



**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, April 18, 2023 – 5:00 PM

**CALL TO ORDER**  
**PLEDGE OF ALLEGIANCE**  
**ROLL CALL**

**Director Terry Tincher – Present**  
**Director Sarah Wargo – Present**  
**Michael Pollack, General Manager – Present**  
**Evelyn Aguilar, Board Secretary – Present**

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

**FINANCE & AUDIT COMMITTEE**

1. Discussion: Finance & Audit Committee Report
  - Balance Sheet
  - Profit and Loss Budget Comparison
  - Capital Detail
  
2. 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 and Local Agency Investment Fund (LAIF) balance was \$999,607 at month end. The District's total liabilities were approximately \$1,007,783 at month end.

Profit and Loss: - Year to date (YTD) is 75% of the year

- 14. Cell Tower Lease Income: This accounts for the monthly lease payment for use of District property for cell towers. YTD is over budget due to the implementation of a new cell tower location.
- 16. Interest Income: This account includes interest earnings in the District's LAIF and other investment accounts, and interest charged on overdue customer balances. YTD is over budget due to higher interest collected on customer bills than anticipated and higher interest returns on the BNY Reserve Fund, BNY Repayment Fund and LAIF.
- 18. Total Revenues: YTD is slightly over budget at 79%.
- 24. Field Workers: This account includes the number of wages attributable to field workers. YTD is trending over budget at 79% due to increased overtime.
- 30. Lab Fees: This account includes the costs of lab fees and water quality testing. Expenses will vary depending on timing of receipt of bills.
- 31. Meters: This account includes the costs of meter repairs and meter testing. Expenses will vary throughout the year.
- 36. Engineering Services: This account includes general engineering services required by the District.
- 37. Facilities, Wells, T&D – Other: This account includes the generator service contract expenses, site landscaping & maintenance, chlorinators, and SCADA. YTD is over budget due to a \$4K payment for Tank #3 altitude valve repairs and \$5.9K payment for Almond Vault preventative maintenance.
- 41. Water Billing System: This account includes the annual water billing system maintenance costs. YTD is over budget due to billing system subscription paid through year end, price increase for new subscription beginning in May.
- 50. Office Expenses – Other: This account includes miscellaneous office expenses.
- 53. Financial Audit: This account includes the costs for the annual financial audit. YTD is trending under budget at 36% due to the timing of audit services.
- 55. 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.
- 63. Shop Supplies & Small Tools: This account includes various shop supply and small tool purchases. YTD is over budget due unanticipated needs.
- 64. Vehicle Fuel: This account includes fuel costs for District vehicles. YTD is trending below budget at 43% due to less backhoe fuel purchases and one less truck due to the sale of the 2009 Toyota Tundra.
- 66. Safety: This account includes safety equipment purchases. YTD is over budget due to a \$1.3K purchase for three eye wash stations in December.
- 77. Total Expenses: YTD is slightly under budget at 68%.

As of March 31st, the fiscal year-to-date net income is \$362,085.

Capital Detail:

4. Meter Replacement: This account is for the Water Meter Replacement Program. YTD is at 84% of budget.
8. Isolation Valves: Includes the Isolation Valves project which is expected to be 100% grant funded. Cash flow relating to grant receipts to be supported by San Gorgonio Pass Water Agency (SGPWA) Gap Funding.
9. Grant Funding – DWR: Includes grant funding received from the DWR for the isolation valves project. \$12.5K received in January is for grant reimbursements through Q3 2022.
11. Groundwater Well Improvements: Includes the Groundwater Well Improvements project, expected to be 100% grant funded. Cash flow relating to grant receipts to be supported by SGPWA Gap Funding.
12. Grant Funding – SWRCB: Includes grant funding received from SWRCB for Groundwater Well Improvement projects. \$5.6K YTD activity is for grant reimbursements through Q3 2022.
14. Broadway & Main St. Gate Valve: Includes the Broadway & Main Gate Valve, anticipated to be 100% grant funded.
15. T2, T3, & T4 Recoating: Includes Tank Recoating for T1, T2 & T4, anticipated to be 100% grant funded.

- Ms. Aguilar explained that the budget for FY 24 will be going to the FAC in May for review and comments, and then will be going to the full board in June.
- GM Pollack shared that he had been contacted by Symphony Wireless about buying out the lease for the cell tower at the property where Well #1 is located. The FAC asked if a representative could explain the offer to the District's accountant and the full Board at the May 16 Board meeting.

**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 5:29 PM on Tuesday, April 18, 2023.



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.