

BOARD OF DIRECTORS  
INDIAN WELLS VALLEY WATER DISTRICT

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FINANCE COMMITTEE  
REGULAR MEETING  
REPORT

TUESDAY, AUGUST 8, 2017 – 3:00 PM

BOARD ROOM  
500 W. RIDGECREST BLVD., RIDGECREST

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ATTENDEES: Don Cortichiato, Chuck Griffin, Don Zdeba, Jason Lillion, Renee Morquecho and Ty Staheli

**1. Call to Order**

The Finance Committee Meeting was called to order at 3:01 pm.

**2. Committee/Public Comments**

None.

**3. Disclosure of Reimbursement Amounts (per Government Code Section 53065.5)**

Description: Staff report on the 2016-2017 direct reimbursement of expenses to Directors and Staff totaling \$100 or more.

Staff presented the 2016-2017 Disclosure of Reimbursement Amounts report.

**4. Fraud Risk Discussion**

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

None.

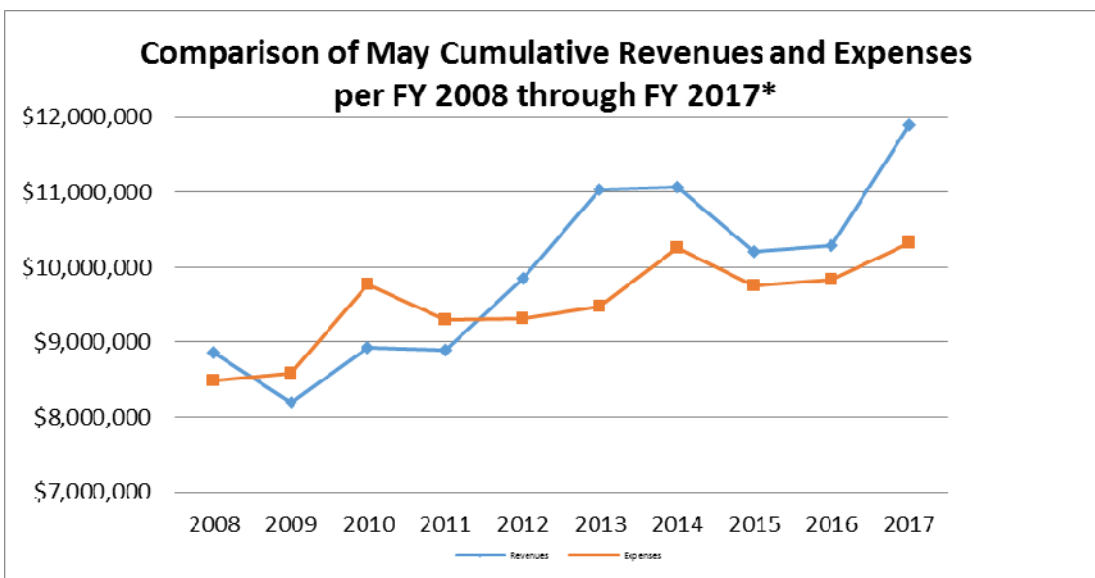
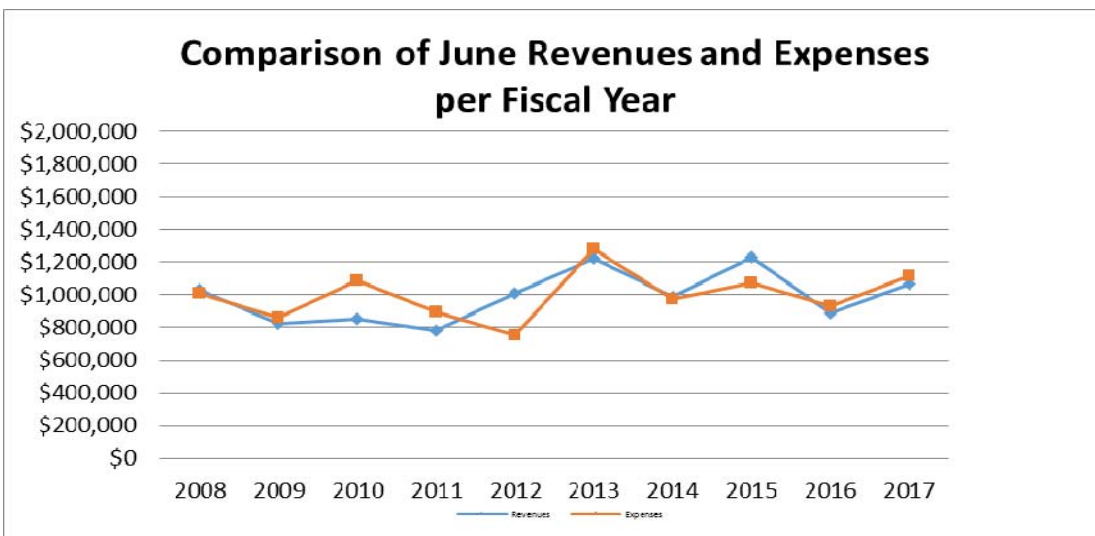
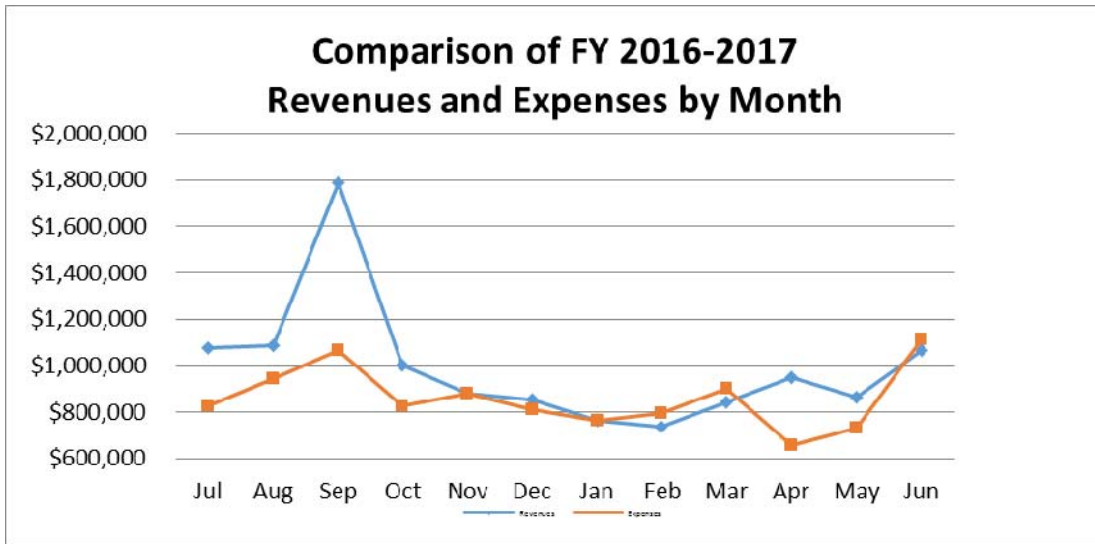
**5. Financial Statements, June 30, 2017 (preliminary) and July 31, 2017 (preliminary)**

