



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:

March 16, 2015 – 3:45 PM

CALL TO ORDER,
PLEDGE OF ALLEGIANCE,
ROLL CALL
PUBLIC COMMENT

Director Sanderson - Present
Director Mariner - Present

Calvin Louie (General Manager) - Present
Elizabeth Lemus, Board Secretary - Present
Linda Halley, Financial Consultant - Absent

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

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))

FINANCE & AUDIT COMMITTEE

1. Discussion: Finance & Audit Committee Report
 - Balance Sheet

- Profit and Loss Two Month
 - Profit and Loss Budget Comparison
- ↓ 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 still over \$140k.
- Account 11999 Accounts Receivable - Special Invoices, reflects the invoice the District has sent to DHPO to reimburse costs. The District has received word from DHPO that they are going to send this in.
- Account - 10234 - LAIF -While still not high enough to support the District in a water crisis, this balance is higher than at any point since August 2010. Once the DHPO money comes in the District may want to move that over to LAIF.
- Near the bottom of the report the District now shows reserves for various projects.
- Account 39003a is Reserved for Almont Vault Refurbishing. The Almond Vault repair and refurbishment is anticipated to cost \$100k. The District has spent about \$50k to date, so the reserve is now \$50k.
- These are the only items of note on the Balance Sheet.

The Profit and Loss two month shows:

- that Account 30010 Base Rate - Water Bills - is a substantially the same between the two months
- Accounts 40060- Stand by Fees, and 40020 Ad Valorem- show the \$90k of taxes that were received during January.
- Total 51000 - Payroll All Expenses is substantially the same between the two months.
- Account 55175 Materials and Line Maintenance repair contractor shows that February is lower than January.
- Account 55180 Materials and Line Maintenance Materials is slightly higher in February than in January.
- Account 57080 - Computer Services- is quite high in February. The charges include the deposit for the necessary work station upgrade.
- Account 57530 - Legal Services - Continue to be high. The costs relate Board activity boundaries, on-call system repair and maintenance services, Board policy, Employment issues with Board Members, Water theft, etc.
- The District ended the month with a preliminary net loss of about \$25k.

✚ 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 30010 Base Rate - Water Bills – The District is just a bit under what it anticipated for the month, and a bit over year to date due to construction usage.
- Total 51000 Payroll All Expenses is right on budget for the month and a bit under budget for the year.
- Account 55175 Materials and Line Maintenance Contractor is over budget about 15% year to date.
- 55190 Well Maintenance is substantially over the entire year budget due to the November purchase of the Octave meter and pulse module for \$11k.

- 57575 Temporary Labor had no budget this year, but almost \$3k in expenditures. This relates to support for scanning the customer files to retain them electronically.
- 57530 Legal Service expenses are now higher than the entire year's budget for them.
- Preliminary figures show the District with a year to date loss of \$80k. The District budgeted for a net loss of about \$6500 at this point.
- That is about \$70k worse than planned at this point in time.
- The main accounts that are overbudget are 55175 - Line Maintenance and Materials Contractor - \$20k, 55190 - Well Maintenance - \$35k, 57530 - Legal \$45k

ADJOURNMENT

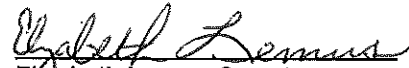
Motion to adjourn at 16:00 hr. made by Director Sanderson and 2nd by Director Mariner.

Director Mariner - Aye
Director Sanderson - Aye

Meeting adjourned at 16:00 hr. on March 16, 2015.



Janet Mejia, Board Chair
Board of Directors
Cabazon Water District


Elizabeth Lemus, Secretary
Board of Directors
Cabazon Water District

ADA Compliance Issues

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