



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

FINANCE & AUDIT COMMITTEE MEETING

AGENDA

Meeting Location:
Cabazon Water District Office
14618 Broadway Street
Cabazon, California 92230
Teleconference:
Dial-in #: 978-990-5321
Access Code: 117188

Meeting Date:
Tuesday, June 15, 2021 – 5:00 PM

CALL TO ORDER,
PLEDGE OF ALLEGIANCE,
ROLL CALL
FINANCE & AUDIT COMMITTEE

1. Discussion: Finance & Audit Committee Report
 - Balance Sheet
 - Profit and Loss Budget Comparison
2. Finance & Audit Committee District Payables Review and Approval/Signing

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

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.



Cabazon Water District
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REGULAR BOARD MEETING

AGENDA

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Teleconference:
Dial-in #: 978-990-5321
Access Code: 117188
Email: info@cabazonwater.org

Meeting Date:
Tuesday, June 15, 2021 – 6:00 PM

CALL TO ORDER

PLEDGE OF ALLEGIANCE

REMEMBRANCE OF OUR SERVICE MEN AND WOMEN

ROLL CALL

CONSENT CALENDAR

All matters in this category are considered to be consistent with the Board/District goals, District Policies and Regulations adopted and/or approved by the Board of Directors, and will be enacted in one motion. There will be no separate discussion of these items. If discussion is required, items may be removed from the consent calendar and will be considered separately.

1. **Approval of:**
 - a. Finance and Audit Committee Meeting Minutes and Warrants approved by the committee on May 18, 2021
 - b. Regular Board Meeting Minutes and Warrants of May 18, 2021
2. **Warrants – None**
3. **Awards of Contracts – None**

UPDATES

1. Update: San Gorgonio Pass Regional Water Alliance Update
(by Director Morris)
2. Update: Manager's Operations Report (by GM Louie)

NEW BUSINESS

1. Discussion/Action: Review and Adoption of Budget for FY 21/22
[TAB1] (By Scott Nelson)

PUBLIC COMMENTS

Any person may address the Board of Directors at this time on any matter within the subject matter jurisdiction of the Cabazon Water District that is not listed on the agenda; 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))

GENERAL MANAGER/BOARD COMMENTS

1. Future Agenda Items

The Board Chair or the majority of the Board may direct staff to investigate and report back to an individual(s) and the Board on matters suggested or direct the General Manager/Board Secretary to place the matter on a future Board meeting.

- Suggested agenda items from the Public.
- Suggested agenda items from Management.
- Suggested agenda items from Board Members.

2. Management Comments

Staff members may speak on items of information not requiring comment or discussion to the Board and public. Topics which may be included on a future meeting agenda may be presented but cannot be discussed. (3 minutes)

3. Board Member Comments

Board members may speak on items of information not requiring comment or discussion to the Board and public. (3 minutes)

MISCELLANEOUS

1. Future Board Items/Next Board Meeting Date(s)

- a. Finance & Audit Workshop – Tuesday – July 20, 2021, 5:00 pm
- b. Regular Board Meeting – Tuesday – July 20, 2021, 6:00 pm
- c. Personnel Committee – None
- d. San Geronio Pass Regional Water Alliance – Meeting – Wednesday, June 23, 2021, 5:00 pm

ADJOURNMENT

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Cabazon Water District
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FINANCE & AUDIT COMMITTEE MEETING

MINUTES

Meeting Location:
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14618 Broadway Street
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Teleconference:
Dial-in #: 978-990-5321
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Meeting Date:
Tuesday, May 18, 2021 – 5:00 PM

CALL TO ORDER
PLEDGE OF ALLEGIANCE,
ROLL CALL

Director Wargo – Present
Director Sanderson - Present

Calvin Louie, General Manager – Present
Evelyn Aguilar, Board Secretary – Present
Cindy Byerrum, Financial Consultant – Present
Scott Nelson, Financial Consultant – 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
2. Finance & Audit Committee District Payables Review and Approval/Signing

Main Reports:

- o Balance Sheet – depicts what the District owns and what the District owes.
- o Profit & Loss – shows monthly revenue and expenses.
- o Profit & Loss Budget Performance – shows how the District is performing against the budget, and the condition of the District fiscal year to date.

Balance Sheet:

The District's combined Cash with Chase and LAIF balance was \$937,964 at month end. The District's total liabilities were approximately \$900,720 at month end.

Profit and Loss: - Year to date is 83% of the year

3. Base Rate: This is the flat, fixed monthly charge to all residents for water service. YTD is trending below budget at 75% due to new rate structure.
4. Commodity Sales: This is variable income from water consumption charges. YTD (Year to Date) is over budget due to increased consumption and new rate structure.
5. DHPO Contract: This the variable charge to the Desert Hills Premium Outlets (DHPO), which is segregated until their contract expires in December 2022. YTD is trending on budget at 85%.
9. New Account Fees: This account represents the fees to set up a new utility account. These fees are currently at \$20 for residential accounts and \$65 for construction accounts. These fees are hard to predict and can trend under or over budget.
10. Incident Fee: This account is for any revenue received related to incidental damages or charges. YTD activity includes \$8.4K for a hit fire hydrant and \$1.8K for a leak at a temporary construction meter.
16. Property Taxes: This account includes Ad Valorem tax revenues apportioned by Riverside County. Timing of Property Tax receipts can cause YTD to trend over/under budget. Property Tax receipts are mainly received after December 10th and May 10th when property tax payments are due to the County of Riverside Tax Collector's Office.
19. Interest Income: This account includes interest earnings in the District's LAIF and other investment accounts. YTD can trend over/under budget due to timing of interest receipts. YTD is under budget due to declining interest rates not anticipated in the budget.
28. Office Assistant: The amount of wages for the Temporary Admin Assistant. YTD is over budget due to hiring of full time Administrative Assistant.
38. Total Payroll: Summarizes the District's total payroll expenses.
47. Engineering Services: This account includes the engineering costs for District activities. YTD trending over budget due to an unexpected amount of new development and the tank recoating project.
71. Temporary Labor: This account includes costs for the NBS rate study, which is nearly complete.
85. Safety: This account includes safety equipment purchases. YTD activity is a safety harness purchased in November for \$1.3k.
87. Equipment Rental: This account includes equipment rental expenses incurred by the district. YTD is over budget due to traffic control equipment rentals related to a water line emergency repair in July.
96. Miscellaneous: This account includes other non-operating expenses. YTD is over budget because of Covid-19 testing for employees performed in October and December.
102. Main Street Improvements: This accounts for the improvements and development of the Main Street property. YTD is at 56% due to the timing of project expenditures. YTD activity includes an invoice from Tess Electric for installation of new Edison raceway & meter pedestal for \$4.7K, the purchase of a new storage container for \$4.3K and clean up services for \$1.2K.

103. Meter Replacements & Other Capital: Budget in this account includes meter replacements and fire hydrant relocation project. YTD activity includes purchase of new A/C unit (\$20.4K).
104. Well & Tank Repairs: Budget in this account includes Well and Tank #1 rehabilitation. YTD is over budget due to higher than anticipated rehabilitation costs.
108. Debt Service Principal – DHPO: This account includes principal payments on the DHPO loan. YTD is at 100% due to timing of loan payments.

As of April 30th, the fiscal year-to-date net loss is (\$215,644).

