RANCHO MURIETA COMMUNITY SERVICES DISTRICT

15160 Jackson Road, Rancho Murieta, CA 95683
Office - 916-354-3700 * Fax - 916-354-2082

FINANCE COMMITTEE

(Directors John Merchant and Bill Gere)

Regular Meeting

September 10, 2026, at 10:00 a.m.

All persons present at District meetings will place their cellular devices in silent and/or vibrate mode (no ringing of any kind). During meetings, these devices will be used only for emergency purposes and, if used, the party called/calling will exit the meeting room for conversation. Other electronic and internet enabled devices are to be used in the "silent" mode. Under no circumstances will recording devices or problems associated with them be permitted to interrupt or delay District meetings.

AGENDA

1. **Call to Order**
2. **Comments from the Public**
   If you wish to speak during Comments from the Public, on items not on the agenda, or would like to comment regarding an item appearing on the meeting agenda, please complete a public comment card and submit to the Board Secretary prior to Public Comments.
3. *Information Item* **Audits Update**
4. *Information Item* **Finance Report**
5. **Director and Staff Comments/Suggestions**
6. **Adjournment**

"In accordance with California Government Code Section 54957.5, any writing or document that is a public record, relates to an open session agenda item and is distributed less than 24 hours prior to a special meeting, will be made available for public inspection in the District offices during normal business hours. If, however, the document is not distributed until the regular meeting to which it relates, then the document or writing will be made available to the public at the location of the meeting."

In compliance with the Americans with Disabilities Act if you are an individual with a disability and you need a disability-related modification or accommodation to participate in this meeting or need assistance to participate in this teleconference meeting, please contact the District Office at 916-354-3700 or dfleet@rmcsd.com. Requests must be made as soon as possible.

Note: This agenda is posted pursuant to the provisions of the Government Code commencing at Section 54950. Posting location is District Office. The date and time of this posting is September 4, 2026 at 3:00 p.m.

MEMORANDUM

Date: Aug 12, 2026

To: Finance Committee/Board of Directors

From: Cecilia Min, Director of Finance and Administration

Subject: Audit and Finance Report

AUDIT FY 23 / FY 24 - COMPLETED

Audit 24/25

Preparation for FY25 started at the end of July 2026.

- The last financial report for this fiscal year was February 2025, we must put in the accounting work from March to June. Completed the revenue section and in progress with payroll transactions.
- Noted duplicated transactions within the account payable transactions. Remove all duplicated transactions and make sure that all transactions were properly recorded in the correct period.
- Bond accounting is 80% completed
- Review Repairs and Maintenance transactions to properly capture fixed asset items – 10%

TASK	Projects	ASSIGNED TO	PROGRESS
Reconstruction of accounting - March to June	**Audit 24/25**	RH	60%
Bank Reconciliations	**Audit 24/25**	RH	5%
CFD Bond Audit	**Audit 24/25**	RH	80%
Interim Audit Preparation	**Audit 24/25**	RH	0%
Balance Sheet Reconciliation	**Audit 24/25**	RH	0%
Audit Workpaper Preparation	**Audit 24/25**	RH	0%
Review Balance Sheet Reconciliation + Audit Preparation	**Audit 24/25**	RH	0%
Audit Field Work	**Audit 24/25**	RH	0%
Financial Statement preparation & Partner Review	**Audit 24/25**	RH	0%
Review First Draft of Financial Statement	**Audit 23/24**	RH	0%

Balance Sheets Reconciliations - FY24

<u>Tasks</u>	FY2	FY24 - Reviewec	Notes
Bank Reconciliations: 1000	☐	☐	
Bank Reconciliations: 1001	☐	☐	
Bank Reconciliations: 1002	☐	☐	
Bank Reconciliations: 1008 & 1009	☐	☐	Started
Bank Reconciliations: 1009	☐	☐	Started
Bank Reconciliations: 1003	☐	☐	Started
Investment&Interest Income	☐	☐	
Tyler AR	☐	☐	
Tyler Revenue/customers overpayment	☐	☐	
Tyler Installment Plan	☐	☐	
Property Tax Receivable and Revenue	☐	☐	
Prepaids	☐	☐	
Interfund Loans	☐	☐	
Tyler credit balances	☐	☐	
Due to/From Reconciliation	☐	☐	
Admin Allocation/Due to From	☐	☐	
AP aging	☑	☐	
Accrued Expenses	☑	☐	
Search for Unrecorded Liabilities	☑	☐	
Fixed Assets	☐	☐	
Repairs and Mainteance Review	☐	☐	Started
Deeded Transactions	☐	☐	
Restricted Cash	☐	☐	
Pension	☐	☐	
OPEB liability	☐	☐	
Notes Receivable	☐	☐	
Developer deposits	☐	☐	
Capital Leases	☐	☐	
Unearned revenue	☐	☐	
Water Hydrant Deposit	☐	☐	
Property Loss Reimbursement/Rebates	☐	☐	
Payroll Expenses	☐	☐	
Misc income 3500	☐	☐	
Accrued Payroll	☐	☐	
GASB 101	☐	☐	
Compensation Absences	☐	☐	
Net Asset Rolled Forward	☐	☐	
Revenue: Reserve	☐	☐	
Insurance	☐	☐	
Income/Expenses Analysis	☐	☐	
Budget vs. Actual Analysis	☐	☐	
Calwaste and related surcharge in Fd 49	☐	☐	
Legal	☐	☐	
Bond Audit	☑	☐	
Due From CFD Bond	☐	☐	
Reclass to G&A	☐	☐	
Revenue per customers analysis	☐	☐	
Revenue Flux year after year	☐	☐	

