Cabazon Water District
14618 Broadway Street • P.O. Box 297
Cabazon, CA 92230

BOARD MEETING PACKET

October 20, 2026

FAC Meeting at 5:00 pm
Regular Meeting at 6:00 pm

Cabazon Water District
14618 Broadway Street • P.O. Box 297
Cabazon, California 92230

FINANCE & AUDIT COMMITTEE MEETING

AGENDA
Meeting Location:
14618 Broadway St.
Cabazon, CA 92230

Teleconference:
Dial-in #: (267) 930-4000
Participant Code: 676-126-939

Meeting Date:
Tuesday, October 20, 2026 – 5:00 PM

CALL TO ORDER,
PLEDGE OF ALLEGIANCE,
ROLL CALL
FINANCE & AUDIT COMMITTEE

1. Discussion: Finance & Audit Committee Report
   - Balance Sheet
   - Profit and Loss Budget Comparison
   - Capital Detail
2. Discussion: Miscellaneous District Financial Matters
3. Finance & Audit Committee District Payables Review and Approval/Signing

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

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.

Cabazon Water District
14618 Broadway Street • P.O. Box 297
Cabazon, California 92230

REGULAR BOARD MEETING

AGENDA

Meeting Location:
14618 Broadway St.
Cabazon, CA 92230
Teleconference:
Dial-in #: (267) 930-4000
Participant Code: 676-126-939
Email: info@cabazonwater.org
Meeting Date:
Tuesday, October 20, 2026 – 6:00 PM

CALL TO ORDER
PLEDGE OF ALLEGIANCE
REMEMBRANCE OF OUR SERVICE MEN AND WOMEN
ROLL CALL
CONSENT CALENDAR

All matters in this category are considered to be consistent with the Board/District goals, District Policies and Regulations adopted and/or approved by the Board of Directors and will be enacted in one motion. There will be no separate discussion of these items. If discussion is required, items may be removed from the consent calendar and will be considered separately.

1. **Approval of:**
   a. Finance and Audit Committee Meeting Minutes and Warrants of September 15, 2026
   b. Regular Board Meeting Minutes and Warrants of September 15, 2026
2. **Warrants – None**
3. **Awards of Contracts – None**

NEW BUSINESS

[TAB 1] **1. Discussion:** **Report of the Audited Financial Statements for FY 2025/2026 as presented by CJ Brown & Company**

[TAB 2] **2. Discussion/Action:** **Resolution 2026-03: Authorized Representative Resolution/Ordinance**

[TAB 3] **3. Discussion:** **Community Involvement: Harvest Festival 10/29, State of the County 12/09**

OLD BUSINESS

UPDATES

[TAB 4] **1. Update:** **CWD Operations Report (by GM Clark)**

2. Discussion/Updates: **Reports of Meetings Attended by CWD Board of Directors**

3. Discussion/Updates with SGPWA Director(s) regarding various matters

PUBLIC COMMENTS

Any person may address the Board of Directors at this time on any matter within the subject matter jurisdiction of the Cabazon Water District that is not listed on the agenda; 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))

FUTURE AGENDA ITEMS AND COMMENTS

1. **Future Agenda Items**
   The Board Chair or the majority of the Board may direct staff to investigate and report back to an individual(s) and the Board on matters suggested or direct the General Manager/Board Secretary to place the matter on a future Board meeting.
   - **Suggested agenda items from the Public.**
   - **Suggested agenda items from Management.**
   - **Suggested agenda items from Board Members.**

2. **Management Comments**
   Staff members may speak on items of information not requiring comment or discussion to the Board and public. Topics which may be included on a future meeting agenda may be presented but cannot be discussed. (3 minutes)

3. **Board Member Comments**
   Board members may speak on items of information not requiring comment or discussion to the Board and public. (3 minutes)