PUBLIC COMMENT

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ADJOURNMENT

Motion to adjourn at 17:16 Hr. made by Director Wargo and 2nd by Director Sanderson.

Director Wargo – Aye
Director Sanderson – Aye

Meeting adjourned at 17:16 Hr. on Tuesday, May 18, 2021

Robert Lynk, Board Chair
Board of Directors
Cabazon Water District

Evelyn Aguilar, Secretary
Board of Directors
Cabazon Water District

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REGULAR BOARD MEETING

MINUTES

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Teleconference:
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Meeting Date:
Tuesday, May 18, 2021 – 6:00 PM

CALL TO ORDER

PLEDGE OF ALLEGIANCE

REMEMBRANCE OF OUR SERVICE MEN AND WOMEN

ROLL CALL

Director Martin Sanderson – Present
Director Diana Morris – Present
Director Sarah Wargo – Present
Director Robert Lynk – Present

Calvin Louie, General Manager – Present
Evelyn Aguilar, Board Secretary – Present
Cindy Byerrum, Financial Consultant – Present
Scott Nelson, Financial Consultant – Present

Note: This meeting was recorded by the District.

CONSENT CALENDAR

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1. Approval of:

- a. Finance and Audit Committee Meeting Minutes and Warrants approved by the committee on April 20, 2021
- b. Regular Board Meeting Minutes and Warrants of April 20, 2021

Motion to approve the following consent calendar items (a.) Finance and Audit Committee Meeting Minutes of April 20, 2021, and (b.) Regular Board Meeting Minutes of April 20, 2021 made by Director Wargo and 2nd by Director Sanderson.

Director Sanderson – Aye

Director Morris – Aye

Director Wargo – Aye

Director Lynk – Aye

- 2. Warrants – None**
- 3. Awards of Contracts – None**

***Note: The items were discussed in a different order than the Agenda, due to there being other parties present to discuss certain items.**

UPDATES

- 1. Update: San Gorgonio Pass Regional Water Alliance Update (by Director Morris)**
 - No Update. The meeting will be on May 26.

NEW BUSINESS

- 2. Discussion/Action: Review and adoption of FY 21/22 Budget (by Cindy Byerrum and Scott Nelson)**
 - Scott Nelson presented the proposed budget for FY 21/22.
 - GM Louie brought up that the paint on the roof of Tank #2 is peeling. He said if it doesn't get recoated, it could spread to the entire tank, which would cost the District a lot more than just repainting the roof. He suggested that these costs be included in the budget, and he could postpone the purchase of a new district vehicle and the detachment of the tribal land until the next Fiscal Year, if needed.

***Note: The Board decided to table this item until the June 15 meeting.**

- 1. Discussion/Action: Review resumes, discuss, interview, and select a community member for the Board of Directors vacant seat. (by Chairman Lynk & Directors)**
 - Terry Tincher was interviewed by the Board. He gave a brief introduction about himself, mentioning that he has lived in Cabazon for a long time, and works in the plumbing/pipeline industry. When asked why he would like to join the board, he responded that he likes Cabazon, and wants to help the community by getting this town back to the way it used to be. Director Morris mentioned that she knows Mr. Tincher on the West Desert Municipal Advisory Council, and recommended that he fill the vacant seat.
 - There were no other candidates present.

Motion to appoint Terry Tincher to fill the vacant seat on the Board of Directors made by Director Wargo and 2nd by Director Sanderson.

**Director Sanderson – Aye
Director Morris – Abstain
Director Wargo – Aye
Director Lynk – Aye**

- Mr. Tincher took his Oath to Office, and will now be listed as Director Tincher.
- A short break was taken from 18:50 hr. until 19:00 hr.

CLOSED SESSION General Manager’s Annual Performance Evaluation

- Closed session began at 19:00 hr.

OPEN SESSION Report of Action to the Public

- Closed session ended at 20:45 hr.
- There were no reportable Actions
- Director Lynk stated that Director Morris had left the conference call, so she will be absent for the rest of the meeting.

3. Discussion: Ripppo LLC Well Proposal (by Charles Ripps)

- Mr. Ripps explained the qualities of the two Wells on the Cabazon property that he owns, and the benefits to the District if it were to obtain this property. He said his Wells have been tested regularly, and always come back with very good results. He said Legend has examined his Wells, and have pointed out that they are in a very good location. He stated that he understands the District probably doesn't have the funding to purchase this property, but there are proposed bills that, if passed, would help water districts in getting funding.
- GM Louie pointed out that he has already obtained a grant, which allows the District to put a test Well on the East side of town. If this test Well is successful, the District could be granted with funding to place a permanent Well on the East side of town. Engineering is currently looking for a location for the test Well.
- Director Lynk recommended that Mr. Ripps write a letter to the District's Engineering, offering his property for the test Well. If the District obtains funding from this test, Mr. Ripps proposal could be discussed again.

4. Discussion/Action: Public Bulletin Board (by GM Louie)

- The window in the bulletin board at the Post Office is faded. During the last regular Board Meeting, Director Lynk asked GM Louie to look into replacing it. GM Louie determined it would be around \$275.
- The Board mentioned they weren't sure who is in charge of the bulletin board, but that would have to be determined prior to replacing it.

Motion for the GM to ascertain who has authority to replace the public bulletin board, and get permission to replace the window on it made by Director Lynk and 2nd by Director Wargo.

**Director Sanderson – Aye
Director Morris – Absent
Director Wargo – Aye
Director Lynk – Aye
Director Tincher – Aye**

UPDATES

2. Update: **Manager's Operations Report (by GM Louie)**

- There was a planned power outage on 04/28/2021 that the District was unaware of, due to SCE notifications going to a spam email folder. This caused a lot of confusion, as this was the day the monthly bills were to be printed. The District worked with Accent to resolve this issue.
- No changes to COVID-19 procedures, but California is expected to relax certain guidelines on 06/15/2021. It is unclear to which extent businesses will be affected.
- There was a missing cap and graffiti on a fire hydrant/ construction meter. This may have been attempted water theft.
- Well #1 update:
 - New pump motor was installed and test activated.
 - Well was set to flush over the weekend in an attempt to produce negative coliform results. The Well failed to pump, due to a high pressure alert.
 - GM Louie observed cuts on the new pump shaft, and noticed Legend crew smoothing the cuts with sandpaper. He inquired with Engineering if this is the proper procedure, or if Legend is contracted to replace the entire pump shaft. The GM is awaiting a response from Engineering. Director Lynk stated that the pump shaft should be replaced.

OLD BUSINESS

1. Discussion/Action: **Customer Concern – Paul Oshideri**

- Mr. Oshideri was absent.
- The Board Secretary stated that Mr. Oshideri emailed her saying he would be there.

***Note: No motion was made.**

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- Director Wargo welcomed Director Tincher onto the Board.

MISCELLANEOUS

1. Future Board Items/Next Board Meeting Date(s)

- a. Finance & Audit Workshop – Tuesday – June 15, 2021, 5:00 pm
- b. Regular Board Meeting – Tuesday – June 15, 2021, 6:00 pm
- c. Personnel Committee – None
- d. San Gorgonio Pass Regional Water Alliance – Alliance Meeting – Wednesday, May 26, 2021

ADJOURNMENT

Motion to adjourn at 21:41 hr. made by Director Wargo and 2nd by Director Sanderson.

