

**MINUTES OF A REGULAR MEETING
OF THE FINANCE COMMITTEE
OF OLIVENHAIN MUNICIPAL WATER DISTRICT**

February 10, 2025

A regular meeting of the Finance Committee of Olivenhain Municipal Water District was held on Monday, February 10th, 2025, at the District office, 1966 Olivenhain Road, Encinitas, California via teleconference and in person.

Director Meyers called the meeting to order at 2:03 p.m. In attendance were Neal Meyers, Vice President; Kimberly Thorner, General Manager; Rainy Selamat, Finance Manager and acting Deputy Treasurer; Leo Mendez, Accounting Supervisor; Jared Graffam, Financial Analyst II; and Georgeanna Clark, Financial Analyst I.

1. CALL TO ORDER

2. ROLL CALL (BOARD MEMBERS)

Director Meyers noted that he was the only active board member in attendance due to the resignation of the Treasurer. It was noted that Finance Manager Selamat is the Deputy Treasurer so will be filling in as Treasurer for the meeting.

3. ADOPTION OF THE AGENDA

Director Meyers moved to adopt the agenda, seconded by Finance Manager Selamat, and carried unanimously.

4. PUBLIC COMMENTS

There were no public comments.

5. CONSIDER APPROVAL OF THE MINUTES OF THE NOVEMBER 04, 2024, REGULAR FINANCE COMMITTEE MEETING

Director Meyers moved to approve the November 4th, 2024, meeting minutes, seconded by Finance Manager Selamat and carried unanimously.

6. REVIEW OF DISTRICT INVESTMENTS AND CASH REPORT FOR FOURTH QUARTER 2024

Finance Manager Selamat reviewed the investment report as of December 31, 2024, with the committee. Cash and investments were discussed. Finance Manager Selamat

reported that the current yield on the District's investment portfolio has decreased slightly compared to the last quarter due to replacing matured securities with lower yields available in the market. Finance Manager Selamat reported that District investments are in compliance with the District's Investment policy and that the District has sufficient funds to meet its financial obligations for the next 60 days.

Finance Manager Selamat next presented the draft summary of fund balances over the previous five years. Director Meyers asked why the allowable minimum and maximum balance limits are increasing, and if it is something that the Board of Directors approves each time. Finance Manager Selamat explained that the minimum and maximum limits are based on different metrics depending on the fund, and those metrics are tied to the Board approved budget and Board-designated Fund Balance Policy. Director Meyers asked why the Water Operating fund was nearing the maximum allowable balance in December. Financial Analyst Graffam explained that staff had paused transfers to the Capital fund to increase the Operating fund in anticipation of the large pre-buy of water from SDCWA that was due in January. Financial Analyst Graffam noted that now that the pre-buy has been paid, the Operating fund balance is back to its normal levels as of January.

Finance Manager Selamat also presented a three-year history of quarterly yields on investments. The graph showed increasing yields over most of the last three years and a slight decrease in yields over the last two quarters. Finance Manager Selamat noted that rates will likely continue to go down over the next quarter. The committee accepted the report as presented.

7. QUARTERLY REVIEW OF OMWD'S FINANCIAL REPORT - BUDGET vs. ACTUAL REPORT (2ND QTR OF FY 2025)

Finance Manager Selamat presented the Budget vs Actual report for the current fiscal year through December 2024. Finance Manager Selamat explained that revenue and expenses are close to budgeted numbers with most variances being caused by timing differences. Finance Manager Selamat then presented the water sales budgeted vs actuals graph for the first 6 months of fiscal year 2025 and explained that water sales are in line with budgeted predictions.

The effect of the political climate on District operations was discussed, including the effect it is having on grant funding and the anticipated effects of various tariffs that have been announced. The committee accepted the report as presented.

8. FUTURE AGENDA ITEMS/INFORMATION

No future agenda items for the next finance committee meeting were discussed.

9. ADJOURNMENT

The meeting was adjourned at 2:35pm.