

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

July 10, 2018
Santa Fe Irrigation District
5920 Linea del Cielo
Rancho Santa Fe, CA 92067

CALL MEETING TO ORDER

Chairperson King called the meeting to order at 8:32 a.m.

PRESENT: Chairperson Marlene King, Director David Petree, General Manager Michael Bardin, Administrative Services Manager Seth Gates, and Executive Assistant Kim Johnson

ORAL COMMUNICATIONS

None

ACTION AND DISCUSSION ITEMS

1. APPROVAL OF APRIL 10, 2018 MEETING MINUTES

Chairperson King noted a correction to remove the possessive apostrophe from "month's" in Item 2. The Committee approved the minutes as amended.

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

The Committee reviewed and approved the reports for April, May, and June as submitted.

3. CONSIDER RESOLUTION ESTABLISHING AN APPROPRIATION LIMIT FOR THE DISTRICT FOR THE FISCAL YEAR COMMENCING JULY 1, 2018

ASM Gates presented the item and responded to questions from the Committee. After discussion, the Committee requested staff to take this item forward as a consent item to the Board for adoption of the Resolution at their regular July meeting, establishing the FY 2019 Appropriation limit.

4. CONSIDER RESOLUTION ADDING UNPAID CHARGES TO THE 2018-19 PROPERTY TAX ROLL AS FIXED CHARGE SPECIAL ASSESSMENTS

Administrative and Finance Committee
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ASM Gates presented the item and responded to questions from the Committee. After discussion, the Committee requested staff to take this item forward as a consent item to the Board for adoption of the Resolution at their regular July meeting, to add unpaid charges to the 2018-19 Assessment of the District.

5. REVIEW ANNUAL REPORT OF REIMBURSEMENTS AND COMPENSATION PAID TO DIRECTORS

The Committee reviewed and discussed the report. Following discussion, the Committee concurred with staff recommendation to include the report on the July Board meeting agenda to receive and file the annual report.

6. MONTHLY INVESTMENT TRANSACTION REPORT

The report was distributed to the Committee. The Committee discussed long term investment opportunities and the benefits of prepaying current outstanding debt. Chairperson King requested staff provide a five year history on LAIF balances to the Committee. She also requested a memorandum to be presented at the August Committee meeting addressing the cost savings on prepaying the Bond balance. The Committee reviewed and approved the monthly investment transaction report as submitted.

7. QUARTERLY TREASURER'S INVESTMENT REPORT

GM Bardin reported that the report was not available for Committee review; however, would be included in the July Board of Directors agenda materials distributed later in the week.

REPORTS

8. ADMINISTRATIVE SERVICES REPORT – ASM Gates reported on the following:

- The FY18 audit process has begun.
- The work on the Cost of Service Study continues.

Director Petree asked if a high level financial summary could be prepared showing a year to year comparison of actuals for the past three years. GM Bardin noted the information is currently included in annual Comprehensive Annual Financial Reports and staff will prepare the information per his request.

Chairperson King welcomed ASM Gates to the District.

9. GENERAL MANAGER'S REPORT – GM Bardin reported that the Miscellaneous Fees and Charges, including Capacity Charges, will be brought to the Committee for their review at the August Committee meeting.

10. COMMITTEE MEMBERS' COMMENTS

Director Petree commented on a recent article in the Union Tribune regarding the San Diego County Water Authority (SDCWA) related to rising water costs and challenges with Metropolitan Water District. He said the article provided cost of water information in very simple terms and was fascinated by the controversy with MWD. GM Bardin noted that some of the information in the article is disputed by the SDCWA.

Chairperson King commented that after the last Board meeting, she reread the prior District's Cost of Service Study and explained her opposition to the recommendations, noting they were based upon what she felt were unrealistic projections of local water availability. She added that the current study should more accurately depict local water availability and take projected future weather patterns into account. Chairperson King reported that she had requested staff prepare an annual outlook of Administrative and Finance Committee agenda items and that a Security Update, as required by the District Administrative Code, should have been received this month.

INFORMATION ITEMS – None

ADJOURN

Chairperson King adjourned the meeting at 9:50 a.m.



Marlene King, Chairperson

