

## Finance Committee Report

- Chair Murphy thanked Committee member Dorinne Lee Johnson and District staff for their preparation and thoughtful review of the financial materials, and expressed appreciation for the Committee's continued diligence, collaboration, and commitment to strong financial oversight.
- The Finance Committee reviewed April payables totaling \$1,536,000, which were higher than typical due primarily to bi-weekly payroll timing and capital improvement project activity. A notable payment included approximately \$304,000 for sewer lining and wastewater treatment plant design work. **Recommend board approval of same.**
- The Committee confirmed that all invoices are reviewed through multiple levels of approval before payment, including department heads, management, and the Treasurer, to ensure consistency with approved contracts and project deliverables.
- The Committee reviewed the monthly bank reconciliation process for all operating and investment accounts, including operations and maintenance, CIP, insurance reimbursement, and investment accounts. All reconciliations for April and May were reported as accurate and complete, with no discrepancies or irregular activity identified.
- **To improve CIP oversight, the Committee discussed incorporating contract completion percentages and/or milestone information into future payable reports. This will provide the Board with a clearer understanding of project progress in relation to expenditures.**
- The Committee reviewed proposed budget revisions, including modest adjustments for plant maintenance materials, GIS enhancements, laboratory consumables, and a new sewer main lining design project for the upcoming fiscal year. The Committee supported the revisions and agreed to forward the updated budget to the Board. **Recommend board approval of same.**
- **The Committee reviewed new mandatory fiscal and financial training requirements under Senate Bill 827. Staff will provide Board members with information and access resources to support timely completion of the required training within applicable state deadlines.**
- The Committee reaffirmed its role in financial oversight, including review of payables, reconciliations, budget matters, and audit-related responsibilities. **The Committee also agreed that future agenda items must be submitted at least five business days in advance.**
- **The Committee established a regular meeting schedule on the third Thursday of each month at 2:00 p.m. to allow sufficient time for staff preparation and compliance with agenda distribution requirements.**
- **The Committee also identified ACH payment implementation as a future committee agenda item for discussion, with attention to operational efficiency, risk management, and security controls.**