

BOARD OF DIRECTORS
INDIAN WELLS VALLEY WATER DISTRICT

FINANCE COMMITTEE
REGULAR MEETING

REPORT

TUESDAY OCTOBER 3, 2023 – 2:30 PM
BOARD ROOM
500 W. RIDGECREST BLVD., RIDGECREST

ATTENDEES: Ron Kicinski, Stan Rajtora, George Croll, Ty Staheli, Jason Lillion, and Renee Morquecho

1. Call to Order

The Finance Committee Meeting was called to order at 2:32 pm.

2. Committee/Public Comments

None.

3. Fraud Risk Discussion

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

None to report.

4. State Revolving Fund Loan Program

Description: Discussion on State Revolving Fund Loan Program

Staff reported continued engagement with the ACWA SRF working group and continued push to address timelines. Staff also attended a webinar hosted by CSDA and presented by DWR. The SRF program has allotted \$300 million for low interest loans for this cycle and has received applications for \$2.5 billion. DWR is using a ranking system to prioritize the funding approvals. Currently, the District's projects would rank low on the list.

Regardless of the rankings, the District will look at mainline replacements in the La Mirage area for future SRF loan funding.

Director Rajtora requested Staff to continue reaching out to the elected representatives, especially, Representative McCarthy to ensure California was using the SRF funds appropriately.

5. Inyokern Road Transmission Line Funding

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

Staff reported that agreements with CalMuni partners for seeking funding for the Line replacements have been executed and the team is currently in talks with USDA regarding the ability to skip the pre-application process. Should this project be fully funded through USDA, funding from the State could be shifted for the Springer pipeline project.

6. GA Imported Water Costs

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

Staff has met with GA staff and Provost & Prichard to discuss project options and costs.

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 pumpers, option to determine when the District receives water, and how to appropriately allocate costs.

7. Tuition Reimbursement

Description: Discuss District's Policy on tuition reimbursement

Mr. Croll asked the committee to consider an increase in tuition reimbursement, in the amount of \$6,000, for an employee in light of the benefit the education has on district operations and security. Current policy covers \$3,000 in reimbursement per year. The increase is to cover most of the expenses for the final 2 semesters.

The Committee recommends bringing a policy revision back to committee for review.

8. Financial Statements September 30, 2023 (preliminary)

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

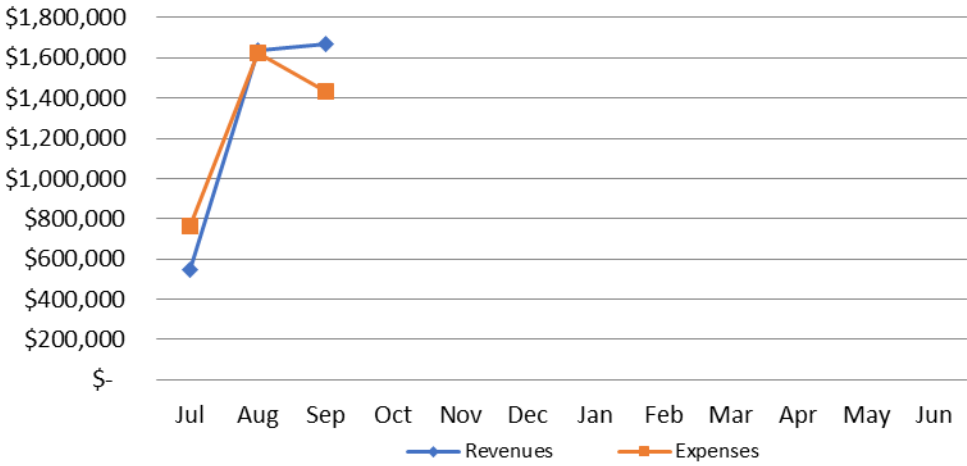
Estimated year-to-date revenues as of September 30, 2023, are \$3,854,242 and expenses are \$3,826,232, therefore revenues exceeded expenditures by \$28,010, which is better than budget by \$384,968.

