

BOARD OF DIRECTORS
INDIAN WELLS VALLEY WATER DISTRICT

FINANCE COMMITTEE
REGULAR MEETING

REPORT

TUESDAY MARCH 4, 2025 – 3:00 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 3:00 pm.

2. Committee/Public Comments

None.

3. Fraud Risk Discussion

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

None to report.

4. GA Imported Water Costs

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

The GA's Imported Water Project is at 60% design according to Provost and Prichard. Kreiger and Stewart are analyzing the design documents to identify any cost changes needed for the District's project cost analysis.

5. Recycled Water Project Preliminary Engineering Analysis

Description: Committee to discuss the funding and approval of the Recycled Water Project Preliminary Engineering Analysis.

The District requested access to the City's wastewater effluent during the last City Council meeting. Since the City still has an agreement with the IWV Groundwater Authority until November, the Council directed the District to speak to the GA.

Meanwhile, staff is looking for direction from the Board on whether to move ahead with a feasibility study and cost estimate by Krieger & Stewart or a study by Parker Groundwater on the best areas in the valley for injection and/or percolation of recycled water and other captured water. The Committee indicated they are not in a hurry to make a recommendation since the wastewater effluent is tied up with the GA until at least November.

The Committee would like this item to go to the full Board for discussion.

6. Financial Statements February 28, 2025 (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 February 28, 2025, are \$11,409,117 and expenses are \$12,102,725, therefore expenditures exceeded revenues by \$693,608, which is better than budget by \$1,091,500.

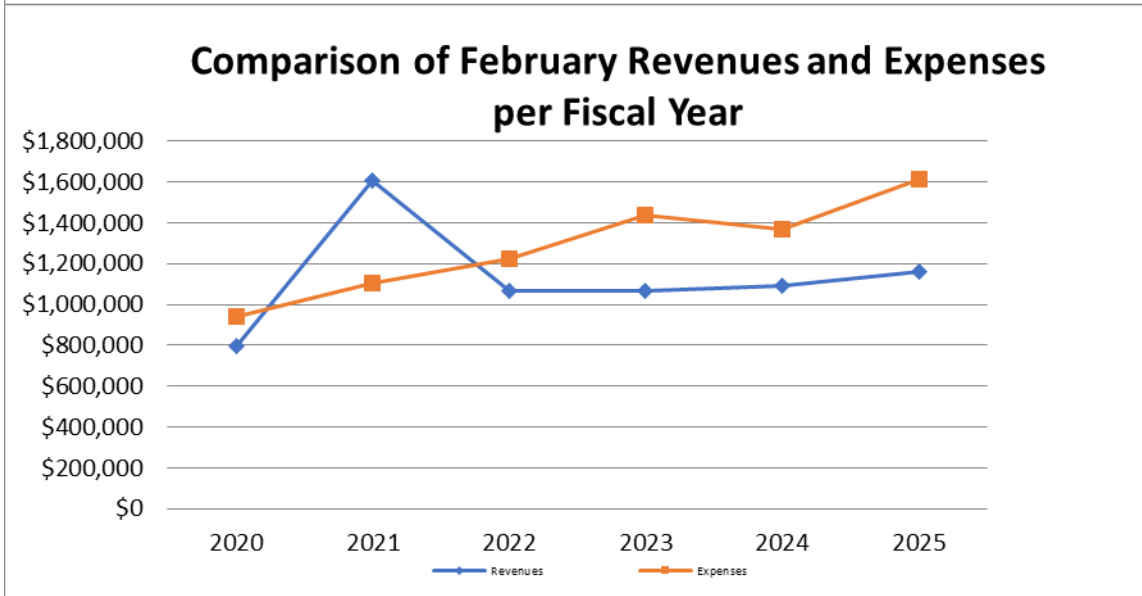
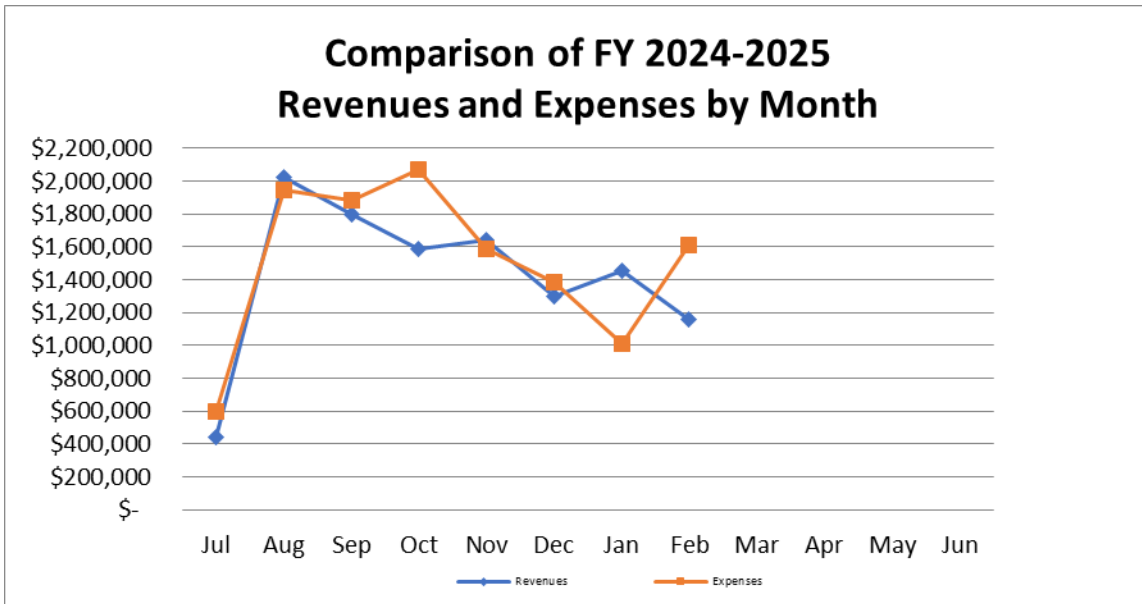
To date, the District rate payers have paid the Groundwater Authority \$16,934,621 in fees.

