



## AGENDA

### ADMINISTRATIVE AND FINANCE COMMITTEE MEETING Santa Fe Irrigation District

Tuesday, February 6, 2018  
8:30 a.m.

Held at Santa Fe Irrigation District  
5920 Linea del Cielo, Rancho Santa Fe, California 92067

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#### CALL MEETING TO ORDER

#### ORAL COMMUNICATIONS

*Opportunity for members of the public to address the Committee (Government Code Section 54954.3) Individuals may address the Committee regarding items not appearing on the posted agenda, which are within the subject matter jurisdiction of the Committee, at any time. Comments and inquiries pertaining to items listed on the agenda will be received during the deliberation of the agenda item. Speakers are asked to state their name, address, and topic, and to observe a time limit of three (3) minutes each. Members of the public desiring to address the Committee are asked to complete a speaker's card, available at the table near the entrance and present it to the Board Secretary prior to the start of the meeting.*

#### ACTION AND DISCUSSION ITEMS

1. Approval of January 9, 2018 Meeting Minutes (pages 3-4)
2. Directors' and General Manager's Expense/Reimbursement (pages 5-7)
3. Monthly Investment Transaction Report (page 8)
4. FY 2018 Mid-Year Budget Review (pages 9-13)
5. Cost of Service Study Scope of Work and Schedule (pages 14-18)
6. Property Tax Receipts (pages 19-20)

#### REPORTS

7. Administrative Services Report (verbal)
8. General Manager's Report (verbal)
9. Committee Members' Comments (verbal)

**INFORMATION ITEMS - None**

**ADJOURN**

Next Scheduled Administrative and Finance Committee meeting: ***Tuesday, March 6, 2018 @ 8:30 a.m.***

*Assistance for the disabled: If you are disabled in any way and need accommodation to participate in the meeting, please call the Board Secretary at (858) 756-2424 for assistance at least three (3) working days prior to the meeting so the necessary arrangements can be made.*

**MINUTES  
ADMINISTRATIVE AND FINANCE  
COMMITTEE MEETING  
Santa Fe Irrigation District**

January 9, 2018  
Santa Fe Irrigation District  
5920 Linea del Cielo  
Rancho Santa Fe, CA 92067

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**CALL MEETING TO ORDER**

Chairperson King called the meeting to order at 8:33 a.m.

**PRESENT:** Chairperson Marlene King, Director David Petree, Administrative Services Manager Jeanne Deaver, and Management Analyst Jessica Parks were present.

*\*General Manager Michael Bardin was not present. He was attending a meeting at the San Diego County Water Authority*

**ORAL COMMUNICATIONS**

None

**ACTION AND DISCUSSION ITEMS**

1. APPROVAL OF MINUTES:
  - SEPTEMBER 12, 2017 MEETING MINUTES
  - DECEMBER 14, 2017 MEETING MINUTES

The September 12, 2017 minutes were approved as presented.

Director King requested the December 14, 2017 minutes, Item 9, reflect the item was considered out of order. The minutes were approved as revised.

2. DIRECTORS' AND GENERAL MANAGER'S EXPENSE/REIMBURSEMENT

The Committee reviewed and approved the report as submitted, and because the General Manager's December credit card statement was not yet available to be included in the agenda packet, the Committee requested a copy be included in the February agenda materials.

3. MONTHLY INVESTMENT TRANSACTION REPORT

Administrative and Finance Committee  
January 9, 2018

The Committee reviewed and approved the monthly investment transaction report as submitted.

Director Petree requested a report on the schedule Property Tax payments received be presented at the February Committee meeting.

#### 4. QUARTERLY TREASURER'S INVESTMENT REPORT

The Committee reviewed and approved as submitted. This quarterly report will be presented to the Board at their regular January meeting.

After further discussion, it was suggested that the District retain an Investment Advisor to assist with securities investments. The Committee requested involvement in the selection of the Investment Advisor.