MISCELLANEOUS

1. **Future Board Items/Next Board Meeting Date(s)**

a. 10/19/2026 (Monday) at 6:00 PM: San Gorgonio Pass Water Agency Meeting
b. 11/02/2026 (Monday) at 1:30 PM: San Gorgonio Pass Water Agency Meeting
c. 11/16/2026 (Monday) at 6:00 PM: San Gorgonio Pass Water Agency Meeting
d. 11/17/2026 (Tuesday) at 5:00 PM: Finance & Audit Committee Meeting
e. 11/17/2026 (Tuesday) at 6:00 PM: Regular Board Meeting
f. 01/27/2027 (Wednesday) at 5:00 PM: San Gorgonio Pass Regional Water Alliance Committee Meeting
g. 02/11/2027 (Thursday) at 6:00 PM: West Desert MAC Meeting at the Community Center
h. TBD: Personnel Committee Meeting

ADJOURNMENT

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 access.

Cabazon Water District
Statement of Net Position
(Preliminary and Unaudited)
As of Sep 30, 2026

		September 2026
1	**ASSETS**	
2	Current Assets	
3	Checking/Savings	$ 368,269
4	Investments - LAIF and CLASS	2,662,149
5	Total Cash and Investments	3,030,418
6	Accounts Receivable	387,959
7	Bank of New York Trustee Accounts	1,946
8	Prepaid Expenses	52,523
9	Inventory	94,778
10	Total Current Assets	3,567,623
11	Fixed Assets	
12	Total Fixed Assets	17,445,726
13	Accumulated Depreciation	(8,450,198)
14	Net Fixed Assets	8,995,528
15	Other Assets	
16	Lease Receivable-Cell Towers	866,100
17	Total Other Assets	866,100
18	**TOTAL ASSETS**	**13,429,251**
19	**LIABILITIES, DIR and FUND BALANCE**	
20	Liabilities	
21	Current Liabilities	
22	Accounts Payable	57,763
23	Due to Other Government - SGPWA	-
24	Customer Deposits	2,200
25	Deferred Revenue - Tower Lease	-
26	Current Portion DWR Loan	15,524
27	Current RCAC (Well 4) Loan	14,661
28	Current Portion 2022 Ford	-
29	Accrued Expenses	55,445
30	Total Current Liabilities	145,592
31	Long Term Liabilities	
32	DWR Loan Payable	-
33	Ford Loan Payable	-
34	RCAC Loan Payable	118,803
35	Total Long Term Liabilities	118,803
36	**TOTAL LIABILITIES**	264,395
37	Deferred Inflow of Resources (DIR)	
38	Deferred Lease Inflows	763,658
39	Total Deferred Inflows	763,658
40	Total Fund Balance	12,401,198
41	**TOTAL LIABILITIES, DIR and FUND BALANCE**	**$ 13,429,251**

*No assurance provided on these financial statements. These financial statements do not include a statement of cash flows. Substantially all disclosures required by accounting principles generally accepted in the United States not included.

Cabazon Water District
Budget to Actual
(Preliminary and Unaudited)
For Period Ending Sep 30, 2026