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

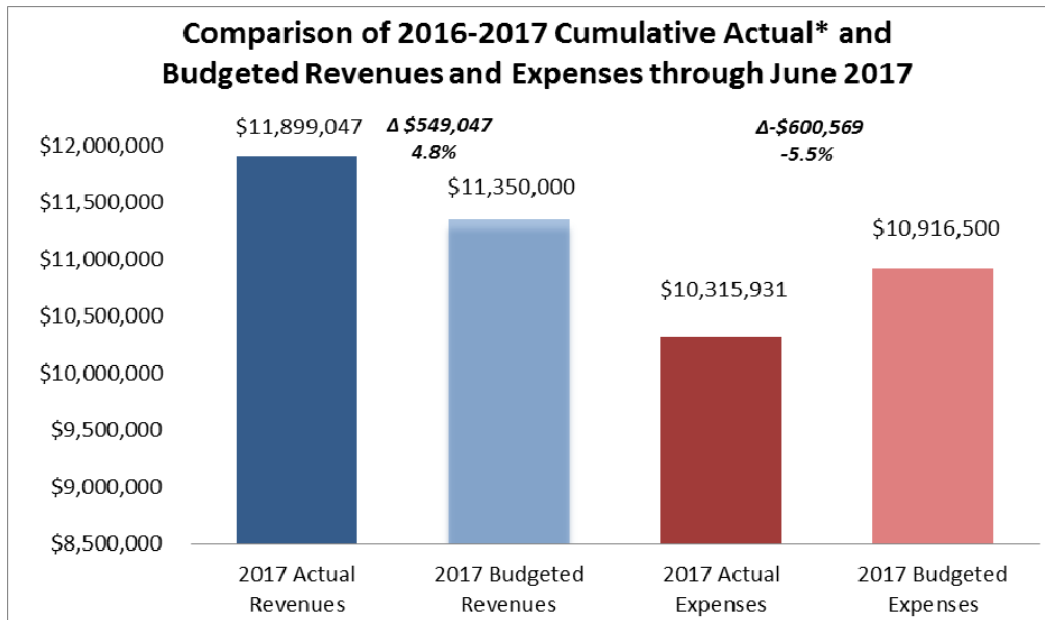
Year-to-date revenues as of June 30, 2017 are \$11,899,047 and expenses are \$10,315,931, so revenues exceeded expenses by \$1,583,931, which exceeds budget by \$1,149,617. Staff presented the following spreadsheet, which compares June 2017 year-to-date actual to budgeted revenues and expenses by category.