#### 5. ANNUAL DISTRICT INVESTMENT POLICY REVIEW AND UPDATE

ASM Deaver presented the item and responded to questions from the Committee. Director King requested the District look into Certificates of Deposit options.

### **REPORTS**

6. ADMINISTRATIVE SERVICES REPORT - Administrative Services Manager Deaver commented on Director Petree's prior request on how best to manage the District Reserve Funds and suggested presenting the item for Board consideration at an upcoming workshop.
7. GENERAL MANAGER'S REPORT – None
8. COMMITTEE MEMBERS' COMMENTS – None

### **INFORMATION ITEMS**

9. DISTINGUISHED BUDGET PRESENTATION AWARD, GOVERNMENT FINANCE OFFICERS ASSOCIATION

This item was for the Committee's information only.

### **ADJOURN**

Chairperson King adjourned the meeting at 9:17 a.m.

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Marlene King, Chairperson

Administrative and Finance Committee  
January 9, 2018

Santa Fe Irrigation District  
Board of Directors and General Manager Expenses  
Paid During the Month of January 2018 and Fiscal Year-to-Date

	Paid During the Month				For July 1st to Present	Compensated Days of Service *				For July 1st to Present
	Per Diem Payments	Mileage & Parking	Travel & Meetings	Total		Paid During the Month			Total	
						Board	Committee	Other		
Daddi	0.00	0.00	0.00	0.00	1,711.20	0	0	0	0	11
Dunford	0.00	0.00	0.00	0.00	1,800.00	0	0	0	0	12
Hogan	0.00	10.70	0.00	10.70	2,330.25	0	0	0	0	15
King	0.00	0.00	0.00	0.00	0.00	0	0	0	0	0
Menshek	0.00	0.00	0.00	0.00	450.00	0	0	0	0	3
Petree	0.00	0.00	0.00	0.00	0.00	0	0	0	0	0
Bardin	0.00	0.00	100.58	100.58	859.70					
	<u>\$ 0.00</u>	<u>\$ 10.70</u>	<u>\$ 100.58</u>	<u>\$ 111.28</u>	<u>\$ 7,151.15</u>					

\* Compensated days of service may represent multiple meetings per day.



U.S. BANCORP SERVICE CENTER  
 P. O. Box 6343  
 Fargo, ND 58125-6343



SANTA FE IRRIGATION DISTRICT

ACCOUNT NUMBER [REDACTED]  
 STATEMENT DATE 12-22-17  
 TOTAL ACTIVITY \$ 873.46

000019137 01 SP 0.500 106481366369624 P

"MEMO STATEMENT ONLY"  
 DO NOT REMIT PAYMENT

MICHAEL J BARDIN  
 SANTA FE IRRIG DIST  
 PO BOX 409  
 5920 LINEA DEL CIELO  
 RANCHO SANTA FE CA 92067-0409

We certify that all purchases listed on this statement, unless annotated to the contrary, are true, correct and for official business only. Payment is authorized.

Cardholder: [Signature] Date: 1/10/18 Approver: Margaret E. King Date: 1/09/18

NEW ACCOUNT ACTIVITY

POST DATE	TRAN DATE	TRANSACTION DESCRIPTION	REFERENCE NUMBER	MCC	AMOUNT
12-11	12-02	MARRIOTT ANAHEIM ANAHEIM CA 019514 ARRIVAL: 11-28-17	24692167336100064378444	3509	786.63
12-14	12-12	ISLANDS RESTAURANTS 0 ENCINITAS CA PUR ID: 032234 TAX: 0.00	24692167347100940644255	5812	41.06 ✓
12-20	12-18	LEUCADIA PIZZA RANCHO SAN RCHO SANTA FE	CA342857353018017731220	5812	20.77 ✓
12-21	12-20	ACE PARKING 0028 SAN DIEGO CA PUR ID: 12900061 TAX: 0.00	24493987355400129000613	7523	25.00 ✓

