



MEMORANDUM

TO: IEDA Board
FROM: Ed Gerak
RE: Q1 Financial & Membership Update
DATE: March 29, 2022

ISSUE

Quarterly Financial & Membership Update

REASON

Well run organizations keep a keen eye on the financial status, especially revenues versus expenditures. As a membership organization, the revenues are based on membership dues and planned expenditures are based on certain assumptions. The IEDA budget was based on certain expectations which have undergone changes since November, when the budget was originally set.

MEMBERSHIPS

Although small, Yuma County Water Users Association decided not to renew in 2022. Their planned dues were \$3,500.

Hohokam had previously set a letter stating their discontinuation of membership with IEDA. This was never effectively communicated in the transfer. I contacted Sidney Smith in November, given our previous working relationship, hoping she would encourage her niece Grace (who took over for Sidney) to reconsider. Memberships were on the Hohokam March agenda, but that item was tabled for further discussion. It is my hope that they will reconsider in the future. Their 2022 Dues were \$6,600.

Needles, California participated in the legal transmission work (ATDWG & SWTDWG). Despite their previous participation in the legal work, they had a hard

time participating in an Arizona association, so have not participated in 2022. Their planned membership dues were \$2,500.

Despite going into Year 3 of a 5 Year contract, San Carlos Irrigation Project allowed its contract to lapse. They have expressed their desire to continue in IEDA, but the federal government process is cumbersome. IEDA has submitted a proposal, but there is a significant delay in receiving authorization. It is unlikely that we will receive their dues prior to September, but will continue to engage with them. Their planned dues for 2022 were \$26,197. The need for a new contract has allowed us an opportunity to increase their dues to \$30,000 to adjust for inflation. I will keep the Board aware of the progress later in the year.

Ak-Chin Energy Services has approved their budget with the IEDA dues included. I have submitted the invoice and received their payment. The dues from Ak-Chin offset the lack of funding from YCWUA & Hohokam.

FINANCIALS

The Board approved a \$60,000 increase in the KR Saline budget based on additional work for the Land Fallowing Program. Of the increase, \$30,000 were to be from new/additional dues collected from 2021 Members and the other half is to come from the contingency fund.

At the end of Q1, the modified budget shows \$636,375 in expenses. Membership dues, adjusted for lack of renewals and the inclusion of one new membership are tracking for \$624,903.06. Year End Actual expenses are trending towards \$624,122.45.

The cash reserves at the beginning of 2022 were \$85,231.15. If these numbers hold, we will end the year with \$86,010.70.