

JOSHUA BASIN WATER DISTRICT
MINUTES OF THE
FINANCE COMMITTEE MEETING
Wednesday, December 11, 2024
61750 Chollita Road, Joshua Tree, CA 92252

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE – President Floen called the meeting to order at 9:00 a.m.
2. ROLL CALL – President Floen and Director Jarlsberg

STAFF PRESENT – Director of Finance, Anne Roman, Accounting Supervisor, Autumn Rich, Director of Administration, David Shook, General Manager, Sarah Johnson, Executive Assistant, Lisa Thompson

CONSULTANTS PRESENTS – None

CITIZENS ADVISORY COUNCIL MEMBER(S) PRESENT – None

GUESTS – None

3. PUBLIC COMMENT – None

4. CONSENT CALENDAR

- A. DRAFT FINANCE COMMITTEE MEETING MINUTES 11.13.24

- 1st - Jarlsberg

- 2nd - Floen

- Motion carried to approve consent calendar 11.13.24 minutes.

5. DISCUSSION ITEMS -

- A. OCTOBER 2024 - CHECK REGISTER

- 1st - Jarlsberg

- 2nd - Floen

- Motion carried to refer to the Board.

- B. 1ST FISCAL QUARTER ENDING 09/30/24 FINANCIAL REPORT

- Director of Finance Anne Roman presented the 1st Fiscal Quarter Ending 09/30/24 Financial Report in detail. Roman provided an overview of the financials and a snapshot of the accounts receivable for that period. Roman highlighted a significant increase in the cash balance and noted a decrease in capital spending for this quarter. Roman explained that the cash increase was attributed to capacity charges, property taxes, interest revenue, and scheduled rate increases. Additionally, Roman pointed out that meter sales have slowed slightly compared to the previous year.

- 1st - Jarlsberg

- 2nd - Floen

- Motion carried to refer to the Board.

- C. RATE CHANGE ANALYSIS

- Director of Finance Anne Roman presented the Rate Scenario Analysis and recommended proceeding with Rate Scenario C. Roman explained that this option would help avoid falling behind financially, prepare for chromium-6 regulations, fund capital improvements, take advantage of a loan payoff opportunity, address an anomaly in fiscal year 2023/24, and support reserve growth. Roman further recommended maintaining the scheduled rate path for at least one more year to allow for additional data collection and informed decision-making.

1st - Jarlsberg

2nd - Floen

Motion carried to refer to the Board.

D. METER CONNECTION METHODOLOGY AND FEE CHANGES; NOTICE OF PRE-APPROVED RATE AND GUARANTEE DEPOSIT ESCALATIONS & PRE-APPROVED CAPACITY CHARGE ESCALATIONS

Director of Finance Anne Roman presented changes to the Meter Connection Methodology and associated fees, including a notice about pre-approved rate and guarantee deposit escalations, as well as increases to pre-approved capacity charges. Roman explained that the proposed meter connection fees will shift from a flat fee to a cost structure based on four different scenarios, with any excess deposits being refunded when applicable. This update also modifies the Rules and Regulations, specifically Article 14.18 in Resolution 24-1069/Exhibit A. Additionally, Roman noted that an annual notice regarding the pre-approved rates, fees, and guarantee deposit escalations will be distributed to the public.

1st - Jarlsberg

2nd - Floen

Motion carried to refer to the Board.

6. STAFF REPORTS

General Manager, Sarah Johnson reported the following:

- Johnson noted that obtaining permits for work near or around Joshua Tree's was becoming quite complex.
- Johnson reported that the pipe ordered for the upcoming Belmont project melted and warped over the summer. She also noted that the pipe was stored in accordance with AWWA standards. After consulting with the manufacturer, the manufacturer determined that the issue stemmed from insufficient titanium dioxide, a key ingredient, which may have allowed the pipes to warp. The manufacturer confirmed with Johnson that they would replace the defective pipes. Johnson also emphasized the need to thoroughly inspect all the pipes to identify and return any defective materials.
- Interim Director of Operations Ray Kolisz will begin on Monday, December 16th.

Director of Administration, David Shook reported the following:

- Shook shared photos and a video recording of a residential customer who had a leak, demonstrating a failed irrigation system.
- Shook and Field Service Technician Joey Vincent visited McCall's Meters to learn about the functionality of the meters.

7. DIRECTOR COMMENTS – None

8. ADJOURNMENT – President Floen adjourned the meeting at 11:15 a.m.

1st - Jarlsberg

2nd - Floen

NEXT MEETING – January 8, 2025, at 9:00 a.m.

Respectfully Submitted,



Sarah Johnson, General Manager






1. Draft Finance Committee Minutes 12.11.24

Final Audit Report

2025-01-16

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