RECEIVED  
 JAN 08 2018

BY: \_\_\_\_\_

Default Accounting Code:

CUSTOMER SERVICE CALL  800-344-5696	ACCOUNT NUMBER [REDACTED]		ACCOUNT SUMMARY	
	STATEMENT DATE	DISPUTED AMOUNT		
SEND BILLING INQUIRIES TO:  C/O U.S. BANCORP SERVICE CENTER, INC U.S. BANK NATIONAL ASSOCIATION P.O. BOX 6335 FARGO, ND 58125-6335	12-22-17	\$ .00	PREVIOUS BALANCE	\$ .00
			PURCHASES & OTHER CHARGES	\$873.46
			CASH ADVANCES	\$ .00
			CASH ADVANCE FEE	\$ .00
			CREDITS	\$ .00
		<b>AMOUNT DUE</b> \$ 0.00 <b>DO NOT REMIT</b>	<b>TOTAL ACTIVITY</b>	<b>\$873.46</b>



U.S. BANCORP SERVICE CENTER  
 P. O. Box 6343  
 Fargo, ND 58125-6343



SANTA FE IRRIGATION DISTRICT

ACCOUNT NUMBER [REDACTED]  
 STATEMENT DATE 01-22-18  
 TOTAL ACTIVITY \$ 31.83



000026763 01 SP 0.510 106481415346442 P

MICHAEL J BARDIN  
 SANTA FE IRRIG DIST  
 PO BOX 409  
 5920 LINEA DEL CIELO  
 RANCHO SANTA FE CA 92067-0409

"MEMO STATEMENT ONLY"  
 DO NOT REMIT PAYMENT

We certify that all purchases listed on this statement, unless annotated to the contrary, are true, correct and for official business only. Payment is authorized.

Cardholder [Signature] Date 1/21/18 Approver \_\_\_\_\_ Date \_\_\_\_\_

NEW ACCOUNT ACTIVITY

POST DATE	TRAN DATE	TRANSACTION DESCRIPTION	REFERENCE NUMBER	MCC	AMOUNT
01-05	01-04	BANGKOK BAY THAI SOLANA BEACH CA PUR ID: 8587922427 TAX: 0.00	24431068005091253000095	5812	31.83

RECEIVED  
 JAN 31 2018  
 BY: \_\_\_\_\_

Default Accounting Code:

CUSTOMER SERVICE CALL  800-344-5696	ACCOUNT NUMBER [REDACTED]		ACCOUNT SUMMARY	
	STATEMENT DATE 01-22-18	DISPUTED AMOUNT \$ .00	PREVIOUS BALANCE	\$ .00
SEND BILLING INQUIRIES TO:  C/O U.S. BANCORP SERVICE CENTER, INC U.S. BANK NATIONAL ASSOCIATION P.O. BOX 6335 FARGO, ND 58125-6335	AMOUNT DUE  \$ 0.00  DO NOT REMIT		PURCHASES & OTHER CHARGES	\$31.83
			CASH ADVANCES	\$ .00
			CASH ADVANCE FEE	\$ .00
			CREDITS	\$ .00
		TOTAL ACTIVITY	\$31.83	

