

**MINUTES OF THE BUDGET AND FINANCE COMMITTEE MEETING  
OF THE RAINBOW MUNICIPAL WATER DISTRICT  
SEPTEMBER 4, 2014**

1. **CALL TO ORDER:** The Budget & Finance Committee meeting of the Rainbow Municipal Water District was called to order on on September 4, 2014 by Chairperson Stitle at 1:02 p.m. in the Board Room of the District Office at 3707 Old Highway 395, Fallbrook, CA 92028. Chairperson Stitle presiding.\*

2. **PLEDGE OF ALLEGIANCE**

3. **ROLL CALL:**

**Present:** Member Clyde  
Member Stitle  
Member Ross  
Member Hensley  
Member Lucy

**Absent:** Member Fagan  
Member Carlstrom

**Also Present:** Assistant Rubio  
Finance Manager Thomas  
General Manager Kennedy  
Acting District Engineer Rebueno  
Director Brazier  
FPUD General Manager Brady

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

There were no public comments.

**COMMITTEE ACTION ITEMS**

5. **COMMITTEE MEMBER COMMENTS**

Mr. Hensley commented that the CALTRANS fee reduction was nice.

Ms. Thomas mentioned the District has been receiving customer service calls regarding Drought Level 2 questions.

*Member Lucy arrived at 1:05 p.m.*

\*6. **APPROVAL OF MINUTES**

A. August 7, 2014

Mr. Clyde pointed out a correction in the first sentence of Item 7.

**Action:**

***Moved by Member Hensley to approve the minutes as amended. Seconded by Member Ross.***

***After consideration, the motion CARRIED by the following vote:***

**AYES:** Member Lucy, Member Clyde, Member Stitle, Member Ross and Member Hensley.

**NOES:** None.

**ABSTAINED:** None.

**ABSENT:** Member Fagan and Member Carlstrom.

**7. DISCUSSION AND POSSIBLE ACTION REGARDING BILLING FORMAT**

Ms. Thomas will obtain a cost estimate to change the billing format.

**8. DISCUSSION AND POSSIBLE ACTION REGARDING FIVE YEAR CASH FORECAST ESPECIALLY WITH THE SALES REDUCTION DUE TO DROUGHT**

Mr. Stitle provided a handout and mentioned he talked with Mr. Carlstrom regarding the five year cash forecast. Discussion ensued regarding his concerns and suggestions for addressing them.

Mr. Lucy talked about how severely the drought is severely affecting agricultural, especially with the saltier water.

**9. RECENT BOARD MEETING UPDATE**

Mr. Kennedy summarized what took place at the last board meeting including the approval of the MOU's, the Caltrans \$10M savings, and direction given to review RMWD leased properties.

**10. CALTRANS UPDATE**

Mrs. Rebueno noted construction is expected to start in September 2014 with the sewer work starting in 2015. She pointed out the current schedule may change.

**11. REVIEW OF FISCAL YEAR 2014 FINANCIAL STATEMENT**

Ms. Thomas said the budgeted amount at the end of the JPA in March 2014 was \$280K. She pointed out there was an over budget amount due to FPUD personnel fees, moving and computer expenses.

**12. AUDIT REVIEW/UPDATE**

Ms. Thomas said the audit was successful and a report would be available at a later date.

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

It was suggested the cost for the water bill changes, board meeting update, and water sales spreadsheet should be on the next agenda.

**14. ADJOURNMENT**

**Action:**

*Moved by Member Clyde to adjourn the meeting. Seconded by Member Hensley.*

*After consideration, the motion CARRIED by the following vote:*

**AYES:** Member Lucy, Member Clyde, Member Stitle, Member Ross and Member Hensley.  
**NOES:** None.  
**ABSTAINED:** None.  
**ABSENT:** Member Fagan and Member Carlstrom.

The meeting adjourned at 2:45 p.m.

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**Harry Stitle, Committee Chairperson**

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**Dawn M. Washburn, Board Secretary**

*\* The time stamp for these minutes may be approximately one hour off actual time due to a computer time stamp error.*