		A	B	C	D=B/C
		September 2026	Current YTD	Budget FY 26/27 Budget	YTD 25%
1	**REVENUES**				
2	**OPERATING REVENUES**				
3	Base Rate - Water Bills	$ 53,900	$ 159,618	$ 624,900	26%
4	Commodity Sales	91,427	274,271	969,500	28%
5	Fire Sales - Water Bills	570	2,280	8,900	26%
6	Fees and Charges	7,502	17,914	61,900	29%
7	Basic Facilities Fee	27,878	64,864	50,000	130%
8	Stand By Fees - Tax Revenue	-	3,695	133,900	3%
9	**TOTAL OPERATING REVENUES**	181,276	522,642	1,849,100	28%
10	**NON-OPERATING REVENUES**				
11	Property Taxes	-	419	132,700	0%
12	Cell Tower Lease Income	-	6,099	35,394	17%
13	Miscellaneous Non-Operating Income	-	-	-	N/A
14	Interest Income - Investment Accounts	8,358	25,165	66,800	38%
15	Interest Income - Water Bills	672	1,670	7,400	23%
16	**TOTAL NON-OPERATING REVENUES**	9,030	33,353	242,294	14%
17	**TOTAL REVENUES**	190,307	555,995	2,091,394	27%
18	**EXPENSES**				
19	**PAYROLL**				
20	Directors Fees	900	2,600	20,000	13%
21	Management and Customer Service	16,853	50,471	233,600	22%
22	Field Workers	18,097	54,888	243,900	23%
23	Employee Benefits Expense	16,535	52,453	203,100	26%
24	Payroll Taxes	2,942	9,241	39,900	23%
25	**TOTAL PAYROLL**	55,327	169,654	740,500	23%
26	**OPERATING EXPENSES**				
27	Facilities, Wells, Transmission and Distribution				
28	Lab Fees	1,542	2,760	13,400	21%
29	Meter Testing and Repair	-	1,001	1,000	100%
30	Utilities - Wells	18,627	61,611	252,100	24%
31	Line Repair and Maintenance Materials	5,392	6,903	46,400	15%
32	Well Maintenance	2,762	5,193	34,000	15%
33	Security	2,783	6,409	16,300	39%
34	Engineering Services	1,700	2,422	15,000	16%
35	Facilities, Wells, Transmission and Distribution - Other	6,227	19,823	25,000	79%
36	Total Facilities, Wells, Transmission and Distribution	39,034	106,121	403,200	26%
37	Office Expenses				
38	Utilities - Office	696	7,357	37,100	20%
39	Water Billing System	-	2,200	13,200	17%
40	Supplies and Equipment	291	697	9,400	7%
41	Copier and Supplies	447	959	3,600	27%
42	Dues and Subscriptions	158	278	2,000	14%
43	Postage	-	2,041	11,800	17%
44	Printing and Publications	-	167	800	21%
45	Computer Services	2,006	6,302	32,500	19%
46	Air Conditioning Servicing	-	455	5,700	8%
47	Office Expenses - Other	-	168	1,000	17%
48	Total Office Expenses	3,599	20,624	117,100	18%
49	Support Services				

*No assurance provided on these financial statements. These financial statements do not include a statement of cash flows. Substantially all disclosures required by accounting principles generally accepted in the United States not included.

Cabazon Water District
Budget to Actual
(Preliminary and Unaudited)
For Period Ending Sep 30, 2026

		A	B	C	D=B/C
		September 2026	Current YTD	Budget FY 26/27 Budget	YTD 25%
50	Financial Audit	-	13,289	16,100	83%
51	Accounting	-	9,011	36,000	25%
52	Legal Services	-	-	15,000	0%
53	Payroll/Bank Service Charge	178	621	6,400	10%
54	Website Support	75	225	1,100	20%
55	Insurance	-	11,412	68,500	17%
56	Total Support Services	253	34,557	143,100	24%
57	Training/Travel	129	364	4,800	8%
58	Other Fees/State Water Resource Control Board	370	1,145	11,600	10%
59	Service Tools and Equipment				
60	Shop Supplies and Small Tools	-	328	15,000	2%
61	Vehicle Fuel	-	1,745	13,500	13%
62	Employee Uniforms	-	-	1,900	0%
63	Safety	-	-	2,200	0%
64	Tractor Expenses/ Maintenance	-	-	4,000	0%
65	Equipment Rental	-	-	4,000	0%
66	Service Trucks - Repair and Maintenance	60	60	12,000	1%
67	Water Operations On-Call Phones	275	845	4,500	19%
68	Total Service Tools and Equipment	335	2,978	57,100	5%
69	**TOTAL OPERATING EXPENSES**	99,047	335,442	1,477,400	23%
70	**NON-OPERATING EXPENSES**				
71	Loan Interest and Processing Fee	776	2,207	9,400	23%
72	Bad Debt Expense	-	-	-	N/A
73	Miscellaneous	-	-	500	0%
74	**TOTAL NON-OPERATING EXPENSES**	776	2,207	9,900	22%
75	**TOTAL EXPENSES**	99,823	337,649	1,487,300	23%
76	**NET INCOME BEFORE CAPITAL and DEBT SERVICE**	90,484	218,346	604,094	36%
77	Capital Projects - District Funded	(28,350)	(229,503)	(493,000)	47%
78	Capital Projects - Debt Funded	51,149	40,163	-	N/A
79	Debt Service - Principal	(16,728)	(19,040)	(30,200)	63%
80	**NET INCOME / (LOSS)**	**96,554**	**9,966**	**80,894**	**12%**

*No assurance provided on these financial statements. These financial statements do not include a statement of cash flows. Substantially all disclosures required by accounting principles generally accepted in the United States not included.

