

BOARD OF DIRECTORS  
INDIAN WELLS VALLEY WATER DISTRICT

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FINANCE COMMITTEE  
SPECIAL MEETING

REPORT

TUESDAY APRIL 30, 2024 – 2:30 PM  
BOARD ROOM  
500 W. RIDGECREST BLVD., RIDGECREST

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ATTENDEES: David Saint-Amand, Ron Kicinski, George Croll, Jason Lillion, and Renee Morquecho

**1. Call to Order**

The Finance Committee Meeting was called to order at 2:30 pm.

**2. Committee/Public Comments**

None.

**3. Fraud Risk Discussion**

Description: Discuss potential or actual fraud risks within the organization.

None to report.

**4. Auditor Contract**

Description: Discuss 5-year Auditor Contract with CJ Brown & Company for yearly financial audits.

Board reviewed contract presented by staff. Contract rates were competitive with similar services from other agencies, and the Board has been satisfied with the results of previous audits from CJ Brown & Company.

Committee recommends approval.

**5. GA Imported Water Costs**

Description: Discuss imported water costs and potential impact to customers' bills

Staff continues develop an accurate cost matrix inclusive of all associated costs to estimate impacts on customers.

Staff has been working with Clean Energy Capital and Kreiger & Stewart to develop the costs associated with the proposed pipeline design. Initial draft of the cost matrix to be presented at the June Board meeting.

**6. Financial Statements April 30, 2024 (preliminary)**

Description: Presentation to Committee financial reports and graphs depicting current revenue and expense trends compared to budget and previous fiscal year actuals.

Estimated year-to-date revenues as of April 30, 2024, are \$12,284,795 and expenses are \$13,372,361, therefore expenditures exceeded revenues by \$1,087,565, which is over budget by \$92,783.

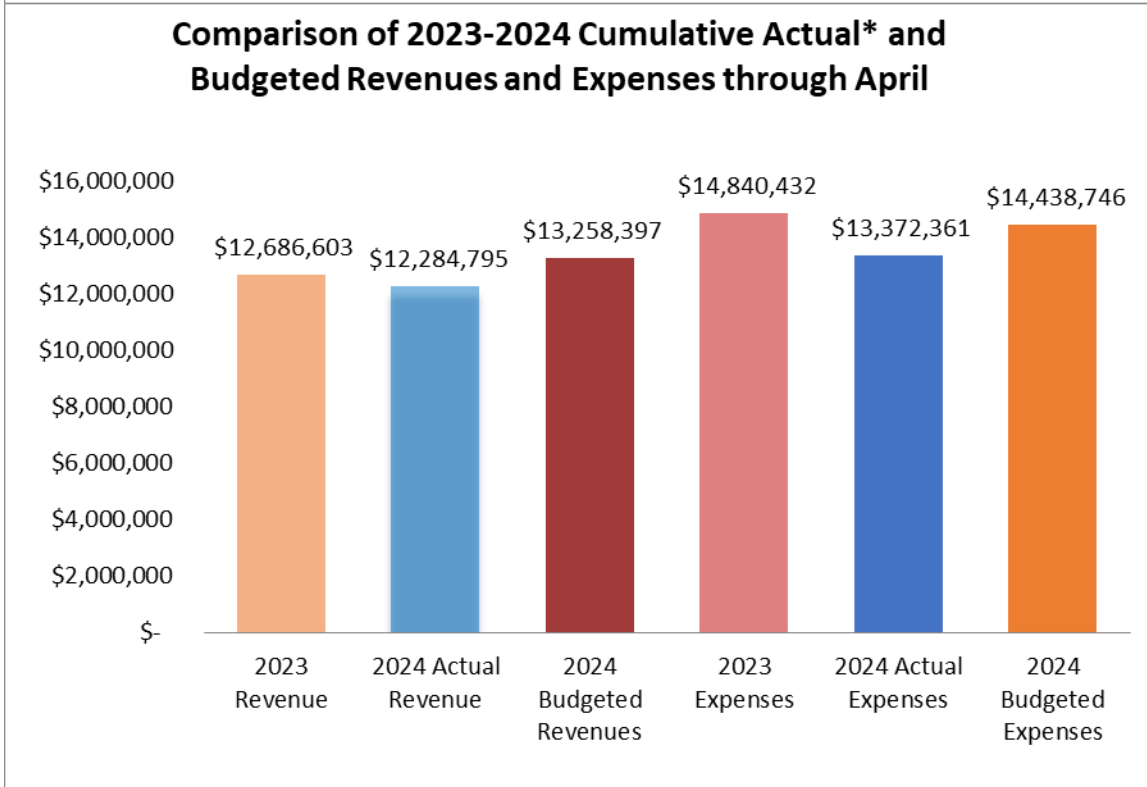
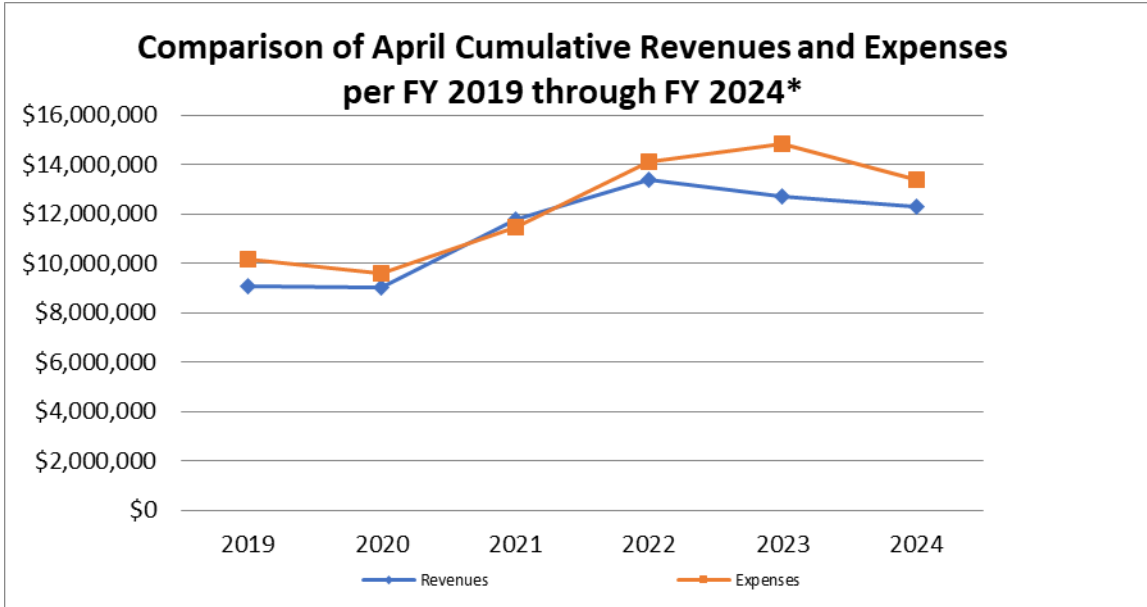
To date, the District has paid the Groundwater Authority \$13,809,906 in fees.

