



ADMINISTRATIVE AND FINANCE COMMITTEE

AGENDA FOR

AUGUST 26, 2010

Ken Williams – Chair
Michael Hogan – Vice Chair
Hershell Price – Vice Chair
Jim Bond
Jim Bowersox
Mitch Dion
Frank Hilliker

Bud Lewis
Bud Pocklington
Richard Smith
Fern Steiner
Barbara Wight
Howard Williams
Tom Wornham

1. Roll call – determination of quorum.
2. Additions to agenda (Government Code Section 54954.2(b)).
3. Public comment – opportunities for members of the public to address the Committee on matters within the Committee’s jurisdiction.
4. Chair’s report.
 4-A Directors’ comments.

I. CONSENT CALENDAR

1. Treasurer’s report. Eric Sandler
Staff recommendation: Note and file the monthly Treasurer’s report.
(Action)
2. Resolution establishing amount due from the city of San Diego for the In-Lieu Charge as a condition of providing water service for fiscal year 2011. Eric Sandler
Staff recommendation: Adopt Resolution No. 2010-___ establishing an amount due of \$1,583,297.54 from the city of San Diego for the In-Lieu Charge for fiscal year 2011. (Action)



II. ACTION/DISCUSSION

1. PUBLIC HEARING: Adopt Resolution approving amendments to the San Diego County Water Authority Local Conflict of Interest Code. Dan Hentschke
Staff recommendation: Adopt Resolution No. 2010-____ approving amendments to the San Diego County Water Authority Local Conflict of Interest Code. (Action)

III. INFORMATION

1. 2015 Business Plan follow up. Maureen Stapleton
2. Report on Water Standby Availability Charge deferrals for fiscal year 2011. Eric Sandler
3. Controller's report on monthly financial statements. Leanne Wade
4. Board Calendar.

IV. CLOSED SESSION

V. ADJOURNMENT

Doria F. Lore
Clerk of the Board

NOTE: This meeting is called as an Administrative and Finance Committee meeting. Because a quorum of the Board may be present, the meeting is also noticed as a Board meeting. Members of the Board who are not members of the Committee may participate in the meeting pursuant to Section 2.00.060(g) of the Authority Administrative Code (Recodified). All items on the agenda, including information items, may be deliberated and become subject to action. All public documents provided to the committee or Board for this meeting including materials related to an item on this agenda and submitted to the Board of Directors within 72 hours prior to this meeting may be reviewed at the San Diego County Water Authority headquarters located at 4677 Overland Avenue, San Diego, CA 92123 at the reception desk during normal business hours.



August 18, 2010

Attention: Administrative and Finance Committee

Treasurer's Report

Attached for review by the Administrative and Finance Committee and the Board of Directors is the Treasurer's Report as of July 31, 2010. The reports are formatted to provide information as required by the California Government Code and the San Diego County Water Authority's Annual Statement of Investment Policy, which was last adopted by the Board on December 17, 2009. A brief description of each report follows:

Portfolio Master Summary: This one page report summarizes all cash and investments held by the Water Authority.

Portfolio Characteristics: This one page snapshot shows the Water Authority's portfolio holdings by type and percentage; the maturity distribution of the portfolio; the portfolio yield for the past twelve months, with and without bond-related funds, compared to a rolling average yield of the Board adopted benchmark; the credit quality of the portfolio's holdings; the cash flow projections for the next six months; and relevant market information.

Portfolio Details - Investments: This report takes the summary information listed in the Portfolio Master Summary and provides details of active investments.

Activity Summary: This one page report produces a thirteen-month rolling summary of portfolio investment activity.

The Water Authority's portfolio is diversified among investment types, with a current concentration toward short-term maturities. This concentration is the result of cash flow needs, as well as the current historic low interest rate environment. The portfolio is comprised of high quality investments, with 92 percent currently invested in AAA-rated securities. The Water Authority's overall portfolio yield remained at 0.75 percent in July 2010, and continues to exceed the investment benchmark of 0.36 percent in July 2010. Bond Fund proceeds are expected to fund Capital Improvement Program expenditures for the next two to three years.

