

BOARD OF DIRECTORS
INDIAN WELLS VALLEY WATER DISTRICT

FINANCE COMMITTEE
REGULAR MEETING
REPORT

TUESDAY, JANUARY 8, 2019 – 3:00 PM

BOARD ROOM
500 W. RIDGECREST BLVD., RIDGECREST

ATTENDEES: Ron Kicinski, Stan Rajtora, Don Zdeba, 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

Chuck Griffin asked to have AMI, specifically the accuracy of his meter and his request for a second meter to be installed on the customer side, discussed at the Board Meeting. Don Zdeba replied he had responded when this topic was raised at the December 10th Board meeting stating there is a policy in place to address concerns with meter accuracy and he did not support making exceptions to the policy. Mr. Griffin will attend the Board meeting and raise the issue.

3. Fraud Risk Discussion

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

None to report.

4. Cost of Service Study

Description: Discussion on recently adopted rate study.

Director Rajtora asked that his list of questions be discussed at the Board Workshop.

Director Kicinski asked that the Board vote on whether to continue addressing the questions of an adopted rate study.

Public discussion ensued.

5. Financial Statements December 31, 2018 (preliminary)

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

Estimated year to date revenues as of December 31, 2018 are \$5,743,052 and expenses are \$5,762,267, therefore expenses exceeded revenues by \$19,215, which trails budget by \$70,593.

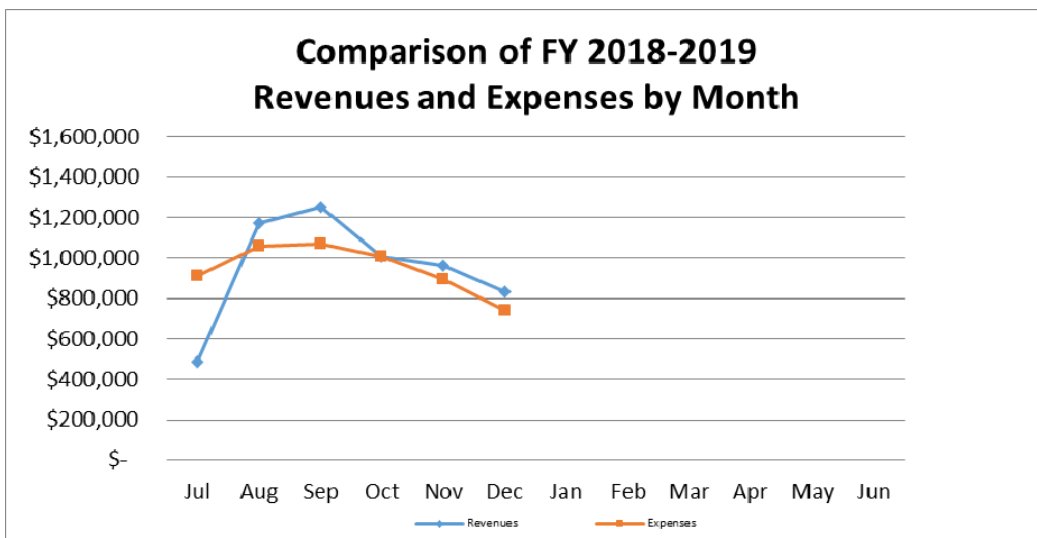
Staff presented the following spreadsheets, which compare December 2018 year-to-date actual to budgeted revenues and expenses by category:

Indian Wells Valley Water District

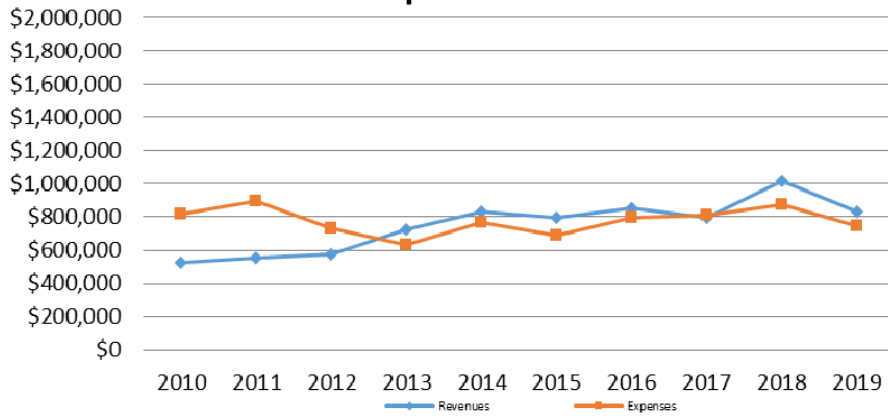
Revenues vs. Expense

Actuals & Budget through December 2018 (Preliminary)

