

**MINUTES OF THE BUDGET AND FINANCE COMMITTEE MEETING
OF THE RAINBOW MUNICIPAL WATER DISTRICT
MAY 14, 2019**

1. **CALL TO ORDER:** The Budget & Finance Committee meeting of the Rainbow Municipal Water District was called to order on May 14, 2019 by Chairperson Stitle 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 Moss, Member Gasca, Member Hensley (*Arrived at 1:03 p.m.*), Alternate Nelson.

Also Present: General Manager Kennedy, Executive Assistant Washburn, Finance Manager Largent, District Engineer Strapac, Customer Service Supervisor Rubio.

Absent: Member Ross.

One member of the public was present.

4. **SEATING OF ALTERNATES**

Mr. Nelson was seated as an alternate.

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

There were no changes.

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

There were no comments.

COMMITTEE ACTION ITEMS

7. **COMMITTEE MEMBER COMMENTS**

There were no comments.

*8. **APPROVAL OF MINUTES**

A. April 9, 2019

Ms. Washburn pointed out there was a change to the roll call noting there was one member of the public present.

Motion:

To approve the minutes as amended.

Action: Approve, Moved by Member Gasca, Seconded by Alternate Nelson.

Vote: Motion carried by unanimous roll call vote (summary: Ayes = 4).

Ayes: Member Stitle, Member Moss, Member Gasca, Alternate Nelson.

9. RATE CONCEPTS

Mr. Kennedy mentioned staff was hoping Raftelis would be present information to the committee; however, they were unable to attend and have confirmed attending the June committee meeting.

Mr. Hensley joined the meeting at 1:03 p.m.

Mr. Nelson talked about some of the rate study research he conducted.

10. DISCUSSION REGARDING DRAFT BUDGET

Ms. Largent presented budget assumptions utilized in the preliminary budget. Discussions ensued.

Mr. Kennedy noted this was a preliminary review of the budget and how a formal review will be conducted with the Board and Budget and Finance Committee members at the May 28, 2019 meeting.

11. INFOR CLOUDSUITE FINANCIAL IMPLEMENTATION UPDATE

Ms. Largent reported the implementation was on track for July 1, 2019. She confirmed the chart of accounts was complete and the starting balances will be started in the near future. She said once the audit is complete, staff will update the beginning balances. She explained how the 1099's data will be loaded which is also scheduled for July.

12. INFOR PUBLIC SECTOR (UTILITY BILLING) IMPLEMENTATION UPDATE

Ms. Rubio stated the utility billing implementation was anticipated to go live the same day as the financials and how staff was in the process of testing billing. She noted there were some issues Infor was working to remedy. Ms. Largent noted Chase Bank would be meeting with staff.

Mr. Nelson asked if the new system would allow the District to present some particulars of a bill in a different manner should it be determined to make revisions. Ms. Rubio explained customizing the bills was simple with the new software. Discussion followed.

13. FLUME PROJECT UPDATE

Mr. Kennedy reported the Board adopted the Flume Project with the first 1,000 units lined up for the first go-around and how the Communications Committee has prepared a four-page newsletter about the project roll out to be distributed in June.

14. AUDIT UPDATE

Ms. Largent noted the audit has been scheduled July 14-18, 2019 for the internal controls portion with the ending audit scheduled for September 16-19, 2019.

15. REVIEW THE FOLLOWING:

- A. Statement of Revenue and Expenses
- B. Balance Sheet
- C. Treasurer's Report

Ms. Largent stated she has been doing a great deal of preparation for the audit and was working toward getting quarterly entries and interest income started. Discussion ensued.

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

It was noted the Raftelis presentation, final review of the budget, as well as updates on the Flume project, financial and utility billing, respectively, should be on the next agenda.

17. ADJOURNMENT

The meeting adjourned at 2:19 p.m.

Harry Stitle, Committee Chairperson

Dawn M. Washburn, Board Secretary