

A Meeting of the Finance Committee of the Board of Directors
Friday, March 27, 2026
BCPUD Office
270 Elm Rd, Bolinas CA 94924
1:00PM

Opening

- Call meeting to order
- Roll (present: A. Alexander Green; K. Walker, G. Woods, B. Wood)
- Community expression

Discussion Items

1. Draft Fiscal Year 2026-27 District Budget

Meeting Introduction & Update on Expense Budget

- Georgia Woods introduces the meeting's purpose: updating committee on expense budget and reserve status.
- The budget schedule is reviewed: This is the last finance committee meeting, which will lead into a special board meeting on April 13.
- The special meeting will draft Prop 218 on April 13 (with a closed session following the Special meeting to coordinate with Counsel on matters unrelated to the Finance Committee).
- The increase in maintenance costs due to the MOU with Mesa Park is discussed.

Analysis of Reserve Policy and Financial Compliance

- The reserve status is evaluated at June 30, 2025, the fiscal close of the previous year.
- The reserve sheet across all enterprises is reviewed, highlighting the need to increase reserve contributions.
- Georgia discusses the memo sent to the finance committee on reserve status and compliance.
- The need to decide on filling the general reserve and incorporating it into a model is emphasized.
- Georgia explains the constraints on the budget and the need to decide on filling the general reserve.
- Georgia explains the reserve policy and the need to maintain a minimum balance in each designated fund sub-account.
- The current reserve balances are compared to the policy requirements, showing a shortfall.
- The need to increase reserve contributions to meet the policy requirements is discussed.
- The importance of waiting until the end of the year to see if there is a surplus or deficit is emphasized.
- The committee stresses that the memo on reserve compliance is cumbersome and suggests that the compliance check be verified and publicly communicated in a straightforward manner.

Proposed Tiered Rate Structures and Water Use Conservation

- The importance of increasing metered rates relative to annual service charges is discussed.
- Georgia presents proposed tiered rate structures to increase metered rates relative to annual service charges.
- The proposed five-tier and four-tier models are discussed, with a focus on water use conservation.
- The impact of the proposed rate structures on water use and revenue is analyzed.
- The need to balance the water budget by increasing the annual service charge is discussed.

Final Recommendations and Next Steps

- The committee discusses the need to recommend a tiered rate structure to the full board.
- The importance of balancing the water budget by increasing the annual service charge is emphasized.
- The need to increase sewer rates and septic drainage rates is discussed.
- The committee agrees to recommend a five-tier rate structure and to increase the annual service charge if necessary to cover budget shortfalls across all enterprises. Additionally, Director Alexander-Green recommends, and Committee agrees, to collect an additional 10% of revenue (of the total revenue collected for CIPs) to fill the General Capital Reserves for both the Water and Sewer Enterprises. This amounts to about \$13K for each enterprise. Committee members agree that this is an important first step to fill the District's depleted reserves.
- The committee emphasizes the need to have a very clear and concise presentation at the Special Meeting on April 13, so that the full Board can understand the work that the Committee has done over the past several months that is informing their recommendations of the FY 2026/27 budget.