



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

FINANCE & AUDIT COMMITTEE MEETING

MINUTES

Meeting Location:
Cabazon Water District Office
14-618 Broadway Street
Cabazon, California 92230

Meeting Date:
October 19, 2015 – 3:45 PM

CALL TO ORDER,
PLEDGE OF ALLEGIANCE,
ROLL CALL

Director Sanderson - Present
Director Mariner - Present

Calvin Louie (General Manager) - Present
Elizabeth Lemus, Board Secretary - Present
Linda Halley, 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 Two Month
 - Profit and Loss Budget Comparison
 - Statement of Cash Flows

⚡ The District looks at three basic reports each month to get a high level overview of the financial position of the District.

⚡ These Financial Statements are not Compiled, Reviewed, or Audited, but are created by the contract accountant in her position as Financial Controller of the District.

- ✚ The District has an independent financial audit each year. The District's year ends on June 30.
- ✚ The three reports the District reviews are the Balance Sheet, the Profit and Loss Two Months, and the Profit and Loss Budget Performance.
- ✚ The Balance Sheet shows what the District owns and what the District Owes.
- ✚ The Profit and Loss Two Months shows whether the District is consistent month to month with revenue and expenses.
- ✚ The Profit and Loss Budget Performance shows how the District is doing against the budget, and how the District is doing fiscal year to date.

The first report is the Balance Sheet.

- Total Checking/Savings is about \$35K lower than last month. The one exceptional item the District had this past month was the Annual Loan Repayment to Zion's Bank of \$44k.
- Accounts 12011 and 12012 Accounts Receivable are substantially the same this month as last.
- Account 21100 Accounts Payable about \$10k higher at the end of this month than last. There is one exceptional item - there were \$15k of invoices from Best, Best & Krieger, up from 8 the prior month, and \$4k for the Line Maintenance and Repair Contractor, up from zero the prior month.
- Account 22100, Zion's Bank Long Term Liability- is about \$37k less this month than last. Of the \$44k payment, this much repaid the loan; the remainder was interest.
- These are the only items of note on the Balance Sheet.

The Profit and Loss two month shows that

- Account 41100 Base Rate - Water Bills - is substantially the same this month as last.
- Total 50010 - Payroll All Expenses is back to its normal level after a higher August as the GM took a payout of vacation at that time.
- Account 53160- Utilities - Wells -shows that the District is consistent month to month with the costs. The District is able to show this cost as it had an extra

bit of time to create the financial statements due to the way the calendar fell in September.

- Accounts 53180 Materials and Line Maintenance Repair Contractor was high in September due to new services, a leak on Broadway, a leak on Aloma, a leak on Bonita, and a leak at a water box.
- 56500 Legal. Legal expense were for the following: General - Legend Pump/Historical well Rehab info; the Grant/Loan Funding was for just that.
- Account 61180 DHPO Interest Expense, shows us the interest portion of the repayment to Zion's bank this month.
- The District ended the month with a preliminary net loss of \$29k..

⚡ The Profit & Loss Budget Performance has five columns. The first shows the actual income and expenses for the month. The second column shows the Budget for the month just ended. The middle column shows the year to date actual figures. The fourth column shows the Year to Date Budget. The last column shows the annual budget.

- Account 41100 Base Rate - Water Bills – The District is right on with where it anticipated to be.
- Account 41500, Stand By Fees- The District's budget is newly approved, so the input for the taxes - Stand By, Ad Valorem and Teeter- is ratably over the year. This is not how the District receives the taxes. The District accountant will refine the monthly budget for these three items as time permits.
- Total 50010 Payroll All Expenses is right on budget for the year. The General Manager took a payout of vacation early in the year, and the District has budgeted the salaries ratably over the year.
- Account 53180 Materials and Line Maintenance Contractor ended the year about 8% over budget year to date.
- 56500 Legal Service - This is already substantially over budget year to date.

Preliminary figures show the District with a year to date loss of \$22k, and an anticipated year to date income/loss of zero.

Statement of Cash Flows

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 16:05 hr. made by Director Mariner and 2nd by Director Sanderson.

Director Mariner - Aye
Director Sanderson - Aye

Meeting adjourned at 16:05 hr. on October 19, 2015.



Janet Mejia, Board Chair
Board of Directors
Cabazon Water District



Elizabeth Lemus, 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.