If you would like to address the Board on any item listed on the agenda, please complete a speaker card located at the reception counter or at the back of the Boardroom.

Prior to the meeting, give the completed speaker card to the Board Secretary who will make sure your information is provided to the Board President.

Thank you.
Central Basin Municipal Water District
Fiscal Year 2014-2015
Budget and Rates
Workshop
April 24, 2014
1. Roll Call
   - Invocation
   - Pledge of Allegiance
   - Certification by the Board Secretary to the Board of Directors that the Agenda was posted in Accordance with the Brown Act
2. Public Comment and Presentations –

(This time has been set aside for persons in the audience to make comments or inquiries on matters within the general subject matter jurisdiction of the Board of Directors (the “Board”) that are not listed on this agenda. Although no person is required to provide their name and address as a condition to attending a Board meeting, persons who wish to address the Board are asked to state their name and address. Each speaker will be limited to three (3) continuous minutes. Speakers may not lend any portion of their speaking time to other persons or borrow additional time from other persons.

Except as otherwise provided under the Brown Act (Gov. Code section 54950 et seq.), the Board may not deliberate or take action upon any matter not listed on this posted agenda but may order that any such matter be placed on the agenda for a subsequent meeting. The Board may also direct staff to investigate certain matters for consideration at a future meeting.

All comments or queries presented by a speaker shall be addressed to the Board as a body and not to any specific member thereof. No questions shall be posed to any member of the Board except through the presiding official of the meeting, the President. Members of the Board are under no obligation to respond to questions posed by speakers but may provide brief clarifying responses to any comment made or questions posed. The Board may not engage in any sort of prolonged discussion or deliberation with any speaker or group of speakers on matters that are not listed on this agenda.

Enforcement of Decorum: While members of the public are free to level criticism of District policies and the action(s) or proposed action(s) of the Board or its members, members of the public may not engage in behavior that is disruptive to the orderly conduct of the proceedings, including, but not limited to, conduct that prevents other members of the public from being heard when it is their opportunity to speak or which prevents members of the audience from hearing or seeing the proceedings. Members of the public may not threaten any person with physical harm or act in a manner that may reasonably be interpreted as an imminent threat of physical harm.)
COMMENTS BY THE BOARD OF DIRECTORS

3. Director’s Comments
WORKSHOP

4. Workshop to Discuss, Receive Input and Provide Feedback regarding Proposed Rates and Charges of the District and the Draft Fiscal Year 2014-2015 Budget (Presentation: Rick Aragon) – see additional slides
Presentation Overview

- Budget Timeline
- Budget Communication
- FY13 Highlights
- Budget Principals & Achievements
- Department Overview
- FY 2015 Funding Goals
- CIP Program
- FY 2015 Operating Reserves, Revenues and Expenses
  - Major Year to Year Differences
- Water Sales Assumptions
- FY 2015 Rates
- Personnel
Budget Timeline

Budget Workshops

• Board of Directors Workshop - April 24, 2014
• Board of Directors Workshop - May 15, 2014

Purveyor Workshop

• Purveyor Workshop – May 1, 2014

Budget Adoption

• Board Meeting – May 22, 2014
Budget Communication

All budget documents (meeting agenda, draft budget worksheets, proposed rate schedule) can be downloaded from:

www.centralbasin.org

- Finance
  - Fiscal Year 2014-2015 Budget Meetings and Documents
A Year In Review

2014 Highlights
FY 2013-2014 District Highlights

Transparency

- Revised Website
  - Board Meetings (Video), Minutes, Admin Code
  - Easy to Access
  - Transitioned Maintenance In-House

Financial Stability

- Resolution of WRD Litigation (Proposition 218 and Storage Litigation)
- Mid-year Budget Review and Expenditure Reductions
  - $2.5 Million (29%) Operating Expense Reduction from FY13*
- Water Purchase Agreement with WRD
- Adoption of New Policy over Legal Services & Costs

*Excludes Legal and Election Expenses
FY 2013-2014 District Highlights

**Human Resources**
- Successful Completion of Senior Management Team
- Hiring of Engineering & Operations Manager
- Hiring of Budget & Finance Analyst
- Updates to District Policy