Director Sanderson – Aye
Director Morris – Absent
Director Wargo – Aye
Director Lynk – Aye
Director Tincher – Aye

Meeting adjourned at 21:41 hr. on Tuesday, May 18, 2021.

Robert Lynk, Board Chair
Board of Directors
Cabazon Water District

Evelyn Aguilar, Secretary
Board of Directors
Cabazon Water District

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Cabazon Water District
Balance Sheet
May 31, 2021

May 31, 21

1	ASSETS	
2	Current Assets	
3	Checking/Savings	
4	General Bank Account-Chase	\$ 113,910
5	Payroll Bank Account-Chase	36,230
6	Trust Account-Chase (Cust. Deposits)	11,002
7	Local Petty Cash	100
8	Total Checking/Savings	161,243
9	Accounts Receivable	230,275
10	LAIF	825,952
11	Bank of NY Trustee Accounts	56,868
12	Prepaid Expenses	30,873
13	Inventory	94,015
14	Total Current Assets	1,409,145
15	Fixed Assets	
16	Total Fixed Assets	13,130,969
17	Accumulated Depreciation	(5,993,048)
18	Net Fixed Assets	7,137,921
19	TOTAL ASSETS	\$ 8,547,066
20	LIABILITIES & EQUITY	
21	Liabilities	
22	Current Liabilities	
23	Accounts Payable	\$ 115,917
24	Other Current Liabilities	
25	Misc. Short Term Liability	10,000
26	Customer Deposits - Co 1	6,700
27	Customer Deposits - Co 2	5,486
28	Total Customer Deposits	12,186
29	Accrued Vacation Pay	9,437
30	DWR-HS Payable - Current	40,763
31	Current Portion Zion's Bank Loan	82,872
32	Accrued Payroll	11,311
33	Accrued Payroll Taxes	838
34	Accrued Interest	3,647
35	Accrued Expenses	3,000
36	Total Current Liabilities	290,124
37	Long Term Liabilities	
38	DWR-H Loan Payable (2026)	238,187
39	Zion's Bank Long Term (2023)	172,026
40	RCEDA Loan Payable	300,000
41	Total Long Term Liabilities	710,213
42	Total Liabilities	1,000,337
43	Total Equity	7,546,728
44	TOTAL LIABILITIES & EQUITY	\$ 8,547,066

*No assurance provided on these financial statements. These financial statements do not include a statement of cash flows. Substantially all disclosures required by accounting principles generally accepted in the United States not included.

Cabazon Water District
Profit & Loss
July 1, 2020 - May 31, 2021

	May-21	Current YTD	FY 20/21 Budget	YTD (92%)
1 REVENUES				
2 OPERATING INCOME				
3 Base Rate - Water Bills	\$ 44,021	\$ 749,906	\$ 939,800	80%
4 Commodity Sales	69,353	476,111	329,700	144%
5 DHPO Contract	15,516	157,938	168,000	94%
6 Fire Sales - Water Bills	261	4,496	5,900	76%
7 Fire Flow Income	285	2,850	-	0%
8 Penalty Fees - Water Bills	1,701	7,252	31,000	23%
9 New Account Fees - Water Bills	60	1,980	1,600	124%
10 Incident Fees	-	10,169	-	0%
11 Returned Check Fees	60	210	500	42%
12 Basic Facilities Fee	-	58,764	-	0%
13 Stand By Fees - Tax Revenue	31,815	109,182	113,600	96%
14 TOTAL OPERATING INCOME	163,072	1,578,857	1,590,100	99%
15 NON-OPERATING INCOME				
16 Property Taxes	5,987	45,909	60,900	75%
17 Cell Tower Lease Income	2,129	23,418	25,600	91%
18 Miscellaneous Non-Operating Income	-	2,247	7,300	31%
19 Interest Income	-	3,832	19,600	20%
20 TOTAL NON-OPERATING INCOME	8,116	75,406	113,400	66%
21 TOTAL REVENUES	171,189	1,654,263	1,703,500	97%
22 EXPENSES				
23 PAYROLL & BENEFITS				
24 Directors Fees	900	9,200	15,000	61%
25 Management & Customer Service				
26 Customer Accounts	4,218	50,522	54,800	92%
27 Business Admin Manager	-	58,505	77,700	75%
28 Office Assistant	2,735	15,154	7,800	194%
29 General Manager	6,862	82,347	89,200	92%
30 Total Management & Customer Service	13,816	207,705	229,500	91%
31 Field Workers	9,515	114,338	123,000	93%
32 Employee Benefits Expense				
33 Workers Compensation	323	5,474	6,200	88%
34 Employee Health Care	4,390	70,105	94,800	74%
35 Pension	4,377	59,704	77,400	77%
36 Total Employee Benefits Expense	9,089	135,283	178,400	76%
37 Payroll Taxes	1,901	27,073	33,200	82%
38 TOTAL PAYROLL & BENEFITS	35,221	493,600	579,100	85%

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Cabazon Water District
Profit & Loss
July 1, 2020 - May 31, 2021

	May-21	Current YTD	FY 20/21 Budget	YTD (92%)
39 OPERATIONAL EXPENSES				
40 Facilities, Wells, T&D				
41 Lab Fees	244	3,732	8,900	42%
42 Meters	-	1,080	4,800	23%
43 Utilities - Wells	4,371	86,010	96,600	89%
44 Line R&M Materials	2,893	39,104	72,500	54%
45 Well Maintenance	372	20,277	37,800	54%
46 Security	3,306	22,528	24,800	91%
47 Engineering Services	11,228	139,377	56,300	248%
48 Facilities, Wells, T&D - Other	1,311	9,389	12,200	77%
49 Total Facilities, Wells, T&D	23,724	321,498	313,900	102%
50 Utilities - Office				
51 Electricity	254	11,290	15,800	71%
52 Gas	32	686	1,100	62%
53 Telephone	891	9,427	10,200	92%
54 Trash Pickup & Office Cleaning	374	4,514	4,600	98%
55 Total Utilities - Office	1,551	25,916	31,700	82%
56 Office Expenses				
57 Water Billing System	196	1,968	2,100	94%
58 Supplies & Equipment	382	8,410	10,100	83%
59 Copier Lease & Printing Supplies	387	4,110	5,000	82%
60 Dues & Subscriptions	337	1,357	1,300	104%
61 Postage	1,411	8,578	8,100	106%
62 Printing & Publications	-	324	6,300	5%
63 Computer Services	2,874	32,180	36,800	87%
64 Office Radio	-	210	-	0%
65 Office Storage	500	5,500	6,200	89%
66 Air Conditioning Servicing	431	4,624	5,100	91%
67 CA Water Systems Alliance	250	1,208	2,500	48%
68 Office Expenses - Other	171	472	2,100	22%
69 Total Office Expenses	6,939	68,941	85,600	81%
70 Support Services				
71 Temporary Labor	-	14,748	12,600	117%
72 Financial Audit	-	10,498	23,000	46%
73 Accounting	3,000	33,045	35,000	94%
74 Legal Services	4,611	40,321	71,000	57%
75 Bank/Payroll Service	353	4,810	5,200	92%
76 Website Support	-	150	900	17%
77 General Liability Insurance	2,396	23,464	26,100	90%
78 Total Support Services	10,360	127,035	173,800	73%