Cabazon Water District
Capital Detail
(Preliminary and Unaudited)
For Period Ending Sep 30, 2026

		A	B	C	D=B/C
		September 2026	Current YTD	FY 26/27 Budget	YTD 25%
1	**CAPITAL PROJECTS**				
2	**DISTRICT FUNDED**				
3	Main Replacement Fire Hydrant & Air Vac	0	0	300,000	0%
4	Meter Replacements (10,000)	0	0	3,000	0%
5	Well 2 New Facility Building	0	0	20,000	0%
6	SCADA for Heli-Hydrant	0	0	10,000	0%
7	Well 2 Rehab (3 Year Plan)	23,375	62,150	50,000	124%
8	SCADA for Well #4	4,975	18,494	46,500	40%
9	Backhoe	0	148,860	160,000	93%
10	**TOTAL DISTRICT FUNDED PROJECTS**	**28,350**	**229,503**	**589,500**	**39%**
11	**GRANT/DEBT FUNDED**				
12	State Water Resource Control Board (SWRCB)				
13	Groundwater Well Improvements	1,872	12,857	245,000	5%
14	Grant Funding - DWR	-53,020	-53,020	-245,000	22%
15	**NET GRANT/DEBT FUNDED PROJECTS**	**-51,149**	**-40,163**	**0**	0%
16	**TOTAL NET COST OF CAPITAL PROJECTS**	**-$ 22,799**	**$ 189,341**	**$ 589,500**	32%

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 #: (267) 930-4000
Participant Code: 676-126-939

Meeting Date:
Tuesday, September 15, 2026 – 5:00 PM

CALL TO ORDER
PLEDGE OF ALLEGIANCE
ROLL CALL

Director Melissa Carlin – Present
Board Chair Terry Tincher – Present
James Clark, 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

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 and Investments with Chase Bank, Local Agency Investment Fund (LAIF), and California Cooperative Liquid Assets Securities System (CLASS) balance was $2,948,992 at month end. The District's total liabilities were approximately $268,682 at month end.

Budget to Actual: - Year to date (YTD) is 17% of the year.

Revenue:
5. Fire Sales – Water Bills: Flat, fixed monthly charges for all fire service connections.
7. Basic Facilities Fee: Fees for new service connections, meter installations, and upgrades. These revenues are budgeted conservatively due to their unpredictable nature. YTD is 74% of the annual budget due to three new services requested in July and August. Two new 3/4" and one 5/8" services were requested.
13. Miscellaneous Non-Operating Income: Recycling revenues and other miscellaneous revenues. This account is not budgeted due to unpredictable activity.
14. Interest Income-Investment Accounts: Interest earnings in the District's LAIF and other investment accounts.
Expenses:
29. Meter Testing and Repair: YTD is 100% due to unanticipated repair of well #4 meter.
35. Facilities, Wells, T&D – Other: Generator service contract expenses, site landscaping & maintenance, chlorinators, and SCADA. Expenses vary throughout the year. YTD is 54% due to $8.3k for Well#5 Cla-Val maintenance
40. Supplies & Equipment: Supply and equipment purchases for the District office.
44. Printing & Publications: Printing and publication costs for any District notices or reports.
45. Computer Services: Monthly IT support.
50. Financial Audit: YTD is 83% of annual budget timing of audit billing.
58. Other Fees/State Water Resource Control Board: Annual LAFCO fees, State Water Resource Control Board (SWRCB) fees, and other various County fees.

Preliminary net loss as of August 31 is $83,375.

2. Discussion: Miscellaneous District Financial Matters

3. Finance & Audit Committee District Payables Review and Approval/Signing

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 5:08 PM on Tuesday, September 15, 2026 and the FAC proceeded to check signing.