**Conservation**
- Smart Gardening Workshop Partnership with LA County
- Conservation Rebates for Homeowners and Businesses
- Grand Opening of Drought Tolerant Gardens in Cerritos and Whittier
- High Efficiency Living Program Grant (911 High Efficiency Toilets installed)
- Launch of “In A Drought: Shut Your Tap!” Conservation Campaign
FY 2013-2014 District Highlights

Outreach

- Implementation of Central Basin Strategic Outreach Plan
- MWD – Central Basin Inspection Tours
- Resumption of Speaker’s Bureau Program
- Continuation of Award Winning Education Programs
- Presentation on BDCP at February Central MWD Caucus

Recycled Water (271 AF)

- Partnership with Pro-Cal in Santa Fe Springs (225 Acre-Feet)
- Smith Park in Pico Rivera (25 Acre-Feet)
- Pico Public Library (3 Acre-Feet)
- Firestone Medians in South Gate (3 Acre-Feet)
- Expansion at Salt Lake Park (15 Acre-Feet)

Recognition

- Quality in Information Technology Practices (6th Consecutive Year)
- Certificate of Achievement for Excellence in Financial Reporting (8th Year)
Are We There Yet?
FY15 Budget Principals & Accomplishments
Major Budget Principals & Achievements

- **Increase Transparency**
  - Comparative Reporting
  - New Operating Statement
  - Line Item Budgets
  - Accessible Workshops
    - Online, Advanced Notice, Earlier in the Year

- **Conservative Projections**
  - Evaluated and re-evaluated against historical experience and current conditions
    - Committed WRD Sales (60,000 AF)
    - Drought/Conservation Environment
    - Conservative Allowances for the Unknown
Major Budget Principals & Achievements (continued)

• **Realign Revenues to Fix Operating Structure**
  – Normal Operations ($80,000 surplus)
  – One-Time/Special Items ($1,862,000 surplus)
  – Debt Service vs. Standby Charge

• **Replenish District Reserves**
  – Adds Approx. $670,000 to Reserves

• **Restore the District’s Credit Rating**
  – Debt Restructuring
  – Unadjusted Debt Coverage of 1.59
    • Minimum 1.15, Goal 1.5
Major Budget Principals & Achievements (continued)

- **Reflected Responsibility to Constituents**
  - No Surcharge Increase For 3rd Straight Year
  - True Pass-Through Costs
    - RTS Fee Dropped 16%
  - Modest 3% Recycled Water Increase
    - Revenue Increase Less than Rising Costs ($555,000 vs. $614,000)
  - Doing More with Less
    - More Capability with $200,000 Less Revenue
    - Smaller Labor Budget than FY14 & FY13
  - No New Debt
    - $1.25 Million CIP Program Funded by Cash on Hand
What We Do

Department Overview
Building & IT Department

• **Building**
  - Building Maintenance
  - Property Insurance Management
  - Building Services
    • Security, Landscaping, Janitorial

• **Information Technology**
  - Network Management
  - Hardware Maintenance/Advancement
  - Software Management
    • GIS, Financial Management Software, etc.
  - Customer Service/Device Management
  - SCADA Management
  - Disaster Recovery Planning
Human Resources Department

- Regulatory Compliance
- Risk Management
  - Worker’s Compensation
  - Safety Programs
- Organization Development & Strategic Planning
  - Policy and Procedure Development
- Recruitment/Retention
  - Compensation Analysis
  - Workplace Wellness Programs
- Director/Retiree/Staff Benefit Administration
  - PERS
  - Health Benefits
  - Life Insurance
  - Disability Benefits
District Administration Department

• **Board of Directors**
  – Meeting / Agenda Preparations
  – Director Travel
  – Elections
  – Installations
  – Outreach Coordination

• **Office of General Manager**
  – Management of District Operations
  – Legal Administration
  – Stakeholder Relations
    • MWD
    • Purveyors
    • Inter-agency
    • Public