## Investment Transaction Report for January 2018

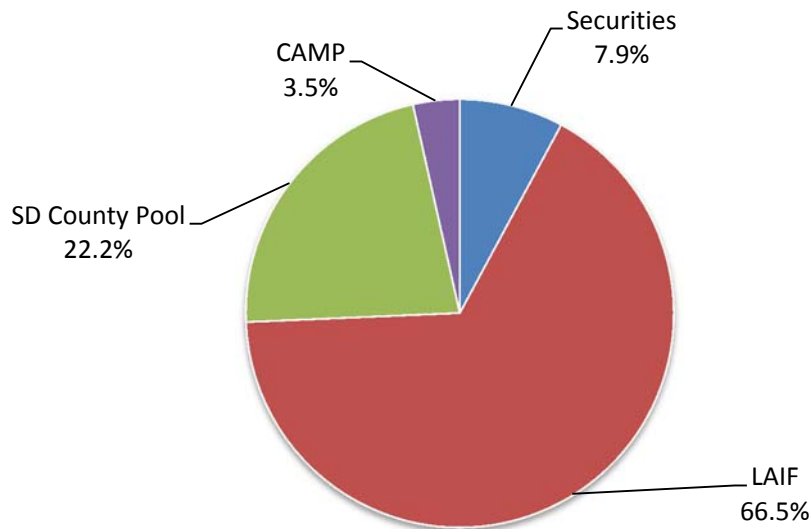
The following is a list of the investment activity for January 2018.

Security/Investment Pool	Settlement Date	Activity	Yield to Maturity	Maturity Date	Principal Amount
Merck & Co	1/31/18	Maturity	1.1%	1/31/18	\$ (500,000)
<b>Net Activity</b>					<b>\$ (500,000)</b>

### Investment Funds

	As of 1/31/18	As of 12/31/17
Union Bank Custody Holdings	\$ 1,509,210	\$ 2,011,560
Local Agency Investment Fund	12,755,828	12,736,218
San Diego County Treasurer's Pool	4,251,506	4,203,000
<u>California Asset Management Program</u>	<u>675,862</u>	<u>675,045</u>
<b>Total</b>	<b>\$ 19,192,406</b>	<b>\$ 19,625,823</b>

### Distribution of Investments As of 1/31/18





DATE: February 6, 2018  
TO: Administrative and Finance Committee  
FROM: General Manager  
**SUBJECT: FY 2018 Mid-Year Budget Review**

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**RECOMMENDATION:**

It is the Staff recommendation that the Administrative and Finance Committee:

1. Review and discuss the FY 2018 Mid-Year Budget Status; and
2. Request staff take this item to the full Board for review in February; and
3. Take other action as appropriate.

**SUMMARY:**

A mid-year analysis of the FY18 Budget can be summarized as follows:

1. Water sales to date are tracking higher than budgeted (approximately 8%), and consumption through year-end is expected to continue to rise as forecasts show warmer, drier weather for the foreseeable future.
2. Local water use will be about 42% of potable water sources (an additional 1200 acre feet), buffering the total increase in imported water purchases due to higher demands.
3. Labor and operating costs are tracking as expected and are in line with projections through December 2017, with the exception of an increase in water treatment costs because of greater proportions of local and State Water Project water.
4. A contribution to reserves of \$558,521 was projected in the FY18 Budget; mid-year analysis shows a contribution of \$1.7M, the result of higher water sales and \$238,800 in additional non-operating revenues.

**DISCUSSION:**

Staff has reviewed and analyzed the performance of the FY18 Operating and Capital Budget through December 2017, comparing projections to actual revenues and expenditures. As of December 31, 2017, actual expenses and revenues are tracking closely with the approved budget. Staff is not requesting any budget amendments at this time. A FY18 Mid-Year Budget Summary is included as Attachment A for your reference.

## **Water Purchases and Sales**

Through December, water consumption is trending 7% higher than budgeted. Normally, the District sells 61% of its annual water sales in the first half of the fiscal year. 2018 is starting out warmer and drier, and forecasts predict much of the same through the spring. Following this scenario, total consumption at fiscal year-end will be approximately 14% higher than budgeted (10,454.1 acre feet as opposed to 9,183.7 acre feet). An increase in revenues from higher customer demand of \$1.5 million will help replenish reserves to fund capital projects.

