



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

**MINUTES OF THE FINANCE AND AUDIT COMMITTEE MEETING**  
**Thursday, April 4, 2024 at 3:00 p.m.**

**CALL TO ORDER**

*Chair Hoffman called the meeting to order at 3:02 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 (3:20 p.m.) Finance Manager William Clayton Assistant Director of Finance and Administration Sylvia Molina Customer Service Representative II Luis Lomeli 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

The Committee accepted the minutes of the March 7, 2024 meeting by the following vote:

MOVED: Hoffman	SECONDED: Williams	APPROVED 2-0
AYES:	Hoffman, Williams	
NOES:	None	
ABSTAIN:	None	
ABSENT:	None	

3. Receive and file the Check Register for the Month of February 2024

The Committee received and filed the Check Register as presented and moved it forward to the Board by the following vote:

MOVED: Hoffman	SECONDED: Williams	APPROVED 2-0
AYES:	Hoffman, Williams	
NOES:	None	
ABSTAIN:	None	
ABSENT:	None	

4. Financial Reports/Recommendations

- a. Review of the February 2024 Budget Variance Reports
- b. Review of the February 29, 2024 Cash and Investment Balance Report
- c. Review of Check Register for the Month of March 2024
- d. Review of March 2024 Invoices Pending Approval

*Chair Hoffman pointed out that of all expenses the percent available is 89.86, which shows the District has spent 16.7 percent of its budget, as would be anticipated for overall expenses at the first two months of the year.*

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

- *Most of the \$24,000 budget for temporary labor has been expended funds and will be transferred into this account, as there are still shortages of staffing in the Finance Department which require temporary staff. Recruitments are active.*
- *Market value of investments vs. book value; withdrawal of funds for cash flow as needed*
- *Mid-America Retirement and Employee Solutions is an employee's 401a plan*
- *MCC Rentals for the 5<sup>th</sup> Street pipeline replacement project*
- *108 checks were issued for vendors and contracts. Payroll expenses are included in the register but not individual payroll checks, which are audited by staff with internal banking*
- *Ms. Molina provided detail on the banking process*

The Committee recommended presenting Item 4a February 2024 Budget Variance Reports to the Board for approval by the following vote:

MOVED: Hoffman	SECONDED: Williams	APPROVED 2-0
AYES:	Hoffman, Williams	
NOES:	None	
ABSTAIN:	None	
ABSENT:	None	

The Committee recommended presenting Item 4b February 29, 2024, Cash and Investment Balance Report to the Board for approval by the following vote:

MOVED: Williams	SECONDED: Hoffman	APPROVED 2-0
AYES:	Hoffman, Williams	
NOES:	None	
ABSTAIN:	None	
ABSENT:	None	

The Committee recommended presenting Item 4c Check Register for the Month of March 2024 to the Board for approval by the following vote:

MOVED: Williams	SECONDED: Hoffman	APPROVED 2-0
AYES:	Hoffman, Williams	
NOES:	None	
ABSTAIN:	None	
ABSENT:	None	

The Committee recommended presenting Item 4d February 2024 Legal Services Invoices Pending Approval to the Board for approval by the following vote:

MOVED: Hoffman	SECONDED: None	APPROVED 2-0
AYES:	Hoffman, Williams	
NOES:	None	
ABSTAIN:	None	
ABSENT:	None	

5. Expense and Per Diem Compensation Claims Submitted for Approval

The Committee reviewed the Expense and Per Diem Compensation Claims. The claims were approved by the following vote:

MOVED: Williams	SECONDED: None	APPROVED 2-0
AYES:	Hoffman, Williams	
NOES:	None	
ABSTAIN:	None	
ABSENT:	None	

6. FY 2023 Required Audit Communication from External Auditor

*Finance Manager William Clayton introduced the standard communication from the auditor. In response to Chair Hoffman, Mr. Clayton noted this will be the seventh year of audit services by Rogers, Anderson, Malody and Scott (RAMS). Mr. Clayton reminded that Government Code requires change of the principal auditor providing the opinion every six years.*

*Chair Hoffman asked if staff felt that using the same auditor for more than one, two or three years allowed the District to become more familiar with their procedure and the*

*auditor with the District's operation or helped facilitate the process. Mr. Jagers noted that the District is indifferent to familiarity and is interested in maximum transparency. He assured that staff believes this firm provides a detailed review of the District's efforts and provides professionalism and a high level of integrity.*

7. Action List for Future Meetings:

- Chandler Asset Management update
- Request for Proposal for Banking Services update
- Information on the Low-Income Household Water Assistance Program (LIHWAP)
- CSMFO award
- Selection of the 2025 to 2030 Rate Study Consultant
- Impacts of "Making Conservation a California Way of Life" regulations

**ANNOUNCEMENTS**

*Chair Hoffman pointed out the following announcements:*

- Regular Board meeting: Wednesday, Apr. 10 at 6:00 p.m.
- Personnel Committee meeting: Tuesday, Apr. 16 at 5:30 p.m.
- Beaumont Basin Watermaster Committee: Wednesday, Apr. 17 at 11:00 a.m.
- Engineering Workshop: Thursday, Apr. 25 at 6:00 p.m.
- Collaborative Agencies Committee: Wednesday, May 1 at 5:00 p.m.
- Finance & Audit Committee meeting: Thursday, May 2 at 3:00 p.m.
- San Geronio Pass Regional Water Alliance: Wednesday, May 22 at 5:00 p.m.

**ADJOURNMENT: 3:40 P.M.**



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