

**MINUTES OF SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF
WALNUT VALLEY WATER DISTRICT**

**April 30, 2013
At the Offices of the District**

DIRECTORS PRESENT:

Edwin M. Hilden, President
Barbara A. Carrera
Theodore L. Ebenkamp
Scarlett P. Kwong
Allen L. Wu

DIRECTORS ABSENT:

None

STAFF PRESENT:

Mike Holmes, General Manager
Erik Hitchman, Assistant General Manager/Chief Engineer
Sandra Olson, Director of Administrative Services
Brian Teuber, Director of Finance
Gabriela Sanchez, Executive Secretary
Terry Lewis, Finance Manager
Tim Gosney, Legal Counsel

The meeting was called to order at 4:05 p.m. with President Hilden presiding.

Guests and others in attendance: Director David De Jesus and Mr. James Linthicum of Three Valleys Municipal Water District.

Item 3: Public Comment – President Hilden

- ◆ There were no requests to make public comment.

Item 4: Fiscal Year 2013-14 Draft Budget Overview

- ◆ The Board viewed a PowerPoint presentation detailing the various elements of the District's proposed FY 2013-2014 Budget. A summary of Budget priorities, proposed cost-control efforts, and major expenses were provided.
- ◆ Discussion was held regarding purchased water projections and related observations for FY 2013-14. The General Manager noted projections are based on a three-year average and incorporate the effects of water conservation, economic and hydrologic impacts. With that said, WVWD water purchases for the upcoming fiscal year are projected at 20,044 acre feet. Staff and the Board then continued in discussion regarding MWD's treated tier-1 rate trends from 2005-2014.
- ◆ Mr. Teuber took a moment to review the District's projected personnel costs, noting three items impacting the budgeted amounts for FY 2013-14. It was noted that a negotiated Cost-of-Living-Adjustment of 3.875% (less the 1% COLA retiree spousal medical buyback) will be added to salary ranges effective January 2014; second, the District's PERS contribution; and third, the estimated medical premium increase of 11% effective January 1, 2014.
- ◆ Staff continued in discussion regarding budget-related items such as projected revenue and projected expenses. Following their review of budget materials, staff proposed presenting the budget for further discussion and possible adoption at the May 23, 2013 (4:00 p.m.) Special Board meeting.

Adjournment at 4:54 p.m.