



**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, 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:**

- 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 \$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 10<sup>th</sup> and May 10<sup>th</sup> 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**

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**

Motion to adjourn at 17:16 Hr. made by Director Wargo and 2<sup>nd</sup> 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

**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.