• Records Management
• Administrative Support Services
Finance Department

- **Accounting**
  - Accounts Payable & Accounts Receivable
  - General Ledger Maintenance
  - Payroll
- **Budget**
  - Preparation, Review, & Analysis
  - Rates & Charges
- **Contract Administration**
- **Standby Charge Administration**
- **Treasury Management**
  - Banking & Investments
- **Debt Management**
  - Continuing Disclosure, Compliance, & New Issuances
- **Audit Coordination**
- **Financial Reporting**
  - CAFR Preparation
Public Affairs Department

• **Conservation**
  – MWD Incentives
  – State and Federal Grants Administration

• **Education**
  – Environmental and Conservation Programs

• **Government Relations**
  – Advocacy
  – Legislative Tracking and Monitoring

• **Water Resources**
  – Monitoring, Planning, & Industry Representation

• **Stakeholder Engagement**
  – Outreach
  – Communications and Publications
Engineering & Operations Department

- **Water Recycling Operations and Maintenance**
  - SCADA
  - Leases/Easements/Permits
  - Pump Operator Management
  - System Maintenance and Planning

- **Customer Development**
  - Identify Potential Customers & Secure Purchase Commitments
  - Project Feasibility Assessments & Funding Planning
  - Connection Engineering & Construction Management

- **WQPP Management**

- **Water Resources**
  - Water Supply Contract Administration
  - MWD Technical Coordination

- **Capital Project Management**
The Financial Plan

FY15 Funding Goals
District-Wide Funding Goals & Priorities

• **Gain Operational Efficiencies**
  – Recycled Water Operations
    • New Operations & Maintenance Supervisor (.33FTE, $64,000)
    • SCADA Monitoring & Reporting
  – Implement Electronic Document Management & Retention Refinement
    • Approx. 5% of Staff Time or $144,000 Spent on Record Requests in FY13

• **Reduce Future Costs**
  – Mitigate Risk from Existing Claims & Cases
    • Fund Adequate Legal Defense ($1.3 Million)
    • Capped General Counsel Costs & Special Counsel Contracts
  – Fully Fund Retiree Obligations ($279,000)
  – Funded Building/IT Maintenance & Disaster Recovery Programs
  – Repair/Replace Maintenance Intensive Pump ($250,000)
  – Secure Strong Level of Insurance Coverage
    • Additional $123,000 allocated for potential premium increase
District-Wide Funding Goals Continued

• **Stabilize Future Debt Payments**
  – 2010A Debt Restructuring ($288,000)

• **Maximize Future Revenues**
  – Increase Recycled Water Sales (*Protect Water Supply*)
    • Implementation of Strategic Customer Development Program (Approx. $254,000)
  – Secure External Funding Sources
    • Staff Training on Grants
    • Grants Writing Consultant ($35,000)

• **Public Engagement & Transparency**
  – Board Elections and Installation Event (Approx. $537,000)
  – Continued Implementation of the District’s Outreach Plan

• **Protect Water Supply**
  – $100,000 Allocated to Cost-Share on Turf-Rebate Grant
Public Affairs Department
Budgetary Goals & Priorities

• Implementation of the District’s Strategic Outreach Plan including:
  • **Communications**
    – Maintenance and development of Central Basin’s website and social media channels
    – Undertaking additional website and graphic design duties in-house
    – Funding for water related promotions and advertisements
    – No consultant expenditures for media or public relations
  
  • **Education**
    – Continue the District’s award-winning Conservation and Environmental Education programs
    – Participation and support of MWD’ Education Programs
      • Water is Life Poster Contest
      • Solar Cup
Public Affairs Department
Budgetary Goals & Priorities

- **Conservation**
  - Utilize Central Basin’s Conservation Grants (DOE, DWR)
    - Estimated $1.9 Million in Remaining Grant Funds
  - Pursue Additional Grant Opportunities
  - Provide Incentives through MWD Member Agency Conservation Allocation
  - Central Basin Turf Removal Rebate Program (supplemental funding)
  - Partnership with LADPW for Smart Gardening Workshops

- **Water Resources**
  - Representation of the District before –
    - MWD
    - Gateway Water Management Authority
    - Central Basin Water Association
    - Other Water Industry Organizations
Public Affairs Department
Budgetary Goals & Priorities

