



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, July 19, 2022 – 5:00 PM

CALL TO ORDER
PLEDGE OF ALLEGIANCE
ROLL CALL

Director Tincher - Present
Director Wargo - 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

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 – shows monthly revenue and expenses.
- 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 \$1,239,984 at month end. The District's total liabilities were approximately \$868,569 at month end.

Profit and Loss: - Year to date is 100% of the year

- 9. Penalty Fees: This account includes late fees, incident fees, door tag fees and other misc. penalty charges. These fees are hard to predict and can trend under or over budget during the year. This account was not budgeted due to the indefinite suspension of penalty fees due to the pandemic, which have since resumed.
- 10. 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. YTD ended at 64% of budget.
- 12. Returned Check Fees: These fees are charged to the customer for a bounced check. The fees are budgeted conservatively due to their unpredictable nature. YTD ended over budget due to more fees collected than anticipated.
- 13. Basic Facilities Fee: These are fees charged for new service connections, meter installations & upgrades. These revenues are budgeted conservatively due to their unpredictable nature. YTD ended over budget due to (2) 3/4" meter installations in July, (1) during August, (1) in December, (1) in January, and (2) in June.
- 14. Standby Fees: This accounts for standby fees accessed to all parcels in the District. The minimum fee is \$5/acre and can be more depending on the location and nature of the parcel. The bulk of these receipts often occur around January and May and can occasionally cause YTD to trend over or under budget. YTD is at 79% of budget due to timing of collections for FY22 which will continue to be collected in July and August.
- 20. Interest Income: This account includes interest earnings in the District's LAIF and other investment accounts, and interest charged on overdue customer balances. YTD ended over budget due to the resumption of charging interest on unpaid water bills.
- 40. Total Payroll: Summarizes the District's total payroll expenses.
- 44. Meters: This account includes the costs of meter repairs & meter testing. YTD ended at 35% of budget due to less meter repairs and testing than anticipated.
- 45. Utilities Wells: This account includes the electricity costs relating to District wells and pumping activity. YTD ended over budget due to more utility expenses than anticipated.
- 46. Line R&M Materials: This account includes the expenses relating to materials for line repair & maintenance. YTD ended at 67% of budget due to less material expenses and maintenance charges than anticipated.
- 50. Facilities, Wells, T&D – Other: This account includes the generator service contract expenses, site landscaping & maintenance, chlorinators, and SCADA. YTD ended over budget due to a \$3.9K tree trimming service performed in November and a \$7.7K chlorinator purchase in May not budgeted for.
- 54. Gas: This account includes the gas costs for the Broadway office. YTD ended at 54% of budget due to decreased usage during the fiscal year.
- 56. Trash Pickup & Office Cleaning: Includes trash service & office cleaning services. YTD ended over budget due to a \$1.8K detail carpet cleaning performed in March and increased janitorial service rates.
- 62. Dues & Subscriptions: This account includes various annual dues and fees. YTD ended at 56% of budget due to less annual dues and fees than anticipated.
- 64. Printing & Publications: This account includes the printing & publication costs for any District notices or reports. YTD ended at 8% of budget due to less costs than anticipated.
- 74. Legal Services: This account includes the costs of legal services for the District. YTD ended at 79% of budget due to less general legal fees than expected.
- 78. General Liability Insurance: This account includes the annual costs of liability insurance for the District. YTD ended over budget due to increased insurance rates.
- 84. Vehicle Fuel: This account includes fuel costs for District vehicles. YTD ended at 86% of budget.
- 86. Safety: This account includes safety equipment purchases. YTD ended at 78% of budget due to less safety equipment purchases than anticipated.

88. Equipment Rental: This account includes equipment rental expenses incurred by the district. YTD ended over budget due to increased traffic control services in November and December due to a leak at Bonita and Broadway, and a \$3.9K charge in May due to a project at 46910 Bonita.

90. Water Ops Phone & Internet: This account includes cell phone & interest costs for water operations. YTD ended at 78% of budget due to less costs than anticipated.

98. Miscellaneous: This account includes other non-operating expenses. YTD includes a withdrawal calculations fee from SEIU and ended at 27% of budget.

100. Total Expenses: Summarizes total District expenses.

104. Meter Replacements & Other Capital: Budget in this account includes meter replacements and fire hydrant relocation project. YTD has no activity.

105. Well & Tank Repairs: Budget in this account includes Well and Tank #1 rehabilitation. YTD ended at 29% of budget.

As of June 30th, the fiscal year-to-date net income is \$374,889.

- Director Wargo asked the Board Secretary to reach out to Eide Bailly to see if some amounts need to be moved to line 104: Meter Replacements & Other Capital, since it shows that there is no activity in that line, even though there has been meter replacements throughout the year.

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 5:20 PM on Tuesday, July 19, 2022



Robert Lynk, 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.