

BOARD OF DIRECTORS  
INDIAN WELLS VALLEY WATER DISTRICT

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FINANCE COMMITTEE  
REGULAR MEETING

REPORT

TUESDAY OCTOBER 8, 2024 – 2:30 PM  
BOARD ROOM  
500 W. RIDGECREST BLVD., RIDGECREST

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ATTENDEES: David Saint-Amand, Ron Kicinski, George Croll, Ty Staheli, and Renee Morquecho

**1. Call to Order**

The Finance Committee Meeting was called to order at 2:48 pm.

**2. Committee/Public Comments**

None.

**3. Fraud Risk Discussion**

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

None to report.

**4. Rate Study**

Description: Presentation and discussion of the results of the District's Rate Study.

Committee received a presentation on the updated financial plan and proposed rate changes from Mark Hildebrand of Hildebrand Consulting. Rate changes include a proposed 12% increase in February 2025 and yearly changes of 8% for the following 4 years.

Committee members asked questions for further clarification of the rate changes.

Director Saint-Amand asked for analysis of water consumption decreases and apply that analysis to the rates.

PowerPoint presentation is attached.

The presentation, with consumption analysis update, is schedule to be presented to the Board at the October 15<sup>th</sup> meeting.

**5. GA Imported Water Costs**

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

Committee discussed the lack of response from the Groundwater Authority and the City regarding the cost analysis and bill impact of the GA’s proposed imported water pipeline project.

**6. Financial Statements September 30, 2024 (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, 2024, are \$4,266,506 and expenses are \$4,594,806, therefore expenditures exceeded revenues by \$328,300, which is better than budget by \$604,626.

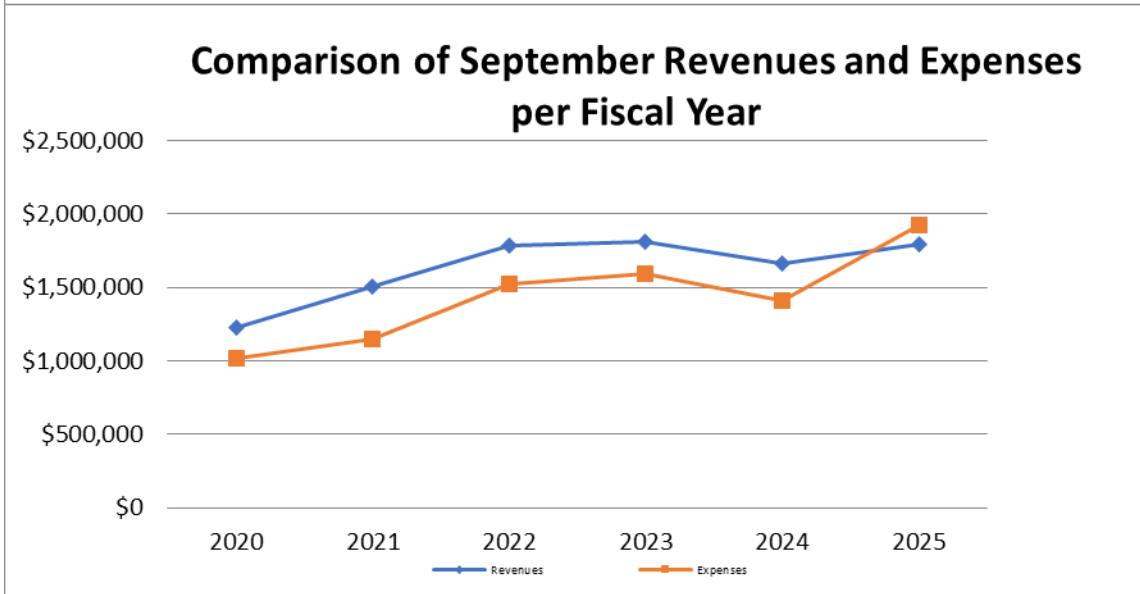
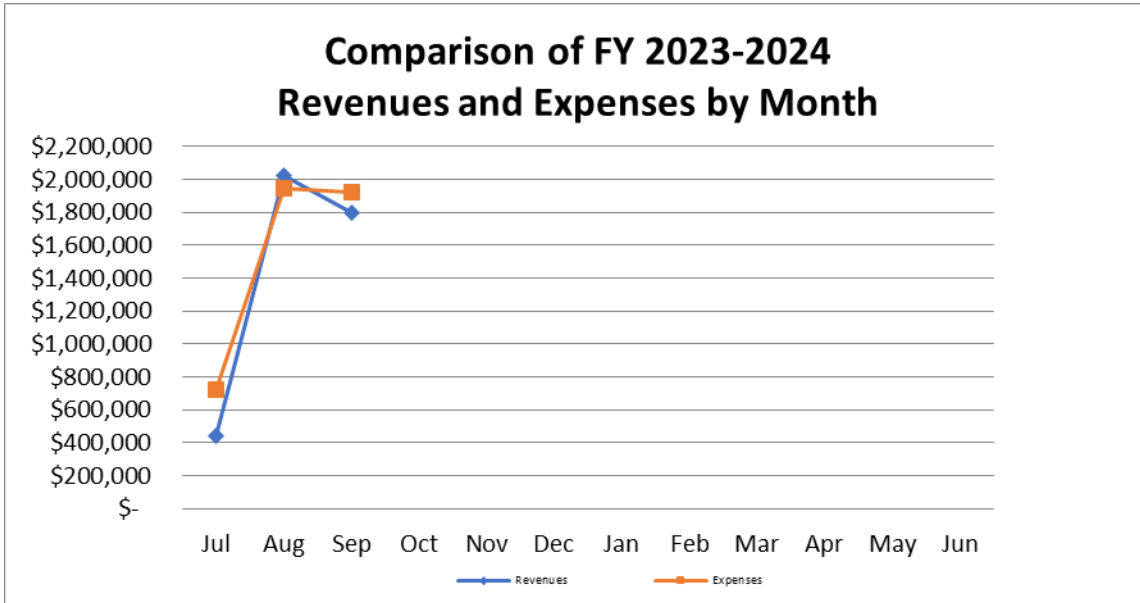
To date, the District has paid the Groundwater Authority \$15,607,346 in fees.

