

BOARD OF DIRECTORS  
INDIAN WELLS VALLEY WATER DISTRICT

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FINANCE COMMITTEE  
REGULAR MEETING

REPORT

TUESDAY NOVEMBER 7, 2023 – 2:30 PM  
BOARD ROOM  
500 W. RIDGECREST BLVD., RIDGECREST

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ATTENDEES: David Saint-Amand, Stan Rajtora, George Croll, Ty Staheli, Jason Lillion, and Renee Morquecho

**1. Call to Order**

The Finance Committee Meeting was called to order at 2:39 pm.

**2. Committee/Public Comments**

None.

**3. Fraud Risk Discussion**

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

None to report.

**4. Inyokern Road Transmission Line Funding**

Description: Discussion on funding for the replacement of the Inyokern Road Transmission Line.

Staff met with the CalMuni folks to discuss funding options. They relayed that despite their efforts and the efforts of their contact within USDA, they were unable to portion out A zone to meet the population limit. Because A zone is within the City boundaries the entire City population had to be used. CalMuni looked at other funding sources but to date the options didn't meet our needs. CalMuni continues to look for other funding options but due to the timelines, staff is proceeding with the revenue bond process.

The District will look to secure \$7.5 million with revenue bonds. The \$7.5 million, combined with the \$3 million grant from the State, should allow the District to complete both the Inyokern road and Springer upgrade.

Staff anticipates bringing the bonds for Board approval at the January 8<sup>th</sup> meeting with closing early February. With the bond financing timeline being what it is, we plan to run the Inyokern Road pipeline bid process concurrently.

Bond Funding Schedule Attached.

**5. GA Imported Water Costs**

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

Staff continues to work on developing an accurate cost matrix inclusive of all associated costs to estimate impacts on customers. Additional information has been taken from the GA's released project reports and added to the matrix.

Staff also discussed additional options for the imported water project including, deep well injection, connection to other pumps, option to determine when the District receives water, and how to appropriately allocate costs.

To-date, despite staff's efforts, no additional meetings with the GA has taken place to define and refine projects costs. Without the GA's assistance to refine the costs the District will have to inform the public of the costs as we have defined them.

Cost Tables Attached

**6. Financial Statements October 31, 2023 (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 October 31, 2023, are \$5,271,427 and expenses are \$5,375,604, therefore expenditures exceeded revenues by \$104,177, which is better than budget by \$211,826.

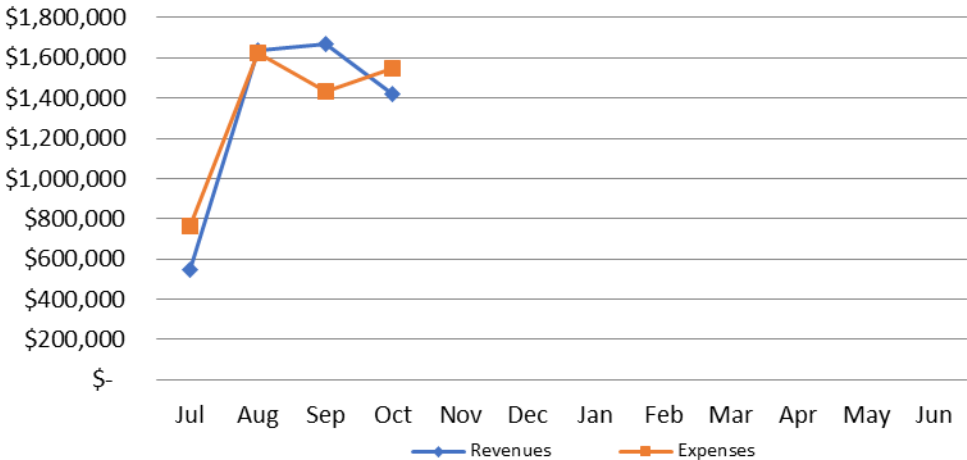
To date, the District has paid the Groundwater Authority \$12,838,689 in fees.

