



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

MINUTES OF THE FINANCE AND AUDIT COMMITTEE MEETING
Thursday, February 2, 2023, at 3:00 p.m.

CALL TO ORDER

Chair Hoffman called the meeting to order at 3:10 p.m.

Attendance

Directors present:	Director Hoffman and Director Williams
Directors absent:	None
Staff present:	General Manager Dan Jagers Director of Finance and Administration Kirene Bargas, PhD Director of Information Technology Robert Rasha Director of Operations James Bean Finance Manager William Clayton Senior Management Analyst Sylvia Molina Administrative Assistant Cenica Smith
Members of the public:	None.

PUBLIC INPUT: None.

ACTION ITEMS

1. Adjustments to the Agenda: None.
2. Review and Acceptance of the Minutes of the Finance and Audit Committee meeting

Note: The January 5, 2023 meeting was canceled due to lack of quorum.

The Committee accepted the minutes of the Finance and Audit Committee Meeting of December 1, 2022 by consensus.

3. Receive and file the Check Register for the Month of December 2022

At the request of Chair Hoffman, the following payments were reviewed:

- Colonial Life premiums
- ADT fire service
- Cozad and Fox
- Inland Water Works

- MCC Equipment Rentals
- Southern California Edison for Well 25
- Sonic Wall Services
- Emergency / Disaster preparedness
- Armored truck service

After discussion, the Committee received and filed the December 2022 Check Register as presented.

4. Financial Reports/Recommendations

- a. Review of the December 2022 Budget Variance Reports
- b. Review of the December 31, 2022 Cash and Investment Balance Report
- c. Review of Check Register for the Month of January 2023
- d. Review of January 2023 Invoices Pending Approval

Director of Finance and Administration Dr. Kirene Bargas advised of new, more clear reporting of annual interest.

Chair Hoffman asked if the District had considered buying treasury bills, as they are returning around 4 percent. Dr. Bargas stated that the Investment Policy allows and the District participates in treasury bills. She identified them on the summary page.

At the request of Chair Hoffman, the following payments were reviewed:

- Landscape service contract
- Workstations for Board Room and Conference Room

President Williams asked if the RWG invoices were paid in full every time; Mr. Clayton said yes, but it is always behind one month due to the requirement for Board approval. It is not considered past due, he assured.

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

5. Expense and Per Diem Compensation Claims Submitted for Approval

Director Williams reviewed detail of her reimbursement for the ACWA Conference in December.

After review, the Committee recommended presenting the Expense and Per Diem Compensation Claims to the Board for approval.

6. Analysis: Year-To-Date Electric Cost (Quarterly Report)

Chair Hoffman asked what percent of water sales is pumped from city wells. Mr. Jagers estimated about 1,000 to 1,110 acre-feet per year are coming from wells in the Canyon, so about 90 percent from the city wells. He explained the hydrology and basis for pumping to alleviate mounding.

Director Williams asked about fluctuations in electric costs and Mr. Jaggars explained pumping efficiencies and the efforts to maximize lower fees. Director Williams noted that SCE would likely spot this trend.

Mr. Jaggars assured that figures are important when looking at the \$0.5 million cost of the City's paving requirements. He calculated that the cost spread over all ratepayers at an average of 9 cents per unit of sale to meet the City's paving requirements. This will go up, as paving costs are increasing, he advised. The requirements are punitive in nature and need to be corrected, he posited. Chair Hoffman suggested sending a letter to City Manager Elizabeth Gibbs, and Mr. Jaggars said he had reached out, but she has not responded.

Jaggars proposed an annual (or monthly) review of pavement patches and working cooperatively with the City with agreement to repair any that were failing.

7. Action List for Future Meetings

- *Chandler Asset Management update*
- *Procurement of additional water supplies (removed from list)*

ANNOUNCEMENTS

Chair Hoffman read the following announcements:

- Regular Board Meeting: Wednesday, Feb. 8 at 6 p.m.
- District Offices will be closed on Monday, Feb. 20 in observance of Presidents Day
- Personnel Committee Meeting: Tuesday, Feb. 21 at 5:30 p.m.
- Engineering Workshop: Thursday, Feb. 23 at 6 p.m.
- Collaborative Agencies Committee: Wednesday, Mar. 1 at 5 p.m.
- Finance and Audit Committee Meeting: Thursday, Mar. 2 at 3 p.m.
- Ad Hoc Communications Committee: Tuesday, Mar. 14 at 6 p.m.

ADJOURNMENT: 4:08 P.M.



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