• **Government Relations**
  – Keep majority of lobbying efforts in-house
  – Increase tracking of state and federal legislation
  – Allow for Board directed action on specific legislative proposals
    - $36,000 Allocated for Targeted State Lobbying
  – Host Central Basin’s Stakeholder Barbecue

• **Outreach and Stakeholder Engagement**
  – Representation of the District at water industry conferences and events
  – Provide several Community and Stakeholder education programs
  – Continuance of Central Basin’s bottled water donation program
  – Provide Support for Community and Water Industry events
Customer Development Program
Budgetary Goals & Priorities

• **Determine Viable Cost-Effective Projects**
  – Allocated $160,000 for On-Call Engineering Consultants to assist with
    • Feasibility Studies
    • Cost vs. Benefit Analysis

• **Secure Commitments & Share Costs**
  – New Required Initial Agreements for Proposed Projects
    • Outline Intent to Build & Buy
    • Require Commitment through Initial “Feasibility Fee”
      • Projected $75,000 in Revenues to Offset Engineering Costs

• **Incentivize Recycled Water Use Development**
  – Allocated
    • $50,000 to Assist with Retrofit Costs
    • $30,000 to Assist in County Health/Safety Review Costs

• Leverage MWD Rebate Retrofit Program
What Are We Building?

FY15 CIP Program
**Capital Improvement Plan (CIP) Objectives**

- **Protect Water Supply (Drought Conditions)**
  - Use Recycled Water to Quickly Relieve Potable Demand
    - Take Advantage of Excess Capacity
      - Utilize Existing Infrastructure
    - Focus on Expedient High-Yielding Projects
      - 1 – 2 Year Completion Time Frames

- **Revenue Producing/Cost Neutral Projects**
  - Quick Payback Periods
  - Leverage Cost-Sharing
  - Highest Potential for Grant Eligibility
FY 2015 Capital Improvement Projects (CIP)

• Proposed Projects
  – Recycled Water Project Expansion
    • Montebello Golf Course (Retrofit Loan) (350 AF)
      • $195,000 Annual Revenue
      • 2.5 Year Payback
    • Metal Surfaces Inc. (100 AF)
      • $55,600 Annual Revenue
      • 2 Year Payback
    • Farmer John Inc. (1,200 AF)
      • $638,000 Annual Revenue
      • 3 Year Payback
• Total CIP: $1.25 million (net) for FY 2015
  • $1.4 Million (47%) Decrease from FY14 Budget
Capital Improvement Plan

<table>
<thead>
<tr>
<th>Project</th>
<th>Adopted 2013-14</th>
<th>Proposed 2014-15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Water Resources Projects (WQPP)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Recycled Water Facilities Projects</td>
<td></td>
<td></td>
</tr>
<tr>
<td>District Funded Projects</td>
<td>2,565,000</td>
<td>1,250,000</td>
</tr>
<tr>
<td>Grant Funded Projects</td>
<td>1,000,000</td>
<td></td>
</tr>
<tr>
<td>Potential Grants</td>
<td>(1,000,000)</td>
<td></td>
</tr>
<tr>
<td>Reimbursable Projects</td>
<td>2,885,000</td>
<td>2,000,000</td>
</tr>
<tr>
<td>Reimbursement</td>
<td>(2,885,000)</td>
<td>(2,000,000)</td>
</tr>
<tr>
<td>Total Building and Software improvements</td>
<td>90,000</td>
<td></td>
</tr>
<tr>
<td>Total CIP Projects (net of grants and cost reimbursements)</td>
<td>$2,655,000</td>
<td>$1,250,000</td>
</tr>
</tbody>
</table>
The Big Picture