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

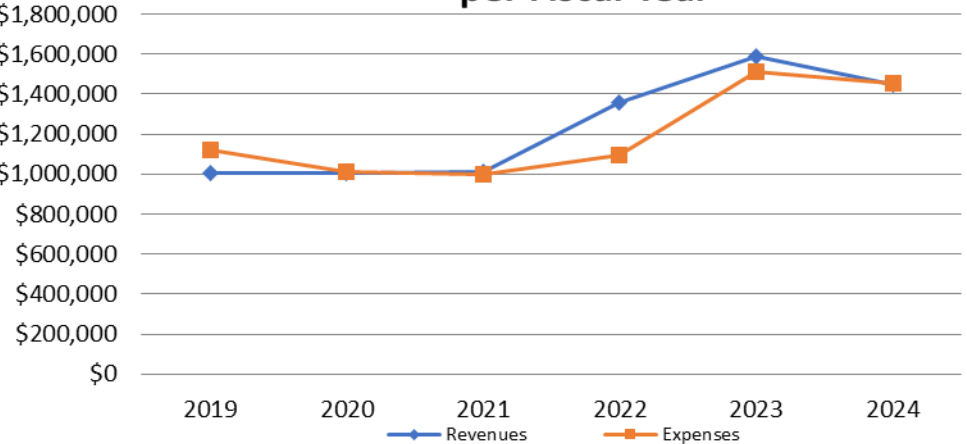
**Indian Wells Valley Water District**  
**Revenues vs. Expense**  
**Actuals & Budget through October 2023 (Preliminary)**

