

BCPUD Finance Committee Meeting Minutes

A Meeting of the Finance Committee Of The Board of Directors	
DATE:	March 12, 2026
TIME:	3:00 p.m.
LOCATION:	BCPUD, 270 Elm Road, Bolinas
OPENING:	Call meeting to order Roll Community Expression
DISCUSSION ITEMS:	1. Draft Fiscal Year 2026-2027 District Budget 2. Adjournment

Finance Committee Budget Review

Transcript

The finance committee meeting on March 12, 2023, discussed the budget cycle and finance committee's schedule. Key points included folding CIP funding and discretionary projects into the budget model, considering rate increase options, and cleaning up accounts for accurate expenditure predictions. The water enterprise has a \$48,000 deficit, sewer is at \$10,000, and septic drainage is the most problematic. The group debated the impact of rate increases, the need for better financial planning, and the importance of funding community projects through the tax base rather than water services. They also discussed the necessity of contributing to general reserves and CIP reserves. The meeting discussed the impact of resource recovery on local yards and septic systems, noting that raising rates from \$20 to \$30 last year was done in an attempt to eliminate the deficit. Belle Wood mentioned that some of the users are commercial, and the program subsidizes fire suppression by preventing debris dumping. The cost of managing green waste is high, with a \$7,000 tub grinder fee four times a year. Georgia Woods proposed transparency in costs and administrative support, suggesting subsidization if the community supports it. The next meeting on March 27 will present reserve model predictions and discuss recommendations for the board, with a focus on financial transparency and community input.

Action Items

- Fold CIP funding and discretionary spending into the budget model so the comprehensive budget reflects CIP, discretionary projects and reserve movements
- Develop the fee schedule for water and sewer services after the budget is finished and adopted (defer implementation until next year)
- Clean up accounts and designated reserve records so the model's expenditures and planned reserve movements are accurate and report back with corrections
- Load all background materials and the budget supporting documents into a shared finance committee folder for committee review prior to the next meeting
- Reach out to the Personnel Committee to update them on the proposed weekday/weekend on-call rates (proposed weekend rate \$80) and request their feedback
- Clean up the designated reserve/project designations and report back with reconciled reserve balances and any changes to planned reserve expenditures
- Prepare the draft Prop 218 notice tied to the finance committee recommendation and follow the timeline (finalize at April meeting; mail by May 1; hearing and adoption in June; implement July 1)
- Send updated calendar invitations / confirm the April meeting dates and details to the committee (ensure April 13/15 dates are sent)
- Model rate-increase scenarios and other budget-balancing options requested by the finance committee (prepare models for March 27 meeting); accept committee inputs in advance to model specific scenarios
- Present the predicted state of reserves and model predictions at the March 27 finance committee meeting so the committee can determine a recommendation for the board

Outline

Overview of the Meeting and Attendance

- Belle Wood confirms the start of the meeting and the presence of key members including Director Kristen Walker, Director Alexander Green, and Georgia Woods.
- Georgia Woods mentions the recording of the meeting and outlines the agenda, which includes a review of the budget cycle, finance committee's schedule, and the balance of all enterprises.

- The budget model will now include CIP funding and discretionary projects, and the meeting will also cover assumptions about discretionary funding and reserve spending.
- Georgia Woods reminds the group of last meeting's to-dos, including folding CIP and discretionary spending into the budget model, considering rate increase options, and cleaning up accounts for accurate expenditure predictions.

Discussion on Rate Increases and Fee Schedules

- Georgia Woods explains the decision to defer rate increase notices through Prop 218 due to the nature of the services being rendered.
- Director Alexander Green- asks about the difference between fees and rates, and Georgia Woods clarifies that discretionary and optional services should be considered fees.
- The group discusses the importance of preparing the public for rate increases and developing a fee schedule that is appropriate and justified by the cost regulatory framework.
- Georgia Woods emphasizes the need to solidify the budget and understand the current state of reserves and model predictions, which will be discussed in the next meeting.

Review of Enterprise Balances and Project Assumptions

- Georgia Woods presents the current balance of the water enterprise, which is at a negative \$48,000, and explains the assumptions behind the model.
- The sewer enterprise balance is at a negative \$10,000,
- The septic drainage enterprise is the most problematic, with significant deficit of \$45,000
- Resource recovery is discussed, noting a running deficit and the need for better planning and budgeting, and a projected annual deficit of \$19,000 for FY 25/26
- The group reviews the planned expenditures and reserves, including the importance of balancing revenue and expenditures for each enterprise.