Terry Tincher, 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.

Cabazon Water District
14618 Broadway Street • P.O. Box 297
Cabazon, California 92230

REGULAR BOARD MEETING

MINUTES

Meeting Location:
14618 Broadway St.
Cabazon, CA 92230

Teleconference:
Dial-in #: (267) 930-4000
Participant Code: 676-126-939
Email: info@cabazonwater.org

Meeting Date:
Tuesday, September 15, 2026 – 6:00 PM

CALL TO ORDER
PLEDGE OF ALLEGIANCE
REMEMBRANCE OF OUR SERVICE MEN AND WOMEN
ROLL CALL

Director Knala Keith - Present
Director Guillermo Perez - Absent
Director Melissa Carlin - Present
Board Vice Chair Taffy Brock - Present
Board Chair Terry Tincher - Present
James Clark, General Manager - Present
Evelyn Aguilar, Board Secretary - Present

Note: This meeting was recorded by the District

CONSENT CALENDAR

All matters in this category are considered to be consistent with the Board/District goals, District Policies and Regulations adopted and/or approved by the Board of Directors, and will be enacted in one motion. There will be no separate discussion of these items. If discussion is required, items may be removed from the consent calendar and will be considered separately.

1. **Approval of:**

a. Regular Board Meeting Minutes and Warrants of August 18, 2026

- Ms. Aguilar stated that there was a typo in the meeting minutes on page 3 of 5 under Update Item #3. In the first bullet point, the minutes said "SGPWA Director said…", but it should have said "SGPWA Director Wargo said…".

Motion to approve following consent calendar items (a.) Regular Board Meeting Minutes and Warrants of August 18, 2026, with the change mentioned above, made by Board Vice Chair Brock and 2nd by Director Keith

Director Keith - Aye
Director Perez - Absent
Director Carlin - Aye
Board Vice Chair Brock - Aye
Board Chair Tincher - Aye

2. **Warrants – None**
3. **Awards of Contracts – None**

NEW BUSINESS

- **Discussion/Action: The State of the Pass by SGPWA**

- SGPWA Wargo explained that there was a large study done on the Pass area, and the findings would be shared at this event on 10/06 at 8:30 AM. The tickets are $25 each.

No motion was made on this item.

- **Discussion: Community Involvement: Cabazon Clean Up Day: 09/26, Cabazon Community Fair: 10/03, Craft Fair: 10/10**

- The next Cabazon Clean Up Day is on 09/26.
- A free spay and neuter event for cats and large dogs for District 5 residents will be on 09/28 in San Jacinto.
- The Cabazon Community Fair is on 10/03. The District will be handing out chips and waters, and plans to have a display of how a water meter works.
- The Cabazon Craft Fair will be on 10/10.
- A Gardening with Native Plants workshop will be on 10/16 at Noble Creek Community Center.

OLD BUSINESS

1. **Discussion/Action: Revised Offer for 50052 Ramona St., Cabazon, CA 92230**

- The property owner no longer wants to sell this property. Staff has located a couple of other potential sites for a future grant-funded well, but needs to determine if they will be compatible with County and State requirements.

UPDATES

1. **Update: CWD Operations Report (by GM Clark)**

- The perforations of Well #2 were cleansed with an acid wash. A video log was taken. The video will need to be reviewed before determining if the Well is ready to be reinstalled.
- A representative for AMR meters showed how the meter usage from 15-minute increments can be shown through an app, visible by District staff and customers. These type of meters would be a great way for staff and customers to recognize leaks and high water usage quickly. GM Clark will be meeting with SGPWA and the AMR representative to discuss grant funding for these types of meters.
- The District's newest employee, Ruben, has passed his D2 Exam.

2. Discussion/Updates: Reports on Meetings Attended by CWD Board of Directors

- Board Vice Chair Brock attended a SGPWA meeting. She shared that High Valleys Water District added a memorial plaque to their Heli-Hydrant, honoring the 5 firefighters who died while fighting the Esperanza Fire in 2006.

