



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

MINUTES OF THE FINANCE AND AUDIT COMMITTEE MEETING
Thursday, February 1, 2024 at 3:00 p.m.

CALL TO ORDER

Chair Hoffman called the meeting to order at 3:00 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 (3:29 p.m.) Assistant Director of Finance and Administration Sylvia Molina Customer Service Representative II Taylor Williams Administrative Assistant Cenica Smith
Members of the public:	None

PUBLIC COMMENT: None.

ACTION ITEMS

1. Adjustments to the Agenda: None.
2. Review and Acceptance of the Minutes of the Finance and Audit Committee
 - a. January 4, 2024 Regular Meeting

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

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

The Committee received and filed the Check Register as presented.

4. Financial Reports/Recommendations

- a. Review of the December 2023 Budget Variance Reports
- b. Review of the December 31, 2023 Cash and Investment Balance Report
- c. Review of Check Register for the Month of January 2024
- d. Review of January 2024 Invoices Pending Approval

Assistant Director of Finance and Administration Sylvia Molina reminded about a question last month regarding grant revenue. It is lower than expected due to the extension on Phase 3 and completion this year, followed by later reimbursement.

Staff highlighted and/or responded to committee inquiries about the following items:

- Added categories (Realized Gain / Loss on Investment, Net Amort/Accred on Investment) as recommended by Chandler for transparency
- Operating revenue 14.51 percent less than anticipated due to low water sales
- Some departmental expenses are under budget
- The Information Technology department AMR/AMI support item did not get spent as the project is still underway
- Overall, a total of 12.21 percent of budgeted costs were unspent; much of this is in personnel
- State Water Project purchases were amended from \$5 to \$7 million during the year and all was spent
- Chandler Investment Report shows investments are exceeding Treasury Bills, better interest proceeds than expected, and the change has been positive for the District
- Badger Meter expenses included some larger meters for commercial fire flow retrofits
- There will be an upcoming final payment to San Geronio Pass Water Agency (SGPWA) for approximately \$1 million
- Secretary of State filing fee for certification and document return
- Velocity software for organization and automation of Safety Data Sheets
- Association of California Water Agencies (ACWA) membership
- Internal GPS, 4 collectors as part of the AMR/AMI system (were on back order)
- Darktrace Holdings – payment of taxes not billed on previous invoice
- Recycling of electronic waste from meter change outs

Chair Hoffman invited public comment. There was none.

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.

6. Quarterly Report: Review of District Contract Expenditures in Fiscal Year 2023

Ms. Molina presented the report. Out of more than \$700,000 in non-capital improvement contracts awarded, approximately \$438,000 remains.

Ms. Molina reminded about the presentation from Director of Engineering Mark Swanson at the January 25, 2024 meeting and pointed to the report on Capital Improvement Budget contracts related to those projects. There is approximately \$7.2 million in remaining contract costs of what was awarded.

7. Quarterly Report: Electric Cost Analysis

The Committee had no comments.

8. Action List for Future Meetings:

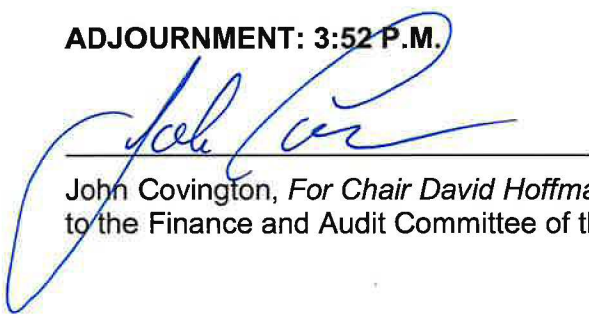
- Ad Hoc Water Reuse 3x2 Committee
- Chandler Asset Management update
- ~~Procurement of additional water supplies~~ (add to March agenda per GM Jagers)

ANNOUNCEMENTS

Chair Hoffman pointed out the following announcements:

- Beaumont Basin Watermaster Committee: Wednesday, Feb. 7 at 11 a.m.
- Regular Board meeting: Wednesday, Feb. 14 at 6 p.m.
- District Offices closed Monday, Feb. 19 in observance of Presidents' Day
- Personnel Committee meeting: Tuesday, Feb. 20 at 5:30 p.m.
- Engineering Workshop: Thursday, Feb. 22 at 6 p.m.
- Finance & Audit Committee meeting: Thursday, Mar. 7 at 3 p.m.

ADJOURNMENT: 3:52 P.M.



John Covington, *For Chair David Hoffman*
to the Finance and Audit Committee of the Beaumont-Cherry Valley Water District