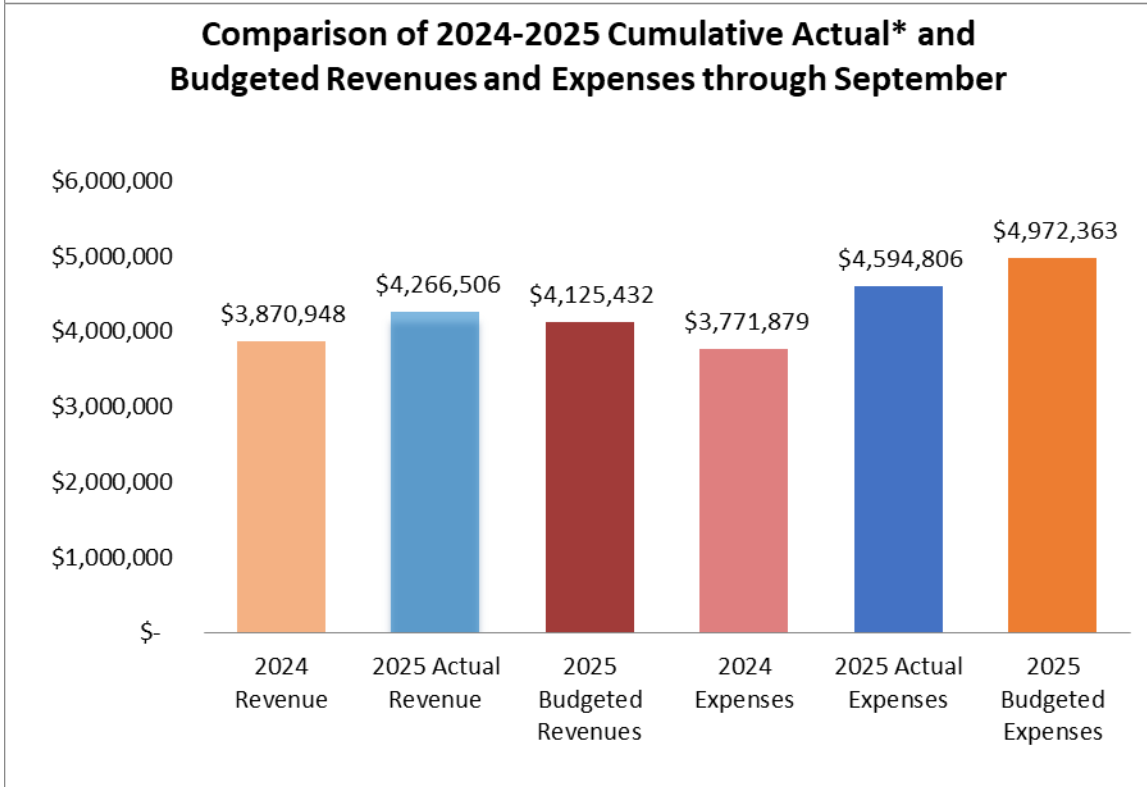
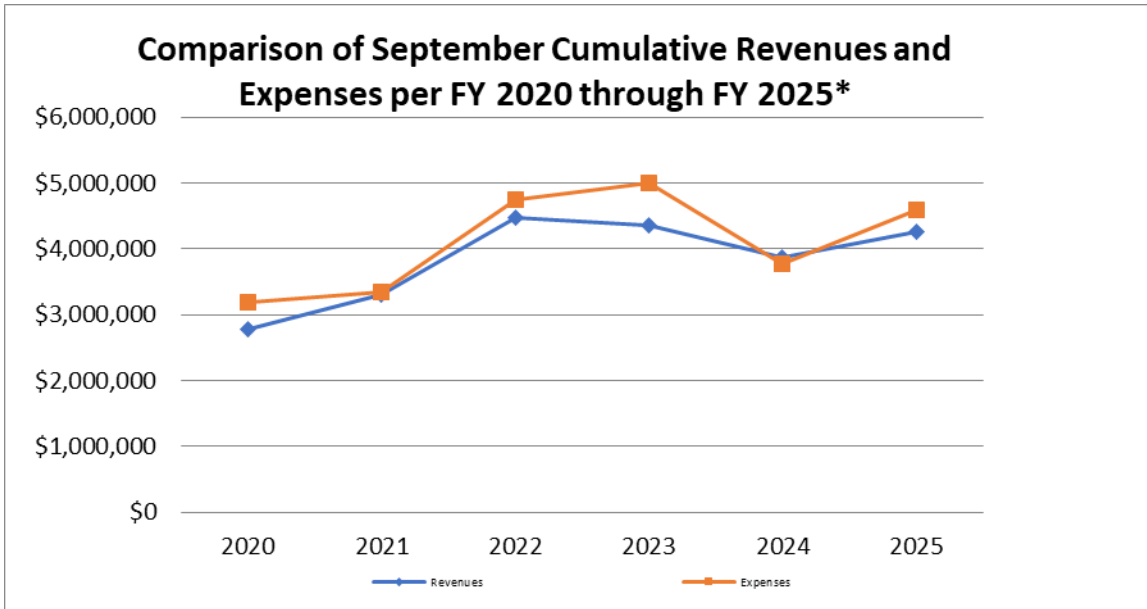
Staff presented the following spreadsheet, which compares September year-to-date actual to budgeted revenues and expenses by category:

