



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

MINUTES OF THE FINANCE AND AUDIT COMMITTEE MEETING
Thursday, November 5, 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***

CALL TO ORDER

Chair Hoffman called the meeting to order at 3:00 p.m. via teleconference.

Announcement of Teleconference Participation

Director of Finance and Administrative Services 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 Senior Engineer Mark Swanson Senior Finance and Administrative Analyst Bill Clayton Accountant III Lorena Lopez Accounting Technician Laurie Ochoa Administrative Assistant Brandy Llanes
Members of the public who registered:	None

Director of Finance and Administrative Services 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.

PUBLIC INPUT: *None.*

ACTION ITEMS

1. Adjustments to the Agenda: None.

2. Review and Acceptance of the October 1, 2020 Minutes of the Finance and Audit Committee

The Committee accepted the minutes of October 1, 2020 as presented.

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

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

4. Financial Reports/Recommendations

- a. Review of the September 2020 Budget Variance Reports
- b. Review of the September 30, 2020 Cash/Investment Balance Report
- c. Review of Check Register for the Month of October 2020
- d. Review of October 2020 Invoices Pending Approval

Chair Hoffman commented that the District has already slightly exceeded the amount budgeted for capacity charges (facilities fees) related to building activities. Ms. Rodriguez indicated there may be additional revenue and reminded the Committee that this is restricted cash.

Chair Hoffman noted that 31.55% of the budgeted expenses are still to be expended during the balance of the year. He noted that total cash and investments declined slightly. Hoffman pointed out that expenditures for the San Geronio Pass Water Agency are expected to exceed budget. Mr. Jagers reminded the Committee that the Board authorized purchase of all available water for an overrun expenditure of just over \$1 million.

Jagers reported on water deliveries at 61.3 acre-feet per day and in response to Director Slawson, explained that the goal is to get all the water delivered as quickly as possible before it starts raining in order to have the ponds empty during storm events.

Chair Hoffman confirmed with Mr. Jagers that the Beaumont Basin Watermaster credits the BCVWD account with all water recharged.

Chair Hoffman inquired about an expense for temporary help. Ms. Rodriguez explained that the temp is filling a current position of a staff member on medical leave. She anticipates the expense will continue through the year and noted there is currently a vacant accounting position which will be filled in 2021.

In response to Chair Hoffman, Mr. Jagers explained a gate repair expense resulting from the Apple Fire.

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 Ten Months* Ended October 29, 2020 and October 31, 2019

Ms. Yolanda Rodriguez reviewed the report and compared 2019 to 2020, pointing out that expenses actually exceeded revenues prior to the rate increase. The District was under collecting just to supply water to the ratepayers, she stated.

The District has \$65 million in total cash and investments as compared to \$61 million in 2019. The District is still in good standing, she advised.

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

Chair Hoffman acknowledged the report.

7. Update: Apple Fire and El Dorado Fire and Potential Debris Flows and Emergency Activities

Chair Hoffman noted that this was discussed at the meeting on November 4, 2020. He noted potential significant rainfall in the forecast. Mr. Jagers presented an updated forecast indicating the rainfall is below the amount to initiate mudflow and there are no current evacuation warnings. Staff will monitor the forecast.

8. Action List for Future Meetings:

- Update on Recycled Water and Wastewater Treatment Plant
- 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 or otherwise indicated below:

Director Hoffman read the following announcements:

- District Offices will be closed on Wednesday, Nov. 11, 2020 in observance of Veterans Day
- Engineering Workshop: Thursday, Nov. 19, 2020 at 6 p.m. (Note date change due to holiday)
- Personnel Committee Meeting: Monday, Nov. 23, 2020 at 5:30 p.m.
- District Offices will be closed on Thursday, Nov. 25, 2020 in observance of Thanksgiving Day
- Association of California Water Agencies Virtual Fall Conference: Dec. 2-3, 2020

- Beaumont Basin Watermaster Committee Meeting: Wednesday, Dec. 2, 2020 at 10 a.m.
- Finance and Audit Committee Meeting: Thursday, Dec. 3, 2020 at 3 p.m.
- Regular Board Meeting (Budget Workshop): Thursday, Dec. 3, 2020 at 6 p.m. (*Note date change due to holiday schedule*)
- Engineering Workshop: Monday, Dec. 14, 2020 at 6 p.m. (*Note date change due to holiday schedule*)

ADJOURNMENT: 3:43 P.M.

A handwritten signature in blue ink that reads "David Hoffman". The signature is written in a cursive style and is positioned above a horizontal line.

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