

**MINUTES OF THE ADJOURNED REGULAR MEETING OF THE
BOARD OF DIRECTORS OF THE MIDWAY CITY
SANITARY DISTRICT OF ORANGE COUNTY
14451 CEDARWOOD AVENUE
WESTMINSTER, CA 92683**

May 13, 2014

CALL TO ORDER

President Cobo called the adjourned regular meeting of the Governing Board of the Midway City Sanitary District to order at 14451 Cedarwood Avenue, Westminster, California on Tuesday, May 13, 2014 at 4:00 P.M.

BOARD MEMBERS PRESENT:

Al P. Krippner
Joy L. Neugebauer
Frank Cobo
Margie L. Rice
Tyler Diep

OTHERS AT MEETING:

Ken Robbins, General Manager
Robert Housley, Finance/HR Director
Danielle Gerardo, Board Secretary
Crystal Enciso, Admin. Secretary / Accountant
Richard Mize, Westminster Police Dept.
Andrew Taylor, Security Officer

PLEDGE AND INVOCATION

Director Diep led the Pledge of Allegiance. Director Neugebauer gave the Invocation.

PUBLIC COMMENTS

None

OLD BUSINESS

None

NEW BUSINESS

A. Budget Workshop – Overview of the Fiscal Year 2014-15 (July 1, 2014 through June 30, 2015) Operating Budget, Capital Improvement Projects and Reserves

GM Robbins stated that this was the “meat and potatoes” of the budget with all the numbers reflecting past studies and what is projected for next year’s expenditures and if there are any concerns from the Board, this was the time to make them before final adoption of the 2014-2015 fiscal year budget in June.

Finance/HR Director Housley gave an overview of the fiscal year 2014-2015 operating budget, capital improvement projects and reserves with a power point presentation. The proposed operating budget for the period is \$9,562,649 in revenues and expenses projected at \$8,997,503, with an unencumbered amount of \$565,145. Revenues are projected to be \$139,700 higher than last year due to increases in property taxes, user fees, franchise fees, RDA pass-through payments, and interest on investments. Expenses are expected to be \$215,317 less than last year due to salaries and wages, benefits, health insurance and retirement costs going down or remaining the same. There are a total of seven capital outlay and improvement projects with an estimated cost of \$5,341,000, which will be funded mainly from reserves and a small portion from unencumbered funds. Finance/HR Director Housley broke the budget down, explaining the District’s expenses and revenue by department. He also restated to the Board that the earliest “call” date on the Certificates of Participation (COP) is August 1, 2015.

Director Neugebauer commented that the patrons of the District may look at the budgets capital improvements and wonder why there is such a high expenditure for new CNG trucks. She suggested a footnote explaining that the District was mandated by the State to find an alternate energy source for the fleet and after careful research and planning are building the CNG station at the District and purchasing new CNG trucks.

B. Consider Scheduling the Third Public Budget Workshop/Study Session Fiscal Year 2014-2015 (July 1, 2014 through June 30, 2015)

A motion was made by Director Rice, seconded by Director Diep to schedule the third public budget workshop/study session for fiscal year 2014-2015 on Tuesday, June 10, 2014 at 5:30 P.M. The motion was approved by the following 5-0 vote:

AYES: Cobo, Diep, Krippner, Neugebauer and Rice

NAYS:

ABSTAIN:

ABSENT:

INFORMATIONAL ITEMS

None

BOARD CONCERNS/COMMENTS

None

GM/STAFF CONCERNS/COMMENTS

GM Robbins stated that the notebook with the District's history that he has been working on for over a year had been removed from the front reception desk. A large amount of the contents are irreplaceable as there are original photos and articles. GM Robbins stated that he is hoping that someone accidentally took it and will return it.

GENERAL COUNSEL CONCERNS/COMMENTS

None

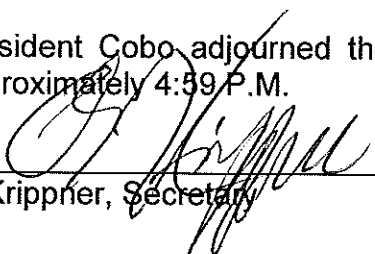
CLOSED SESSION

CLOSED SESSION: During the course of conducting the business set forth on this agenda as a regular meeting of the Board, the Chair may convene the Board in closed session to consider matters of pending real estate negotiations, pending or potential litigation, or personnel matters, pursuant to Government Code Sections 54956.8, 54956.9, 54957 or 54957.6, as noted.

Reports relating to (a) purchase and sale of property; (b) matters of pending or potential litigation; (c) employment actions or negotiations with employee representatives; or which are exempt from public disclosure under the California Public Records Act, may be reviewed by the Board during a permitted closed session and are not available for public inspection. At such time as the Board takes final action on any of these subjects, the minutes will reflect all required disclosures of information.

ADJOURNMENT

President Cobo adjourned the meeting to Thursday, May 22, 2014 at 5:30 P.M. at approximately 4:39 P.M.



Al Krippner, Secretary