

BOARD OF DIRECTORS
INDIAN WELLS VALLEY WATER DISTRICT

FINANCE COMMITTEE
REGULAR MEETING
REPORT

TUESDAY, JULY 2, 2017 – 3:00 PM

BOARD ROOM
500 W. RIDGECREST BLVD., RIDGECREST

ATTENDEES: Don Cortichiato, Chuck Cordell, Don Zdeba, Jason Lillion, and Travis Reed

1. Call to Order

The Finance Committee Meeting was called to order at 3:06 pm.

2. Committee/Public Comments

None

3. Fraud Risk Discussion

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

None to report.

4. Cost of Service Study

Description: Staff update on Cost of Service study.

Stantec will be presenting the results of the Cost of Service study at the July 9th board meeting.

5. Customer Portal

Description: Staff to present findings of Request for Proposal and request advancing best proposal to Board for approval.

Staff issued an RFP on April 6, 2018 to identify, select, and implement a proven public sector application to complement the District’s migration to Advanced Metering Infrastructure (AMI) technology. Four proposals were received and reviewed by a selection committee. The committee narrowed the selection to two vendors; AquaHawk and WaterSmart. Both vendors conducted demonstrations of their product for key staff members. Following the demonstrations, the committee evaluated both proposals on functionality, ease-of-use, customization ability, track record, references, and cost. The following table summarizes costs associated with each proposal.

	AquaHawk	Dropcountr	Smart Energy & Water	WaterSmart
Setup	\$17,000	\$0	\$39,730	General - \$7,500
Online Bill Pay Setup	\$7,500	Not Stated	Included	\$5,500

Yearly	Yr 1 - \$31,480 Yr 2 on – \$21,480	\$15,000/yr	\$35,640/yr	\$21,000/yr
Other	Optional Modules not included	Unknown Customization Cost	Only 3 CSR licenses Included	No cost for text messages, Robo-calls, or emails.

Based on those criteria, the selection committee is recommending selection of WaterSmart. Finance Committee recommends partnering with WaterSmart to implement the customer portal.

6. Financial Statements, May 31, 2018 and June 30, 2018 (preliminary)

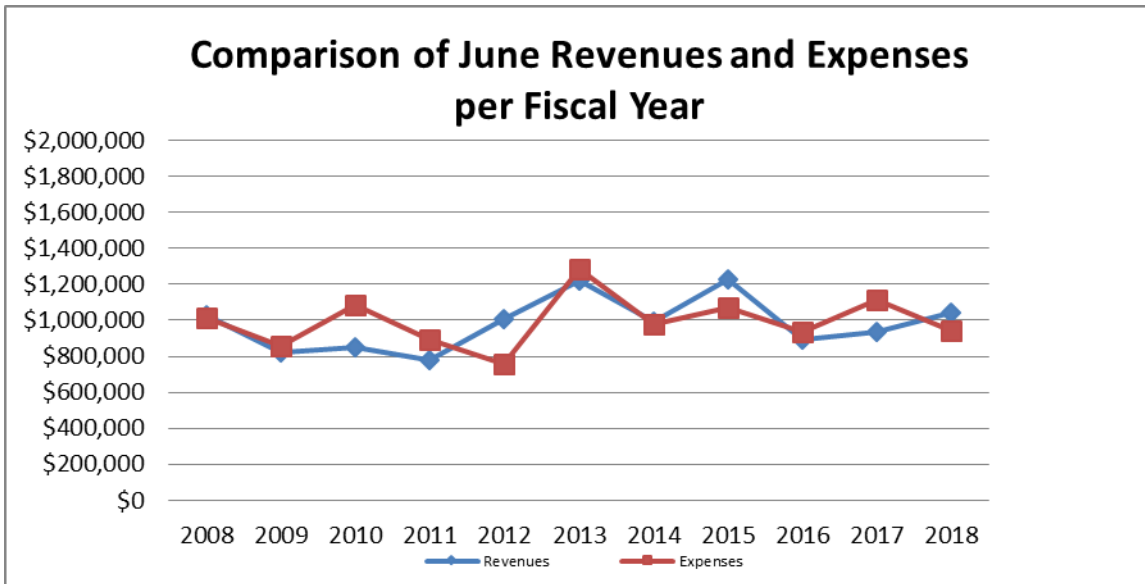
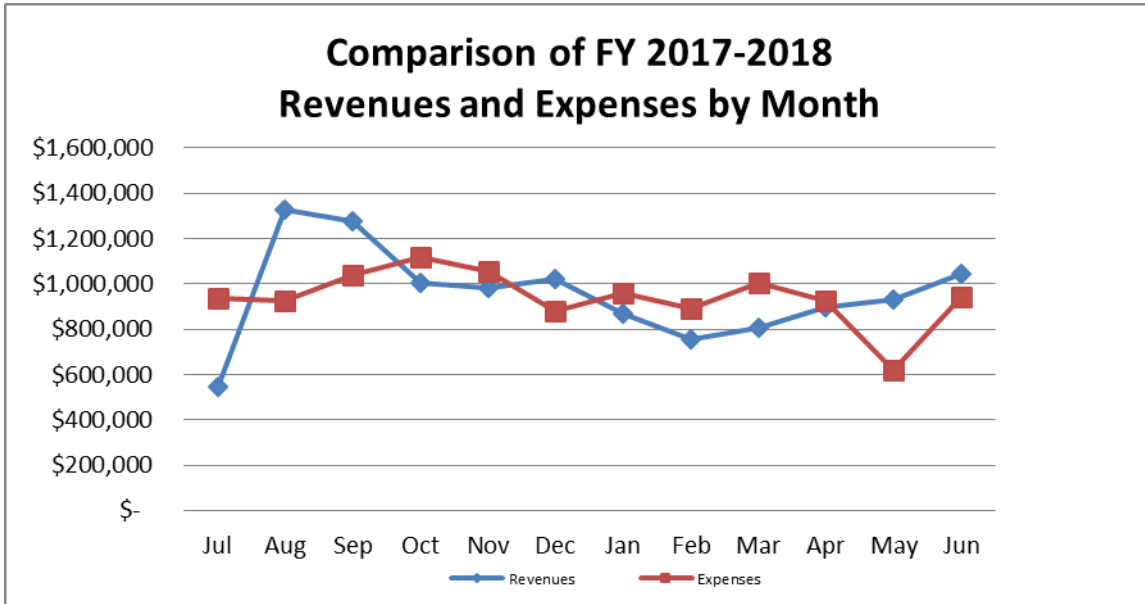
Description: Presentation to Committee financial reports and a graph depicting current revenue and expense trends compared to previous fiscal year actuals.