**Indian Wells Valley Water District  
 Revenues vs. Expense  
 Actuals & Budget through June 2017 (Preliminary)**

|                                        | Budget            | Actuals           | Δ                |
|----------------------------------------|-------------------|-------------------|------------------|
| <b>Revenues</b>                        |                   |                   |                  |
| Total Water Sales                      | 9,499,000         | 9,976,610         | 477,610          |
| Total Water Service Revenue            | 265,000           | 290,832           | 25,832           |
| Total Non-Operating Income             | 415,400           | 526,531           | 111,131          |
| Capital Contributions                  | 1,170,600         | 1,105,075         | -65,525          |
| <b>Total Revenues</b>                  | <b>11,350,000</b> | <b>11,899,047</b> | <b>549,047</b>   |
| <b>Expenses</b>                        |                   |                   |                  |
| Water Supply                           | 1,166,600         | 1,022,096         | -144,504         |
| Arsenic Treatment Plants               | 325,500           | 304,496           | -21,004          |
| Transmission & Distribution            | 1,666,900         | 1,575,424         | -91,476          |
| Engineering                            | 329,100           | 310,598           | -18,502          |
| Customer Service                       | 385,100           | 371,146           | -13,954          |
| Field Services                         | 431,900           | 462,441           | 30,541           |
| General & Administration               | 1,570,400         | 1,665,322         | 94,922           |
| Legislative                            | 113,000           | 125,942           | 12,942           |
| Depreciation                           | 2,756,000         | 2,756,000         | 0                |
| Non-Operating, Interest                | 1,381,000         | 1,243,562         | -137,438         |
| Non-Operating, Miscellaneous           | 232,000           | 301,108           | 69,108           |
| Non-Operating, Conservation            | 494,000           | 129,264           | -364,736         |
| Non-Operating, Alternate Water         | 65,000            | 48,532            | -16,468          |
| <b>Total Expenses</b>                  | <b>10,916,500</b> | <b>10,315,931</b> | <b>-600,569</b>  |
| <b>Net Revenue Increase (Decrease)</b> | <b>433,500</b>    | <b>1,583,117</b>  | <b>1,149,617</b> |



\*Actual Revenues and Expenses are Estimated



Estimated year-to-date revenues as of July 31, 2017 are \$1,231,371 and estimated expenses are \$783,687, so estimated revenues exceed estimated expenses by \$447,684.

**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 \$1,049,874.67 as follows:

|                 |                      |                              |
|-----------------|----------------------|------------------------------|
| Checks through: | <u>7/02/17</u>       | <u>7/09/17 &amp; 7/16/17</u> |
| Prepaid         | \$ 35,895.74         | \$ 150,490.04                |
| Current         | <u>698,233.73</u>    | <u>165,255.16</u>            |
| Total           | <u>\$ 734,129.47</u> | <u>\$ 315,745.20</u>         |

**7. Grant for Purchase of NO-DES Truck**

Description: Discuss Status of Reimbursement Grant for NO-DES Truck.  
 Staff informed committee that all signatures and approvals for reimbursement have been received. The District will receive the reimbursement soon. The use of the NO-DES truck has been improving the quality of the water in areas where used. Limited staff has been pulled from the maintenance crew to operate the NO-DES truck.

**8. Future Agenda Items**

Discussed status of Cash-for-Grass amendment to put the grant funds toward other conservation programs.  
 None.

**9. Adjournment**

The Committee adjourned at 3:17 pm.