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

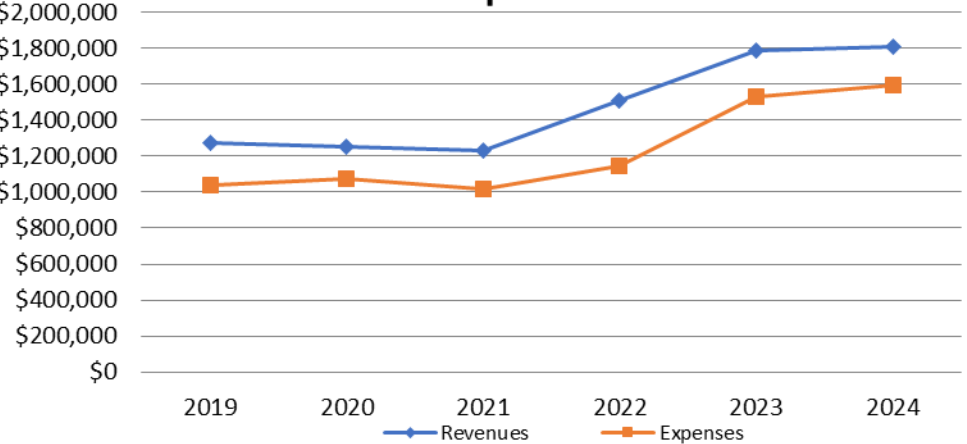
Indian Wells Valley Water District
Revenues vs. Expense
Actuals & Budget through September 2023 (Preliminary)