Operational Budget and Compensation Adjustments

- Georgia Woods discusses the MOU's request for different on-call rates for weekdays and weekends, and the decision to adjust the weekend rate to \$80.

- The operational budget now includes \$20,000 for bookkeeping to help develop the budget and other administrative tasks.
- The group reviews the admin split for bookkeeping and the importance of balancing the budget on a project level.
- Georgia Woods explains the need to look at overages and fill holes in the budget, using examples like the wood rat treatment plant upgrade and the booster line emergency repair.

Community Projects and Tax Base Considerations

- Georgia Woods discusses the importance of funding community projects through the tax base rather than water services and meters.
- The group reviews the eucalyptus removal project and the bike path repair, noting the need for better financial planning and justification for these projects.
- Director Walker suggests developing a framework to evaluate community projects based on available tax revenue and the impact on service rates.
- The discussion highlights the need for better financial practices and transparency in funding community projects to avoid future financial strain.

Replenishment and Establishment of Reserves

- Georgia Woods reviews the operational reserves and maintenance reserves, noting the need to contribute to general reserves and CIP reserves.
- The group discusses the importance of building reserves for future projects and the need for better financial planning.
- Georgia Woods explains the need to balance the budget enterprise by enterprise and the impact of rate increases on the overall budget.
- The discussion emphasizes the importance of maintaining a healthy reserve to support future projects and avoid financial strain.

Discretionary Spending and Budget Balancing

- Georgia Woods presents the planned expenditures from designated funds and reserves, including the assessment of the radial gate and emergency prep work for the wharf.
- The group reviews the pilot study for automated meters and the need for better planning and budgeting for future projects.

- Georgia Woods explains the importance of balancing the budget and the impact of rate increases on the overall budget.
- The discussion highlights the need for better financial planning and transparency in budgeting to avoid future financial strain.

Final Remarks and Next Steps

- Georgia Woods summarizes the key points of the meeting, including the need for better financial planning and transparency in budgeting.
- The group discusses the importance of developing a framework to evaluate community projects based on available tax revenue.
- The meeting concludes with a plan to review the budget in more detail in the next meeting and to develop a framework for evaluating community projects.

Resource Recovery and Septic System Impact

- Alexander-Green mentions that clearing up the ditch by their house makes their yard drier and improves their septic system's functionality, which is the point and mission of the Septic/Drainage.
- Georgia Woods discusses the impact of resource recovery on the deficit, suggesting that raising rates from \$20 to \$30 did not eliminate the deficit, and that rates may need to be further increased.
- Belle Wood notes that some people haggle over the prices, but it is still cheaper than other areas, and people are told to go elsewhere if they prefer cheaper options.
- Georgia Woods and Belle Wood discuss the current rates of \$30 compared to \$40 in other areas, and the possibility of raising rates further.

Subsidizing Resource Recovery and Community Benefits

- Georgia Woods suggests using the tax base to subsidize resource recovery and making it a line item in the budget.
- The conversation touches on the nebulous nature of how things are run and the heavy subsidization of resource recovery.
- Belle Wood emphasizes the need to understand who actually uses the resource recovery services.
- Belle Wood mentions that many gardeners and local residents use the service, and there is concern about the service closing down.

Demographics and Commercial Usage

- Belle Wood points out that some of their customers are commercial users who do paid work on people's land.
- The discussion shifts to how raising rates can be calculated differently for commercial users who can pass the costs to their clients.
- The group discusses the community benefits of the resource recovery program.
- Belle Wood explains that fire suppression is a significant benefit, as it prevents people from dumping debris on neighboring empty lots.

Transparency and Administrative Support

- Georgia Woods highlights the lack of transparency in the administrative support of the resource recovery site.
- The conversation touches on the need for formalizing the subsidization and accounting for the time spent by Belle and Annie on the program.
- Georgia Woods suggests that the community should decide whether to spend limited tax money on resource recovery.
- The discussion includes the possibility of the fire department going after grants to fully support the program.

Meeting Plans and Next Steps

- Georgia Woods outlines the agenda for the next meeting on March 27 at 1pm, focusing on presenting the state of the reserve model and predictions.
- The finance committee will determine recommendations to present to the board, discussing the appetite to implement or contribute to reserves.
- Georgia Woods requests enough time before the meeting to investigate specific issues raised by the participants.
- The meeting will include a review of the five-year CIP and other background materials, ensuring that all relevant information is available for discussion.