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Cabazon Water District

Profit & Loss

July 1, 2020 - May 31, 2021

		May-21	Current YTD	FY 20/21 Budget	YTD (92%)
79	Training/Travel	645	3,600	4,500	80%
80	Other Fees/SWRCB	-	7,204	8,900	81%
81	Service Tools & Equipment				
82	Shop Supplies and Small Tools	17	8,031	9,300	86%
83	Vehicle Fuel	112	8,785	16,300	54%
84	Employee Uniforms	-	-	1,800	0%
85	Safety	-	1,644	500	329%
86	Tractor Expenses	-	1,805	3,700	49%
87	Equipment Rental	-	4,566	2,000	228%
88	Service Trucks - R&M	-	7,468	14,500	52%
89	Water Ops Phone & Internet	301	2,957	4,800	62%
90	Total Service Tools & Equipment	430	35,256	52,900	67%
91	NON-OPERATING EXPENSES				
92	Grant & Loan Processing Fee	-	1,325	1,400	95%
93	DWR Interest Expense	-	8,243	7,900	104%
94	DHPO Interest Expense	-	5,819	5,800	100%
95	Bad Debt Expense	-	-	1,200	0%
96	Miscellaneous	68	2,183	1,100	198%
97	TOTAL NON-OPERATING EXPENSES	68	17,569	17,400	101%
98	TOTAL EXPENSES	78,939	1,100,619	1,267,800	87%
99	TOTAL INCOME BEFORE CAPITAL & GSA	92,249	553,644	435,700	127%
100	DHPO Capacity Credit	(1,750)	(19,250)	(21,000)	92%
101	CAPITAL PROJECTS				
102	Main Street Improvements (Icehouse Imp.)	-	(11,143)	(20,000)	56%
103	Meter Replacements & Other Capital	-	(20,399)	(35,000)	58%
104	Well & Tank Repairs	(94,864)	(570,049)	(465,000)	123%
105	TOTAL CAPITAL PROJECTS	(94,864)	(601,591)	(520,000)	116%
106	DEBT - PRINCIPAL				
107	Debt Service Principal - DWR	-	(40,448)	(40,800)	99%
108	Debt Service Principal - DHPO (Zion)	-	(82,872)	(82,900)	100%
109	TOTAL DEBT - PRINCIPAL	-	(123,320)	(123,700)	100%
110	SGMA / GSA	-	(6,699)	(35,000)	19%
111	NET INCOME / (LOSS)	\$ (4,365)	\$ (197,217)	\$ (264,000)	75%

*No assurance provided on these financial statements. These financial statements do not include a statement of cash flows. Substantially all disclosures required by accounting principles generally accepted in the United States not included.



Manager's Report

UPDATES

1. Update: **Manager's Operations Report (by GM Louie)**

a. Edison – Public Safety Power Shut-off

- **The County of Riverside, Emergency Management Department (EMD)**, in coordination with **Southern California Edison (SCE)**, has not issued any *Flash Reports* for a **Public Safety Power Shutoff (PSPS)**, which predicts the potential to *de-energize* selected Cabazon circuits.

b. **Corona Virus** – The District will continue to execute the following actions in regards to COVID-19.

- **EOC (Emergency Operations Center)** in coordination with Riverside County Public Health and the District's Management has the following updated COVID-19 information.
- Management continues to take the following preventive and protective measures:

We encourage Board and this Community's Water Team members to reassure any concerned residents and water customers that may have concerns regarding the safety of tap water. The transmission of COVID-19 through tap water is 99.9% untrue. The measured dose of sodium hypochlorite (chlorine) kills most bacteria and viruses.

- ✓ The lobby continues to be **closed** to the public until further direction from the State and County Health officials.
- ✓ Management will continue to protect the health of District employees.
- ✓ Face masks are **required**.
- ✓ A barrier is at the transaction window.
- ✓ Customer Accounts Department will handle checks, money orders, and cash wearing nitrile gloves provided by the District.

- ✓ The current confirmed **COVID-19** cases in the Community of Cabazon is **326, Deaths – 7, and Recovered – 319** as of **06/10/2021** according to the **Riverside County Public Health** website: <https://www.rivcoph.org/coronavirus>
- ✓ This Community's water district will continue to work with water customers that are experiencing hardships in paying their water bills. *There will be an item on a future agenda on resuming penalties & interests.*
- ✓ It is anticipated that on 06/15/2021, California will be eliminating the color tiers, and businesses will be permitted to open. It is unknown which businesses be allowed full or partial capacity, whether masks will continue to be mandated, and if social distancing will still be enforced. This info was shared at the WDMAC meeting on 05/04/2021.

GUIDANCE FOR INDIVIDUALS

Masks are **not required for fully vaccinated individuals**, except in the following settings where masks are required for everyone, regardless of vaccination status:

- On [public transit](#)[1]
- **Indoors** in [K-12 schools](#)[2], [childcare](#)[3] and other youth settings.

Note: This may change as updated K-12 schools guidance is forthcoming, pending updates for K-12 operational guidance from the CDC.

- [Healthcare settings](#)[4] (including [long term care facilities](#)[5])
- State and local [correctional facilities and detention centers](#)[6]
- [Homeless shelters](#)[7], [emergency shelters](#)[8] and [cooling centers](#)[9]

Additionally, masks are **required** for unvaccinated individuals** in indoor public settings and businesses (examples: retail, restaurants, theaters, family entertainment centers, meetings, state and local government offices serving the public).

****Guidance for Businesses, Venue Operators or Hosts**

In settings where masks are required only for unvaccinated individuals, businesses, venue operators or hosts may choose to:

- Provide information to all patrons, guests and attendees regarding vaccination requirements and allow vaccinated individuals to self-attest that they are in compliance prior to entry.
- Implement vaccine verification to determine whether individuals are required to wear a mask.
- Require all patrons to wear masks.

No person can be prevented from wearing a mask as a condition of participation in an activity or entry into a business.

Exemptions to masks requirements

The following **individuals** are exempt from wearing masks at all times:

- Persons younger than two years old. Very young children must not wear a mask because of the risk of suffocation.
- Persons with a medical condition, mental health condition, or disability that prevents wearing a mask. This includes persons with a medical condition for whom wearing a mask could obstruct breathing or who are unconscious, incapacitated, or otherwise unable to remove a mask without assistance.
- Persons who are hearing impaired, or communicating with a person who is hearing impaired, where the ability to see the mouth is essential for communication.
- Persons for whom wearing a mask would create a risk to the person related to their work, as determined by local, state, or federal regulators or workplace safety guidelines.

c. Progress report on Production Well 1

- On 05/16/2021 at 0247 hr., the GM attempted to flush W1 and it failed. The High Pressure Fail signal was lit.



- The GM also noted that the green light was illuminated and the electric well pump motor was NOT activated (running). The GM had these green lights installed not only at W1, but W2 and W5. This was so any District water operator or staff can see the green light lit indicating the electric well pump motor was running without having to exit their service vehicle and enter the water well facility.



This was an added feature to confirm both remotely (SCADA) and visually that the preset well pumps were producing water. This flaw has been brought to the attention of Tess Electric, Mike Beebe.

- On 05/18/2021, damages on the W1 shaft were discovered.

Legend alleges that the well head dust cover and food grade lubricant had failed to dispense the oil onto the pump shaft which caused the scarring.

Wolny, a District certified water operator and construction worker of over 30 years witnessed Legend cutting off the failed ball bearing causing the deep cuts to the pump shaft.



