



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, October 18, 2022 – 5:00 PM

CALL TO ORDER
PLEDGE OF ALLEGIANCE
ROLL CALL

Director Terry Tincher - Present
Director Sarah Wargo - Present
Michael Pollack, General Manager - Present
Cindy Byerrum, Financial Consultant - Present
Evelyn Aguilar, Board Secretary - Present

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

FINANCE & AUDIT COMMITTEE

1. Discussion: FY 22/23 Amended Budget

- Mrs. Byerrum explained the reasons for the changes to the budget. Some numbers were based off of known amounts, while others were based off assumptions. The following changes were made:
 - Increases:
 - Basic Facilities Fee (revenue)
 - Management & Customer Service
 - Field Workers
 - Payroll Taxes
 - Line R&M Materials

- Website Support
- Decreases:
 - Employee Benefits Expense
 - Engineering Services
 - Vehicle Fuel
- The ending expected loss decreased from ~\$90k to ~\$31k.

- 2. Discussion: Finance & Audit Committee Report**
- Balance Sheet
 - Profit and Loss Budget Comparison

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 \$1,374,841 at month end. The District's total liabilities were approximately \$806,279 at month end.

Profit and Loss: - Year to date is 25% of the year

9. 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 is over budget due to fees collected for 3/4" service on Bonita and 5/8" on Maxine and Bonita.

30. Meters: This account includes the costs of meter repairs & meter testing and expenses will vary throughout the year.

32. Line R&M Materials: This account includes the expenses relating to materials for line repair & maintenance. YTD is at 99% of budget due to bulk purchases to stock up due to shipping delays.

35. Engineering Services: This account includes general engineering services required by the District. YTD is at 13% of budget due to the timing of services.

41. Supplies & Equipment: This account includes the supply & equipment purchases for the District office. YTD expenses will vary depending on timing of purchases.

45. Printing & Publications: This account includes the printing & publication costs for any District notices or reports. YTD is at 49% of budget due to the timing of stand-by charges meeting notices for FY 22-23.

54. Legal Services: This account includes the costs of legal services for the District. YTD will vary depending upon the timing of legal services needed.

56. Website Support: This account includes monthly web hosting costs. The District is paying \$75/month for website hosting services not anticipated in budget that will cause account to be over budget by year-end. YTD is over budget at 71% due to the addition of Navigator Search Service.

63. Vehicle Fuel: This account includes fuel costs for District vehicles. YTD will vary depending on timing of bills received.

64. Employee Uniforms: This account includes employee uniform purchases and reimbursements. YTD will vary depending on timing of bills received.

65. Safety: This account includes safety equipment purchases. YTD will vary depending on timing of bills received.

66. Tractor Expenses/Maintenance: This account includes tractor repair & maintenance expense.

67. Equipment Rental: This account includes equipment rental expenses incurred by the district. YTD is at 50% due to \$2.1K paid for traffic control on Bonita and the timing of rentals. Since the District is now fully staffed, hired traffic control will not be needed as often.

78. Capital Projects: This account includes reserve funded capital projects. See Capital Detail schedule for more information.

As of September 30th, the fiscal year-to-date net income is \$141,132.

Capital Detail

3. Well & Tank Repair: This account includes activity for the Bonita Vault Rehabilitation project, which is currently being researched.

4. 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.

5. Meter Replacement: This account is for the Water Meter Replacement Program.

9. 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 SGPWA Gap Funding.

12. 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.

15. Broadway & Main St. Gate Valve: Includes the Broadway & Main Gate Valve, anticipated to be 100% grant funded.

16. T2, T3, & T4 Recoating: Includes Tank Recoating for T1, T2 & T4, anticipated to be 100% grant funded.

➤ GM Pollack stated that staff will begin tracking outstanding balances on water accounts to find out how much potential revenue is not being received due to customers not paying their water bills.

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))

3. Finance & Audit Committee District Payables Review and Approval/Signing (done after adjournment)

ADJOURNMENT

Meeting adjourned at 5:27 PM on Tuesday, October 18, 2022



Alan Davis, Vice 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.