RAINBOW WATER DISTRICT BOARD AND BUDGET COMMITTEE MEETING

Date: May 13, 2026
Time: 6:15 PM
Place: Rainbow Water District Office/Virtual

BOARD MEMBERS PRESENT IN PERSON:	Marla Casley, Doug Keeler, Mindy Kephart, James Burrington, and Erik Westerholm
BUDGET COMMITTEE MEMBERS PRESENT:	Devin Thompson, Ian Kimball, Manuel Balesteri, Ron Davis, and Jim McLaughlin (via zoom)
STAFF PRESENT:	Jamie Porter, Jodi Sanders, Brian Scott, and Eric Carlson
AUDIENCE PRESENT:	Michael (via zoom)

Marla Casley opened the Board Meeting at 6:15 pm.

AGENDA REVIEW
Jamie added Resolution No. 2026-05, Bad Debt Collections Policy

REVIEW ITEMS

1. The minutes from April 8, 2026, were presented for approval. Doug Keeler moved to approve of the minutes as presented. James Burrington seconded the motion. Motion passed. Casley – Aye, Keeler – Aye, Burrington – Aye, Westerholm – Aye, Kephart – Aye.
2. The financial reports for Apil 2026 were presented for approval. Doug Keeler moved to accept the financial reports and pay the bills. Mindy Kephart seconded the motion. Motion passed. Casley – Aye, Keeler – Aye, Burrington – Aye, Westerholm – Aye, Kephart – Aye.
3. April 2026 Financial Report Review: Marla Casley reviewed 3 transactions and approved the April 2026 audit trail report. The missing checks report for April 2026 was reviewed and approved, check numbers are 2505-2574 and there were no breaks in sequence. There were no new vendors.

BUSINESS FROM THE AUDIENCE
None

BUSINESS FROM THE BOARD
Mindy attended the LCOG budget meeting.

BUSINESS FROM THE SUPERINTENDENT

1. Eric Carlson was presented an Operator's Meritorious Service Award by the Pacific Northwest Section of the American Water Works Association. The award was given for outstanding accomplishments and service. Congratulations to Eric!

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2. Isler, CPA has finished the audit and has issued a clean opinion. The board has been given a link to read the audit report.
3. The 42nd Street Levy redesign project has been put on hold due to frozen funding.
4. Jamie asked the board for a consensus on planning the social activities for the year. The board decided to host the appreciation dinner and to sponsor SUB's Light of Liberty event as a $1500.00 donor. Rainbow will not host an evening at the Drifter's game.
5. The Marcola Water District has approved the lease of the Rainbow spare truck for their operators. Jamie will work out the details with them.
6. Rainbow attended the Utilities Day event to highlight the utility trades to high schoolers.
7. Jamie presented Resolution No. 2026-05, A Resolution Authorizing Urban Services Agreement Between The Rainbow Water District, The City of Springfield, and the Springfield Utility Board. This resolution authorized Rainbow representatives to sign the final draft of the Urban Services as it has been presented. Doug Keeler moved to approve Resolution No. 2026-05. Erik Westerholm seconded the motion. Motion passed. Casley – Aye, Keeler – Aye, Burrington – Aye, Westerholm – Aye, Kephart – Aye.
8. Jamie presented Resolution No. 2026-06, a Rainbow Water District Bad Debt Collections Policy. This policy has been updated to remove language that Rainbow will contract with a specific collection agency. It also allows the Office Manager to enter into collections services agreements. Mindy Kephart moved to approve Resolution No. 2026-05. James Burrington seconded the motion. Motion passed. Casley – Aye, Keeler – Aye, Burrington – Aye, Westerholm – Aye, Kephart – Aye.

Marla Casley closed the regular meeting and opened the Budget Committee meeting at 6:46 pm.

Budget Committee Chair Ian Kimball called for the Budget Officer's Message.

Jamie reviewed several water rate strategies that the board and budget committee can consider. Strategies include adjusting the rates, tier structures, and developing an affordability of lifeline tier that includes a certain number of units with the base rate. The board decided they would like to consider updating the rate structure outside of the budget cycle. The budget committee will focus on the proposed budget which assumes an amount of revenue and not how obtained.

Jamie reviewed the budget that was presented in writing to the Board and Budget Committee. The review was an overall look at what the budget entails and will follow up with an in-depth review of the changes made to the budget since its presentation in April. The following are some budget recommendations.

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1. Staff COLA 3.3%, up from the proposed 3.0%, based on the March Consumer Price Index change.
2. Renew existing employee benefits.
3. Budget assumes a water rate increase of 7.5%.

BUDGET DOCUMENT REVIEW

Page 1 – Water Operating General Fund – Resources

Increase of $20,000.00 due to a higher beginning fund balance and reimbursed labor for work on the Weyco Water Treatment Plant.

Page 2 – Water Operating General Fund – Requirements Recap

Materials and services expenses increased $20,000.00. A transfer of $200,000 will be made to the Resilience Fund instead of the Capital Reserve Fund.

Page 3 – Water Operating General Fund – Requirements Detail

Increase in the COLA of $3601 with a corresponding decrease in the board contingency fund. Materials and Services contingency was increased by $20,000 with $5,000 of that to be earmarked to support a new low-income assistance program.

Page 4 – Fire Protection Fund – Resources and Requirements

There are no changes to the budgeted resources of $2,045,000 as originally posted. The fire protection contract decreased by $27,999 to reflect the final contract amount. The transfer to the Capital Reserve Fund was increased by $35,000 and the unappropriated funds line item was adjusted to balance the fund.

Page 5 – Capital Reserve Fund – Resources and Requirements

Revenue increased with a higher beginning fund balance and a $35,000 transfer in from other funds. Interest decreased slightly due to lower rates. Overall, the fund revenues decreased by $5,000, with a corresponding decrease in unappropriated funds.

Page 6 – Resilience Fund – Resources and Requirements

Revenue increased by $200,000 due to an increase in transfers from other funds, with a corresponding increase in the unappropriated funds to balance the fund.

The proposed budget was discussed by the committee. Devin Thompson made a motion to approve the budget and recommended presenting it to the Board. Ron Davis seconded the motion. Motion passed. Casley – Aye, Keeler – Aye, Burrington – Aye, Westerholm – Aye, Kephart – Aye, Thompson – Aye, Kimball – Aye, McLaughlin – Aye, Balesteri – Aye, Davis – Aye.

Ian closed the Budget Committee Meeting at 7:19 pm

Marla opened the regular session Board Meeting at 7:19 pm.

The next scheduled meetings are:

Board Meeting, Budget Hearing, and Rate Hearing will be June 10th, 2026.

Marla Casley closed the meeting at 7:20 pm.

6/10/2026

Minutes approved: Date: