

**MINUTES OF THE BUDGET AND FINANCE COMMITTEE MEETING
OF THE RAINBOW MUNICIPAL WATER DISTRICT
JULY 11, 2017**

1. **CALL TO ORDER:** The Budget & Finance Committee meeting of the Rainbow Municipal Water District was called to order by Chairperson Stitle on July 11, 2017 in the Board Room of the District Office at 3707 Old Highway 395, Fallbrook, CA 92028 at 1:00 p.m. Chairperson Stitle presiding.

2. **PLEDGE OF ALLEGIANCE**

3. **ROLL CALL:**

Present: Member Stitle, Member Ross, Member Moss.

Also Present: Executive Assistant Washburn, Engineering Manager Kirkpatrick, Accounting Specialist Rubio.

Absent: Member Hensley, Alternate Martinez.

One member of the public was present.

4. **SEATING OF ALTERNATES**

There was no seating of alternates.

5. **ADDITIONS/DELETIONS/AMENDMENTS TO THE AGENDA (Government Code §54954.2)**

There were no changes to the agenda.

6. **PUBLIC COMMENT RELATING TO ITEMS NOT ON THE AGENDA (Limit 3 Minutes)**

There were no public comments.

COMMITTEE ACTION ITEMS

7. **COMMITTEE MEMBER COMMENTS**

There were no committee comments.

*8. **APPROVAL OF MINUTES**

A. May 9, 2017

B. June 13, 2017

Motion:

Approve the minutes for both months as presented.

Action: Approve, Moved by Member Moss, Seconded by Member Ross.

Vote: Motion carried by unanimous vote (summary: Ayes = 3).

Ayes: Member Stitle, Member Ross, Member Moss.

9. DEVELOPMENT UPDATE

Mrs. Kirkpatrick provided an update on each of three of the active development projects currently in progress. She noted capacity fees would be going before the Board for consideration at the July Board meeting.

10. CAPITAL PROJECT UPDATE

Mrs. Kirkpatrick referenced the handouts she provided as she gave a summary of each of the 2017-2018 fiscal year water and wastewater capital improvement projects.

11. DISCUSSION REGARDING LABOR NEGOTIATIONS

Ms. Rubio referenced the handout provided at the meeting highlighting the significant changes to the Memoranda of Understanding resulting from the 2017 labor negotiations noting both positive and negative fiscal impacts. Discussion ensued regarding some of the items reviewed.

Mr. Ross requested an overall aggregated fiscal impact report for budget purposes for each year of the contract.

Discussion ensued regarding the compensation and salary study comparisons made with both public and private sectors.

Mr. Stitle suggested the Budget and Finance Committee be included as part of the approval process during the next round of negotiations. Mr. Ross stated maybe not the approval process, but possibly during the analysis. Mrs. Harp explained all discussion related to labor negotiations take place in closed sessions. Mr. Stitle reiterated it was his opinion that prior to the Board's approval of labor contracts, the committee be permitted to review the data in a closed session to provide budgetary guidance and input. He asked that this be placed on the next agenda for discussion with Mr. Kennedy present.

12. DISCUSSION REGARDING ADMINISTRATIVE CODE UPDATES

Ms. Rubio pointed out the proposed change to Administrative Code Section 8.12.202.6 – Delinquent Account Fees. There were no objections to the proposed change presented by the Budget and Finance Committee members.

13. REVIEW THE FOLLOWING:

- A.** Income Statement
- B.** Balance Sheet
- C.** Cash Flow

This item was not discussed.

14. LIST OF SUGGESTED AGENDA ITEMS FOR THE NEXT SCHEDULED BUDGET AND FINANCE COMMITTEE MEETING

It was noted a San Luis Rey residents update as well as a discussion item for labor negotiations should be on the next agenda.

15. ADJOURNMENT

The meeting was adjourned with a motion made by Member Moss and seconded by Member Ross.

The meeting adjourned at 2:00 p.m.

Harry Stitle, Committee Chairperson

Dawn M. Washburn, Board Secretary