



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

MINUTES OF THE FINANCE AND AUDIT COMMITTEE MEETING
Thursday, September 7, 2023 at 3:30 p.m.

CALL TO ORDER

Chair Hoffman called the meeting to order at 3:33 p.m.

Attendance

Directors present:	Director Hoffman and Director Williams
Directors absent:	None
Staff present:	General Manager Dan Jagers Director of Information Technology Robert Rasha Director of Operations James Bean Assistant Director of Finance and Administration Sylvia Molina Management Analyst I Erica Gonzales Water Utility Superintendent Julian Herrera Cross-Connection / Non-Potable Water Supervisor Josh McCue Water Utility Supervisor Mike Morales 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

The Committee accepted the minutes of the Finance and Audit Committee Meeting of August, 2023 by consensus.

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

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

4. Financial Reports/Recommendations

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

Assistant Director of Finance and Administration Sylvia Molina pointed to accounts for the Human Resources Department and noted that the HR Manager position has been vacant since late March. Staff will bring a contract amendment to the next Board meeting for continued assistance from HR Dynamics through the end of the year. Mr. Jagers explained that a conditional offer of employment has been made to an HR Manager candidate.

Chair Hoffman asked if that would be a full time District position, and the cost of the employee vs. the work of HR Dynamics. General Manager Dan Jagers stated it would be a full time position and noted that HR Dynamics is not fulfilling all the District's needs but is bridging the gap between staff and will help bring the new employee up to speed.

Director Williams asked if HR Dynamics was paid from a separate line item. Ms. Molina explained that a transfer would be made from one item to the other. Mr. Jagers discussed the budget for consulting and indicated that things are in balance.

Chair Hoffman observed that human resources may not require a full time effort and suggested it be considered to give the HR Manager a secondary responsibility. Mr. Jagers noted the tasks of the HR Manager and said it had been determined there is a full time need. Director Williams noted there are a number of requirements for employees and directors that need to be kept up and HR needs to be a full time position.

Ms. Molina reviewed the Cash and Investment Balance Report. Ms. Molina responded to questions from Chair Hoffman.

Chair Hoffman reviewed investment goals and suggested Treasury bills at a current rate of 5.1 percent. Ms. Molina pointed to current holdings, and Mr. Jagers indicated those investments are layered.

Chair Hoffman invited public comment. There was none.

The Committee reviewed the August 2023 check register. Director Williams pointed out that \$64,089.75 has been paid out due to the City of Beaumont paving requirements. Mr. Jagers noted that forward movement is being made and he expects to have an opportunity to speak to the City Council at the State of the City event.

The paving requirements are punitive, Jagers added, and explained that the District is spending \$6.5 million to get ahead of the City's paving moratorium. He noted that he had spoken to the Deputy City Manager after the Sept. 6 Collaborative Agencies Committee meeting, and had given City staff a draft agreement. Director Williams asked about the status of a blanket permit, and Mr. Jagers described ongoing communication.

Staff responded to committee inquiries about the following items:

- *Pro-Vigil Inc. monitoring program – security cameras and monitoring at 12th and Palm*
- *Inland Water Works Supply Co. for solar kits and repeaters – components of the AMR/AMI system*
- *CalPERS prepaid unfunded liability payment lump sum*
- *Cozad & Fox work on NEPA compliance for Noble Tank 2 and pipeline replacement*
- *Grainger – padlocks used throughout the District for lockoffs*
- *Recycled Aggregate Materials for haul away of broken asphalt*
- *Union Pacific Railroad for a permit to work in the easement on Pennsylvania Avenue*

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

The Committee reviewed the Expense and Per Diem Compensation Claims noting that staff is conscientious about the reimbursement criteria.

6. Action List for Future Meetings

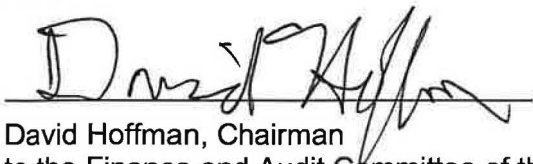
- ~~Chandler Asset Management update~~ Item removed
- ~~Procurement of additional water supplies~~ Item removed

ANNOUNCEMENTS

Chair Hoffman pointed out the following announcements:

- Regular Board Meeting: Wednesday, Sept. 13 at 6:00 p.m.
- Personnel Committee Meeting: Tuesday, Sept. 19 at 5:30 p.m.
- San Geronio Pass Regional Water Alliance: Wednesday, Sept. 27 at 5:00 p.m.
- Engineering Workshop: To be rescheduled
- Beaumont Basin Watermaster Committee: Wednesday, Oct. 4 at 11:00 a.m.
- Finance & Audit Committee meeting: Thursday, Oct. 5 at 3:00 p.m.

ADJOURNMENT: 4:25 P.M.



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