Audit 25/26

Audit preparation for FY26 started mid-August 2026

- Bank Reconciliation started and around 30%

Bank Reconciliations	Audit 25/26	RH	30%
CFD Bond Audit	Audit 25/26	RH	0%
Interim Audit Preparation	Audit 25/26	RH	0%
Balance Sheet Reconciliation	Audit 25/26	RH - all	0%
Audit Workpaper Preparation	Audit 25/26	RH	0%
Review Balance Sheet Reconciliation + Audit Preparation	Audit 25/26	RH	0%
Audit Field Work	Audit 25/26	RH	0%
Financial Statement preparation & Partner Review	Audit 25/26	RH	0%
Review First Draft of Financial Statement	Audit 25/26	RH	0%

Accounting 26/27 – July accounting is in progress

FY 2026 Financials

Period: July 2025 – June 2026

Statement of Revenue and Expenses - Preliminary
July 2025 to June 2026
Commentary

This is preliminary financial and will be subjected to change after bank reconciliations and balance sheet reconciliations. These will be completed in the later months after the completion of past audit years.

This statement represents all twelve months of fiscal 25/26. The expenses as a % of the annual budget should be at **100%**.

Monthly statement of revenue and expense has been provided showing monthly revenue and expense for the past twelve months. The monthly expenses are not consistent as coding was not consistent in those months. Negative amounts showing in certain months are reclassed to correct YTD miscoding.

Rancho Murieta Community Services District
Statement of Revenue and Expenses
Budget vs. Actual
For the Twelve Months Ending Tuesday, June 30, 2026

	Total	Annual Budget	% of Budget
Operation			
Total Operating Revenue	9,394,943	9,611,854	98%
Expenses			
Total Operating Expenses	7,105,373	6,897,910	103%
Total General and Administrative Expenses	3,108,887	2,679,197	116%
Total Expenses	10,214,260	9,577,107	107%
Operation Income (Loss)	(819,316)	34,747	(2358%)
Less: Property Taxes Revenue	989,917	970,000	102%
Operation Result after Property Taxes Revenu	170,601	1,004,747	17%
Other Non-Operation Activities			
Total Reserve Revenue	2,001,490	1,814,889	110%
Developer Activities			
Developer Income/Expenses	3,385,985	0	0%
Net Income (Loss)	5,428,358	2,819,636	193%

Overall

As of June 30, 2026, the preliminary financial results show a net operating loss of **$819,000**, which is fully offset by property tax revenue.

Financials by Fund

Rancho Murieta Community Services District
Statement of Revenue and Expenses By Fund
For the Twelve Months Ending Tuesday, June 30, 2026

	Water	Wastewater	Drainage	Solid Waste	Security	Total
Operation						
Total Operating Revenue	3,508,459	2,286,838	251,068	1,709,844	1,638,732	9,394,943
Expenses						
Total Operating Expenses	2,908,104	1,357,939	124,832	1,549,931	1,164,564	7,105,373
Total General and Administrative Expenses	1,709,885	683,894	217,601	124,344	373,160	3,108,887
Total Expenses	4,617,989	2,041,833	342,433	1,674,275	1,537,724	10,214,260
Operation Income (Loss)	(1,109,530)	245,005	(91,365)	35,569	101,008	(819,316)
Less: Property Taxes Revenue	494,959	485,059	9,899	0	0	989,917
Operation Result after Property Taxes Revenue	(614,571)	730,064	(81,466)	35,569	101,008	170,601
Other Non-Operation Activities						
Total Reserve Revenue	1,194,617	786,488	0	0	20,385	2,001,490
Developer Activities						
Developer Income/Expenses	1,315,475	909,719	1,160,791	0	0	3,385,985
Net Income (Loss)	1,760,716	2,428,758	1,080,116	36,021	122,750	5,428,358

The **Water Fund** reported an operating loss of $1.0 million, primarily due to higher repairs and maintenance, consulting, and salary expenses. The **Wastewater Fund** generated operating income of $245,000. The **Drainage Fund** incurred an operating loss of $81,000, mainly because repairs and maintenance costs exceeded budget by $55,000. The **Solid Waste Fund** reported operating income of $35,000, while the Security Fund generated operating income of $101,000, primarily driven by lower salary and benefit costs.

<u>Detailed Analysis</u>

Operation

***Operating Revenue* – was at 98% which is below target as compared to the benchmark of 100%.**

Residential Fees are lower than budget as the budget was calculated based on the number of connections instead of invoices.

Investment earnings and interest income totaled $189k as compared to an annual budget of 97k which is 195% of the total budget. The budget for investment earnings was prepared conservatively.

***Operating Expenses* – total Operating expenses was at 103% which is slightly above target.**

Salaries and Wages – was at 92% which is below the target of 100%. The Director of Operations position remained vacant for past months, and multiple security team positions were also unfilled during the first few months. In February, salary adjustments were implemented for Security Supervisors to align compensation with updated job descriptions, and an additional security staff member was hired. Furthermore, following salary surveys conducted in April and May, retroactive payroll adjustments were applied to all unrepresented employees. These factors contributed to the increase in wage expenses observed during April and May.

Benefits were at 52% of the annual budget, lower than expected considering the vacant positions.

Capacity Purchase/Utilities - Utility expenses were allocated between the Operations and Administration accounts; however, approximately 99.8% of the budget was allocated to the Capacity Purchase account. When Capacity Purchase is combined with the two Utility expense accounts, total expenditures are at 119% of the annual budget.

Regulatory- Inspections – This new account tracks all expenses related to the cost of inspecting utility plants due to governmental regulation. This used to be coded in consulting costs.