All investments have been made in accordance with the San Diego County Water Authority Statement of Investment Policy. This report provides documentation that the Water Authority has sufficient funds to meet the financial obligations for the next six months. The market value information is provided by Bloomberg L.P. and is as of the report date.

Eric Sandler, Director of Finance/Treasurer

PORTFOLIO MASTER SUMMARY
as of July 31, 2010

PORTFOLIO PERCENTAGES

Investment Type	Permitted By Board Policy	Actual Percentage	Actual Amount
Local Agency Investment Fund (LAIF)	\$40 Million	7.07%	\$ 19,950,413
Banker's Acceptances	20%	0.00%	-
Treasury Securities	15% - Minimum	25.89%	73,025,249
Agency Securities	85%	37.76%	106,491,532
Reverse Repurchase Agreements	20%	0.00%	-
Certificates of Deposit (CDARS)	15%	0.71%	2,000,000
Negotiable Certificates of Deposit	15%	0.00%	-
Commercial Paper	25%	4.95%	13,955,114
Medium Term Notes/Corporates	30%	0.00%	-
JPA Pools (CAMP)	25%	23.19%	65,404,329
Money Market Funds	15%	0.43%	1,197,823
		100.00%	\$ 282,024,460
Accrued Interest (unavailable for investing)			135,941
Checking/Petty Cash/Available Funds (unavailable for investing)			544,587
Subtotal for Pooled Funds:			\$ 282,704,988
<u>Bond/CP Fund Excluded from Portfolio Percentages:</u>			
Treasury Securities			-
Agency Securities			296,176,373
Certificates of Deposit (CDARS)			15,000,000
Commercial Paper			19,170,292
Local Agency Investment Fund (LAIF)			218,004,599
JPA Pools (CAMP)			36,436,618
Money Market Funds and Cash			10
			\$ 584,787,892
Accrued Interest (unavailable for investing)			19,561
Subtotal for Bond/CP Fund (available for CIP expenditures):			\$ 584,807,453
<u>Debt Service Reserve (DSR) Funds Excluded from Portfolio Percentages:</u>			
Treasury Securities and Money Market Fund - Series 2004A COPs			39,046,978
FSA - Reserve (GIC) Series 2002A COPs			18,385,750
Trinity Plus - Reserve (GIC) Series 1998A COPs			12,240,775
Subtotal for Debt Service Reserve Funds (unavailable for CIP expenditures):			\$ 69,673,503
Total Cash and Investments			\$ 937,185,944

PORTFOLIO INFORMATION

	Pooled Funds **	Bond/CP Fund	Debt Service Reserve	Total *
Portfolio Yield to Maturity - 365 Days	0.58%	0.59%	2.74%	0.75%
Average Term	330	277	202	288
Average Days to Maturity (730 Days Maximum)	192	183	17	174
Accrued Interest Earnings (Cash and Investments):				
Month Ended July 2010	\$ 371,617	\$ 706,433	\$ 225,436	\$ 1,303,486
Fiscal Year to Date	\$ 371,617	\$ 706,433	\$ 225,436	\$ 1,303,486
Total Cash and Investments	\$ 282,704,988	\$ 584,807,453	\$ 69,673,503	\$ 937,185,944

