

**MINUTES OF THE BUDGET AND FINANCE COMMITTEE MEETING
OF THE RAINBOW MUNICIPAL WATER DISTRICT
APRIL 4, 2013**

1. **CALL TO ORDER:** The Budget & Finance Committee meeting of the Rainbow Municipal Water District was called to order by Chairperson Stitle on April 4, 2013 in the Board Room of the District Office at 3707 Old Highway 395, Fallbrook, CA 92028 at 1:02 p.m. Chairperson Stitle presiding.

2. **PLEDGE OF ALLEGIANCE**

3. **ROLL CALL:**

Present: Member Carlstrom
Member Clyde
Member Stitle
Member Ross
Member Hensley

Absent: Member Fagan
Member Lucy

Also Present: General Manager Brady
Executive Assistant Washburn
Assistant General Manager/Finance Manager Buckley
Senior Accountant Thomas
Director Brazier
Water Operations/Customer Service Manager Atilano

One member of the public was present.

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**

There were no comments.

*6. **APPROVAL OF MINUTES**

A. March 7, 2013

Action:

Moved by Member Carlstrom to approve the minutes. Seconded by Member Clyde.

After consideration, the motion CARRIED by the following vote:

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

7. UPDATE AND DISCUSSION OF RECENT RMWD BOARD MEETING

Mr. Carlstrom mentioned the group of community members that were in attendance at the beginning of the meeting to address the Board about Beck Reservoir. He noted at the end of the meeting the Board decided to reactivate discussions to start looking at all options available for Beck Reservoir. Discussion ensued.

Mr. Buckley recalled other small items the Board addressed at their March 26, 2013 meeting.

Mr. Brady talked about the recent meeting he attended regarding the Warner Ranch project. Discussion followed.

8. INFORMATIONAL UPDATE REGARDING POTENTIAL ANNEXATION AND PROGRESS WITH DEVELOPERS

Mr. Carlstrom informed the committee that he would be preparing a spreadsheet that will estimate the future timing of revenues to be received from developers over the next several years. The spreadsheet can then be updated as water meters and sewer lines are actually purchased.

9. UPDATE AND DISCUSSION REGARDING METROPOLITAN AND SDCWA RATES

Mr. Buckley said he placed this on the agenda in the event that the San Diego County Water Authority had developed new rates for 2014. He said that no information had yet been offered by SDCWA; Mr. Brady concurred.

10. UPDATE AND DISCUSSION REGARDING POTENTIAL JPA/CONSOLIDATION OF WATER DISTRICTS

Mr. Brady said that Friday would be Dave Seymour's last day of work for the District. He explained that he has assigned fourteen functional workgroups to meet for the purpose of identifying common responsibilities and tasks between the two districts. The workgroups will then create plans for unifying and sharing resources for the purpose of efficiency and cost savings. He also stated that he thinks the consolidation can move through the LAFCO process faster than the 18 to 24 months previously estimated.

11. REVIEW OF YEAR TO DATE FINANCIAL STATEMENTS

Mr. Buckley informed the committee that he would email March financial statements to them as they became available in mid April. He stated that water units sold was still running ahead of the budget as well as the previous year.

12. REVIEW AND DISCUSSION OF BUDGET FOR 2013-14

Mr. Buckley distributed the 2014 draft budget binders to the committee. He briefly explained the summary pages within the budget. Mr. Buckley then discussed the summary of assumptions. He indicated that these assumptions are the primary drivers of the budget results. He said the budget estimates 20,000 acre feet of water which aligns with the five-year forecast prepared by the committee as well as the water rate increases proposed by the committee's five-year forecast. Mr. Buckley stated that the next step in the budget process would be to meet with the RMWD Board in a joint meeting to discuss the draft budget. He said he will ask the board to meet with us at the May Budget/Finance Committee meeting.

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

It was noted the 2014 Budget should be on the next agenda.

14. ADJOURNMENT

Meeting adjourned at 2:38 p.m.

Harry Stitle, Committee Chairperson

Dawn M. Washburn, Board Secretary