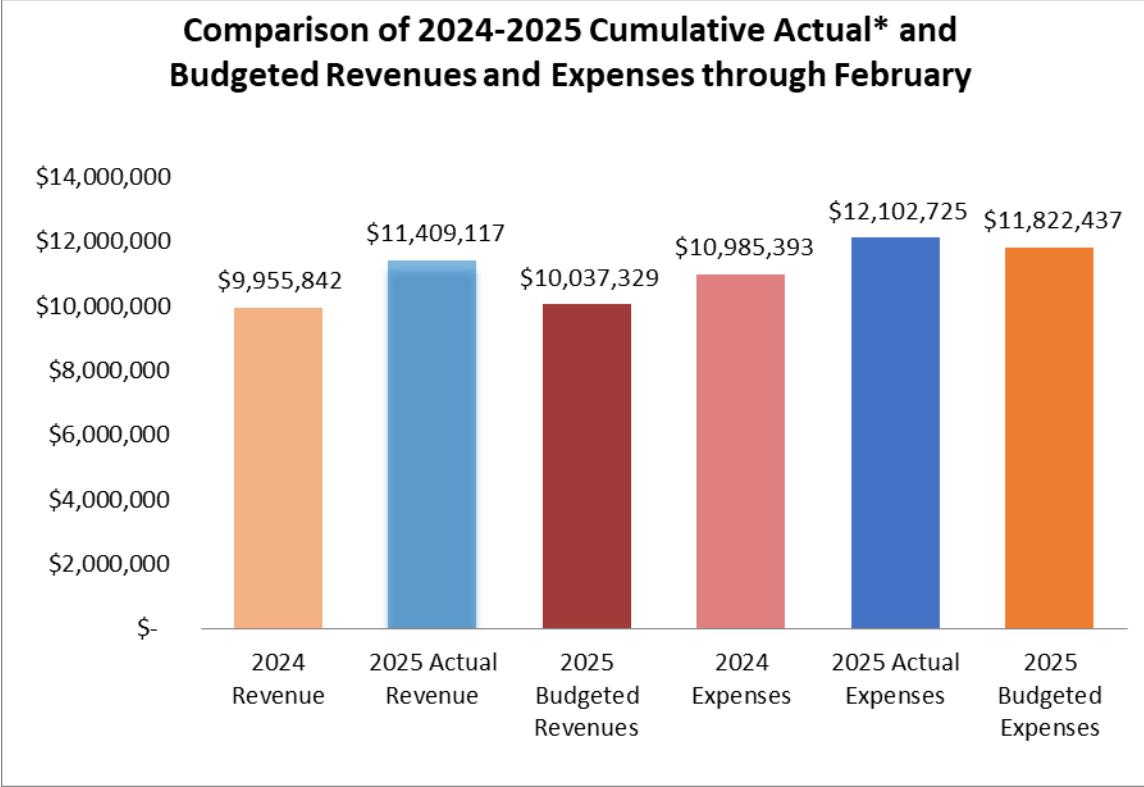
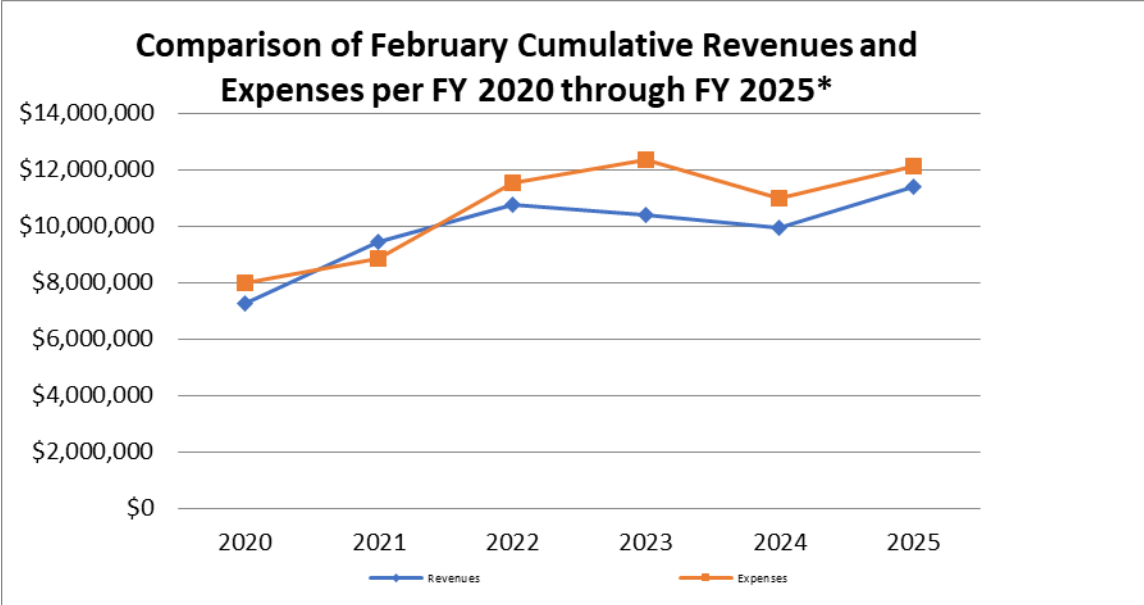
Staff presented the following spreadsheet, which compares February year-to-date actual to budgeted revenues and expenses by category:

Indian Wells Valley Water District
Revenues vs. Expense
Actuals & Budget through February 2025 (Preliminary)

	2025 Budget	YTD Budget	Actuals	Δ
Revenues				
Total Water Sales	13,064,552	7,643,192	8,169,338	526,147
GSA Fees	3,112,486	1,894,306	2,411,268	516,962
Total Water Service Revenue	375,900	267,340	311,631	44,291
Total Non-Operating Income	172,400	109,880	152,531	42,651
Capital Contributions	154,500	122,611	364,349	241,738
Total Revenues	16,879,838	10,037,329	11,409,117	1,371,788
Expenses				
Water Supply	1,622,677	1,082,650	1,051,867	-30,783
Arsenic Treatment Plants	456,719	304,723	157,129	-147,594
Transmission & Distribution	1,861,515	1,242,003	996,664	-245,339
Engineering	544,019	369,641	372,012	2,370
Customer Service	516,579	344,662	252,888	-91,773
Field Services	570,208	380,443	375,106	-5,337
General & Administration	2,758,794	1,840,667	1,744,982	-95,685
Legal	1,050,000	700,560	660,894	-39,666
Legislative	119,400	79,664	63,216	-16,447
Depreciation	3,300,000	2,200,000	2,200,000	0
Non-Operating, Interest	1,747,156	1,164,771	802,496	-362,274
Non-Operating, Miscellaneous	436,000	190,819	473,462	282,642
GSA Fees	3,111,310	1,837,634	2,899,777	1,062,143
Non-Operating, Conservation	34,200	22,818	9,014	-13,805
Non-Operating, Alternate Water	92,000	61,382	43,219	-18,164
Total Expenses	18,220,578	11,822,437	12,102,725	280,288
Net Revenue Increase (Decrease)	-1,340,740	-1,785,108	-693,608	1,091,500

Capital Expenditures	6,993,209
- \$3 mil grant, 555k AD, balance bond	6,028,195
 Debt Service Principle	 820,938
 Total GSA Extraction Fee Paid	 3,116,153
Total GSA Replenishment Fee Paid	<u>13,818,468</u>
	16,934,621





**Actual Revenues and Expenses are Estimated*

7. Fiscal Year 2026 Budget Update

Description: Discuss updates to the FY 2026 Budget development

To avoid issues discovered after the FY 2025 Budget was adopted, namely inaccurate or insufficient information being communicated regarding outstanding consulting agreements, the Staff is working directly with the District’s consultants to establish costs and projects for the FY 2026 budget.

Staff will also evaluate the District’s CIP schedule and update accordingly.

8. Accounts Payable Disbursements

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

The Committee reviewed the accounts payable disbursements totaling \$764,587.20 as follows:

Checks through:	<u>2/13/25</u>	<u>2/27/25</u>
Prepaid	\$ 54,329.35	\$ 51,402.67
Current	<u>553,226.74</u>	<u>105,628.44</u>
Total	<u>\$ 607,556.09</u>	<u>\$ 157,031.11</u>

9. Future Agenda Items

Grant writing assistance

10. Adjournment

The Committee adjourned at 4:14 pm.