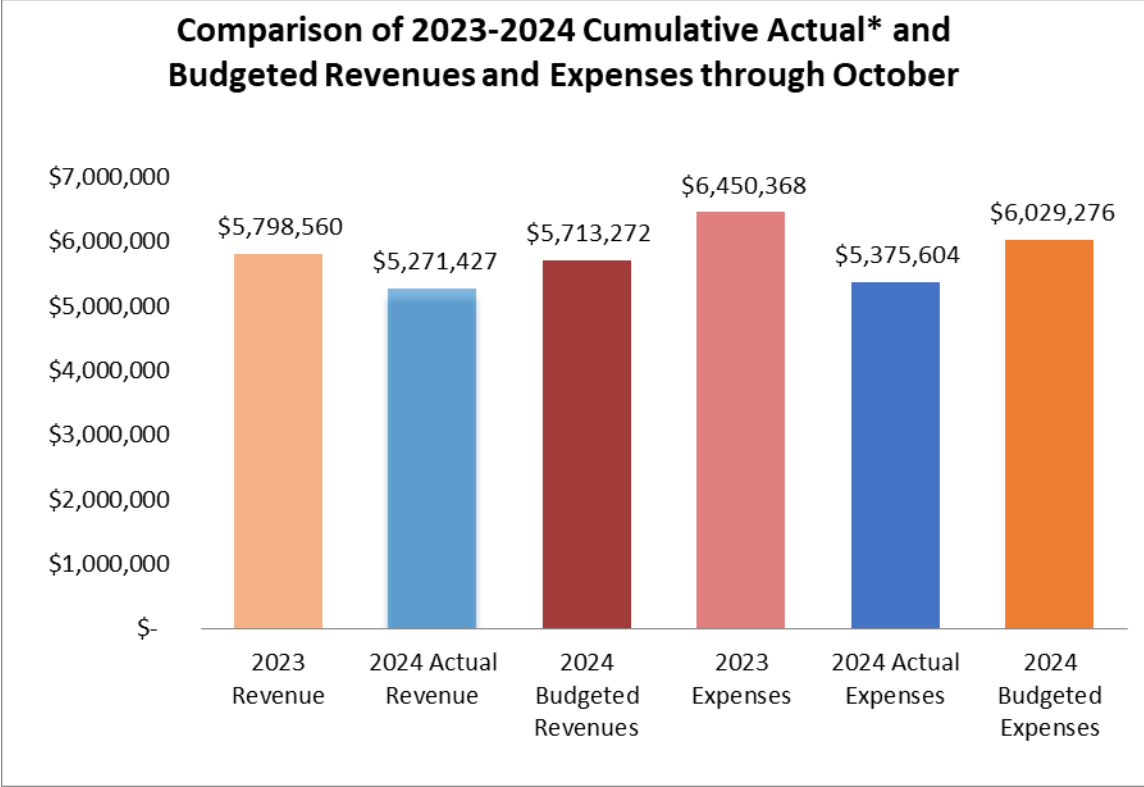
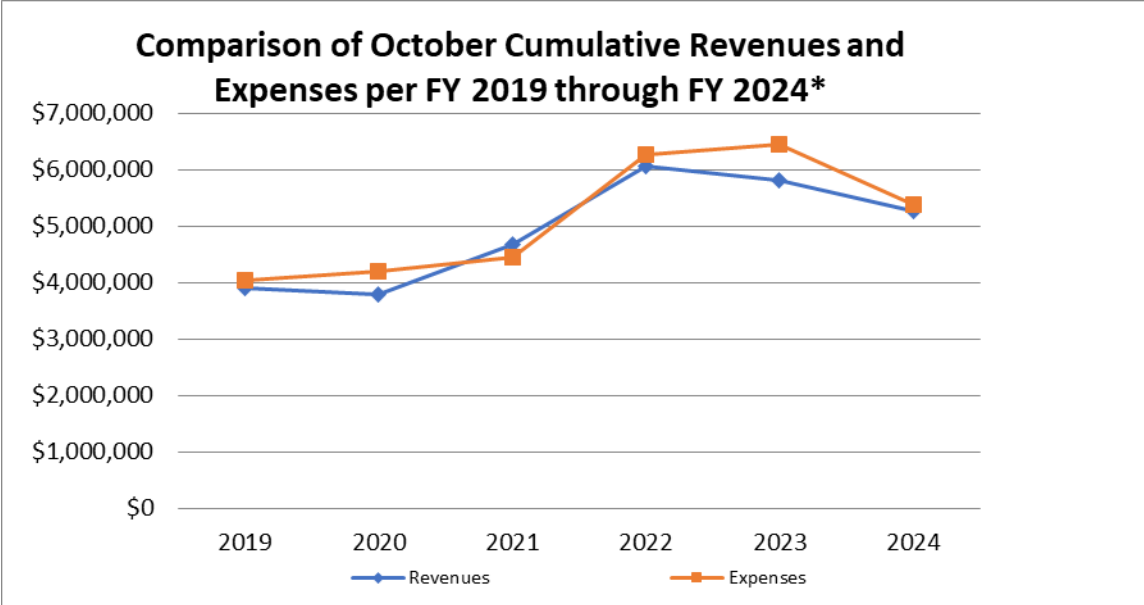
	Budget	Actuals	Δ
<b>Revenues</b>			
Total Water Sales	4,140,487	3,532,482	-608,006
GSA Fees	1,296,406	1,522,072	225,666
Total Water Service Revenue	126,265	134,278	8,014
Total Non-Operating Income	92,205	58,231	-33,973
Capital Contributions	57,909	24,364	-33,545
<b>Total Revenues</b>	<b>5,713,272</b>	<b>5,271,427</b>	<b>-441,845</b>
<b>Expenses</b>			
Water Supply	418,712	398,318	-20,394
Arsenic Treatment Plants	142,947	135,557	-7,390
Transmission & Distribution	713,075	379,635	-333,441
Engineering	171,709	142,894	-28,815
Customer Service	167,630	132,544	-35,086
Field Services	178,813	88,869	-89,944
General & Administration	1,176,830	771,414	-405,416
Legislative	33,118	25,113	-8,006
Depreciation	1,100,000	1,100,000	0
Non-Operating, Interest	457,077	457,077	0
Non-Operating, Miscellaneous	93,339	455,348	362,009
GSA Fees	1,361,021	1,249,614	-111,406
Non-Operating, Conservation	11,823	5,931	-5,892
Non-Operating, Alternate Water	3,180	33,290	30,109
<b>Total Expenses</b>	<b>6,029,276</b>	<b>5,375,604</b>	<b>-653,671</b>
<b>Net Revenue Increase (Decrease)</b>	<b>-316,003</b>	<b>-104,177</b>	<b>211,826</b>
<b>Capital Expenditures</b>		<b>715,964</b>	
<b>Debt Service Principle</b>		<b>370,554</b>	
<b>Total GSA Extraction Fee Paid</b>		2,321,378	
<b>Total GSA Replenishment Fee Paid</b>		10,517,311	
		<b>12,838,689</b>	

### Comparison of FY 2023-2024 Revenues and Expenses by Month



### Comparison of October Revenues and Expenses per Fiscal Year





\*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 \$1,094,605.89 as follows:

Checks through:	<u>10/12/23</u>	<u>10/26/23</u>
Prepaid	\$ 71,106.21	\$ 50,382.99
Current	<u>858,120.55</u>	<u>114,996.14</u>
Total	<u>\$ 929,226.76</u>	<u>\$ 165,379.13</u>

**8. Future Agenda Items**

Electric Vehicle Mandate

**9. Adjournment**

The Committee adjourned at 3:09 pm.