Tools & Supplies – at 145% of annual budget. These costs consist of recurring monthly bulk purchases as well as various smaller purchases throughout the year. In addition, the repairs and maintenance issues noted below have resulted in increased spending on tools and supplies. Consequently, expenditures in this category have exceeded budgeted levels, indicating that the budget was insufficient to support actual operational needs.

Repairs & Maintenance – at 268% of annual budget.

- July - lift repairs for $30k and annual service of gas feeders for $11k.

    - Lift station repair is the Alameda rehab CIP project, which we will need to reclass. The gas feeders are for the chlorine system at the wastewater plant.

- August –asphalt patch repair for $9k.
    - This is for service line repairs – general maintenance.

- October –motor replacement for $17k for Granlees life station and lake maintenance fees for $13k for our quarterly water testing.

- November – vacuum truck rental, due to heavy rains, for $31k, asphalt / concrete replacement for $12k, and annual equipment calibrations for $11k.
    - Vacuum truck company rental for 6B lift station flooding event. Asphalt is service line repairs, annual calibrations for water plant chlorine system.

- December – aquatic weed harvesting for $15k, vacuum truck rental, due to heavy rains for $13k, and a basin analyzer for $12k.
    - Aquatic harvesting is normal operations, vactor truck was for 6B flooding and basin analyzer was replacement of analyzer and panel for wastewater plant EQ basin.

- January – generator rental for $16k.
    - Wastewater plant generator broke and we needed a rental while repairs were performed.

- February – algae clean-up for $23k.
    - Normal operations.

- March – lift and generator repairs for $18k and vacuum truck rental, due to heavy rains for $13k.
    - Lift and generator repairs is actually a combination of multiple repairs on a non emergency basis, vactor truck was for the 6B flood event in November.

- May – Cal Fire Crew for November emergency work for $19k.

- June - work on ponds for $57k, repair & installation of Equalization Basin for $16k, repairs to water treatment plant for $12k, air compressor maintenance for $11k.

Training & Seminars – 637% of annual budget - $16k expense vs. $2.5k budget. Noted training for security, utility staff, and forklift operators properly booked in this account. This is underbudgeted.

Contractual Services – 107% of annual budget. Of the $1.9 million expended year-to-date, approximately $1.5 million (79%) was paid to California Waste Recovery Systems for monthly service charges. Additional expenditures include $53,000 paid to the County of Sacramento for quarterly Cal Waste surcharges, $20,000 paid to Lumos & Associates for a rate study, and $268,000 paid to Domenichelli & Associates. The Domenichelli invoices will be reviewed to determine whether any portion should be reclassified as development-related activities.

Travel and Mileage –216% of annual budget. Not enough was budgeted for this category.

Telecommunications – at 339% of annual budget. It seems to be under budgeted. 100% of this is AT&T wireless and landline, the latter seeing a cost increase in May.

General and Administrative Expenses– total expenses were at 116% which is over the target of 100%.

Salaries and Wages – was at 84% which is below the target of 100%. The General Manager, Director of Finance, Accounts Payable, and HR Accounting Technician positions were not fully staffed throughout all months included in this line item, resulting in lower personnel costs during portions of the period. District filled these positions temporarily and was recorded in consulting expenses.

In February, salary expenses increased due to a retroactive payment of approximately $46,000 made to the Interim General Manager, which contributed to the variance in salaries and wages for that month.

Furthermore, following salary surveys conducted in April and May, retroactive payroll adjustments were applied to all unrepresented employees. These factors contributed to the increase in wage expenses observed during those months.

Benefits, Taxes & Pension was at 53%, significantly below target. Benefits were overbudgeted.

OPEB - Other Post Employment Benefits was at 179%. OPEB for retirees was budgeted for $250K annually but the actual payment based on CalPERs actuarial calculation was $464K. OPEB was under budgeted.

Community Communications – was at 443% of annual budget. This consists primarily of charges for monthly utility invoices and Pipeline. A portion of these charges is for postage and should be classified as such. In the last three months $6.8k has been incurred for Prop 218 Notices & Water Moratorium meetings.

Repairs & Maintenance – was at 413% of annual budget, consisting primarily of monthly cleaning (and one-time deep cleaning) charges from Cleaning Services for $25k YTD, monthly landscaping for $6.5k YTD, e-waste recovery for $4.8k YTD, and demolition of Safety Center for $22k during the last two months.

Utilities – see above, Capacity Purchase and Utilities under Operating Expenses.

Legal Fees – was 301% of annual budget, consisting of fees for legal matters involving FSA and Developer Activity. After further analysis, these invoices will be reclassed to FSA and the Developer Activity section to the nonoperating section.

Consulting Fees – was at 627% of annual budget. This line item consists of consulting and temporary staffing costs, including interim placements for the Director of Finance, Accounts Payable, and District Secretary positions, which were originally budgeted under salaries and wages. It also includes approximately $16,000 in Great Plains accounting system consulting expenses to support system enhancements and implementation activities, including interfund processing, allocation module configuration, fixed asset management, bank reconciliations, and financial statement preparation.

HR recruitment fees – was at 3370% of annual budget. This includes HR to Go for $3.4k monthly and $18k incurred in April & May for General Manager executive search. Neither of these was budgeted.

Travel and Mileage – was at 469% of annual budget. March included a retro payment of $14k for travel expenses from Jan 2025 through February 2026 for interim General Manager.

Total Expenses **– was at 107%, over the target of 100%. The variance as of June 2026 is $637K**

Operating Result before Property Tax Revenue is a loss of $819k.

Operating Result after Property tax revenue is $171K.

