



**BEAUMONT-CHERRY VALLEY WATER DISTRICT
MINUTES OF MEETING OF THE FINANCE AND AUDIT COMMITTEE
Wednesday, October 2, 2019 at 3:00 p.m.
560 Magnolia Avenue, Beaumont, CA 92223**

Directors present:	Director Hoffman and Director Slawson (Committee members)
Directors absent:	None
Staff present:	General Manager Dan Jagers, Director of Finance and Administrative Services Yolanda Rodriguez, Senior Finance and Administrative Analyst Bill Clayton, Senior Engineer Mark Swanson, Civil Engineering Assistant Daniel Baguyo, Assistant Director of Operations James Bean, Accounting Technician Sally Hernandez, and Administrative Assistant Erica Gonzales
Members of the public who registered:	None.

CALL TO ORDER

Director Hoffman called the meeting to order at 3:04 p.m. at 560 Magnolia Avenue, Beaumont, California.

PUBLIC INPUT: *None.*

ACTION ITEMS

1. Adjustments to the Agenda:

Mr. Jagers added an October 17, 2019 at 6 p.m. Board Workshop to the Announcements. Director Hoffman advised staff to assure the meeting is posted for the public. Ms. Rodriguez explained this meeting will be brainstorming, and there will be additional Town Hall Meetings.

2. Review and Acceptance of the September 5, 2019 Minutes of the Finance and Audit Committee

The Committee accepted the minutes of August 1, 2019 as presented.

3. Receive and File the Check Register for the Month of August 2019

Director Hoffman noted the payments to CV Strategies and Raffelis. He asked about computer replacement and Mr. Jagers explained the IT replacement program for security purposes. Director Hoffman also pointed out expenditures for imported water. The Committee received and filed the August 2019 Check Register as presented.

4. Financial Reports/Recommendations

- a. Review of the August 2019 Budget Variance Report
- b. Review of the August 30, 2019 Cash/Investment Balance Report
- c. Review of Check Register for the Month of September 2019
- d. Review of September 2019 Invoices Pending Approval

Director Hoffman reviewed the variance report and reminded the Committee about the approval of funds for water purchases at the last Board meeting. Director Slawson noted additional monies spent for well repair.

In response to Director Hoffman, Mr. Jaggars explained the expenditure for normal maintenance and cleaning of the Phase I ponds.

After review and discussion, the Committee recommended presenting the Financial Reports to the Board for approval.

5. Analysis: Monthly electricity expenditures related to production

Director Slawson asked whether cooler weather would allow well motors to run during the day without overheating. Mr. Jaggars explained issues with the Well 24 motor. In response to Director Hoffman, Mr. Jaggars indicated that it would be preferable to replace the motor in the future, a cost of \$50,000 to \$75,000. He explained the pump operation and costs of electrical use under the new Southern California Edison rate structure.

6. Update and discussion regarding San Geronio Pass Water Agency (SGPWA) Tax Rate Setting Data, Water Supply Opportunities, Water Funding Strategies and Costs, and Potential Impacts on BCVWD Ratepayers

Mr. Jaggars reported that the San Geronio Pass Water Agency President Ron Duncan stated at the last meeting of the San Geronio Pass Regional Water Alliance that the SGPWA was looking at the wholesale water rate with the potential of reducing the rate.

Mr. Jaggars noted that the Alliance meetings are beneficial.

7. Action List for Future Meetings:

- Update on Water Supply Conditions
- Water rates
- Capacity fees

ANNOUNCEMENTS

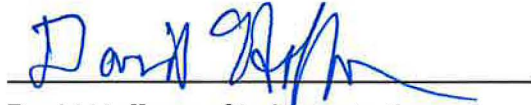
Director Hoffman read the following announcements:

- Regular Board Meeting: Wednesday, Oct. 9, 2019 at 6:00 p.m.
- Rate Study Workshop: Thursday, Oct. 17, 2019 at 6 p.m.
- Engineering Workshop: Thursday, Oct. 24, 2019 at 6:00 p.m.
- Collaborative Agencies Committee Meeting: Nov. 6, 2019 at 5:00 p.m.
- Finance and Audit Committee Meeting: Nov. 7, 2019 at 3:00 p.m.
- District Offices will be closed on Monday, Nov. 11 in observance of Veterans Day

- Personnel Committee meeting: Monday, Nov. 25, 2019 at 5:30 p.m.
- Association of California Water Agencies Fall Conference: Dec. 3 – 6 in San Diego
- Beaumont Basin Watermaster Committee Meeting: Dec. 4, 2019 at 10:00 a.m.
- Regular Board Meeting and Budget Workshop: Thurs., Dec. 5, 2019 at 6:00 p.m.

ADJOURNMENT

Director Hoffman adjourned the meeting at 3:44 p.m.



David Hoffman, Chairman to the
Finance and Audit Committee of the Beaumont-Cherry Valley Water District