

12. REVIEW THE FOLLOWING:

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

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

14. ADJOURNMENT

ATTEST TO POSTING:



Hayden Hamilton
Secretary of the Board

10-4-17 @ 10:05 A.M.

Date and Time of Posting
Outside Display Cases

**MINUTES OF THE BUDGET AND FINANCE COMMITTEE MEETING
OF THE RAINBOW MUNICIPAL WATER DISTRICT
SEPTEMBER 12, 2017**

1. **CALL TO ORDER:** The Budget & Finance Committee meeting of the Rainbow Municipal Water District was called to order by Chairperson Stitle on September 12, 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, Member Hensley.

Also Present: Alternate Martinez, Associate Engineer Powers, General Manager Kennedy.

Two members of the public were present.

4. **SEATING OF ALTERNATES**

Mr. Stitle did not seat an alternate for this meeting.

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)**

It was noted the cost of water with charts would be included in upcoming newsletters.

COMMITTEE ACTION ITEMS

7. **COMMITTEE MEMBER COMMENTS**

Discussion ensued regarding Carol Brady, wife of Brian Brady, being elected to the Rancho California Water District Board of Directors.

*8. **APPROVAL OF MINUTES**

A. August 8, 2017

Motion:

To approve the minutes.

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

Vote: Motion passed.

DRAFT

DRAFT

DRAFT

Ayes: Member Stittle, Member Ross, Member Moss.

Abstain: Member Hensley.

9. DISCUSSION AND POSSIBLE ACTION REGARDING COMMITTEE MEMBERSHIP

Miguel Gasca, RMWD Board Member, expressed interested in serving on the committee.

Motion:

To recommend the Board appoint Miguel Gasca as a member of the Budget and Finance Committee.

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

Vote: Motion passed unanimously.

Ayes: Member Stittle, Member Moss, Member Ross, Member Hensley.

10. RATE MODEL UPDATE

Mr. Kennedy presented graphs and charts related to the rate of watermain breaks rate. He covered several aspects of this data noting there were 10% less breaks compared to the prior year as well as noting RMWD was being progressive with amount of consumption currently based on the size of the meter which other agencies have found to be more equitable. He pointed out Raftelis was working the data as part of the Cost of Service Study. He talked about tax rolls being fixed to parcels, base line consumption for RMWD is irrigation, the pipeline rehabilitation project condition assessment which involves researching options for managing RMWD's aging system including investment levels timeline, data collection and analysis; all of which is imperative to projecting and assessing project scheduling.

Mr. Kennedy mentioned the Engineering Department will return to the meeting with further discussion as well as a demonstration. Discussion followed regarding RMWD's large amounts of infrastructure with a minimal number of stakeholders paying for the operations and maintenance of the system and how decision making will be based on the outcome of the data.

11. AMI UPDATE

Mr. Kennedy reported there will be a meeting with SDGE and Itron Thursday, September 14, 2017, for the purpose of discussing implementation and technical details as well as the October/November timeline. He mentioned there will also be a meeting with a ABM meter testing contractor feasible to conduct a meter replacement program to include meter box replacement and high pressure meter install in areas with excessive pressure. He stated the pilot will be utilizing tester boxes with anticipation of finding out more at the September 14th meeting.

12. FINANCIAL SOFTWARE UPDATE

It was noted the contract with INFOR for utility billing software including the internal implementation guide would save RMWD money on implementing the program with additional training required for configuration.

DRAFT

DRAFT

DRAFT

There was discussion regarding CSDA and INFOR partnering to give bundle services; however, there was not a firm number yet as it may be out of RMWD's price range. Discussion continued regarding previous comparisons with other databases and how the key point is the integration into asset management GIS systems. Mr. Kennedy pointed out his years of experience in this system including excellent customer service, configuration, flexibility, and integration it could be 6-8 months before RMWD turns it systems over and could be running parallel for an extended period to ensure proper data.

13. DISCUSSION REGARDING POSSIBLE LOCK BOX SERVICES

Mrs. Martinez mentioned InfoSend partners with Bank Up Corporation. She noted in-house staff time to process mailed in payments takes 80 hours per month for one employee or roughly \$2,000 a month. She explained there were two responses to the Request for Proposal; 1) InfoSend at \$1,200 per month and 2) RT Lawrence at \$900 per month. She explained outsourcing this task will allow for one customer service representative to be backup for billing and efficiency enhancement.

Mrs. Martinez recommended RMWD contract with RT Lawrence due to their services being well-known as well as the better price. She confirmed there would be no issues for not utilizing Bank Up and their partnership with InfoSend for this service.

Motion:

To accept the proposal.

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

Vote: Motion passed unanimously.

Ayes: Member Stitle, Member Moss, Member Ross, Member Hensley.

Discussion followed regarding the anticipated implementation date being January 2019 as well as having the Communications Committee roll out messaging to the public.

14. REVIEW THE FOLLOWING:

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

Mrs. Martinez reported the auditors will be at RMWD in early October. Mr. Kennedy stated he believes the low TDS water does not require grove owners to use as much water; however, one the TDS rises usage will increase.

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

It was noted the Raftelis rate study and the public hearing for possible rate increases effective January should be on the next committee agenda.

DRAFT

DRAFT

DRAFT

16. ADJOURNMENT

The meeting adjourned at 2:21 p.m.

Harry Stitle, Committee Chairperson

Dawn M. Washburn, Board Secretary