Revenue & Expense Summary

See Budget Statements for Detail
## Reserve Funds

<table>
<thead>
<tr>
<th></th>
<th>Projected 2013-14</th>
<th>Proposed 2014-15</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Unrestricted Reserves</td>
<td>$14,523,000</td>
<td>$16,489,000</td>
<td>$1,966,000</td>
</tr>
<tr>
<td>Net Revenue</td>
<td>3,075,000</td>
<td>5,189,000</td>
<td>2,114,000</td>
</tr>
<tr>
<td>Capital Projects (Net)</td>
<td>(122,000)</td>
<td>(1,250,000)</td>
<td>(1,128,000)</td>
</tr>
<tr>
<td>Debt Service</td>
<td>(3,247,000)</td>
<td>(3,273,000)</td>
<td>(26,000)</td>
</tr>
<tr>
<td>Water Rights Sale</td>
<td>460,000</td>
<td></td>
<td>(460,000)</td>
</tr>
<tr>
<td>Special Items*</td>
<td>800,000</td>
<td>288,000</td>
<td>(512,000)</td>
</tr>
<tr>
<td><strong>Ending Unrestricted Reserves</strong></td>
<td><strong>$16,489,000</strong></td>
<td><strong>$17,443,000</strong></td>
<td><strong>$954,000</strong></td>
</tr>
</tbody>
</table>

* Funds Received from Prior Year Receivables, Debt Issuance Cost Reimbursement
Major Budget Changes

- **Revenues**
  - $592,000 Net Imported Revenue Decrease (-17%)
    - Net RTS Drop ($526,000)
    - Lower Sales ($68,000)
  - $555,000 Net Recycled Revenue Increase (13%)
    - Higher Sales ($440,000)
    - 3% Rate Increase ($115,000)
  - $4.2 Million Net Replenishment WRD Sales
- **Expenses**
  - $537,000 Election Expense Net RTS Drop ($526,000)
  - $862,000 Legal Expense Decrease (-35%)
    - Investigations Conclusion but Still Pending Cases/Claims
  - $25,000 Major Pump Maintenance/Replacement
Where Did That Come From?

*FY 15 Water Sales Assumptions*
Water Sales Assumptions

• FY 2014-15 Assumed deliveries of:
  – 34,300 AF of MWD treated water
    • Drought/Conservation Conditions
      • 2% Decrease From FY14
      • 9% Decrease From FY13
  – 60,000 AF of MWD Untreated Water (Replenishment)
    • Per Purchase Agreement
    • Drought Conditions/Basin Water Level
Water Sales Assumptions (Continued)

• FY 2014-15 Assumed deliveries of:
  − 6,396 AF of Recycled Water
    • Pending Projects
    • Recycled Water Promotion
      • 10% Increase From FY14
      • 28% Increase From FY13
      • 16% Increase In Actual Sales this Year
  − 2,704 AF of WQPP water
What Do I Have to Pay?

FY 15 Water Rates
MWD Water Rates

MWD approved rates include the following:

• **3.7% increase** in Tier 1 commodity rate effective January 1, 2015 ($890 / AF increasing to $923 / AF)

• **5% decrease** in Readiness-to-Serve (RTS) charge rate effective January 1, 2015.

• **28% Capacity Charge increase** effective January 1, 2015 (from $8,600 to $11,000)
Central Basin Water Rates

About 90% of the Central Basin Imported Water Rate is MWD Charges
Central Basin Proposed Imported Water Rates

- Central Basin Administrative Surcharge on imported water will not be increased.
- Last increase was three years ago FY 2011-12
  - MWD rates increased 24% over same period
- Central Basin Infrastructure Surcharge will **NOT** be increased
- Central Basin will pass on all MWD charges per District policy
  - To CB Customers
    - RTS 16% Decrease
    - Capacity Charge 17% Average Increase
Central Basin Proposed Water Charges

- **No increase** in Water Meter Service Charge
- Increase of $400 per cfs (cubic feet per second) on July 1st, and $700 on January 1st in Capacity Charge
- Pass-through of all MWD rate and charge increases including commodity charges and RTS
## Comparison of Water Rates