3. Discussion/Updates: Discussion/Updates with SGPWA Director(s) regarding various matters

- SGPWA Director Sarah Wargo was present and shared the following:
  - A Gardening With Native Plants workshop will be on 09/19 at the Malki Museum.
  - High Valleys Water District is excited to start using the AMR meters that GM Clark had mentioned.
  - SGPWA is helping Calimesa with a grant-funded project through Gap Funding. Almost all of the other agencies have paid off their Gap Funding.

PUBLIC COMMENTS

Any person may address the Board of Directors at this time on any matter within the subject matter jurisdiction of the Cabazon Water District that is not listed on the agenda; 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))

FUTURE AGENDA ITEMS AND COMMENTS

1. Future Agenda Items

The Board Chair or the majority of the Board may direct staff to investigate and report back to an individual(s) and the Board on matters suggested or direct the General Manager/Board Secretary to place the matter on a future Board meeting.

- **Suggested agenda items from the Public.**
- **Suggested agenda items from Management.**

- The audit report will be presented at the October meeting.

- **Suggested agenda items from Board Members.**

- Board Vice Chair Brock brought up the generators, pointing out the common time for power outages is coming up. GM Clark said that he was told there was no funding available for generators this fiscal year, but there might be next year.

2. Management Comments

Staff members may speak on items of information not requiring comment or discussion to the Board and public. Topics which may be included on a future meeting agenda may be presented but cannot be discussed. (3 minutes)

3. **Board Member Comments**

   Board members may speak on items of information not requiring comment or discussion to the Board and public. (3 minutes)

MISCELLANEOUS

1. **Future Board Items/Next Board Meeting Date(s)**
   a. **09/21/2026 (Monday) at 6:00 PM: San Gorgonio Pass Water Agency Meeting**
   b. **09/23/2026 (Wednesday) at 5:00 PM: San Gorgonio Pass Regional Water Alliance Committee Meeting**
   c. **10/05/2026 (Monday) at 1:30 PM: San Gorgonio Pass Water Agency Meeting**
   d. **10/08/2026 (Thursday) at 6:00 PM: West Desert MAC Meeting at the Community Center**
   e. **10/19/2026 (Monday) at 6:00 PM: San Gorgonio Pass Water Agency Meeting**
   f. **10/20/2026 (Tuesday) at 5:00 PM: Finance & Audit Committee Meeting**
   g. **10/20/2026 (Tuesday) at 6:00 PM: Regular Board Meeting**
   h. **TBD: Personnel Committee Meeting**

ADJOURNMENT

Motion to adjourn at 6:20 PM made by Director Carlin and 2nd by Board Vice Chair Brock

Director Keith - Aye
Director Perez - Absent
Director Carlin - Aye
Board Vice Chair Brock - Aye
Board Chair Tincher - Aye

Meeting adjourned at 6:20 PM on Tuesday, September 15, 2026

Terry Tincher, 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 access.

New Business

1. Discussion Item:

[TAB 1]

Report of the Audited Financial Statements for FY 2025/2026 as presented by CJ Brown & Company

Attachments:
1. Audit presentation by CJ Brown & Company

Board of Directors Meeting

October 20, 2026

FY 2026 Audit Report Presentation

C.J. Brown & Company, CPAs

Audit Requirements

- **State Law Requires the District to Have an Audit Performed Each Year by a Qualified CPA.**
    - **A Copy of the Audit Report and the Results of That Years Operations Must be Submitted to the State Auditor Controller by January 31st**

Note: The audit was conducted in accordance with Generally Accepted Auditing Standards (GAAS) and Government Auditing Standards (GAS)

Auditor's Report (Pages 1 and 2)

Independent Auditor's Report

- **Unmodified "CLEAN" Opinion**
  - In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Cabazon Water District as of June 30, 2026….

Emphasis of Matter

- Implementation of GASB Statement No. 103 (Financial Reporting Model Improvements), which affected MD&A organization, and presentation of noncapital subsidies; and
- GASB Statement No. 104 (Disclosure of Certain Capital Assets), which expanded capital-asset disclosures.