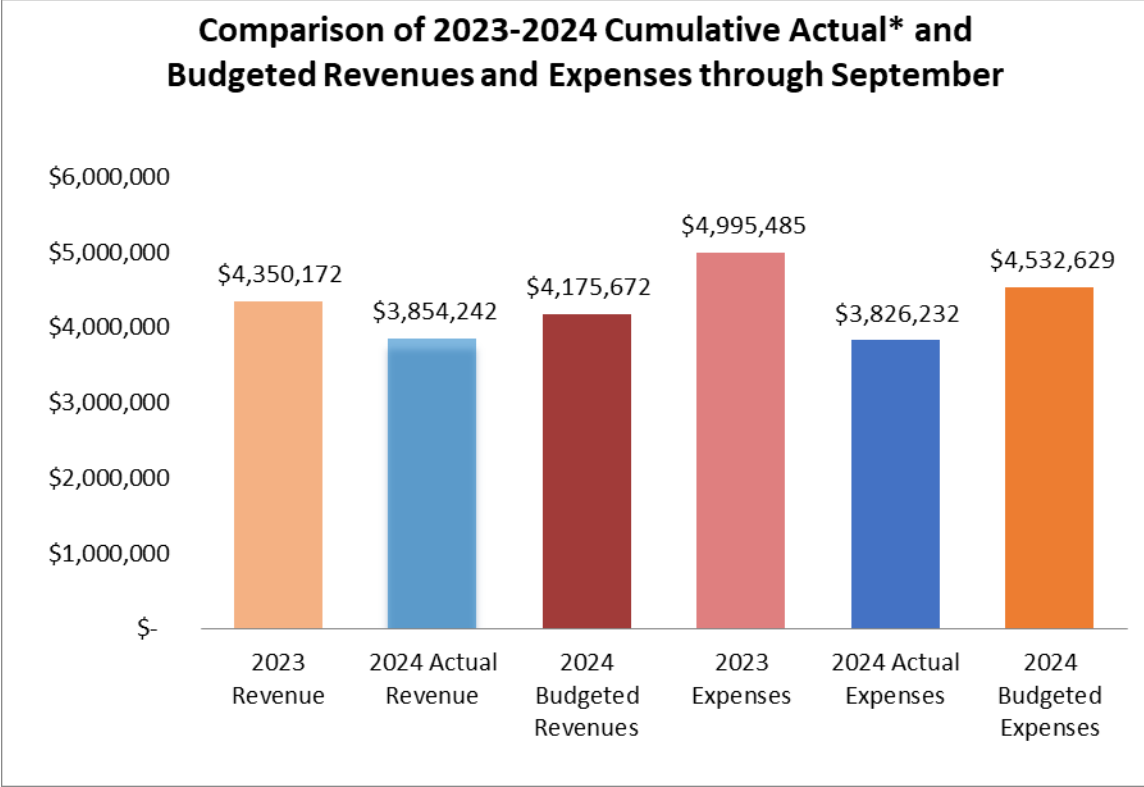
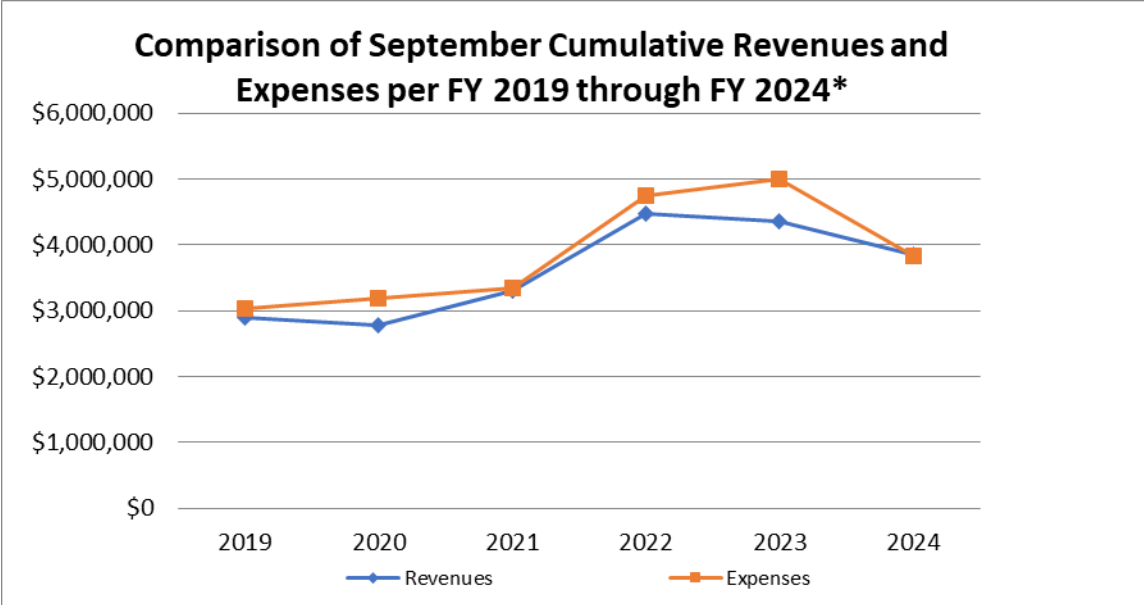
	Budget	Actuals	Δ
Revenues			
Total Water Sales	3,026,168	2,723,122	-303,045
GSA Fees	947,507	1,002,919	55,411
Total Water Service Revenue	92,283	94,608	2,325
Total Non-Operating Income	67,390	10,257	-57,133
Capital Contributions	42,324	23,337	-18,987
Total Revenues	4,175,672	3,854,242	-321,430
Expenses			
Water Supply	315,033	267,121	-47,912
Arsenic Treatment Plants	107,551	98,390	-9,162
Transmission & Distribution	536,508	300,518	-235,990
Engineering	129,192	113,201	-15,991
Customer Service	126,122	87,448	-38,674
Field Services	134,537	65,687	-68,850
General & Administration	885,431	485,114	-400,317
Legislative	24,918	19,941	-4,977
Depreciation	825,000	825,000	0
Non-Operating, Interest	342,808	342,808	0
Non-Operating, Miscellaneous	70,227	318,441	248,214
GSA Fees	1,024,014	881,428	-142,585
Non-Operating, Conservation	8,895	3,876	-5,020
Non-Operating, Alternate Water	2,393	17,260	14,867
Total Expenses	4,532,629	3,826,232	-706,397
Net Revenue Increase (Decrease)	-356,957	28,010	384,968
Capital Expenditures		549,679	
Debt Service Principle		277,916	

Comparison of FY 2023-2024 Revenues and Expenses by Month



Comparison of September Revenues and Expenses per Fiscal Year





*Actual Revenues and Expenses are Estimated

9. Accounts Payable Disbursements

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

The Committee recommended approval of accounts payable disbursements totaling \$1,229,850.36 as follows:

Checks through:	<u>9/14/23</u>	<u>9/28/23</u>
Prepaid	\$ 46,854.74	\$ 474,207.32
Current	<u>588,088.24</u>	<u>120,700.06</u>
Total	<u>\$ 634,942.98</u>	<u>\$ 594,907.38</u>

10. Future Agenda Items

None

11. Adjournment

The Committee adjourned at 3:16 pm.