<table>
<thead>
<tr>
<th></th>
<th>FY 13 Agency Fees per AF</th>
<th>FY 14 Agency Fees per AF</th>
</tr>
</thead>
<tbody>
<tr>
<td>West Basin MWD</td>
<td>$107</td>
<td>$124</td>
</tr>
<tr>
<td>Calleguas MWD</td>
<td>$272</td>
<td>$283</td>
</tr>
<tr>
<td>Upper San Gabriel MWD</td>
<td>$80</td>
<td>$80</td>
</tr>
<tr>
<td>Regional Average Cost</td>
<td>$153</td>
<td>$162</td>
</tr>
<tr>
<td>Central Basin MWD</td>
<td>$90</td>
<td>$90</td>
</tr>
<tr>
<td>$ Difference</td>
<td>($63)</td>
<td>($72)</td>
</tr>
<tr>
<td>% Difference</td>
<td>(41%)</td>
<td>(55%)</td>
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</table>
Proposed Central Basin Imported Water Rates

### Imported Water Rate Per Acre Foot (AF)- Tier 1

<table>
<thead>
<tr>
<th></th>
<th>Current</th>
<th>7/1/2014</th>
<th>1/1/2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>MWD Commodity</td>
<td>$890</td>
<td>$890</td>
<td>$923</td>
</tr>
<tr>
<td>MWD RTS</td>
<td>$58</td>
<td>$49</td>
<td>$49</td>
</tr>
<tr>
<td>MWD Total</td>
<td>$948</td>
<td>$939</td>
<td>$972</td>
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<tr>
<td>CB Admin Surcharge</td>
<td>$70</td>
<td>$70</td>
<td>$70</td>
</tr>
<tr>
<td>CB Infrastructure Surcharge</td>
<td>$20</td>
<td>$20</td>
<td>$20</td>
</tr>
<tr>
<td>CB Total</td>
<td>$90</td>
<td>$90</td>
<td>$90</td>
</tr>
<tr>
<td>MWD &amp; CB Total</td>
<td>$1,038</td>
<td>$1,029</td>
<td>$1,062</td>
</tr>
</tbody>
</table>

- The MWD Tier 1 Commodity Rate will increase to $923 on January 1, 2015 and the RTS will reduce to $49 effective July 1, 2014.
- There is no increase in District Administrative Surcharge.
## Proposed Central Basin Imported Water Rates

### Imported Water Rate Per Acre Foot (AF) - Tier 2

<table>
<thead>
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<th>Current</th>
<th>7/1/2014</th>
<th>1/1/2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>MWD Commodity</td>
<td>$1,032</td>
<td>$1,032</td>
<td>$1,055</td>
</tr>
<tr>
<td>MWD RTS</td>
<td>$58</td>
<td>$49</td>
<td>$49</td>
</tr>
<tr>
<td>MWD Total</td>
<td>$1,090</td>
<td>$1,081</td>
<td>$1,104</td>
</tr>
<tr>
<td>CB Admin Surcharge</td>
<td>$70</td>
<td>$70</td>
<td>$70</td>
</tr>
<tr>
<td>CB Infrastructure Surcharge</td>
<td>$20</td>
<td>$20</td>
<td>$20</td>
</tr>
<tr>
<td>CB Total</td>
<td>$90</td>
<td>$90</td>
<td>$90</td>
</tr>
<tr>
<td>MWD &amp; CB Total</td>
<td>$1,180</td>
<td>$1,171</td>
<td>$1,194</td>
</tr>
</tbody>
</table>

- The MWD Tier 2 Commodity Rate will increase to $1,055 on January 1, 2015 and the RTS will reduce to $49 effective July 1, 2014.

- There is no increase in District Administrative Surcharge.
Central Basin Recycled Water Rates

• Proposed increased of $16 and $15 per acre foot of Recycled Water Rates based on monthly volumes of 0-50 AF and 50-100 AF, respectively within the District’s service area.

• Proposed increase of $17 and $15 per acre foot of recycled water rates based on monthly volumes of 0-50 AF and 50-100 AF, outside the District’s service area.