Other Non Operating Revenue (Expenses)

- ***Contribution – Donated Infrastructure*** *- Per Resolution 2025-12, we accepted Riverview Phase 2 Infrastructure of $3.4 million.*
- ***Consulting – Water Studies*** *– from October through May, we paid $100k to Water Systems Consulting, Inc. for groundwater well studies.*

Rancho Murieta Community Services District
Statement of Revenue and Expenses
For the Twelve Months Ending Tuesday, June 30, 2026

	Water	Wastewater	Drainage	Solid Waste	Security	Total	YTD Budget	Over(Under)	Annual Budget	% of Budget
Operation										
Operating Revenue										
Residential Fees	$3,041,041	$1,986,581	$210,307	$1,686,322	$1,349,467	$8,273,719	$8,583,932	($310,213)	$8,583,932	96%
Commercial Fees	307,083	212,818	30,576	0	255,425	805,902	813,934	(8,032)	813,934	99%
Late Fees & Penalties	45,858	28,895	2,759	19,279	9,825	106,617	51,988	54,629	51,988	205%
Other Sales	10,382	0	0	0	0	10,382	25,000	(14,618)	25,000	42%
Investment Earnings	45,749	34,904	0	0	2,320	82,973	97,000	(14,027)	97,000	86%
Interest Income	58,346	23,640	7,426	4,243	12,730	106,385	0	106,385	0	0%
Water- Admin Charges -	0	0	0	0	0	0	0	0	0	0%
Other Fees	0	0	0	0	8,965	8,965	40,000	(31,035)	40,000	22%
Total Operating Revenue	**3,508,459**	**2,286,838**	**251,068**	**1,709,844**	**1,638,732**	**9,394,943**	**9,611,854**	**(216,910)**	**9,611,854**	**98%**
Expenses										
Operating Expenses										
Salaries and Wages	1,006,628	329,033	22,203	0	795,029	2,152,894	2,329,464	(176,570)	2,329,464	92%
Benefits, Taxes & Pension	256,682	66,273	4,582	0	279,562	607,099	1,170,429	(563,330)	1,170,429	52%
Workers Compensation	57,436	52,602	2,977	0	0	113,015	112,916	99	112,916	100%
Capacity Purchase	0	0	0	0	0	0	376,825	(376,825)	376,825	0%
Chemical	186,730	137,727	11,719	0	0	336,176	280,000	56,176	280,000	120%
Regulatory - Inspections	77,640	17,217	0	0	0	94,857	0	94,857	0	0%
Regulatory - Lab Testing	24,383	21,013	0	0	0	45,396	56,000	(10,604)	56,000	81%
Tools & Supplies	196,137	98,240	16,892	0	2,108	313,378	216,000	97,378	216,000	145%
Repairs & Maintenance	279,121	339,626	63,572	0	32,926	715,246	267,360	447,886	267,360	268%
Uniform and Clothings	13,525	10,299	0	0	2,472	26,296	22,000	4,296	22,000	120%
Training and Seminars	5,832	6,686	121	0	3,294	15,934	2,500	13,434	2,500	637%
Small Equipment	43,026	5,731	2,386	0	1,187	52,330	0	52,330	0	0%
License & Permits	94,388	26,021	0	0	2,761	123,170	152,000	(28,830)	152,000	81%
Contractual Services	332,369	33,924	0	1,549,931	1,044	1,917,268	1,794,316	122,952	1,794,316	107%
Rental/Lease expenses	22,177	550	0	0	0	22,727	11,000	11,727	11,000	207%
Travel and Mileage	24,808	22,777	227	0	10,629	58,441	27,000	31,441	27,000	216%
Software License/Support	11,575	1,929	0	0	19,551	33,055	30,000	3,055	30,000	110%
HR & Recruitment	2,421	1,866	0	0	3,159	7,446	1,350	6,096	1,350	552%
Memberships & Subscriptions	1,479	1,607	0	0	0	3,086	7,250	(4,164)	7,250	43%
Miscellaneous	0	0	0	0	0	0	0	0	0	0%
Utilities	221,730	140,485	153	0	5,444	367,811	0	367,811	0	0%
Telecommunications	51,937	49,749	0	0	3,360	105,047	31,000	74,047	31,000	339%
Office Supplies	1,305	1,446	0	0	2,038	4,789	10,500	(5,711)	10,500	46%
Bad Debts	0	0	0	0	0	0	0	0	0	0%
Fines and Penalties	125	0	0	0	0	125	0	125	0	0%
Miscellaneous Expenses	0	0	0	0	0	0	0	0	0	0%
Depreciation - Water	0	0	0	0	0	0	0	0	0	0%
Gain/Loss on Asset Disposition	(3,350)	(6,862)	0	0	0	(10,212)	0	(10,212)	0	0%
Interest Expense	0	0	0	0	0	0	0	0	0	0%
Total Operating Expenses	**2,908,104**	**1,357,939**	**124,832**	**1,549,931**	**1,164,564**	**7,105,373**	**6,897,910**	**207,463**	**6,897,910**	**103%**

