



Big Bear Municipal Water District

Lake Management

Budget & Finance Committee Meeting Minutes February 26, 2026

Board of VPs

Steve Ludecke – Division 1
Vacant – Division 2
Craig Brewster – Division 3
Mark Lee – Division 4
Tom Bradford – Division 5

Present: Vice President Ludecke
Director Lee
Jared Cheek, General Manager
Elsa Donoho, Board Secretary
Michael Schermer, Assistant Financial Officer
Catrina Rabago, Accountant I

Public: None.

1. Monthly Financial Review

- a. Monthly financial statements and reconciliation reports for January 2026 were presented by Michael Schermer, Assistant Financial Officer.
- b. The District received another tax apportionment in the last reporting period.
- c. Quarterly LAIF investment earnings were received for Quarter ending December 2025.
- d. Michael Schermer clarified that DA Davidson figures are reported at Market Value.
- e. VP Ludecke stated that the District is fiscally tracking well, considering the unanticipated settlement payment earlier this fiscal year and retirement cash-out payments.
- f. Projected six-month expenses includes the Dam Project as well as the In-Lieu water payment.
- g. It was noted that the upcoming 6 months are where the traditionally the District typically incurs most expenses, given the season timing.
- h. Michael Schermer explained the difference between fund balances and cash on hand. Fund balances are intended to carry over between fiscal periods, as projects and expenditures occur at different times and not all expenses are incurred immediately. If all fund expenses were incurred at once, current cash on hand would be sufficient to cover them.
- i. VP Ludecke asked about the anticipated Dam repair costs
 - i. Jared Cheek stated we are at estimated \$2.6 million, dependent on DSOD approval.
- j. Jared Cheek explained that the Capital Project Fund includes potential new building construction. He noted that current construction costs are high and that project estimates could approach \$10 million if the District chooses to proceed with construction.

2. Finance Issues & Updates

- a. Vice President Ludecke asked about the costs associated with cleaning catchment basins for Rathbun Creek. He noted visible mud and sand runoff from the Sandalwood and Garstin ski area parking lots flowing toward the basin. VP Ludecke said the issue may warrant discussion with stakeholders.
- b. The committee discussed consideration of adopting a formal Reserve Policy to protect the District in the event of unforeseen circumstances. Establishing appropriations would make funds available when needed.