

# EL DORADO HILLS TELEGRAPH

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## **Critic eyes El Dorado Irrigation District's money saving claims**

\$3.1 million to be saved, according to officials

By: Penne Usher, Telegraph Correspondent

An amendment to the El Dorado Irrigation District's labor contract with its employee association will reportedly save the district \$3.1 million over the next five years, but not everyone believes the savings are authentic.

EID's Board of Directors approved a letter of understanding at its Feb. 25 meeting authorizing early implementation of (AB340) the Public Employee Pension Reform Act (PEPRA).

The new agreement extends the union contract for three years, to Dec. 31, 2016.

Under the new law, employees are to pay 50 percent of the "normal costs" of their pension, up to a maximum of 8 percent of their wages, according to a press release from EID.

PEPRA does not allow the district to impose the changes unilaterally until 2018. However, EID and the employee association negotiated an agreement for early implementation in 2013.

Early implementation of PEPRA is expected to save the District approximately \$3.1 million over the next five years, the release states.

"I am very pleased that the employees recognized the importance of implementing these pension reforms early. It will generate substantial savings for our district and its ratepayers — which include most of our employees," said Jim Abercrombie, EID's general manager. "We acknowledge the collaborative effort to reach this agreement, and I truly believe it fairly balances employee and ratepayer interests."

Greg Prada, a rate payer advocate and founder of [www.fixeid.org](http://www.fixeid.org), said the cost saving information presented at the meeting doesn't add up.

"The charts presented by EID management (at the meeting) substantially contradict EID's claim of \$3.1 million savings," Prada wrote in an email to the Telegraph. "Instead, a chart was shown by Finance Director Mark Price that depicted much lower claimed savings of approximately \$900,000 and even that claim is disputed and not authenticated by any independent expert."

The board voted four-to-one to approve the amendment.

"I am surprised that the vote was not unanimous because of the significant savings realized for EID's ratepayers," said George Osborne, board president. "All board members participated in several months of closed session meetings on this and the final product reflected all board members' priorities."

Prada said EID ratepayers and the public continue to be fed "distorted information from EID."

"Ratepayers receiving 102 percent of water rate hikes for 2010 to 2015 have long since learned that EID's cumulative savings claims of more than \$25 million dollars since General Manager Jim Abercrombie (came on board) in September 2009 simply do not add up," he wrote.

EID ratepayers deserve cost cutting and honest accounting, Prada said.

"Otherwise, the crippling financial hole Abercrombie and the current board majority have dug, will just get deeper," he said.