WELCOME TO
CABAZON WATER DISTRICT

Internal Control & Compliance (Page 33 and 34)

Report on Internal Control over Financial Reporting:

- No Material Weakness or Significant deficiencies identified.

Report on Compliance and Other Matters:

- Disclosed no instances of noncompliance or other matters when testing compliance with certain provisions of laws, regulations, contracts, grant agreements .

WELCOME TO
CABAZON WATER DISTRICT

Financial Highlights (Page 8)

Condensed Statements of Net Position

	2026	2025	Change
Assets:			
Current assets	$ 3,570,414	3,330,440	239,974
Noncurrent assets	9,839,225	10,384,536	(545,311)
Total assets	13,409,639	13,714,976	(305,337)
Liabilities:			
Current liabilities	135,945	568,829	(432,884)
Noncurrent liabilities	118,803	163,387	(44,584)
Total liabilities	254,748	732,216	(477,468)
Deferred inflows of resources			
Deferred lease inflows	763,658	798,370	(34,712)
Total deferred inflows of resources	763,658	798,370	(34,712)
Net position:			
Net investment in capital assets	8,846,540	9,278,878	(432,338)
Restricted for debt service	17,560	55,889	(38,329)
Unrestricted	3,527,133	2,849,623	677,510
Total net position	$ 12,391,233	12,184,390	206,843

Financial Highlights (Page 9)

Condensed Statements of Revenues, Expenses, and Changes in Net Position

		2026	2025	Change
Operating revenues	$	1,797,210	1,926,583	(129,373)
Operating expenses		1,927,310	1,953,645	(26,335)
Operating loss		(130,100)	(27,062)	(103,038)
Noncapital subsidies				
Property taxes		154,890	131,481	23,409
Operating income(loss) after noncapital subsidies		24,790	104,419	(79,629)
Other non-operating revenues, net		182,053	1,070,995	(888,942)
Increase in fund net position		206,843	1,175,414	(968,571)
Total fund net position		12,184,390	11,008,976	1,175,414
Total fund net position, end of year	$	12,391,233	12,184,390	206,843

2026 Key Drivers of Change

What was earned?

Operating revenues (2026 = $1.80 million) declined 6.7% from 1.93 million in 2025, primarily due to lower water consumption sales ($1.48M vs. $1.58M). Standby and facility fees also decreased modestly.

Other nonoperating revenues, net (2026 = $182K) significant declined 83% or $890K from $1.07 million in 2025, mainly because of capital contributions from the completed Heli-Hydrant project (fell from $920K to $137K in 2026), and a $95K loss was recognized on the sale of the Elm Street land parcel.

What was spent?

Operating expenses (2026 = $1.93 million) declined 1.35% from $1.95 million in 2025 due primarily to decreases in transmission & distribution and customer account costs.

Net position?

Net position increased $206,843 (1.7%) to $12.39 million in 2026.

Total cash balance of the District?

The District's total cash account position remained strong at $3M compared to $2.6M from the prior year.

Liquidity, Capital Assets & Debt

Liquidity (Pages 13 and 14)

- Unrestricted cash & equivalents: $3.01M (up from $2.53M)
- Total cash & equivalents: $3.03M
- Current liabilities declined sharply (settlement of amount due to SGPWA and debt reductions)
- Current ratio strengthened substantially = 26 ($26 of current assets available for every $1 of current liabilities)

Capital Assets (net) – Page 26

- $9M at June 30, 2026 (down from $9.5M due to depreciation of $500K.
- Sale of Elm Street land and asset retirements
- Additions for source-of-supply improvements, CIP placed in service, vehicles, and equipment

Long-Term Debt (LTD) – Page 28

- Decrease $90,569 (due to annual principal payments) to $148,988.
- Paid off: Ford Credit vehicle capital lease.
- Remaining LTD: DWR Safe Drinking Water loan ($15.5K, final payment FY 2027) and RCAC Well 4 loan ($133K, matures 2034). No new debt were issued in 2026.

