



**BEAUMONT-CHERRY VALLEY WATER DISTRICT**  
560 Magnolia Avenue, Beaumont, CA 92223

**MINUTES OF THE FINANCE AND AUDIT COMMITTEE MEETING**  
**Wednesday, July 1, 2020 at 3:00 p.m.**

***Meeting held via teleconference pursuant to  
California Government Code Section 54950 et. seq. and  
California Governor's Executive Orders N-29-20 and N-33-20***

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**CALL TO ORDER**

*Chair Hoffman called the meeting to order at 3:16 p.m. via teleconference.*

**Announcement of Teleconference Participation**

Director of Finance and Administration Yolanda Rodriguez clarified that this meeting is conducted via teleconference pursuant to California Government Code Section 54953, and under Executive Order N-29-20 and N-33-20 of the Governor of California.

The teleconference capabilities of this meeting have been identified in the Notice and Agenda for this meeting, pursuant to the Brown Act and the Governor's Executive Order. Under the Governor's Executive Order and the Gathering Guidelines of the California Department of Health due to the danger of COVID-19, the teleconference locations are not publicly accessible. The public's right to comment and participate in the meeting is being assured via teleconference capabilities.

The Beaumont-Cherry Valley Water District (BCVWD) will use sound discretion and make reasonable efforts to adhere as closely as reasonably possible to the provisions of the Brown Act, and other applicable local laws regulating the conduct of public meetings, in order to maximize transparency and provide the public access to meetings.

***Attendance***

Directors present:	Director Hoffman and Director Slawson
Directors absent:	None.
Staff present:	General Manager Dan Jagers Director of Finance and Administrative Services Yolanda Rodriguez Assistant Director of Operations James Bean Senior Engineer Mark Swanson Senior Finance and Administrative Analyst Bill Clayton Accountant III Lorena Lopez Administrative Assistant Erica Gonzales Human Resources Coordinator Sabrina Foley
Members of the public who registered:	None

Director of Finance and Administration Yolanda Rodriguez verified that all members of the Finance and Audit Committee and staff have indicated that they are able to hear the other members clearly on the teleconference. No committee members or staff expressed any reason to believe, based on voice recognition or otherwise, that those persons representing themselves to be committee members are not truly so.

**PUBLIC INPUT:** *None.*

## **ACTION ITEMS**

1. Adjustments to the Agenda: *None.*

*General Manager Jagers advised there are handouts for Item 5 available on the District's website. Committee members Hoffman and Slawson confirmed they have the document.*

2. Review and Acceptance of the June 4, 2020 Minutes of the Finance and Audit Committee

*The Committee accepted the minutes of June 4, 2020 as presented.*

3. Receive and File the Check Register for the Month of May 2020

*The Committee received and filed the May 2020 Check Register as presented.*

4. Financial Reports/Recommendations

- a. Review of the May 2020 Budget Variance Report
- b. Review of the May 31, 2020 Cash/Investment Balance Report
- c. Review of Check Register for the Month of June 2020
- d. Review of June 2020 Invoices Pending Approval

*Director Hoffman reviewed the reports. He noted that interest income is well on schedule to exceed budget. He pointed out water sales and indicated it will likely pick up in the hot weather. General Manager Jagers concurred.*

*Mr. Jagers noted that the interest rate has been declining over the last few months.*

*Chair Hoffman noted that total cash and investments have stayed close from month to month with no losses.*

*In response to Chair Hoffman, GM Jagers reminded the Committee about the declared emergency for Well 21. This is ongoing work and there was concern about getting needed supplies during the COVID pandemic, he explained. The final cost will be reported to the Board, he said.*

*Chair Hoffman noted the payment to the SGPWA and asked if additional monies were owed. Mr. Jagers explained that this is paid on a month-by-month basis and detailed deliveries. Mr. Bean noted an increase in deliveries and advised that an increase in cost is expected this month.*

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

5. Analysis of Statement of Cash Flows (unaudited) for the Six Months Ended June 30, 2020 and June 30, 2019

*Mr. Bill Clayton explained the actual cash receipts and payments on the report.*

*Mr. Jagers indicated that staff is monitoring cash flow to assure that it is in line with expectations and the District is not adversely impacted by issues related to the COVID-19 pandemic, such as not being able to turn ratepayers off for non-payment.*

6. Analysis: Year-to-Date Analysis of Electric Cost to Pump Groundwater

*Director Hoffman advised this is good information to see how the expense materializes and compares to the previous year.*

7. San Geronio Pass Water Agency (SGPWA) and Sites Project Authority Phase 2 Participation Agreement and Associated Costs

*General Manager Jagers shared the draft Sites Participation Agreement and indicated it would be reviewed at the Board meeting on Wednesday. There are some payments that will need to be made, he advised, and as it moves forward there will be more significant costs on an ongoing basis.*

*With the exiting of the SGPWA general manager and new GM coming on board, Jagers said he recommended that the Board discuss and defer approval of execution of the agreement until the Engineering Workshop. He said he would like to discuss with the new general manager as this is an ongoing project.*

*The next payment is \$400,000, Jagers noted. He advised that the water is needed to support development activities, and said the District wants to be in the project and has collected money from developers to pay the fees.*

*Director Slawson noted that tax revenue is down, and counties are hurting. He asked if there had been any discussion as to whether the SGPWA has been affected by the decline in tax revenue. Mr. Jagers said he expected that the SGPWA general fund tax contribution might see a decline related to the second property tax payment in December; he said he had heard there was little impact to the first payment which was in April.*

8. Action List for Future Meetings:

- Update on Water Supply Conditions
- Capacity charges (facilities fees)


**ANNOUNCEMENTS** – Pursuant to Governor's Executive Order N-33-20, all BCVWD Board and Committee meetings will be held via Teleconference until further notice

*Director Hoffman read the following announcements:*

- Collaborative Agencies Committee Meeting: Wednesday, July 1 at 5:00 p.m.  
(teleconference pending)
- Regular Board Meeting: Wednesday, July 8, 2020 at 6:00 p.m.
- Engineering Workshop: Thursday, July 23, 2020 at 6:00 p.m.
- Personnel Committee Meeting: Monday, July 27, 2020 at 5:30 p.m.
- Beaumont Basin Watermaster Committee Meeting: Wednesday, Aug. 5, at 10 a.m.
- Finance and Audit Committee Meeting: Thursday, August 6, 2020 at 3:00 p.m.

## **ADJOURNMENT**

*Director Hoffman adjourned the meeting at 4:03 p.m.*

A handwritten signature in black ink, appearing to read "David Hoffman", is written over a horizontal line. The signature is stylized and extends to the right, crossing the line.

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