stay on the course of a road to stability concept, in which we have a balanced budget: with conservative revenue and growth estimates, realistic expense assumptions, and fully funded reserves. Furthermore, he shared that the District carries no debt, and there is no rate increase proposed for 2017. He stated that this course has worked for the last five years and we will continue on this course to be able to prosper as an agency and serve our customer the best we can.

General Manager Fraser shared that although the initial budget for 2016 assumed significant reduction in revenue due to California's drought restrictions, resulting in the possibility of not fully funding the Capital Replacement Fund in 2016, projections now show Capital Replacement will be fully funded as he has done historically.

General Manager Fraser shared some of the highlights of the 2017 Budget, which included the Cash Position: \$11.2 million in operating accounts, \$23.9 million in investment accounts, which combined makes the cash position at \$35 million. He shared that proposed operating revenues are \$11.4 million, and non-operating revenue is approximately \$2.1 million. He shared that interest earnings have increased. He also shared that in the near future, he will be bringing to the Board the CalTRUST Investment option as another investment vehicle for the District.

General Manager Fraser explained Operating Expense is at \$11.5 million. Furthermore, he shared that the Budget is balanced, fully funds the Capital

Replacement Reserve of \$2.5 million dollars. He shared that the District continues to be debt free. He stated that our District is in a good place, we are fiscally sound and despite the challenges of the drought regulations we did not raise rates.

After discussion, Director Covington motioned to approve and adopt the 2017 Operating Budget. The motion was seconded by Director Douglass and passed 5-0 by roll call: Director Covington – Aye; Director Hoffman – Aye; President Cottrell – Aye; Director Slawson – Aye; Director Douglass – Aye.

2. Resolution 2016-07: Commending President Jeffrey Cottrell For His Time of Dedicated Service as a Director. (pages 41)**

General Manager Fraser presented the draft Resolution 2016-07 recognizing President Cottrell for the service he provided to the District and thanked him for the leadership he provided to the Board and to the District staff.


President Cottrell thanked the Board and the District staff, and stated he appreciated working with the Board and staff and shared that it was his honor serving the Board and the community.

Director Slawson also thanked President Cottrell for his leadership and motioned to approve Resolution 2016-07. Director Covington thanked President Cottrell for his leadership and seconded the motion. Resolution 2016-07 was passed 4-0, with President Cottrell abstaining.


Adjournment

President Cottrell adjourned the meeting at 7:15 p.m.

Attest:



Director *slawson*, President
to the Board of Directors of the
Beaumont-Cherry Valley Water District



Director *Douglass*, Secretary to
the Board of Directors of the
Beaumont-Cherry Valley Water District

**** Information included in the agenda packet**