WELCOME TO
CABAZON WATER DISTRICT

Currently Known Facts, Decisions & Conditions (Pages 11 and 12)

1. Leadership – Change in GM (appointment of James Clark in February 2026); Board seat vacancy filled (Knala Keith).

2. Rates – 2025 water rate study was completed on October 22, 2025.

3. Capital program – Well 2 shaft repairs and SCADA at Well 4 were authorized. Well 2 full rehab is planned for 2027 (with anticipated grant assistance).

4. Grants and regional partnerships – Heli-Hydrant construction projects was substantially completed in 2025.

5. Leases – STC One LLC cell-tower ground leases was amended June 19, 2024, extending a final renewal through June 30, 2048.

Summary of 2026 Audit Results

1. Unmodified (clean opinion on the financial statements).

2. No material weakness, significant deficiencies or noncompliance identified.

3. Net position increased by 1.7% of $207K as a result of ongoing operations.

4. Operating revenues decreased by 6.7% or $129K due to lower water consumption sales.

5. Other nonoperating revenues, net decreased by 83% or $890K due to the decrease in capital contributions from the completion of the Heli-Hydrant projects and loss on sale of the Elm Street land parcel.

Questions



New Business

2. Discussion/Action Item:

[TAB 2]

Resolution 2026-03: Authorized Representative Resolution/Ordinance

Attachments:

1. Resolution 2026-03

RESOLUTION NO. 2026-03

AUTHORIZED REPRESENTATIVE RESOLUTION/ORDINANCE

WHEREAS the Cabazon Water District is applying for grant funding for a project involving the installation of new water pipeline under the I-10 freeway on the west side of Cabazon, to replace the existing aging 8-inch pipeline and ensure reliability, safety, and efficiency of the District's water distribution system resolved by the Board of Directors of the Cabazon Water District (the "entity"), as follows:

The General Manager or designee is hereby authorized and directed to sign and file, for and on behalf of the Entity, a Financial Assistance Application for a financing agreement from the State Water Resources Control Board for the planning, design, and construction of Western Cabazon I-10 Waterline Crossing (the "Project").

This Authorized Representative, or his/her designee, is designated to provide the assurances, certifications, and commitments required for the financial assistance application, including executing a financial assistance agreement from the State Water Resources Control Board and any amendments or changes thereto.

The Authorized Representative, or his/her designee, is designated to represent the Entity in carrying out the Entity's responsibilities under the financing agreement, including certifying disbursement requests on behalf of the Entity and compliance with applicable state and federal laws.

Ayes: _____

Nos: _____

CERTIFICATION

I do hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the Board of Directors held on October 15, 2026.

SIGNED:

_____
Terry Tincher
President of the Board
of Directors
Cabazon Water District

ATTEST:

_____
Evelyn Aguilar
Secretary to the Board of
Directors Cabazon Water
District

SEAL

New Business

3. Discussion Item:

[TAB 3]

Community Involvement: Harvest Festival 10/29, State of the County 12/09

Attachments:

1. Harvest Festival flyer – 10/29/2026
2. State of the County flyer – 12/09/2026


FREE EVENT
HARVEST FESTIVAL
THURSDAY OCTOBER 29
CABAZON COMMUNITY CENTER
4PM-7PM
FACE PAINTING
FAMILY FUN ACTIVITIES
MUSIC
CRAFTS & VENDORS
TREATS
FOR MORE INFORMATION
CALL: 951-922-1097

SAVE THE DATE

RIVERSIDE COUNTY

STATE of the COUNTY

DECEMBER 9, 2026

5:00 P.M.

RIVERSIDE CONVENTION CENTER



Updates

CWD Operations Report:
[TAB 4]

Attachments:

1. Monthly Operations Report

Cabazon Water District
14-618 Broadway Street • P.O. Box 297
Cabazon, California 92230

October 20, 2026
CWD Board Meeting
Operations Update

- Well 2 installation is complete. We are waiting for the lab results to come back before we can put it back in service.
- We are still working with High Valleys Water District and SGPWA to get grant funding for AMR meters.
- We are still working with Banning Unified School District to try and obtain property for the new well.
- Ruben Guerrero will be taking the Backflow tester certification test November 21st.