



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, June 20, 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
Daniela Uriarte, Financial Consultant – Present
Evelyn Aguilar, Board Secretary – Present

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

FINANCE & AUDIT COMMITTEE

1. Discussion: Review of FY 2023/2024 Proposed Budget
 - There were a few adjustments to the May presentation due to the current FY up-to-date amounts. These updated numbers increased the net income on the proposed budget to \$159,150.
2. Discussion: Finance & Audit Committee Report
 - Balance Sheet

- Profit and Loss Budget Comparison
- Capital Detail

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 \$1,648,308 at month end. The District's total liabilities were approximately \$1,887,460 at month end.

Profit and Loss: - Year to date (YTD) is 92% of the year

10. 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 bulk of these receipts often occur around January and May. YTD is over budget due to higher receipts than expected.
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.
19. Total Revenues: YTD is at 97%.
27. Total Payroll: YTD is at 90%.
31. Meter Testing & Repair: This account includes the costs of meter repairs and meter testing. Expenses will vary throughout the year.
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 an unexpected increase in maintenance fees for the billing system.
49. Community Water System Alliance: This account includes the monthly membership fees for the Water System Alliance. YTD is trending under budget at 36% due to the District no longer participating in CWSA.
53. Financial Audit: This account includes the costs for the annual financial audit. YTD is trending under budget at 39% due to the timing of audit service billings.
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 to bulk purchases to account for shipping delays.
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.
67. Tractor Expenses/Maintenance: This account includes tractor repair & maintenance expense. YTD is over budget due to two new tires purchased for the backhoe.
70. Water Operations On-Call Phones: This account includes cell phone and interest costs for water operations. YTD is over budget due to an additional employee being added to the AT&T plan and new phones purchased in September.
71. Total Service Tools and Equipment: YTD is at 86%.

77. Total Expenses: YTD is at 86%.

As of May 31st, the fiscal year-to-date net income is \$440,548.

Capital Detail:


- 3. Customer Shut-Off Valves: This account is for installation of customer shut-off valves. Total project cost is estimated at \$120K spread over the next three years.
- 4. Meter Replacement: This account is for the Water Meter Replacement Program. YTD is at 94% of budget.
- 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.
- 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.

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 5:18 PM on Tuesday, June 20, 2023 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.