	Water	Wastewater	Drainage	Solid Waste	Security	Total	YTD Budget	Over(Under)	Annual Budget	% of Budget
General and Administrative Expenses										
Salaries & Wages	468,227	187,291	59,592	34,053	102,158	851,321	1,012,790	(161,469)	1,012,790	84%
Benefits, Taxes & Pension	119,441	47,776	15,202	8,687	26,060	217,165	410,098	(192,933)	410,098	53%
OPEB	245,294	98,118	31,219	17,840	53,519	445,989	249,782	196,207	249,782	179%
Worker's Comp Insurance	36,165	14,457	4,600	2,629	7,885	65,736	65,678	57	65,678	100%
Insurance	235,801	94,320	30,011	17,149	51,447	428,729	475,642	(46,914)	475,642	90%
Community Communications	21,914	8,766	2,789	1,594	4,781	39,843	9,000	30,843	9,000	443%
Repairs and Maintenance	42,697	17,079	5,434	3,105	9,316	77,632	18,801	58,830	18,801	413%
Rental/Lease expenses	0	0	0	0	0	0	0	0	0	0%
Telecommunications	9,109	3,644	1,159	662	1,987	16,562	19,680	(3,118)	19,680	84%
Software License/Support	103,044	41,217	13,115	7,494	22,612	187,482	182,001	5,481	182,001	103%
Utilities	45,035	18,014	5,732	3,275	9,826	81,882	820	81,062	820	9990%
Membership and Subscriptions	14,315	5,726	1,822	1,041	3,123	26,027	10,501	15,526	10,501	248%
Training and Seminars	1,470	588	187	107	321	2,673	2,499	174	2,499	107%
Legal Fees	148,766	59,506	18,934	10,819	32,458	270,484	90,000	180,484	90,000	301%
Consulting Fees	135,194	54,078	17,207	9,832	29,497	245,808	39,201	206,607	39,201	627%
HR and Recruitment Fees	27,815	11,126	3,540	2,023	6,069	50,573	1,501	49,072	1,501	3370%
Accounting and Audit Fees	1,165	466	148	85	254	2,119	0	2,119	0	0%
Travel and Mileage	12,887	5,155	1,640	937	2,812	23,431	5,001	18,430	5,001	469%
Office supplies	19,828	7,886	2,509	1,434	4,301	35,958	30,000	5,958	30,000	120%
Postage	11,649	4,653	1,480	846	2,538	21,166	38,001	(16,835)	38,001	56%
Bank Analysis Fees	5,861	2,345	746	426	1,279	10,657	8,499	2,158	8,499	125%
Board and Committee Meetings	2,215	886	282	161	483	4,027	1,701	2,326	1,701	237%
Fines and Penalties	1,161	465	148	84	253	2,112	0	2,112	0	0%
Employee events	821	328	104	60	179	1,492	0	1,492	0	0%
Small Equipments	0	0	0	0	0	0	0	0	0	0%
Miscellaneous	11	4	1	1	2	20	8,001	(7,981)	8,001	0%
Rental/Lease expenses	0	0	0	0	0	0	0	0	0	0%
Depreciation	0	0	0	0	0	0	0	0	0	0%
Gain/Loss on Assets Disposal	0	0	0	0	0	0	0	0	0	0%
Total General and Administrative Expenses	**1,709,885**	**683,894**	**217,601**	**124,344**	**373,160**	**3,108,887**	**2,679,197**	**429,689**	**2,679,197**	**116%**
Total Expenses	**4,617,989**	**2,041,833**	**342,433**	**1,674,275**	**1,537,724**	**10,214,260**	**9,577,107**	**637,152**	**9,577,107**	**107%**
Operation Income (Loss)	**(1,109,530)**	**245,005**	**(91,365)**	**35,569**	**101,008**	**(819,316)**	**34,747**	**(854,062)**	**34,747**	**(2358%)**
Less: Property Taxes Revenue	494,959	485,059	9,899	0	0	989,917	970,000	19,917	970,000	102%
Operation Result after Property Taxes Revenue	**(614,571)**	**730,064**	**(81,466)**	**35,569**	**101,008**	**170,601**	**1,004,747**	**(834,145)**	**1,004,747**	**17%**

Other Non-Operation Activities

Reserve Contribution

	Water	Wastewater	Drainage	Solid Waste	Security	Total	YTD Budget	Over(Under)	Annual Budget	% of Budget
Water Capital Impr Fees	61,950	86,264	0	0	2,363	150,577	78,837	71,740	78,837	191%
Water Augmentation Fees	212,635	0	0	0	0	212,635	113,100	99,535	113,100	188%
Water Cap Replacement Reserve	570,822	555,459	0	0	0	1,126,280	1,202,640	(76,359)	1,202,640	94%

	Water	Wastewater	Drainage	Solid Waste	Security	Total	YTD Budget	Over(Under)	Annual Budget	% of Budget
Debt Service Fees	159,463	0	0	0	0	159,463	0	159,463	0	0%
Security Impact Fees	0	0	0	0	8,400	8,400	18,000	(9,600)	18,000	47%
Interest and Investment Earnings (Restr.)	189,747	144,765	0	0	9,622	344,134	402,312	(58,178)	402,312	86%
Total Reserve Revenue	**1,194,617**	**786,488**	**0**	**0**	**20,385**	**2,001,490**	**1,814,889**	**186,601**	**1,814,889**	**110%**
Developer Activities										
Developer Revenue	0	0	0	0	0	0	0	0	0	0%
Inspection Revenue	19,637	4,658	0	0	0	24,295	0	24,295	0	0%
Contribution - Donated Infrastructure	1,340,110	905,061	1,160,791	0	0	3,405,961	0	3,405,961	0	0%
Salary and Admin Expense	0	0	0	0	0	0	0	0	0	0%
Consulting Expenses: Developer	22,952	0	0	0	0	22,952	0	22,952	0	0%
Consulting Expenses: FSA	21,320	0	0	0	0	21,320	0	21,320	0	0%
Developer Income/Expenses	**1,315,475**	**909,719**	**1,160,791**	**0**	**0**	**3,385,985**	**0**	**3,385,985**	**0**	**0%**
Other										
Other Income	6,218	2,487	791	452	1,357	11,306	0	11,306	0	0%
Grant Revenue	0	0	0	0	0	0	0	0	0	0%
CIA Ditch Service Charges	0	0	0	0	0	0	0	0	0	0%
Consulting:Water Studies	122,331	0	0	0	0	122,331	0	122,331	0	0%
CIA Ditch Maintenance & Operations	18,692	0	0	0	0	18,692	0	18,692	0	0%
Salary and Admin Expenses	0	0	0	0	0	0	0	0	0	0%
Investment FMV adjustment	0	0	0	0	0	0	0	0	0	0%
Total Other Income Grant Income	**(134,805)**	**2,487**	**791**	**452**	**1,357**	**(129,717)**	**0**	**(129,717)**	**0**	**0%**
Net Income (Loss)	**1,760,716**	**2,428,758**	**1,080,116**	**36,021**	**122,750**	**5,428,358**	**2,819,636**	**2,608,724**	**2,819,636**	**193%**