• Increase due to
  – Rising increasing electricity costs (18%, $63,000)
  – Pump Maintenance/Replacement ($250,000)
  – Strengthened Customer Development Program ($253,000).
Proposed Recycled Water Rates

Proposed Rates per Acre Foot (AF)- Effective July 1, 2014
Reflects increase per AF over FY 2014

<table>
<thead>
<tr>
<th>Acre Feet</th>
<th>CB Service Area</th>
<th>Malburg Generating Station</th>
<th>Outside of CB Service Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - 25</td>
<td>$556</td>
<td>$402</td>
<td>$579</td>
</tr>
<tr>
<td>25 - 50</td>
<td>$556</td>
<td>$374</td>
<td>$579</td>
</tr>
<tr>
<td>50 - 100</td>
<td>$507</td>
<td>$346</td>
<td>$528</td>
</tr>
<tr>
<td>100 +</td>
<td>$507</td>
<td>$318</td>
<td>$528</td>
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</table>

• Malburg Generating Station is a contracted rate and will increase 3% annually as allowed by contract.
Who We Have

Personnel
FY 2015 Organization Chart

Board of Directors

General Manager

Administrative Services Manager / Board Secretary

Administrative Assistant / Deputy Board Secretary

Records Management Assistant (.50 FTE)

Finance Director

- Budget & Finance Analyst
- Accounting Specialist
- Contracts Specialist

Engineering & Operations Manager

- Operations & Maintenance Supervisor (.333 FTE)
- Associate Engineer
- Administrative Assistant

Information Technology IT/Building Manager

Public Safety Officer

Human Resources Manager

Human Resources Specialist

Public Affairs Manager

- Education Manager
- Public Affairs Officer, Conservation & Outreach
- Public Affairs Specialist
- Public Affairs Specialist

FTE = 19.83
FY 2015 Personnel

- Proposed FTEs less than FY 2014 by 1.42 FTE
- Two (2) new positions: Operations & Maintenance Supervisor and part-time Records Management Assistant

<table>
<thead>
<tr>
<th>Department</th>
<th>FY 2014 FTE Count</th>
<th>FY 2015 FTE Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board and Administrative Services</td>
<td>3</td>
<td>3.50</td>
</tr>
<tr>
<td>Budget and Finance</td>
<td>4.25</td>
<td>4</td>
</tr>
<tr>
<td>Engineering &amp; Operations</td>
<td>3</td>
<td>3.33</td>
</tr>
<tr>
<td>Human Resources</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Information Technology/Building</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Public Affairs (includes Water Resources function)</td>
<td>6</td>
<td>5</td>
</tr>
<tr>
<td>Water Resources</td>
<td>1</td>
<td>(under PA)</td>
</tr>
<tr>
<td><strong>Total FTE Count</strong></td>
<td><strong>21.25</strong></td>
<td><strong>19.83</strong></td>
</tr>
</tbody>
</table>
Personnel FY 2015 (continued)

• District continues to have no unfunded liability for Other Post Employment Benefits (OPEB)

• Merit increase pool totaling $56,355 (2% of labor budget), per District policy, no cost of living adjustment (COLA)

• Projected 9% increase budgeted to maintain existing benefits programs

• Changes in CalPERS contributions are reflected in budget
  – Increase of average of 6% for employer contributions
  – Employer savings for new employees that fall under the new Public Employee Pension Reform Act of 2013 (PEPRA)
What Do You Want to Know?

Questions???
COMMENTS BY THE GENERAL MANAGER AND GENERAL COUNSEL

5. General Counsel’s Report

6. General Manager’s Report on District Activities
ADJOURNMENT

NEXT MEETING: Monday, April 28, 2014 at 10:00 a.m.

Agendas and complete Agenda Packets (including staff reports and exhibits related to each item) are posted on the Central Basin Municipal Water District's ("District") Internet Web Site (www.centralbasin.org). These are also available for public review prior to a meeting in the Board Secretary's Office. Any public writings distributed to at least a majority of the Board regarding any items on this special meeting agenda will also be made available at the Board Secretary's Office at the District's headquarters located at 6252 Telegraph Road, Commerce, California, 90040-2512 – during normal business hours. In addition, the District may also post such documents on the District's Web Site at www.centralbasin.org. In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification/accommodation to attend or participate in this meeting, including auxiliary aids or services please call the Board Secretary's Office at (323) 201-5527 at least 48 hours prior to the meeting.