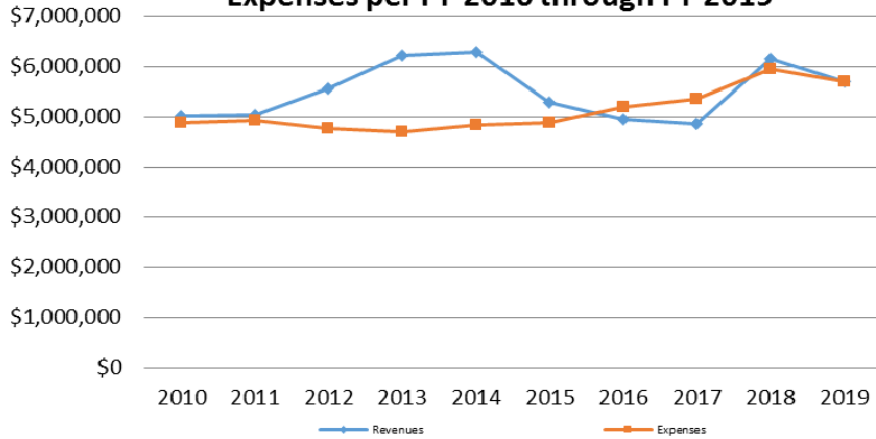
	Budget	Actuals	Δ
Revenues			
Total Water Sales	5,381,650	5,198,135	-183,515
Total Water Service Revenue	139,000	148,433	9,433
Total Non-Operating Income	387,300	200,378	-186,922
Capital Contributions	126,500	196,106	69,606
Total Revenues	6,034,450	5,743,052	-291,398
Expenses			
Water Supply	365,229	514,917	149,688
Arsenic Treatment Plants	132,708	132,206	-502
Transmission & Distribution	868,464	703,121	-165,343
Engineering	205,804	186,227	-19,577
Customer Service	186,754	173,913	-12,841
Field Services	197,614	344,924	147,310
General & Administration	995,794	1,084,923	89,129
Legislative	49,543	64,720	15,177
Depreciation	1,739,238	1,739,238	0
Non-Operating, Interest	563,178	452,674	-110,504
Non-Operating, Miscellaneous	145,530	168,895	23,365
Non-Operating, Conservation	177,786	26,588	-151,198
Non-Operating, Alternate Water	355,430	169,921	-185,509
Total Expenses	5,983,072	5,762,267	-220,805
Net Revenue Increase (Decrease)	51,378	-19,215	-70,593



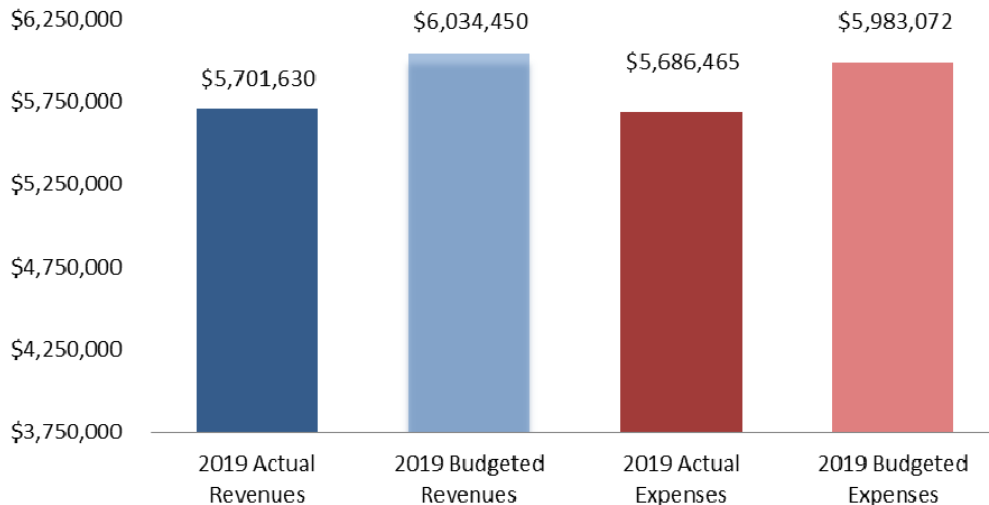
Comparison of December Revenues and Expenses per Fiscal Year



Comparison of December Cumulative Revenues and Expenses per FY 2010 through FY 2019*



Comparison of 2017-2018 Cumulative Actual* and Budgeted Revenues and Expenses through December 2018



**Actual Revenues and Expenses are Estimated*

6. Accounts Payable Disbursements

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

The Committee recommended approval of accounts payable disbursements totaling \$416,113.39 as follows:

Checks through:	<u>12/02/18</u>	<u>12/16/18</u>
Prepaid	\$ 73,800.19	\$ 42,422.31
Current	<u>224,980.45</u>	<u>74,910.44</u>
Total	<u>\$ 298,780.64</u>	<u>\$ 117,332.75</u>

7. Future Agenda Items

None.

8. Adjournment

The Committee adjourned at 3:53pm.