## **Department Budgets**

All department expenses, including labor costs, are expected to come in at budgeted levels, with no major changes on the horizon. The exception is the cost of treating water. An additional \$953,000 is estimated for increased chemicals (\$518,000), solids handling (\$165,000), and electricity (\$270,000) for higher proportions of local and State Water Project (SWP) water. The FY18 Budget projected 35% local water; actual year-end percentage will likely be closer to 42%. Approximately 1/3 of the additional costs for treatment are associated with SWP water; the remainder is due to the increase in local water use.

During development of the FY18 Budget, management was aware of the possibility of higher levels of both local and SWP water. However, as is the practice, the budget included the historical local water yield figure, in the event weather patterns would prevent the use of more local water. Each year, if Lake Hodges water is available, the District's strategy is to use it first, as it is the least expensive source, which is what the treatment operators are currently doing. More local water use results in higher electrical costs for pumping water to San Dieguito Reservoir and then to the plant. It also increases the amount of solids in the water, requiring additional chemicals and solids disposal.

The challenges associated with treatment of SWP water, on the other hand, are relatively new and will likely continue into the next fiscal year. Colorado River water has typically made up a larger percentage of imported water. Due to the unprecedented precipitation throughout California in 2017, the State Water Project moved water to reservoirs all over the state in order to capture runoff for storage. This water has proven to be a treatment challenge, with higher organic constituent levels that require chemicals and solids disposal.

Increased algae activity during a warm December necessitated additional treatment chemicals for both local and SWP water.

## **Capital Budget**

The Capital Budget consists of two elements: the Capital Acquisition Program (CAP) and the Capital Improvement Program (CIP). The District's CAP funds the purchase and procurement of equipment that has a value of \$7,500 or greater and has a useful life of more than twelve months. CAP purchases are funded from the Capital Improvement Reserve account and are generally a result of equipment replacement or upgrades. The CIP funds refurbishment and replacement of

the District's infrastructure. The District currently funds the CIP on a pay-as-you-go (PAYGO) basis.

Both the CAP and the CIP are expected to end the fiscal year on target with FY18 Budget figures. The CIP is focused on the planning and design of projects that will begin construction in FY19. The automated metering infrastructure program will complete Phase 3 in FY18 on time and within budget.

**FISCAL IMPACT:**

The FY18 Budget projected a contribution to Capital Improvement Fund reserves of \$588,521, the outcome of estimated slightly higher water sales and a large reduction in CIP expenditures. Mid-year analyses point to a larger contribution to reserves of \$1.1 million. The dry, hot weather during December and January is likely to continue through the spring, boosting customer water demands. Additional local water availability will keep total water purchase costs near budgeted levels, in spite of the additional demand.

Attachment A: FY18 Mid-Year Budget Summary

Prepared by: Jeanne Deaver, Administrative Services Manager  
Approved by: Michael J. Bardin, General Manager

**ATTACHMENT A**

**Santa Fe Irrigation District  
Fiscal Year 2018 Mid-Year Budget Summary**

<b>SOURCES OF FUNDS</b>
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<b>OPERATING REVENUES</b>	<b>FY 2018 Budget</b>	<b>FY 2018 Projected</b>	<b>\$ Change Bgt to Proj</b>	<b>% Change Bgt to Proj</b>
Potable Water Sales	\$ 19,024,515	\$ 20,539,701	\$ 1,515,186	8%
Allocation Penalties	-	-	-	-
Recycled Water Sales	678,229	809,487	131,258	19%
Base Meter Fees	5,430,624	5,380,624	(50,000)	-1%
Hydroelectric Revenue	59,200	35,000	(24,200)	-41%
SDWD Local Water Reimbursement	82,492	82,492	-	0%
SDWD Treatment Reimbursement	2,274,394	2,665,823	391,429	17%
Misc Operating Revenue	122,000	181,166	59,166	48%
<b>Total Operating Revenue</b>	<b>\$ 27,671,454</b>	<b>\$ 29,694,293</b>	<b>\$ 2,022,839</b>	<b>7%</b>
<b>NON-OPERATING REVENUES</b>				
Capacity Charges	\$ 35,000	\$ 153,088	\$ 118,088	337%
Interest Income	185,500	202,602	\$ 17,102	9%
Property Tax	2,100,000	2,203,589	103,589	5%
SDWD Capital Reimbursement	554,598	554,598	\$ -	0%
Misc Non-Operating Revenue	143,977	143,977	\$ -	0%
<b>Total Non-Operating Revenue</b>	<b>\$ 3,019,075</b>	<b>\$ 3,257,854</b>	<b>\$ 238,779</b>	<b>8%</b>
<b>OTHER SOURCES OF FUNDS</b>				
Transfers from Rate Stabilization Fund	\$ -	-	-	-
Transfers from Capital Improvement Fund	-	-	-	-
Transfers from Operating Fund	-	-	-	-
<b>Total Other Sources of Funds</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>
<b>TOTAL FUNDS AVAILABLE</b>	<b>\$ 30,690,529</b>	<b>\$ 32,952,147</b>	<b>\$ 2,261,618</b>	<b>7%</b>