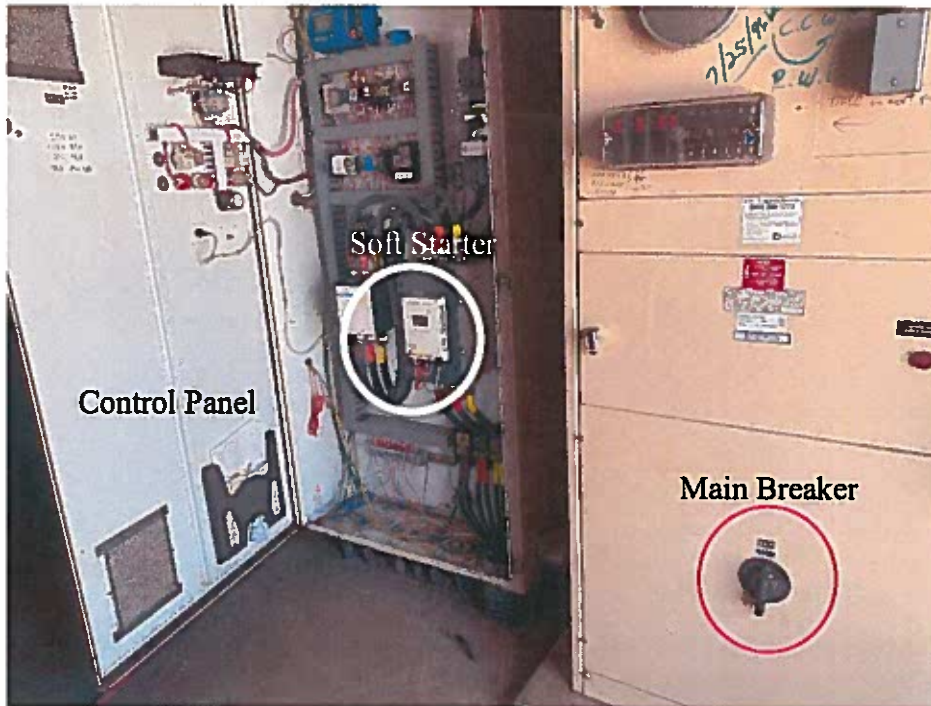
Legend is reluctant to pay for the replacement due to their allegations it was the District's food grade reservoir and cylinoid that had failed to dispense the food grade oil onto the shaft. Legend stated that the cost for the crane required to raise and lower the 900 ft. pump shaft and bowls is approximately \$6,000 per day.

It was mutually decided to move forward with the repair and a decision will be made at a later date to whom will either pay completely or partially for the pump shaft replacement.

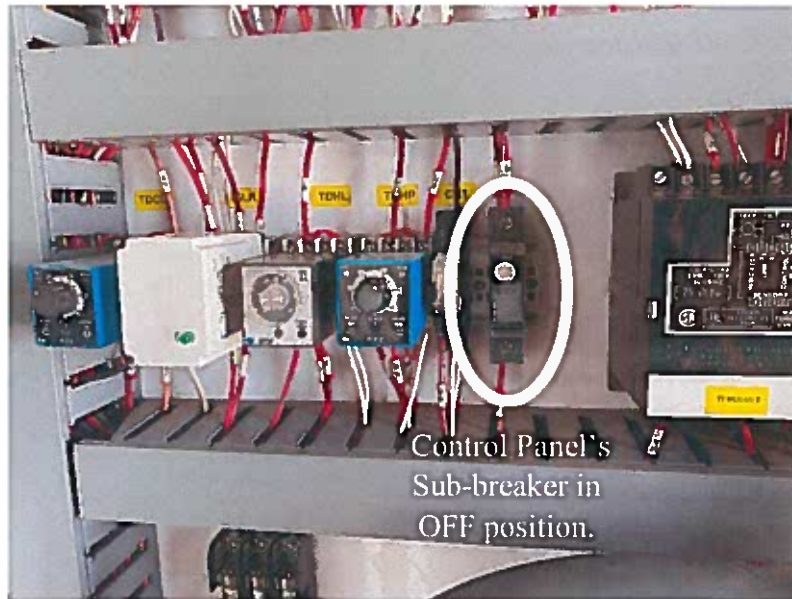
- On 05/18/2021, W1 flushing failed again due to the High Pressure Failed signal being lit again.



Depicted are all the electrical connection that were attached with the available protective rubber boots.



As a precaution, the GM had the entire electrical power shut OFF at the MAIN BREAKER. The reason was the High Pressure Fail signal was unable to be reset at the Control Panel's breaker. The Soft Starter also had a noise emitting from it sounding like a cooling fan.



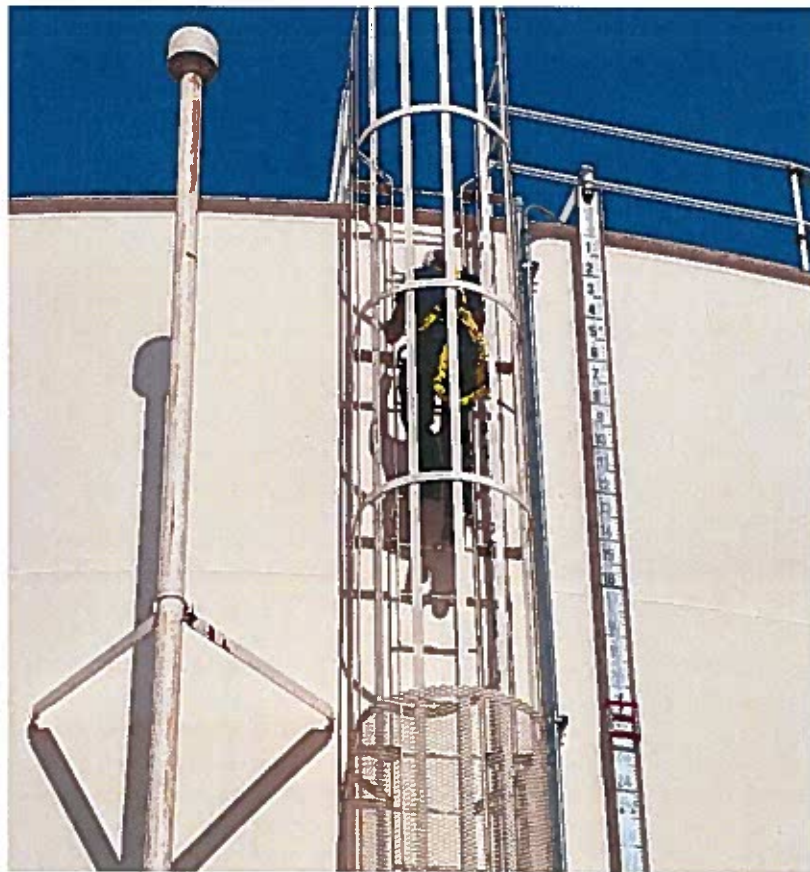
- Based on the above facts from the series of events, the following had occurred.
 - ✓ On 05/16/2021, a Sunday, W1 failed to flush due to a High Pressure Fail signal.
 - ✓ On 05/18/2021, a Tuesday, W1 failed to flush due to a High Pressure Fail signal.
 - ✓ During these attempts, Legend had failed to notify K&S site inspector or District management. Fortunately, the flushing were failed attempts which could have caused extensive damages to the electric well pump shaft and its components.
 - ✓ When the GM was questioned by Legend workers about the initial start-up and flushing during the weekend of 05/07/2021. Louie (GM) advised Legend that the food grade reservoir was 94% filled and it was dispensing approximately one (1) drip every two (2) seconds.

