



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

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

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**CALL TO ORDER**

*Chair Hoffman called the meeting to order at 3:17 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 Finance Manager William Clayton Senior Management Analyst Sylvia Molina Management Analyst I Erica Gonzales Administrative Assistant Cenica Smith Water Utility Supervisor Julian Herrera
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

*The Committee accepted the minutes of the Finance and Audit Committee Meeting of February 2, 2023 by consensus.*

3. Receive and file the Check Register for the Month of January 2023

*The Committee received and filed the January 2023 Check Register as presented.*

4. Financial Reports/Recommendations

- a. Review of the January 2023 Budget Variance Reports
- b. Review of the January 31, 2023 Cash and Investment Balance Report

- c. Review of Check Register for the Month of February 2023
- d. Review of February 2023 Invoices Pending Approval

*General Manager Dan Jagers reported that San Geronio Pass Water Agency (SGPWA) General Manager Lance Eckhart is looking for extra water and believes it will be a good year for water supply (near 20,000 acre-feet). The snowpack is looking good, and there is potential for purchase of the extra 7,000 acre-feet discussed by the Board, he advised. Staff will prepare to return to the Board for authorization as determined last year regarding those purchases that are unbudgeted, he said.*

*Chair Hoffman asked if there would be higher risk of leakage from the aquifer with recharge of that much water. Mr. Jagers noted that 18,000 to 20,000 af had been taken from storage over the last year, and 11,000 or more will be extracted this year, and it may be a dry year next year. Discussions and planning are ongoing with the SGPWA, he said.*

*Chair Hoffman asked about current status of grant applications. Mr. Jagers and Dr. Bargas reported that three applications are in the queue.*

*Chair Hoffman pointed out that consumption will be down during the wet months but higher in summer and noted that sales were at 94.98 percent of budget. Mr. Jagers stated that construction activity is low, and it has been wetter than average. He said he suspected a lower water sales year.*

*Chair Hoffman observed that expenses are at 95.44 percent which shows the District is not too aggressive on spending.*

*Mr. Jagers explained the purchase of Earth-Tec algae control product and anticipated reimbursement by SGPWA.*

*Dr. Bargas reviewed the Cash and Investment Balance Report. She responded to questions from Chair Hoffman about variations in cash balance.*

*Dr. Bargas announced that Mr. Clayton and Ms. Gonzales have passed the Notary Public exam.*

*At the request of Chair Hoffman, the following expenses were reviewed:*

- *Paving expenses*
- *Motor repairs*
- *Supplies / inventory replacement*
- *Contract labor for MDP Line 16*
- *Materials for the 2017 Pipeline Replacement project*
- *Southern California Edison*
- *Developer deposits / pass through*
- *Replacement access keypads*

*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**

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

6. 2022 Budget Carryovers - Amended

*Finance Manager William Clayton reminded the Board of the adoption of the 2023 Operating Budget and Capital Improvement Budget along with the 2022 Operating Budget Carryover Schedule in December 2022, and that staff had advised the amount may be subject to change upon receipt of some late invoices. Staff requested the Committee review and refer the amended Carryover Schedule to the full Board for approval.*

*Chair Hoffman recommended presentation of the Schedule to the full Board.*

7. Action List for Future Meetings

- *Chandler Asset Management update*

**ANNOUNCEMENTS**

*Chair Hoffman pointed out the following announcements:*

- ~~CANCELED: Regular Board Meeting: Wednesday, Mar. 8 at 6 p.m.~~
- Ad Hoc Communications Committee: Tuesday, Mar. 14 at 6 p.m.
- Special Board Meeting: Wednesday, Mar. 15 at 6 p.m.
- Personnel Committee Meeting: Tuesday, Mar. 21 at 5:30 p.m.
- San Geronio Pass Regional Water Alliance: Wednesday, Mar. 22 at 5 p.m.
- Engineering Workshop: Thursday, Mar. 23 at 6 p.m.
- Beaumont Basin Watermaster Committee: Wednesday, Apr. 5 at 11 a.m.
- Finance and Audit Committee Meeting: Thursday, Apr. 6 at 3 p.m.
- Regular Board Meeting: Wednesday, Apr. 12 at 6 p.m.
- Collaborative Agencies Committee: Wednesday, May 3 at 5 p.m.

**ADJOURNMENT: 4:13 P.M.**



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