RANCHO MURIETA CSD - NEW
Statement of Revenue and Expenses
Summary of All Units
For the One Month Ending Tuesday, June 30, 2026

	July	August	September	October	November	December	January	February	March	April	May	June	Total
Operation													
Operating Revenue													
Residential Fees	$709,493	$763,969	$738,365	$693,043	$662,623	$670,022	$643,752	$622,941	$675,799	$665,435	$682,822	$745,455	$8,273,719
Commercial Fees	82,569	90,329	76,670	58,311	64,842	59,855	55,308	54,167	64,580	59,063	64,164	76,044	805,902
Late Fees & Penalties	11,025	10,232	9,899	11,930	11,651	9,818	8,872	7,808	6,068	7,196	5,943	6,176	106,617
Other Sales	743	743	743	743	743	818	743	2,030	743	743	843	743	10,382
Investment Earnings	37,253	37,239	35,732	33,613	33,998	36,565	(162,221)	5,769	6,331	6,139	6,369	6,187	82,973
Interest Income	12,901	11,981	9,929	9,971	9,913	8,768	7,316	6,808	8,231	6,795	6,814	6,960	106,385
Other Fees	800	860	270	0	850	920	1,065	730	840	1,140	790	700	8,965
Total Operating Revenue	**854,784**	**915,353**	**871,608**	**807,611**	**784,620**	**786,766**	**554,835**	**700,253**	**762,592**	**746,511**	**767,745**	**842,265**	**9,394,943**
Expenses													
Operating Expenses													
Salaries and Wages	154,301	150,607	168,282	147,879	173,585	121,443	175,845	218,112	164,238	222,474	267,700	188,429	2,152,894
Benefits, Taxes & Pension	55,416	30,996	48,564	46,596	51,481	46,461	37,841	53,117	52,660	56,580	77,236	50,152	607,099
Workers Compensation	9,418	9,418	9,418	9,418	9,418	9,418	9,418	9,418	9,418	9,418	9,418	9,418	113,015
Capacity Purchase	9,947	33,750	514	9,336	(53,547)	0	0	0	0	0	0	0	0
Chemical	23,104	0	11,306	32,361	127,938	23,479	12,393	3,749	18,379	13,504	9,062	60,901	336,176
Regulatory - Inspections	0	11,485	0	0	0	0	5,732	0	77,640	0	0	0	94,857
Regulatory - Lab Testing	2,335	2,574	4,462	7,850	4,758	0	0	0	6,898	4,279	5,345	6,895	45,396
Tools & Supplies	21,670	12,460	16,047	19,605	47,241	20,362	12,733	(718)	77,362	26,618	36,889	23,109	313,378
Repairs & Maintenance	62,892	19,157	33,043	78,968	71,212	60,472	45,072	23,402	90,624	26,550	58,408	145,445	715,246
Uniform and Clothings	553	944	903	1,817	1,338	402	3,679	1,279	8,289	2,392	2,679	2,022	26,296
Training and Seminars	2,496	421	0	2,179	(173)	3,397	1,571	2,512	2,144	1,057	332	0	15,934
Small Equipment	0	236	6,257	2,117	4,432	1,471	209	1,187	6,995	8,304	12,072	9,050	52,330
License & Permits	345	13,273	21,149	0	(173)	0	48,206	6,891	23,622	3,071	3,893	2,894	123,170
Contractual Services	163,352	131,421	168,129	214,175	(47,956)	297,477	144,492	132,764	145,668	273,001	132,764	161,982	1,917,268
Rental/Lease expenses	0	0	0	2,544	4,370	(107)	550	0	0	4,312	6,408	4,650	22,727
Travel and Mileage	3,538	2,591	3,280	15,774	2,069	3,462	3,147	3,911	4,480	5,687	5,039	5,461	58,441
Software License/Support	8,406	11,121	1,260	20,557	(30,969)	(16,393)	15,876	5,940	6,943	3,224	1,295	5,795	33,055
HR & Recruitment	32	42	2,338	573	122	154	433	1,511	10	1,681	420	130	7,446
Memberships & Subscriptions	0	270	2,379	(385)	220	0	0	0	374	228	0	0	3,086
Utilities	25,992	1,471	27,405	25,533	76,263	34,739	25,723	31,144	34,223	29,585	32,657	23,077	367,811
Telecommunications	7,337	7,335	7,341	7,370	7,345	7,356	7,398	12,026	5,450	11,370	13,768	10,950	105,047
Office Supplies	268	219	290	181	(474)	266	319	481	631	1,202	327	1,080	4,789
Fines and Penalties	0	0	0	0	0	0	0	0	0	0	0	125	125
Gain/Loss on Asset Disposition	0	0	0	0	0	0	0	0	0	0	(3,150)	(7,062)	(10,212)
Total Operating Expenses	**551,402**	**439,791**	**532,367**	**644,448**	**448,500**	**613,859**	**550,637**	**506,726**	**736,048**	**704,537**	**672,562**	**704,503**	**7,105,373**
General and Administrative Expenses													
Salaries & Wages	58,342	48,643	71,544	65,541	46,918	103,789	53,389	106,628	57,182	69,291	104,167	65,888	851,321
Benefits, Taxes & Pension	9,360	11,235	22,445	17,276	16,087	29,621	14,258	22,021	16,735	16,747	24,982	16,398	217,165
OPEB	37,166	37,166	37,166	37,166	37,166	37,166	37,166	37,166	37,166	37,166	37,166	37,166	445,989