d. Reservoir #2 (T2)

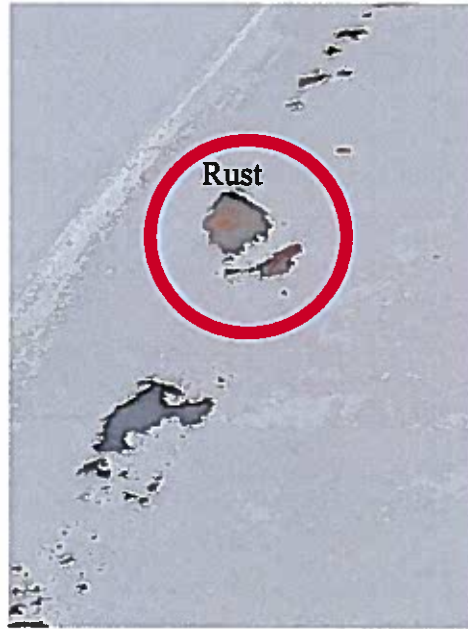
On 05/16/2021 the GM and Chairman Lynk went to inspect the exterior coating of T2. Below are photographs of this meeting and the conditions.



Chairman Lynk speaking to District water operator Dave Wolny at T2.



Chairman Lynk climbing up to the roof of T2.



It is in Management's opinion that recoating T2 is required. As discussed, Management will direct the accountants to remove the District's purchase of a service bed truck and the LAAF fees to abandon the section that is land lock by the tribe to bring the District's budget closer to the amount required. (\$120,000)

e. Progress Report - Tesla Powerpack Battery

District management and engineering is in the process of gathering information and drawings as requested by Tesla engineering and designers. There was an in-person meeting at the engineering offices on Monday, 05/10/2021. In attendance was Chuck Krieger, Steve Anderson, Travis Romeyn, and Calvin Louie. Numerous issues were discussed, including the Tesla matter.

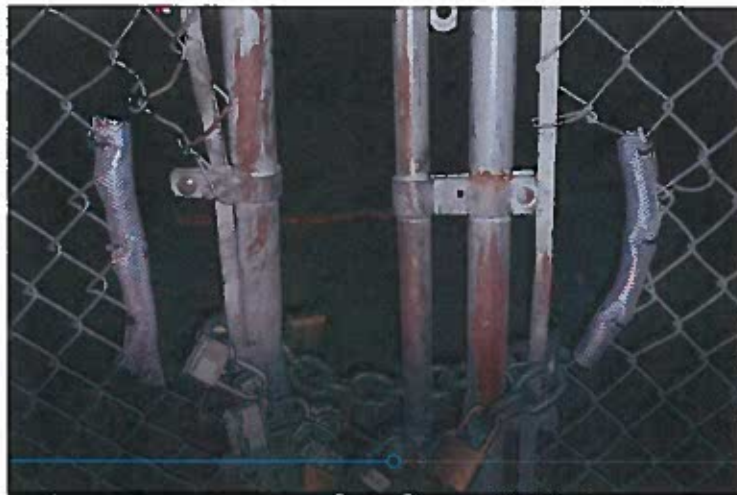
As of 06/09/2021, additional information requested by Tesla was forwarded to engineering, the District's Field Crew, and pump & well repair contractor.



f. W1 Last Traffic Gate

The GM provided one of the field crew members to upgrade the chain lock configuration at the last (or most northern) traffic gate at Well & Tank #1.

My suggestion was to widen the opening and protect the hands from the freshly cut chain links with some used rubber tubing.



g. W1 Ruptured 10” water pipeline



The District Field Crew has this on their job list.

h. Bonita Ave. & Broadway St. – Potential rupture water pipeline

The District Field Crew has been working on this project on Thursday, 06/10/2021.

i. Reimbursement from Asplundh for \$8,356.02 – Subcontractor for Southern California Edison (SCE)

On 01/15/2021, Asplundh, a subcontractor for SCE, struck a fire hydrant (FH) on the south side of Esperanza Ave. just east of Peach St. Management has worked out a reimbursement of the entire amount to the District for non-business hour water emergency response and repair of the FH.

j. Update on 50100 Main Street – New Water District’s Material & Equipment Yard

We have been working with the District’s engineering to contact the County of Riverside’s Building & Safety and County’s planning department. The District’s engineering seem during their investigation have formulated the opinion that County water district’s may construct and approve their own facilities.

NEW BUSINESS

1. Discussion/Action: Review and adoption of FY 21/22 Budget (by Cindy Byerrum)
[TAB 1]

New Business

1. Discussion/Action Item: [TAB 1]

Review and adoption of
Fiscal Year 2021/2022 Budget



**Cabazon Water District
Proposed Budget
FY 2021-22**

Schedule A

	A	B	C	D	E
	FY 20/21 Adopted Budget	FY 20/21 Projected Year-End	FY 21/22 Proposed Budget	\$ Difference (C - B)	% Difference (D / B)
1 REVENUES					
2 OPERATING INCOME					
3 Base Rate - Water Bills	\$ 939,800	\$ 923,800	\$ 522,400	\$ (401,400)	-43%
4 Commodity Sales	329,700	361,000	800,900	439,900	122%
5 DHPO Contract	168,000	165,000	180,800	15,800	10%
6 Fire Sales - Water Bills	5,900	5,600	5,600	-	0%
7 Fire Flow Income	-	1,700	-	(1,700)	-100%
8 Penalty Fees - Water Bills	31,000	10,300	-	(10,300)	-100%
9 New Account Fees - Water Bills	1,600	2,400	2,400	-	0%
10 Returned Check Fees	500	200	200	-	0%
11 Basic Facilities Fee	-	40,200	10,000	(30,200)	-75%
12 Stand By Fees - Tax Revenue	113,600	124,300	126,800	2,500	2%
13 TOTAL OPERATING INCOME	1,590,100	1,634,500	1,649,100	14,600	1%
14 NON-OPERATING INCOME					
15 Property Taxes	60,900	72,500	74,000	1,500	2%
16 Cell Tower Lease Income	25,600	25,600	26,100	500	2%
17 Miscellaneous Non-Operating Income	7,300	2,700	-	(2,700)	-100%
18 Interest Income	19,600	4,300	2,200	(2,100)	-49%
19 TOTAL NON-OPERATING INCOME	113,400	105,100	102,300	(2,800)	-3%
20 TOTAL REVENUES	1,703,500	1,739,600	1,751,400	11,800	1%
21 EXPENSES					
22 PAYROLL					
23 Directors Fees	15,000	10,500	15,000	4,500	43%
24 Management & Customer Service					
25 Customer Accounts	54,800	54,100	55,900	1,800	3%
26 Assistant General Manager	77,700	55,600	-	(55,600)	-100%
27 Business Admin Assistant	-	-	36,200	36,200	0%
28 Temp. Admin Assistant	7,800	9,300	-	(9,300)	-100%
29 General Manager	89,200	89,200	97,800	8,600	10%
30 Total Management & Customer Service	229,500	208,200	189,900	(18,300)	-9%
31 Field Workers	123,000	123,000	161,400	38,400	31%
32 Employee Benefits Expense					
33 Workers Comp.	6,200	5,900	6,200	300	5%
34 Employee Health Care	94,800	76,500	66,200	(10,300)	-13%
35 Pension	77,400	64,100	75,200	11,100	17%
36 Total Employee Benefits Expense	178,400	146,500	147,600	1,100	1%
37 Payroll Taxes	33,200	21,600	29,000	7,400	34%
38 TOTAL PAYROLL	579,100	509,800	542,900	33,100	6%



