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

MINUTES OF THE FINANCE AND AUDIT COMMITTEE MEETING
Thursday, September 5, 2024 at 3:00 p.m.

CALL TO ORDER

Chair Hoffman called the meeting to order at 3:07 p.m.

Attendance

Directors present:	Director Hoffman and Director Williams
Directors absent:	None
Staff present:	General Manager Dan Jaggers Director of Information Technology Robert Rasha Assistant Director of Finance and Administration Sylvia Molina Director of Operations James Bean Water Utility Supervisor Julian Herrera Finance Manager William Clayton Management Analyst II Erica Gonzales Management Analyst II Melissa Elizondo Management Analyst I Edith Garcia Administrative Assistant Cenica Smith
Members of the public:	Jacob Montagne (3:33 p.m.)

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. August 1, 2024 Regular Meeting

The Committee accepted the meeting minutes by the following vote:

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

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

   The Committee received and filed the Check Register as presented by the following vote:

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

4. Financial Reports/Recommendations

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

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

- *Grant revenue update: Low Income rate assistance*
- *Water production has increased during the hotter months; there is a delay in reporting water sales figures (estimated between $800,000 and $1 million)*
- *Water loss is now estimated to be in the range of 4 percent*
- *Water delivery to parks, schools and other institutional customers is about 20 percent of production. Consider discussion if drought conditions recur*
- *Data reporting for the Making Conservation a California Way of Life regulation is mandatory*
- *Election expenses in 2024 and 2025*
- *Other Public Employee Benefits (OPEB) budgeted and paid once a year*
- *Equipment repair*
- *Electricity consumption and increase in rates: Tracking to be on budget but pumping less than prior year which helps with total energy consumption. More information will come to the Committee in October or November*
- *Property damage and theft: a Fire hydrant was stolen, and other damages were caused by vehicle impacts. The items are replaced, then the District tries to recover the costs by billing insurance*
- *State Water Project purchases: Staff will likely be coming to the Board to authorize additional expenditure for water banking*
- *Interest income is ahead of budget*
- *Workers' Compensation insurance: ACWA offers WC with a self-insurance pool comprised of all California water districts and is the most comprehensive and tailored to this type of work. BCVWD has had a few claims but nothing of significant impact. Safety translates to savings*
- *Truck washes and parking practices*
- *Tree maintenance in Edgar Canyon and green waste disposal*
- *Exhaust muffler for pumping equipment*
- *Lien fees to the County of Riverside for unpaid water bill*
- *Santa Ana Watershed Project Authority basin monitoring program to maintain and protect the watershed. Paid by / apportioned to all agencies in the basin area*

- *The RWG invoices do not reflect the increased rates. Need for a budget adjustment for legal services does not appear necessary*

The Committee recommended presenting Item 4a 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 4b 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 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 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	

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

6. Policies and Procedures Manual Updates / Revisions

Policy revisions are in progress, Ms. Molina noted.

7. Update on Policy Tracking Matrix

Mr. Clayton advised the Committee on the policy revision work and noted progress made. Chair Hoffman asked about the number of credit cards held by the District. Mr. Clayton noted there are two: Arco and Home Depot. Ms. Gonzales noted there are infrequent, minimal fraudulent charges. Staff discussed tracking of the expenses.

ANNOUNCEMENTS

Chair Hoffman pointed out the following announcements:

- Regular Board meeting: Wednesday, Sept. 11 at 6 p.m.
- Personnel Committee meeting: Tuesday, Sept. 17 at 5:30 p.m.
- San Gorgonio Pass Regional Water Alliance: Wednesday, Sept. 25 at 5 p.m.
- Engineering Workshop: Thursday, Sept. 26 at 6 p.m.
- Finance & Audit Committee meeting: Thursday, Oct. 3 at 3 p.m.
- Special Finance & Audit Committee meeting: Thursday, Oct. 17 at 3 p.m. (to be confirmed)

ADJOURNMENT: 4:35 P.M.

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