	July	August	September	October	November	December	January	February	March	April	May	June	Total
Worker's Comp Insurance	5,478	5,478	5,478	5,478	5,478	5,478	5,478	5,478	5,478	5,478	5,478	5,478	65,736
Insurance	39,671	39,671	39,671	39,671	39,645	39,671	39,671	39,671	39,671	39,671	39,671	(7,629)	428,729
Community Communications	0	0	0	0	9,617	6,619	0	1,596	9,291	9,492	1,603	1,624	39,843
Repairs and Maintenance	0	0	0	2,000	17,803	9,445	2,199	900	3,829	4,192	33,461	3,802	77,632
Telecommunications	815	1,179	0	582	(408)	1,969	1,072	(1,960)	11,009	1,848	228	228	16,562
Software License/Support	4,597	4,342	3,044	2,445	42,200	43,514	583	9,819	17,442	24,589	18,408	16,500	187,482
Utilities	2,837	3,496	3,737	3,142	4,792	2,034	7,479	5,413	10,990	15,068	10,805	12,090	81,882
Membership and Subscriptions	224	0	794	0	13,781	0	0	0	10,069	539	0	620	26,027
Training and Seminars	0	0	0	0	655	47	0	0	500	0	0	1,472	2,673
Legal Fees	0	0	0	23,363	102,950	56,331	14,546	21,560	14,212	15,675	14,928	6,918	270,484
Consulting Fees	0	3,738	52,500	0	33,543	4,171	22,977	13,951	34,213	33,577	21,295	25,842	245,808
HR and Recruitment Fees	638	58	454	3,359	3,350	3,350	3,350	3,358	4,606	12,350	12,350	3,350	50,573
Accounting and Audit Fees	0	0	0	0	0	0	0	0	0	0	900	1,219	2,119
Travel and Mileage	0	759	2,308	1,222	694	0	0	500	14,769	923	1,385	871	23,431
Office supplies	916	2,105	2,065	18,946	880	565	591	651	2,526	2,759	1,295	2,660	35,958
Postage	156	0	16	176	14,090	1,563	0	577	1,217	1,165	10	2,196	21,166
Bank Analysis Fees	576	622	534	598	608	840	617	634	586	606	2,210	2,228	10,657
Board and Committee Meetings	0	265	0	0	0	278	778	2,245	140	60	82	177	4,027
Fines and Penalties	0	0	0	0	0	102	0	0	1,128	735	10	137	2,112
Employee events	0	0	0	0	0	665	0	0	0	295	497	36	1,492
Miscellaneous	0	0	5	15	0	0	0	0	0	0	0	0	20
Total General and Administrative Expenses	**160,776**	**158,757**	**241,761**	**220,980**	**389,849**	**347,218**	**204,154**	**270,208**	**292,759**	**292,226**	**330,931**	**199,271**	**3,108,887**
Total Expenses	**712,178**	**598,548**	**774,128**	**865,428**	**838,349**	**961,077**	**754,791**	**776,934**	**1,028,807**	**996,763**	**1,003,493**	**903,774**	**10,214,260**
Operation Income (Loss)	**142,606**	**316,805**	**97,480**	**(57,817)**	**(53,729)**	**(174,311)**	**(199,956)**	**(76,681)**	**(266,215)**	**(250,252)**	**(235,748)**	**(61,509)**	**(819,316)**
Less: Property Taxes Revenue	0	0	0	0	0	0	0	489,219	60,412	0	416,286	24,000	989,917
Operation Result after Property Taxes Revenue	**142,606**	**316,805**	**97,480**	**(57,817)**	**(53,729)**	**(174,311)**	**(199,956)**	**412,538**	**(205,803)**	**(250,252)**	**180,538**	**(37,509)**	**170,601**

Other Non-Operation Activities

Reserve Contribution

	July	August	September	October	November	December	January	February	March	April	May	June	Total
Water Capital Impr Fees	0	0	0	35,241	10,679	0	16,019	20,291	30,970	0	0	37,377	150,577
Water Augmentation Fees	0	0	0	49,766	15,080	0	22,621	28,653	43,733	0	0	52,782	212,635
Water Cap Replacement Reserve	87,247	93,240	91,968	99,715	78,345	79,556	99,044	98,326	99,499	99,910	99,402	100,029	1,126,280
Debt Service Fees	15,768	15,765	15,439	15,765	15,674	15,729	15,607	15,460	15,689	15,769	2,793	7	159,463
Security Impact Fees	0	0	0	0	0	0	0	0	0	8,400	0	0	8,400
Interest and Investment Earnings (Restr.)	0	0	0	0	21,056	0	195,357	23,926	26,257	25,463	26,416	25,659	344,134
Total Reserve Revenue	**103,015**	**109,005**	**107,407**	**200,487**	**140,834**	**95,285**	**348,648**	**186,656**	**216,148**	**149,542**	**128,611**	**215,854**	**2,001,490**

Developer Activities

	July	August	September	October	November	December	January	February	March	April	May	June	Total
Inspection Revenue	0	0	0	5,804	1,658	0	2,487	3,317	4,975	250	0	5,804	24,295
Contribution - Donated Infrastructure	0	0	0	0	3,405,961	0	0	0	0	0	0	0	3,405,961
Consulting Expenses: Developer	0	0	0	0	0	0	0	0	2,520	27,007	0	(6,575)	22,952
Consulting Expenses: FSA	0	0	0	0	0	0	0	0	2,093	4,110	13,341	1,776	21,320
Developer Income/Expenses	**0**	**0**	**0**	**5,804**	**3,407,619**	**0**	**2,487**	**3,317**	**362**	**(30,867)**	**(13,341)**	**10,603**	**3,385,985**