**Cabazon Water District
Proposed Budget
FY 2021-22**

Schedule A

39 OPERATIONAL EXPENSES

	A	B	C	D	E
	FY 20/21 Adopted Budget	FY 20/21 Projected Year-End	FY 21/22 Proposed Budget	\$ Difference (C - B)	% Difference (D / B)
40 Facilities, Wells, T&D					
41 Lab Fees	8,900	8,900	9,100	200	2%
42 Meters	4,800	4,800	4,900	100	2%
43 Utilities - Wells	96,600	99,800	103,300	3,500	4%
44 Line R&M Materials	72,500	52,000	52,000	-	0%
45 Well Maintenance	37,800	28,100	38,600	10,500	37%
46 Security	24,800	24,800	25,300	500	2%
47 Engineering Services	56,300	110,800	113,000	2,200	2%
48 Facilities, Wells, T&D - Other	12,200	11,300	11,500	200	2%
49 Total Facilities, Wells, T&D	313,900	340,500	357,700	17,200	5%
50 Utilities - Office					
51 Electricity	15,800	14,500	15,000	500	3%
52 Gas	1,100	1,100	1,100	-	0%
53 Telephone	10,200	10,200	10,400	200	2%
54 Trash Pickup & Office Cleaning	4,600	4,600	4,700	100	2%
55 Total Utilities - Office	31,700	30,400	31,200	800	3%
56 Office Expenses					
57 Water Billing System	2,100	2,100	2,100	-	0%
58 Supplies & Equipment	10,100	5,600	10,300	4,700	84%
59 Copier and Supplies	5,000	4,400	5,000	600	14%
60 Dues & Subscriptions	1,300	1,000	2,500	1,500	150%
61 Postage	8,100	8,100	8,300	200	2%
62 Printing & Publications	6,300	6,300	6,400	100	2%
63 Computer Services	36,800	41,300	42,100	800	2%
64 Office Storage	6,200	6,200	6,300	100	2%
65 Air Conditioning Servicing	5,100	5,000	5,100	100	2%
66 Community Water Systems Alliance (CWSA)	2,500	2,500	3,000	500	20%
67 Office Expenses - Other	2,100	200	2,100	1,900	950%
68 Total Office Expenses	85,600	82,700	93,200	10,500	13%
69 Support Services					
70 Temp. Labor/Fee Study Consultants	12,600	14,700	-	(14,700)	-100%
71 Financial Audit	23,000	23,000	23,500	500	2%
72 Accounting	35,000	35,000	40,000	5,000	14%
73 Legal Services	71,000	45,800	71,000	25,200	55%
74 Payroll Service	5,200	5,400	5,500	100	2%
75 Website Support	900	500	500	-	0%
76 Insurance	26,100	24,900	26,100	1,200	5%
77 Total Support Services	173,800	149,300	166,600	17,300	12%
78 Training/Travel					
79 Seminars & Training	3,500	1,500	8,500	7,000	467%
80 Travel and Meals	1,000	1,000	2,000	1,000	100%
81 Total Training/Travel	4,500	2,500	10,500	8,000	320%



**Cabazon Water District
Proposed Budget
FY 2021-22**

Schedule A

	A	B	C	D	E	
	FY 20/21 Adopted Budget	FY 20/21 Projected Year-End	FY 21/22 Proposed Budget	\$ Difference (C - B)	% Difference (D / B)	
82	Other Fees/SWRCB	8,900	8,900	8,900	-	0%
83	Service Tools & Equipment					
84	Shop Supplies and Small Tools	9,300	11,700	11,900	200	2%
85	Vehicle Fuel	16,300	16,300	16,600	300	2%
86	Employee Uniforms	1,800	1,800	2,000	200	11%
87	Safety	500	1,900	1,900	-	0%
88	Tractor Expenses/Maintenance	3,700	2,000	3,700	1,700	85%
89	Equipment Rental	2,000	6,800	6,900	100	1%
90	Service Trucks - R&M	14,500	6,600	14,500	7,900	120%
91	Water Operations On-Call Phones	4,800	4,500	4,800	300	7%
92	Total Service Tools & Equipment	52,900	51,600	62,300	10,700	21%
93	NON-OPERATING EXPENSES					
94	DWR Loan Processing Fee	1,400	1,300	1,400	100	8%
95	DWR Interest Expense	7,900	7,900	6,700	(1,200)	-15%
96	DHPO Interest Expense	5,800	5,800	3,800	(2,000)	-34%
97	Bad Debt Expense	1,200	1,200	1,200	-	0%
98	Miscellaneous	1,100	3,200	3,300	100	3%
99	TOTAL NON-OPERATING EXPENSES	17,400	19,400	16,400	(3,000)	-15%
100	TOTAL EXPENSES	1,267,800	1,195,100	1,289,700	94,600	8%
101	INCOME BEFORE CAPITAL, GSA & DEBT SERVICE	435,700	544,500	461,700	(82,800)	-15%
102	DHPO Capacity Credit	(21,000)	(21,000)	(21,000)	-	0%
103	CAPITAL PROJECTS					
104	Well & Tank Repairs	(465,000)	(570,000)	(270,000)	300,000	-53%
105	Main Street Property (Icehouse-Improvements)	(20,000)	(11,200)	(50,000)	(38,800)	346%
106	Meter Replacements	(35,000)	(20,400)	(20,000)	400	-2%
107	Fire Hydrants	-	-	(72,500)	(72,500)	0%
108	TOTAL CAPITAL PROJECTS	(520,000)	(601,600)	(412,500)	189,100	-31%
109	DEBT - PRINCIPAL					
110	Debt Service Principal - DWR	(40,800)	(40,800)	(42,000)	(1,200)	3%
111	Debt Service Principal - Zion	(82,900)	(82,900)	(84,900)	(2,000)	2%
112	TOTAL DEBT - PRINCIPAL	(123,700)	(123,700)	(126,900)	(3,200)	3%
113	SGMA / GSA	(35,000)	(10,000)	(35,000)	(25,000)	250%
114	NET INCOME / (LOSS)	(264,000)	(211,800)	(133,700)	78,100	
115	PROJECTED BEGINNING CASH - 7/1/21			\$ 780,000		
116	PROJECTED ENDING CASH - 6/30/22			\$ 646,300		



Cabazon Water District FY 21/22 Proposed Budget

Schedule A: FY 21/22 Proposed Budget

Column (A) is the Adopted Budget for FY 20/21. Column (B) represents projected year-end balances for Fiscal Year 20/21. These amounts are estimates; actual results will vary. Column (C) displays the Proposed Budget for FY 21/22. Columns (D) and (E) display \$ and % differences from Projected FY 20/21 results to the FY 21/22 Proposed Budget.