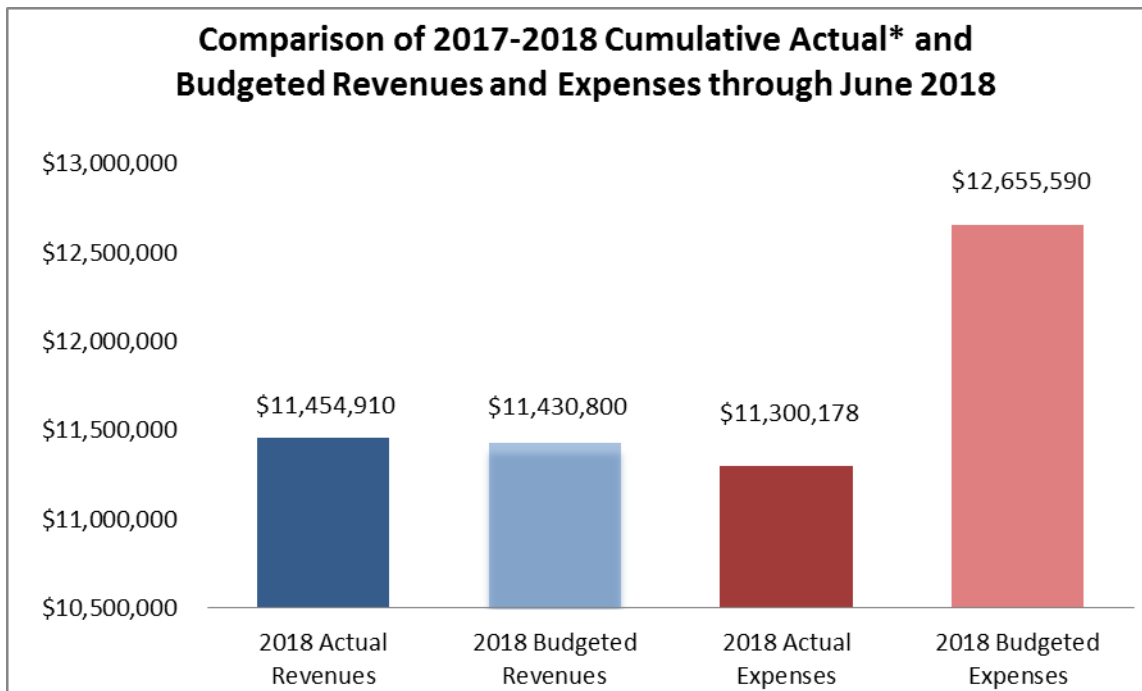
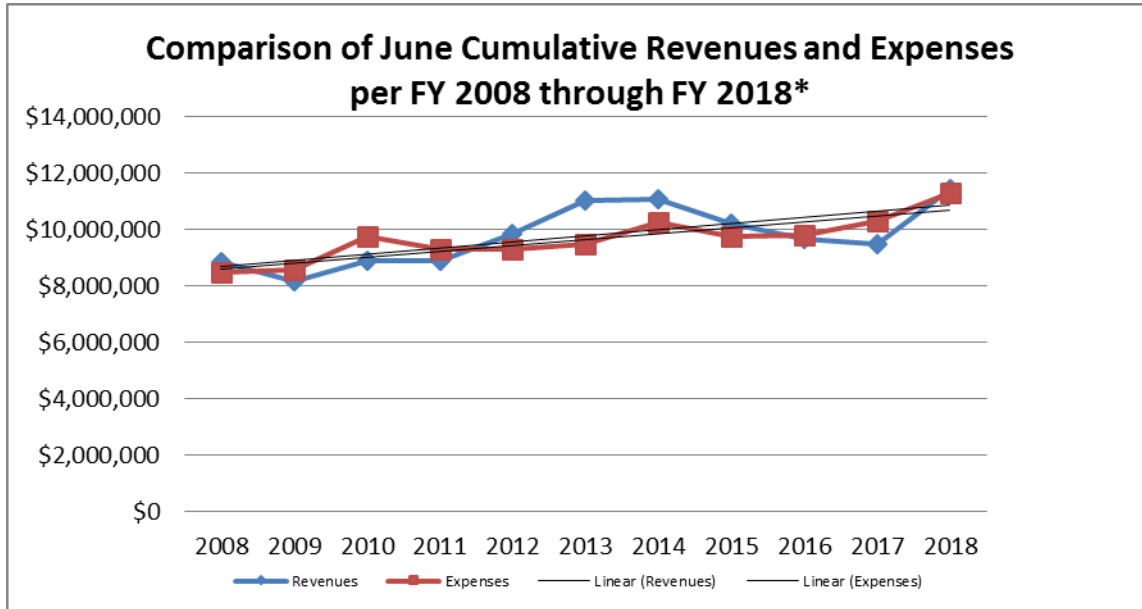
Estimated year to date revenues as of June 30, 2018 are \$11,454,910 and expenses are \$11,300,178, so revenues exceeded expenses by \$154,732, which exceeds budget by \$1,379,522.

