



Cabazon Water District
14618 Broadway Street • P.O. Box 297
Cabazon, California 92230

FINANCE & AUDIT COMMITTEE MEETING

MINUTES

Meeting Location:
Cabazon Water District Office
14618 Broadway Street
Cabazon, California 92230

Teleconference:
Dial-in #: 978-990-5321
Access Code: 117188

Meeting Date:
Tuesday, May 21, 2024 – 5:00 PM

CALL TO ORDER
PLEDGE OF ALLEGIANCE
ROLL CALL

Board Vice Chair Terry Tincher – Present
Board Chair Sarah Wargo – Present
Michael Pollack, General Manager – Present
Cindy Byerrum, Financial Consultant – Present
Corey Mize, Financial Consultant – Present
Evelyn Aguilar, Board Secretary – Present

***Note: This meeting was recorded by the District**

FINANCE & AUDIT COMMITTEE

1. Discussion: Review of FY 24/25 Proposed Budget
 - Corey Mize from Eide Bailly presented the proposed budget for FY25, and pointed out some notable changes. The proposed budget will be presented again in June, with updated projected year end amounts.
2. Discussion: Finance & Audit Committee Report
 - Balance Sheet

- Profit and Loss Budget Comparison
- Capital Detail

3. Finance & Audit Committee District Payables Review and Approval/Signing

Main Reports:

- Balance Sheet – depicts what the District owns and what the District owes.
- Profit & Loss Budget Performance – shows how the District is performing against the budget, and the condition of the District fiscal year to date.
- Capital Detail – shows activity pertaining to Capital Projects.

Balance Sheet:

The District's combined Cash with Chase Bank, Local Agency Investment Fund (LAIF), and California Cooperative Liquid Assets Securities System (CLASS) balance was \$1,908,159 at month end. The District's total liabilities were approximately \$569,778 at month end.

Profit and Loss: - Year to date (YTD) is 83% of the year.

7. Basic Facilities Fee: These are fees charged for new service connections, meter installations, and upgrades. These revenues are budgeted conservatively due to their unpredictable nature. YTD is over budget due to multiple service installations.

8. Standby Fees – Tax Revenue: This accounts for standby fees accessed to all parcels in the District. The minimum fee is \$5/acre; rates vary per location and nature of the parcel. The majority of these receipts occur in January and May. YTD is trending under budget at 64%.

11. Property Taxes: This account includes Ad Valorem tax revenues apportioned by Riverside County. Property Tax receipts are received in January and May when property tax payments are due to the County of Riverside Tax Collector's Office. YTD is trending under budget at 58%.

15. Interest Income-Investment Accounts: This account includes interest earnings in the District's LAIF and other investment accounts. YTD is over budget due to higher interest rates.

18. Total Revenues: YTD is at 80%.

26. Total Payroll: YTD is at 82%.

29. Lab Fees: This account includes the costs of lab fees and water quality testing. Expenses will vary depending on timing of receipt of bills. YTD is over budget due to more lab samples taken in order to bring up to date triennial sample compliance.

32. Line R&M Materials: This account includes the expenses relating to materials for line repair and maintenance. YTD varies depending on the R&M needs of the water system. YTD is trending under budget at 14%.

49. Total Office Expenses: YTD is at 73%.

53. Legal Services: This account includes the costs of legal services for the District. YTD will vary depending upon the requirement and timing of legal services. YTD is trending under budget at 26%.

56. Insurance: This account includes the annual costs of liability insurance for the District. YTD is over budget due to premiums being higher than anticipated.

62. Vehicle Fuel: This account includes fuel costs for District vehicles. YTD is over budget due to higher fuel expenses than anticipated.

69. Total Service Tools & Equipment: YTD is at 56%.

71. Loan Interest & Processing Fee: This account includes Department of Water Resources (DWR) interest expense, DWR loan processing fees, and Ford interest expense. DWR payments are made in October and April. YTD is over budget due to loan origination fees in October and April relating to the Well 4 loan.

76. Total Non-Operating Expenses: YTD is at 238%.

77. Total Expenses: YTD is at 75%.

81. RCEDA Loan – Dissolved: This account reflects the revenue realized as a result of the terminated loan agreement with the Riverside County Economic Development Agency.

As of April 30st, the fiscal year-to-date net income is \$548,264.

Capital Detail:

Lines 3-10 Reserve Funded Capital Projects: Projects to be funded by District reserves.

5. Meter Replacement: This account is for the Water Meter Replacement Program. YTD is trending under budget at 24% due to the timing of replacements.

7. Bonita Vault: This account is for new vault and materials. YTD is trending under budget at 21% due to timing of purchases.

Lines 14-25 Grant/Debt Funded Capital Projects: Projects to be funded by grant/debt revenues.

15. Esperanza Waterline Improvements: Includes the Esperanza Waterline project which is expected to be primarily grant funded with the project costing \$359,700 and the grant funding being \$343,700.

PUBLIC COMMENT

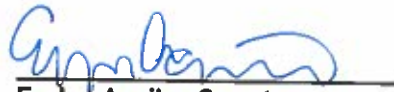
Any person may address the Board of Directors at this time on any matter within the subject matter jurisdiction of the Cabazon Water District; however, any matter that requires action will be referred to staff for investigation and reported at a subsequent Board of Directors meeting. The Board of Directors is prohibited by law from discussing or taking immediate action on items during this public comment period. To comment on specific agenda items, please advise the Board secretary prior to the meeting. Each public comment will be limited to three (3) minutes. Individuals may not give their time away to another spokesperson. After two (2) minutes, the speaker will be notified that he/she has one (1) minute remaining. AB 1234 ORAL REPORTS (Gov. Code Sec. 53232.3(d))

ADJOURNMENT

Meeting adjourned at _____ on Tuesday, May 21, 2024 and the FAC proceeded to check signing.



Sarah Wargo, Board Chair
Board of Directors
Cabazon Water District



Evelyn Aguilar, Secretary
Board of Directors
Cabazon Water District

ADA Compliance Issues

In compliance with the Americans with Disabilities Act & Government Code Section 54954.2, if special assistance is needed to participate in a Board meeting, please contact the Clerk of the Board at (951) 849-4442. Notification of at least 48 hours prior to meeting time will assist staff in assuring that reasonable arrangements can be made to provide accessibility at the meeting.