REVENUES

Lines 3-4 Base Rate & Commodity Sales: Fixed and Volumetric water sales including residential, commercial & construction water sales. Revenues are for FY 21/22 are adjusted per the adopted rate study shifting to a 40% Fixed / 60% variable. Overall revenues are budgeted for a 3% increase in accordance with the rate study.

Line 5 DPHO Contract: Revenues are scheduled to increase due to the increase in the District's volumetric water rates per the rate study.

Line 6 Fire Sales: This is the flat, fixed monthly charge for all private fire service connections. Budget for FY 21/22 is adjusted per the adopted rate study.

Line 7 Fire Flow Income: This account is for fire flow test fees relating to new development. This account is not budgeted due to unpredictable activity.

Line 8 Penalty Fees: Penalty fees revenue is not budgeted for FY 21/22 due to uncertainty regarding when these charges will be allowed to resume. YTD (Year to date) activity consists of incident fees that are unpredictable in nature.

Line 9 New Account Fees: This account represents the fees to set up a new utility account. These fees are currently at \$20 for residential accounts and \$65 for construction accounts. Budget for FY 21/22 is based on actual results for FY 20/21 with no increase.

Line 10 New Account Fees: These fees are charged to the customer for a bounced check. These fees are budgeted conservatively due to their unpredictable nature.

Line 11 Facility Fees: These are fees charged to connect to the District water system. Receipt of these fees are unpredictable and therefore this account is budgeted conservatively.

Lines 12, 15 Standby Fees, Property Taxes: Annual property tax and standby fee assessment through Riverside County. FY 21/22 is budgeted in line with projected results from FY 20/21 with a 2% increase.

Line 16 Cell Tower Lease Income: Monthly cell tower lease revenues. Budget for FY 21/22 includes a 2% contractual increase.

Line 17 Miscellaneous Non-Operating Income: Include miscellaneous fees, refunds/reimbursements, and recycling revenues. These revenues are budgeted conservatively at zero due to their unpredictable nature.



Line 18 Interest Income: Interest revenue is earned primarily on District investments in the State of California's Local Agency Investment Fund (LAIF). Interest revenues are expected to decrease by 50% as rates continue to fall.

EXPENSES

Lines 22-38 Payroll: Lists the detail of salaries and wages, paid leave, employee benefits, payroll taxes and worker's compensation. Major assumptions include:

Line 23 Director's Fees: This includes board of director's stipends. Budget for FY 21/22 is based on the FY 20/21 budget. Budget is greater than FY 20/21 actuals due to decreased meeting activity relating to Covid-19.

Line 26-28 Admin Assistant: Full time position for former temporary admin assistant, to fill in for several duties of former assistant general manager.

Line 29 General Manager: Assumes no increase in GM salary but includes 160 hours of vacation cash out.

Line 41 Field Workers: Increased due to anticipated promotion for Operations Supervisor and filling of vacant Field Worker I (FWI) position.

Line 34 Employee Health Care: Includes costs for employee medical, dental and vision insurance. Anticipated decrease in expense for FY 21/22 due to improved rates from new policy with Special District Risk Management Authority.

Line 35 Pension: Includes district pension contributions for union and non-union employees. This line is expected to increase due to the hiring of the vacant Field Worker I and annual merit increases.

Line 37 Payroll Taxes: Payroll taxes are expected to increase due to the higher salaries expense.

Lines 40-49 Facilities, Wells, T&D: Includes expenses relating to water quality testing, meter purchases, source of supply, facility maintenance and engineering services. Notable assumptions include:

Line 43 Utilities – Wells: Includes electricity costs relating to pumping at the District well sites. FY 21/22 is budget based on projected results for FY 20/21 and a 3.5% increase.

Line 45 Well Maintenance: Includes repairs, maintenance and chemical expenses relating to the District wells. Budget for FY 21/22 is based on the FY 20/21 budgeted amounts with a 2% inflation increase.

Lines 50-55 Utilities – Office: Includes expenses for office electricity, gas, telephones, trash service and office cleaning. Budget for FY 21/22 is based on 20/21 actuals with a 3.5% increase for electricity and 2% for telephone, trash and cleaning.

Lines 56-68 Office Expenses: All expenses relating to operating the District office. Notable assumptions below:

Line 58 Supplies & Equipment: Includes office supplies and small equipment purchases. Budget for FY 21/22 is based on FY 20/21 budgeted amounts with a 2% inflation increase.



Line 60 Dues & Subscriptions: Budget includes the following: annual P.O. box fees, CalMutuals dues, CA Rural Water Association dues, and SDRMA dues (new \$1.5K for FY 21/22).

Line 67 Office Expenses – Other: This line is intended for miscellaneous expenses and petty cash items. FY 21/22 budget is based on FY 20/21 adopted budget.

Lines 69-77 Support Services: Includes consultants, outside services, audit, information technology and property/liability insurance. Notable assumptions below:

Line 70 Temporary Labor: FY 20/21 budget included the NBS rate study. There is no anticipated activity for FY 21/22 budget.

Line 72 Accounting: Accounting consulting from Eide Bailly. FY 21/22 budget is increased from FY 20/21 due to increased support anticipated due to the resignation of the Assistant General Manager.

Line 73 Legal Services: Includes legal fees from BB&K. Budget for FY 21/22 is budgeted at FY 20/21 budgeted amounts.

Line 74 Payroll Service: Includes bi-weekly payroll processing fees. Budget for FY 21/22 is based on actual results for FY 20/21 with a 3% inflation increase.

Lines 78-81 Training & Travel: Includes seminar, training, travel and meal expenses. Budget for FY 21/22 is notably increased from FY 20/21 anticipating improved travel conditions relating to the Covid-19 pandemic and certification training for new FWI position.

Lines 83-92 Service Tools & Equipment: Includes small tools, equipment/vehicle repair and maintenance, fuel, and on-call phones for field employees. Notable assumptions below:

Line 88 Tractor Expenses & Maintenance: Budget for FY 21/22 based on FY 20/21 budgeted amounts.

Line 89 Equipment Rental: Expenses relating to equipment rented for traffic control or service line repairs. Budget for FY 21/22 is based on projected results for FY 20/21.

Line 90 Service Trucks R&M: Budget for FY 21/22 based on FY 20/21 budgeted amounts.

Lines 93-99 Non-Operating Expenses: Non-operating expenses include DWR/DHPO inters and loan fees, bad debt expense and other miscellaneous expenses.

Line 102 DHPO Capacity Credit: Per the District's agreement with DHPO, this is the credit given on their monthly bill. This credit is set to expire in December 2022.

Lines 103-111 Capital Projects: District Capital Improvement Plan for FY 21/22.

Line 104 Well & Tank Repairs: \$150K budgeted for Bonita Vault Rehabilitation and \$120K for Tank 2 recoating.

Line 105 Main Street Property: \$50K budgeted for continued property improvements.

Line 106 Meter Replacements: \$20K budget for the Water Meter Replacement Program



Line 107 Fire Hydrants: \$72.5K budget for fire hydrant installations on Dolores & Almond.

Lines 109-112 Debt – Principal: Includes principal payment on the DWR and Zion debt. FY 21/22 budget is based on corresponding debt repayment schedules. The Zion loan is scheduled to be fully repaid in FY 22/23.

Line 113 SGMA/GSA: Includes legal, engineering, and other costs relating to the Sustainable Groundwater Management Act. Budget for FY 21/22 is based on FY 20/21 budgeted amounts.