<b>USES OF FUNDS</b>
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<b>OPERATING EXPENSES</b>	<b>FY 2018 Budget</b>	<b>FY 2018 Projected</b>	<b>\$ Change Bgt to Proj</b>	<b>% Change Bgt to Proj</b>
Imported Water Purchases	\$ 9,180,320	\$ 9,238,433	\$ 58,113	1%
Local Water Purchases	110,833	110,833	-	0%
Recycled Water Purchases	686,250	801,857	115,607	17%
Salary & Benefits	7,425,736	7,422,236	(3,500)	0%
Salary & Overhead Capitalization	(152,570)	(152,570)	-	0%
Administrative Expense	824,597	824,597	-	0%
Engineering Expense	170,813	170,813	-	0%
Operations & Maintenance	1,458,900	1,458,900	-	0%
Joint Facilities	3,520,355	4,473,355	953,000	27%
Capital Contribution (Equal to Depreciation)	2,620,000	2,620,000	-	0%
<b>Total Operating Expenses</b>	<b>\$ 25,845,233</b>	<b>\$ 26,968,453</b>	<b>\$ 1,123,220</b>	<b>4%</b>
<b>CAPITAL EXPENDITURES</b>				
Capital Acquisitions	\$ 807,200	\$ 807,200	\$ -	0%
Capital Improvements	2,103,000	2,103,000	\$ -	0%
<b>Total Capital Expenditures</b>	<b>\$ 2,910,200</b>	<b>\$ 2,910,200</b>	<b>\$ -</b>	<b>0%</b>
<b>LONG TERM DEBT EXPENSES</b>				
Long Term Debt Service - 1999 Bonds	\$ 1,346,575	\$ 1,346,575	\$ -	0%
<b>Total Long-Term Debt Expenses</b>	<b>\$ 1,346,575</b>	<b>\$ 1,346,575</b>	<b>\$ -</b>	<b>0%</b>
<b>RESERVE CONTRIBUTION</b>				
Transfer to Rate Stabilization Fund	\$ -	-	\$ -	-
Transfer to Capital Improvement Fund	588,521	1,726,918	1,138,397	193%
Transfer to Operating Fund	-	\$ -	-	-
<b>Total Reserve Contribution</b>	<b>\$ 588,521</b>	<b>\$ 1,726,918</b>	<b>\$ 1,138,397</b>	<b>193%</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ 30,690,529</b>	<b>\$ 32,952,147</b>	<b>\$ 2,261,618</b>	<b>7%</b>

DATE: February 6, 2018  
TO: Administrative and Finance Committee  
FROM: General Manager  
**SUBJECT: Cost of Service Study Scope of Work and Schedule**

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**RECOMMENDATION:**

It is the Staff recommendation that the Administrative and Finance Committee:

1. Review and discuss the draft Cost of Service Study Scope of Work and Schedule; and
2. Take other action as appropriate.