**Indian Wells Valley Water District  
 Revenues vs. Expense  
 Actuals & Budget through September 2024 (Preliminary)**

	Budget	Actuals	Δ
<b>Revenues</b>			
Total Water Sales	3,192,977	2,820,632	-372,344
GSA Fees	760,692	1,236,531	475,839
Total Water Service Revenue	91,870	111,430	19,560
Total Non-Operating Income	37,760	44,579	6,819
Capital Contributions	42,135	53,334	11,199
<b>Total Revenues</b>	<b>4,125,432</b>	<b>4,266,506</b>	<b>141,074</b>
<b>Expenses</b>			
Water Supply	417,515	364,283	-53,232
Arsenic Treatment Plants	117,514	103,822	-13,691
Transmission & Distribution	573,839	345,783	-228,056
Engineering	186,048	135,835	-50,213
Customer Service	132,916	89,807	-43,109
Field Services	146,715	93,849	-52,865
General & Administration	709,838	566,770	-143,067
Legal	488,870	225,274	-263,596
Legislative	30,722	19,051	-11,671
Depreciation	825,000	825,000	0
Non-Operating, Interest	522,784	522,784	0
Non-Operating, Miscellaneous	73,588	120,056	46,469
GSA Fees	800,540	1,179,903	379,363
Non-Operating, Conservation	8,800	2,588	-6,212
Non-Operating, Alternate Water	23,672	0	-23,672
<b>Total Expenses</b>	<b>5,058,358</b>	<b>4,594,806</b>	<b>-463,552</b>
<b>Net Revenue Increase (Decrease)</b>	<b>-932,925</b>	<b>-328,300</b>	<b>604,626</b>

<b>Capital Expenditures</b>	<b>4,576,126</b>
<b>Debt Service Principle</b>	<b>280,818</b>
<b>Total GSA Extraction Fee Paid</b>	2,873,834
<b>Total GSA Replenishment Fee Paid</b>	<u>12,733,512</u>
	<b>15,607,346</b>





*\*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 \$3,496,859.26 as follows:

Checks through:	<u>9/12/24</u>	<u>9/26/24</u>
Prepaid	\$ 50,447.94	\$ 62,518.56
Current	<u>961,489.58</u>	<u>2,422,403.18</u>
Total	<u>\$ 1,011,937.52</u>	<u>\$ 2,484,921.74</u>

**8. Future Agenda Items**

Solar Plant Security added to P&E agenda

**9. Adjournment**

The Committee adjourned at 3:35 pm.