Staff presented the following spreadsheet, which compares April year-to-date actual to budgeted revenues and expenses by category:

**Indian Wells Valley Water District  
 Revenues vs. Expense  
 Actuals & Budget through April 2024 (Preliminary)**

	Budget	Actuals	Δ
<b>Revenues</b>			
Total Water Sales	9,608,544	9,425,929	-182,615
GSA Fees	3,008,480	2,046,950	-961,530
Total Water Service Revenue	293,014	343,019	50,005
Total Non-Operating Income	213,973	192,312	-21,661
Capital Contributions	134,386	276,585	142,199
<b>Total Revenues</b>	<b>13,258,397</b>	<b>12,284,795</b>	<b>-973,602</b>
<b>Expenses</b>			
Water Supply	991,731	1,155,460	163,730
Arsenic Treatment Plants	338,574	190,050	-148,524
Transmission & Distribution	1,688,939	1,312,736	-376,203
Engineering	406,698	421,518	14,820
Customer Service	397,036	281,621	-115,415
Field Services	423,524	446,389	22,864
General & Administration	2,132,315	2,016,473	-115,842
Legal	655,040	1,093,920	438,880
Legislative	78,441	70,974	-7,467
Depreciation	2,750,000	2,750,000	0
Non-Operating, Interest	1,028,424	1,093,504	65,080
Non-Operating, Miscellaneous	221,076	400,820	179,744
GSA Fees	3,223,616	2,050,174	-1,173,441
Non-Operating, Conservation	28,003	29,252	1,250
Non-Operating, Alternate Water	75,330	59,469	-15,860
<b>Total Expenses</b>	<b>14,438,746</b>	<b>13,372,361</b>	<b>-1,066,385</b>
<b>Net Revenue Increase (Decrease)</b>	<b>-1,180,349</b>	<b>-1,087,565</b>	<b>92,783</b>
<b>Capital Expenditures</b>		<b>2,139,395</b>	
<b>Debt Service Principle</b>		<b>926,386</b>	

<b>Total GSA Extraction Fee Paid</b>	2,553,858
<b>Total GSA Replenishment Fee Paid</b>	<u>11,256,048</u>
	<b>13,809,906</b>



\*Actual Revenues and Expenses are Estimated

**7. Accounts Payable Disbursements**

Description: Presentation to Committee of Accounts Payable Disbursements reports for Board approval.

The Committee recommended approval of accounts payable disbursements totaling \$652,218.19 as follows:

Checks through:	<u>4/11/24</u>	<u>4/25/24</u>
Prepaid	\$ 59,251.04	\$ 51,610.72
Current	<u>401,966.79</u>	<u>139,389.64</u>
Total	<u>\$ 461,217.83</u>	<u>\$ 191,000.36</u>

**8. Future Agenda Items**

None

**9. Adjournment**

The Committee adjourned at 2:41 pm.