Staff presented the following spreadsheet, which compares June 2018 year to date actual to budgeted revenues and expenses by category.

**Indian Wells Valley Water District
 Revenues vs. Expense
 Actuals & Budget through June 2018 (Preliminary)**

	Budget	Actuals	Δ
Revenues			
Total Water Sales	9,802,000	9,808,138	6,138
Total Water Service Revenue	407,000	288,580	-118,420
Total Non-Operating Income	551,400	543,496	-7,904
Capital Contributions	670,400	814,696	144,296
Total Revenues	11,430,800	11,454,910	24,110
Expenses			
Water Supply	935,600	938,664	3,064
Arsenic Treatment Plants	276,800	248,479	-28,321
Transmission & Distribution	1,702,690	1,396,509	-306,181
Engineering	363,100	313,484	-49,616
Customer Service	406,100	397,545	-8,555
Field Services	387,900	513,016	125,116
General & Administration	1,711,400	1,726,539	15,139
Legislative	131,000	127,329	-3,671
Depreciation	3,697,000	3,697,000	0
Non-Operating, Interest	1,330,000	1,171,046	-158,954
Non-Operating, Miscellaneous	756,000	482,218	-273,782
Non-Operating, Conservation	522,000	89,431	-432,569
Non-Operating, Alternate Water	436,000	198,918	-237,082
Total Expenses	12,655,590	11,300,178	-1,355,412
Net Revenue Increase (Decrease)	-1,224,790	154,732	1,379,522





**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 \$498,241.58 as follows:

Checks through:	<u>6/8/18</u>	<u>6/26/18</u>
Prepaid	\$ 76,286.03	\$ 54,793.91
Current	<u>244,815.00</u>	<u>122,346.64</u>
Total	\$ <u>321,101.03</u>	\$ <u>177,140.55</u>

8. Future Agenda Items

None

9. Adjournment

The Committee adjourned at 3:18 pm.