**DISCUSSION:**

Staff has prepared a preliminary scope of work for the 2018 Cost of Service Study (COSS), included as Attachment A for the Committee's review. The scope is comprehensive, and provides for an analysis of all possible rate structures. These may include, but are not limited to, a uniform/flat rate structure, inclining block rate, and water budget-based rates.

An updated schedule of the tasks required to conduct and complete the COSS is also included (Attachment B). The goal is to comply with the Proposition 218 rate process, which includes customer notification and comment period prior to the public hearing to consider the recommended rates, to meet a January 2019 implementation date. This coincides with rate increases from the San Diego County Water Authority (SDCWA) and Metropolitan Water District (MWD).

Rate components will include:

1. Fixed and variable charges for potable and recycled water customers
2. Private fire line charges
3. Pass-through of various cost increases
4. Water demand reduction rates for periods of declining water sales and revenues

**FISCAL IMPACT:**

The proposed scope of work is extensive. The Board expressed a desire to explore all possible rate structures and their corresponding customer impacts. Therefore, staff is anticipating a cost of approximately \$250,000. The FY18 Budget can accommodate a portion of this expense, given the COSS will span two fiscal years. Development of the FY19 Budget will soon be underway and will include the remainder of the funds for the study. The total cost as proposed by the chosen firm will be known at that time.

Attachment A: Draft Cost of Service Study Scope of Work  
Attachment B: Draft Cost of Service Study Schedule

Prepared by: Jeanne Deaver, Administrative Services Manager  
Approved by: Michael J. Bardin, General Manager

## ATTACHMENT A

### DRAFT COST OF SERVICE STUDY SCOPE OF WORK

#### **Task 1.0 Cost of Service Analysis**

##### Task 1.1

The consultant will conduct a comprehensive review of the existing water rates and charges, adequacy of reserves, and debt service coverage as a baseline for comparing recommended changes.

##### Task 1.2

The consultant will perform a standard fee analysis and develop cost-based water user rates for a five-year period through a comprehensive cost of service and rate design study process that is consistent with industry practice in the State of California and conforms to all State and Federal laws. Consultant will ensure compliance with and incorporate appropriate policies as established by the District's Board of Directors. This study area will include the following rate components:

1. Potable and recycled water rates
2. Variable and fixed fees
3. Private fire line charges
4. Appropriate rate structure
5. Pass-through/nondiscretionary charges
6. Water demand reduction rates for periods of declining water sales and revenues
7. Fixed and variable rate schedules for all possible rate structures, e.g., uniform, inclining block, water budgets
8. Recommended rates using a high/low approach based on primary variables
9. Collect and provide a survey of San Diego County water agencies' rates and fees compared to the final rate recommendation
10. Customer impact charts by customer classification and various water consumption
11. Other recommended charges

The consultant will prepare a draft and, based on comments and further direction from District staff and the Board of Directors, provide a final report containing the results of the Cost of Service Analysis.

#### **Task 2.0 Rate Model Functionality**

The consultant will develop a ten-year rate and financial planning model in an Excel format that will be turned over to District staff. The consultant will train staff in use of the model and provide documentation of the model's structure and user guides to facilitate independent utilization by District staff. The rate model shall contain functionality to support the development of the rates and charges as described in the Cost of Service Analysis. Staff will



expect to use the model to trend data, perform sensitivity analyses, and track fiscal performance. The model shall specifically include the ability to:

1. Calculate the cost of purchasing, treating, and distributing water
2. Identify primary cost components and their percentage of total rates and charges
3. Calculate pass-through increases in certain costs as defined by the District
4. Include financing of the 10-year CIP on a PAYGO and debt basis
5. Measure debt capacity
6. Apply flexible inflators to various cost components
7. Allocate and calculate costs associated with the District's Joint Facilities to each business partner (the District and San Dieguito Water District)
8. Create a management dashboard to show the following minimum components:
  - a. Distribution of proposed rate increases (% for primary revenue requirements)
  - b. Graphic display of costs related to rates
  - c. Financial metrics (days' cash, reserve fund levels, debt service coverage)

