



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, February 21, 2023 – 5:00 PM

CALL TO ORDER
PLEDGE OF ALLEGIANCE
ROLL CALL

Director Terry Tincher - Present
Director Diana Morris - 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 and LAIF balance was \$1,643,661 at month end. The District's total liabilities were approximately \$745,622 at month end.

Profit and Loss:

Year to date (YTD) is 58% of the year

5. Desert Hills Premium Outlet (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 over budget at 76% due to increased DHPO usage during the first part of the fiscal year.
6. DHPO Capacity Credit: This account includes the contractual credit given to DHPO on a monthly basis. This credit is \$1,750 per month which expired in December 2022. YTD is at 100% of budget and will remain as such until the end of the fiscal year.
8. Fees & Charges: This account includes penalty fees, fire flow tests, new account fees, incident fees, and returned check fees. YTD is trending over budget at 77% due to more penalty fees than anticipated.
10. Standby Fees – Tax Revenue: 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.
14. Cell Tower Lease Income: This accounts for the monthly lease payment for use of District property for cell towers. YTD is trending over budget at 72% 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.
19. Total Revenues: YTD is at 69%.
27. Total Payroll: YTD is at 57%.
34. Well Maintenance: This account Includes repairs, maintenance and chemical expenses relating to the District wells. YTD is trending over budget at 81% due to \$8K paid for SCADA and Programmable Logic Controller troubleshooting.
37. Facilities, Wells, T&D – Other: This account includes the generator service contract expenses, site landscaping & maintenance, chlorinators, and SCADA. YTD is trending over budget at 95% 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 at 90% of budget due to billing system subscription paid through year end.
44. Dues & Subscriptions: This account includes various annual dues and fees. Expenses will vary depending upon timing of dues renewals.
49. Community Water System Alliance: This account includes the monthly membership fees for the Water System Alliance. YTD is at 8% of budget due to the timing of expenses.
51. Total Office Expenses: YTD is at 34%.
55. Legal Services: This account includes the costs of legal services for the District. YTD will vary depending upon the timing of legal services needed.
58. Insurance: This account includes the annual costs of liability insurance for the District. YTD is at 75% of budget

due to liability insurance paid through March.

61. Other Fees/State Water Resource Control Board: This account includes annual LAFCO fees, State Water Resource Control Board fees, and other various county fees. YTD will vary depending on timing of bills received.
63. Shop Supplies & Small Tools: This account includes various shop supply and small tool purchases. YTD is over budget due to timing of purchases.
64. Vehicle Fuel: This account includes fuel costs for District vehicles. YTD is trending below budget at 30% 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.
70. Water Operations On-Call Phones: This account includes cell phone & interest costs for water operations. YTD is trending over budget at 73% due to additional employee added to AT&T plan and new phones purchased in September.
77. Total Expenses: YTD is at 55%.

As of January 31st, the fiscal year-to-date net income is \$367,599.

Capital Detail

2. Well & Tank Repair: This account includes activity for the Bonita Vault Rehabilitation project. YTD is at 0%, but activity should be starting soon.
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 55% of budget. Grant funded projects are expected to be 100% funded. The District is currently awaiting reimbursement of \$40,961.

PUBLIC COMMENT

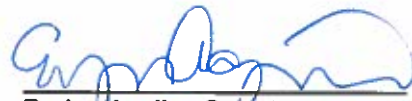
Any person may address the Board of Directors at this time on any matter within the subject matter jurisdiction of the Cabazon Water District; however, any matter that requires action will be referred to staff for investigation and reported at a subsequent Board of Directors meeting. The Board of Directors 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 5:21 PM on Tuesday, February 21, 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.