

MINUTES OF A WORKSHOP OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, JUNE 6, 2016 AT 4:00 PM AT THE DISTRICT OFFICE
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

President Sannella called the Board Workshop to order at the hour of 4:00 p.m.

Director Elitharp led the pledge of allegiance.

Present: Director Elitharp
Director Evans
Director Hernandez
Director Martin
Director Sannella

Staff Present: Interim General Manager Scaglione
Legal Counsel Scott
Administrative Services Manager Emmanuel
District Engineer Gumpel
Finance Manager Fusco
Operations & Maintenance Manager Pedrazzi
Capital Facilities Senior Engineer Hubbard
Accounting Supervisor Owens
Financial Analyst Arthur
Executive Secretary Posvar
Administrative Secretary Johnson

ADOPT AGENDA FOR THE WORKSHOP MEETING OF JUNE 6, 2016

16-06-11 MOTION WAS MADE by Director Evans, seconded by Director Hernandez, and carried unanimously, to adopt the agenda for the Workshop Board Meeting of June 6, 2016.

PUBLIC COMMENT

None.

DISCUSSION ITEM

DRAFT FISCAL YEAR 2016/2017 BUDGET

Finance Manager Fusco presented and discussed the draft proposed FY 2016/2017 budget as follows:

- Budget Process & Calendar
- Rate Objectives
- Budget Objectives
- Debt Service Coverage
- Outstanding Principal Debt Balance – 11 Year Look Forward
- Overall Process
- Cost of 1 Acre Foot of Water
- Retail Rate Analysis
- Budget to Budget Comparison
- Operating Budget by Division
- 2016/17 Water Operating Budget
- Water Operating Budget to Budget Comparison
- 2016/17 Wastewater Operating Budget
- Wastewater Operating Budget to Budget Comparison
- Salary & Benefits Budget to Budget Comparison
- Distribution of Operating Expenses
 - Actual (05/06 – 14/15)
 - Budget Projection (15/16 – 20/21)
- Reserve Budget & Projected Operating Transfers
- Capital Budget
- Capital Improvement Projects by Function FY 2016/17 – FY 2020/21
- Days in Cash – Without Borrowing
- Next Steps

General discussion took place during and after the presentation.

Finance Manager Fusco stated the draft proposed budget was prepared as of May 13 utilizing data that was available at that time. He reviewed changes that have occurred since that time that will be incorporated into the proposed budget, which will be provided to the Board on June 13.

General discussion took place, during which President Sannella requested a summary of staff position reclassifications and their related cost savings.

The consensus of the Board was to review the proposed budget at a Board Workshop scheduled on June 27 at 5:00 p.m.

OTHER BUSINESS

None.

ADJOURNMENT

There being no further business to discuss, President Sannella adjourned the Workshop of the Board of Directors at the hour of 6:10 p.m.

Michael A. Sannella, President
Board of Directors
Vallecitos Water District

ATTEST:

Tom Scaglione, Secretary
Board of Directors
Vallecitos Water District