### **Task 3.0 Additional Meetings**

In addition to regular project/progress meetings, the consultant will propose a recommended number of meetings to accomplish these objectives:

1. Initiate the Board of Directors on the study process, cost of service methodology, and appropriate Board participation
2. Develop rate structure goals and policies with the Board of Directors
3. Present project status updates to Administration and Finance Committee and Board as appropriate (at milestones or when further direction is required)
4. Present draft and final reports to the Committee and the Board
5. Attend the public hearing to present findings and rate recommendations and answer questions as needed

### **Task 4.0 Project Management**

Include Project Management as a component of each of the tasks above.

**ATTACHMENT B**

**DRAFT COST OF SERVICE STUDY SCHEDULE**

<b>Step</b>	<b>Month</b>											
	<b>F</b>	<b>M</b>	<b>A</b>	<b>M</b>	<b>J</b>	<b>J</b>	<b>A</b>	<b>S</b>	<b>O</b>	<b>N</b>	<b>D</b>	<b>J</b>
Issue RFP	■											
Select Consultant		■										
Negotiate Agreement and Take to Board for Approval			■									
Hold Workshops with Board to Determine Policy Direction			■									
Create Financial Model				■	■							
Generate Rates and Charges Recommendations					■	■						
Provide preliminary findings to AFC							■					
Provide preliminary findings to Board							■					
Finalize Recommendations								■				
Present Final Report to AFC									■			
Present Final Report to Board and Schedule Public Hearing									■			
Send notice of Public Hearing to Customers									■			
Hold Public Hearing										■		
Implement Approved Rates and Charges												■

DATE: February 6, 2018  
TO: Administrative and Finance Committee  
FROM: General Manager  
**SUBJECT: Property Tax Receipts**

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**INFORMATION ITEM**

This is an information item only; no action is requested of the Committee.

**DISCUSSION:**

At the January 2018 Committee meeting, staff was asked to bring back a schedule of the property tax receipts for the fiscal year. Property tax revenue is collected by the County Tax Assessor's office and distributed to the District monthly. The largest apportionments are generally in December and January after the first round of property taxes are paid, and then again in April and May with the second installments. However, the County distributes revenues as they are collected throughout the year and deposits them directly to the District's bank account.

A total of \$2,292,030 was collected in FY17; \$1,472,818 has been collected through January 2018 for FY18.

**FISCAL IMPACT:**

There is no fiscal impact as a result of this item.

Attachment A: Property Tax Schedule

Prepared by: Jeanne Deaver, Administrative Services Manager  
Approved by: Michael J. Bardin, General Manager

**ATTACHMENT A**

Santa Fe Irrigation District  
Property Tax Schedule

Apportionment No.	FY 2018		FY 2017	
	Receipt Date	1% Property Tax Revenue	Receipt Date	1% Property Tax Revenue
1	8/9/2017	36,065.89	8/10/2016	35,083.43
2	9/6/2017	13,413.20	9/7/2016	10,038.54
3	10/4/2017	24,402.80	10/5/2016	25,533.74
4	11/1/2017	111,881.40	11/2/2016	62,767.16
5	12/6/2017	776,728.50	12/7/2016	767,676.56
6	1/17/2018	510,326.59	1/1/2017	381,428.12
7	2/15/2018		2/15/2017	80,823.71
8	4/5/2018		4/5/2017	584,580.34
9	5/3/2018		5/3/2017	270,314.07
10	5/31/2018		5/31/2017	17,078.55
11	6/21/2018		6/21/2017	49,662.90
12	7/21/2018		7/21/2017	7,043.44
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Apportionment Total		1,472,818.38	2,292,030.56	