Other

	July	August	September	October	November	December	January	February	March	April	May	June	Total
Other Income	717	717	1,296	717	545	717	717	717	1,851	717	735	1,856	11,306
Consulting:Water Studies	5,765	0	3,915	8,000	11,534	945	15,509	0	23,088	47,209	4,920	1,446	122,331
CIA Ditch Maintenance & Operations	0	10,267	0	0	0	178	396	0	0	1,553	6,298	0	18,692
Total Other Income Grant Income	**(5,048)**	**(9,550)**	**(2,619)**	**(7,283)**	**(10,989)**	**(406)**	**(15,188)**	**717**	**(21,237)**	**(48,045)**	**(10,483)**	**410**	**(129,717)**
Net Income (Loss)	**240,573**	**416,260**	**202,268**	**141,191**	**3,483,735**	**(79,432)**	**135,991**	**603,228**	**(10,530)**	**(179,622)**	**285,325**	**189,358**	**5,428,358**

Cash & Investment Balances

Period: Jan 2026 – June 2026

Rancho Murieta CSD
Cash and Investments

2026

	1/31/2026 Balance	2/28/2026 Balance	3/31/2026 Balance	4/30/2026 Balance	5/31/2026 Balance	6/30/2026 Balance	Transfer	Adjusted Bal.
Banner - Money Market	$ 2,134,765	$ 2,479,942	$ 2,432,417	$ 2,102,076	$ 2,267,085	$ 2,417,856		
CAMP	$ 758,417	$ 760,644	$ 763,096	$ 765,096	$ 767,911	$ 770,289		
CA Class	$ 9,574,909	$ 9,602,397	$ 9,632,533	$ 9,661,762	$ 9,692,105	$ 9,721,573		
Total	$ 12,468,091	$ 12,842,983	$ 12,828,046	$ 12,528,934	$ 12,727,102	$ 12,909,717		
Unrestricted	$ 2,134,765	$ 2,479,942	$ 2,432,417	$ 2,102,076	$ 2,267,085	$ 2,417,856	2,582,144	5,000,000
Restricted	$ 10,333,326	$ 10,363,041	$ 10,395,629	$ 10,426,858	$ 10,460,016	$ 10,491,862	(2,582,144)	7,909,717
	$ 12,468,091	$ 12,842,983	$ 12,828,046	$ 12,528,934	$ 12,727,102	$ 12,909,717		12,909,717
Average Yield								
Banner - Money Market	3.820%	3.820%	3.820%	3.820%	3.820%	3.820%		
CAMP	3.912%	3.513%	3.855%	3.137%	7.524%	8.090%		
CA Class	3.843%	3.435%	3.754%	3.630%	7.376%	7.383%		

2025

	1/31/2025 Balance	2/28/2025 Balance	3/31/2025 Balance	4/30/2025 Balance	5/31/2025 Balance	6/30/2025 Balance
Banner - Money Market	5,314,166	5,221,702	5,221,702	5,026,342	4,665,077	3,631,354
CAMP	726,574	729,089	731,856	734,533	737,292	739,961
CA Class	9,179,431	9,210,513	9,244,894	9,278,278	9,312,577	9,345,839
Total	15,220,171	15,161,304	15,198,452	15,039,153	14,714,946	13,717,155
Unrestricted	5,314,166	5,221,702	5,221,702	5,026,342	4,665,077	3,631,354
Restricted	9,906,006	9,939,602	9,976,751	10,012,811	10,049,869	10,085,800
	15,220,171	15,161,304	15,198,452	15,039,153	14,714,946	13,717,155
Average Yield						
Banner - Money Market		4.600%	4.590%	4.590%	4.590%	4.590%
CAMP		4.139%	4.537%	4.372%	8.847%	8.804%
CA Class		4.050%	4.463%	4.318%	8.721%	8.675%

Summary of the Cash and Investment – June 2026

The District's total cash and investment balance at the end of June 2026 was approximately **$13 million**, compared to **$13.7 million** at the end of June 2025.

The **Banner account** serves as the District's operating account and is considered **unrestricted**. The **CAMP** and **CA Class** investment accounts are considered **restricted**. As of June 2026, unrestricted funds totaled approximately **$2.4 million**, while restricted funds were approximately **$10.4 million**.

The decrease in total balances from June 2025 to June 2026 is primarily attributable to spending on **Capital Improvement projects (CIP)** during this fiscal year. Since CIP expenditures have been paid directly from the Banner operating account, corresponding transfers from the CAMP and CA Class investment accounts have not yet been made to reimburse those capital expenditures.

Under the District's **Operating Fund and Reserve Fund Policy**, the target reserve level should have sufficient cash to fund approximately **six months of District operating expenditures**. Based on the June 2026 financial statements, the six-month operating reserve requirement is estimated to be approximately **$5 million**.

To maintain the Banner account balance at the target reserve level of approximately $5 million, it may be appropriate to transfer approximately **$2.6 million** from the restricted investment accounts to the unrestricted Banner account. This transfer would reduce restricted balances to approximately **$7.9 million**. The final transfer amount will not be known until the annual audits are completed and year-end balances are finalized.

Even after such a transfer, restricted balances of approximately **$7.9 million** would be low relative to the District's **net fixed assets of approximately $31 million (**amount based on FY 24 audit), particularly given the ongoing cost of maintaining and replacing capital infrastructure.

Additionally, **interest rates have declined compared to 2025**, which may impact future investment earnings.