

MEMORANDM

Date: April 9, 2026
To: Board of Directors
From: Finance Committee Staff
Subject: April 9, 2026, Finance Committee Meeting Minutes

1. CALL TO ORDER

Director Merchant called the meeting to order at 10:00 a.m. Present were Director Merchant and Director Gere. Present from District staff were Amelia Wilder, Interim General Manager; Cecilia Min, Director of Finance and Administration; Travis Bohannon, Interim Director of Operations; and Dyanne Fleet Interim District Secretary/Clerk of the Board.

2. PUBLIC COMMENTS

None.

3. AUDIT UPDATES

The FY23 and FY24 audits are nearly complete, including accounts payable for both years. Ms. Min has reviewed seven years of bond-related expenses from the CSD account and finalized fixed assets. The remaining work is primarily wrap-up and final review, after which the audits will be ready to begin.

4. FINANCE REPORT

The budget-to-actual report is generally in line with Ms. Min's benchmarks. All figures remain preliminary pending full reconciliations and month-end review.

5. REVIEW BUDGET CALENDAR

Ms. Min reviewed the Budget calendar with the Committee.

6. SECURITY BUDGET

Ms. Min discussed the current funding model under Measure J, with its 2% cap, has not kept pace with rising costs such as salaries, benefits, insurance, and administrative support, resulting in ongoing operating shortfalls that are being backfilled by reserves or property tax allocations. This approach is not sustainable, and the Board will need to formally address whether to reduce service levels, reallocate unrestricted revenue, or pursue a revised funding mechanism, as the existing model no longer supports the true cost of operations.

7. CAPITAL IMPROVEMENT BUDGET AND RESTRICTED FUNDS

The figures remain preliminary, with FY25 and the current year still under review. For FY25–26, projected reserves total \$13.9M, after CIP spending, the balance drops to about \$5.2M. **The Improvements CIP list will be moved to the Improvements Committee in May for further discussions.**

8. ACCOUNTING DEPARTMENT STRUCTURE – FY26/27

Ms. Min discussed the accounting structure which includes one accountant and several support roles. Processes such as bank reconciliations, balance sheet reconciliations, developer billing, fire hydrant billing, and reserve tracking. Ms. Min has requested adding an additional accountant and restructuring roles so that routine tasks are handled efficiently while enabling deeper financial analysis, system oversight, and accurate reporting. **Job Descriptions will move to Personnel Committee for review in May.**

9. APPROVAL: PAY OFF BOND ADMINISTRATIVE COSTS PAID BY RMCSO FROM BANK OF AMERICA

The District maintains a Bank of America account tied to legacy Water Treatment Plant construction activity that has had minimal activity for several years but continues to incur \$500–\$600 in monthly fees. Ms. Min recommended transferring funds to reimburse the District for eligible costs and then close the Bank of America account to eliminate ongoing fees and simplify banking structure. **This item will move forward to the April Board meeting.**

10. DIRECTOR COMMENTS

None

11. ADJOURNMENT

The meeting was adjourned at 12:05 P.M.