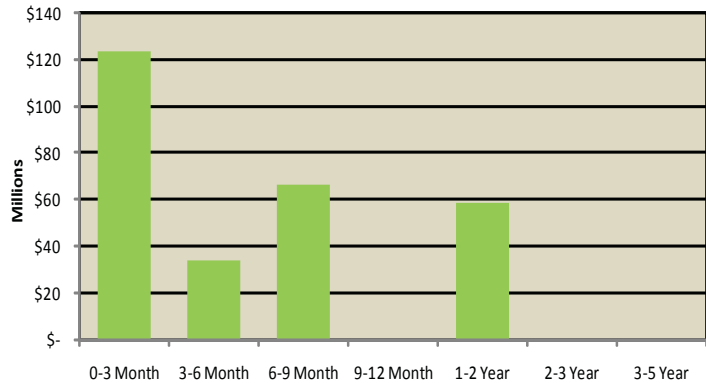
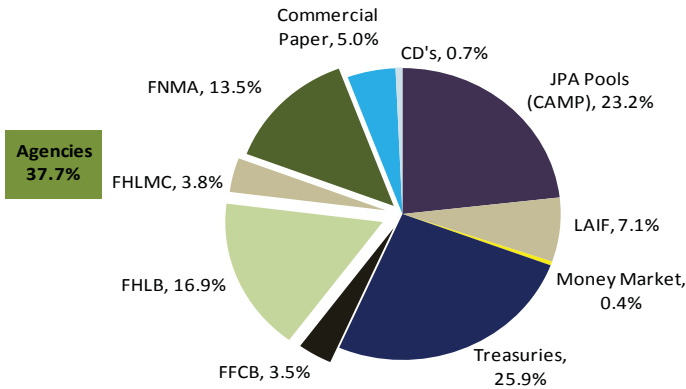
* "The weighted average days to maturity of the total portfolio shall not exceed 730 days (two years) to maturity" per SDCWA Investment Policy.

** Pooled Funds include Operating, Pay Go, RSF and Equipment.

Asset Allocation

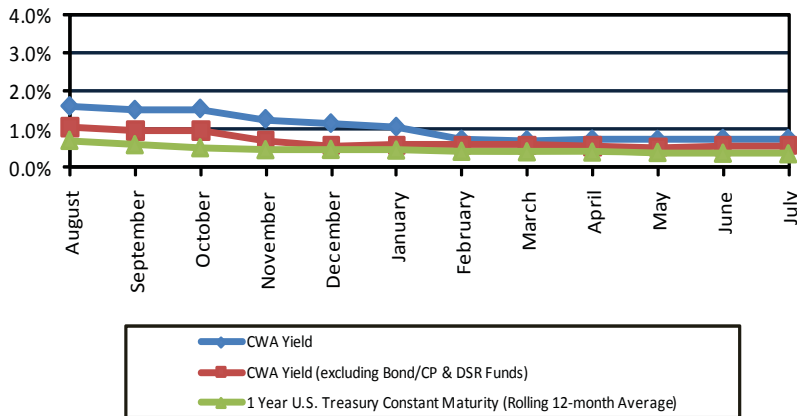
Maturity Distribution

Pooled Funds



Portfolio Yield - August 09 - July 10

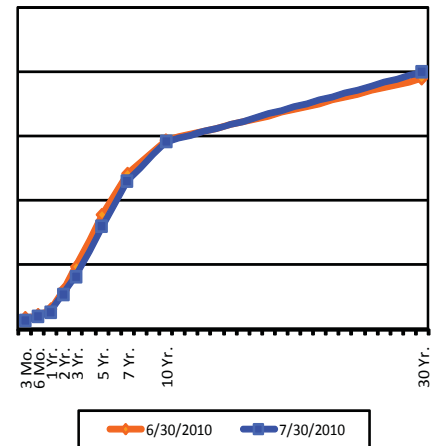
Credit Quality



Pooled Funds	
	% OF PORTFOLIO
US Treasury (AAA)	25.9%
Agency (AAA)	37.7%
Other (AAA)*	28.6%
AA**	0.0%
not rated ***	7.8%
	100.0%

* Includes money market funds & JPA Pools (CAMP)
 ** The Water Authority's Investment Policy does not permit investments with a rating below AA-
 *** Includes LAIF, which is part of the state investment pool, and is not rated; and CDARS, which is comprised of FDIC-insured CDs

U.S. Treasury Yield Curve



Projected Cash Flows (in Millions) *					
Month End	Investment Maturities	Projected Receipts	Projected Disbursements	Reinvestment/ (Use) of Liquid Funds	Projected Cash & Investments
Pooled Funds					
Jul 2010					\$282.70
Aug 10	-	29.49	22.44	7.05	289.75
Sept 10	22.00	31.78	22.68	31.10	298.85
Oct 10	14.00	31.83	75.67	(29.84)	255.01
Nov 10	20.00	30.44	20.98	29.46	264.47
Dec 10	14.00	34.69	21.70	26.99	277.45
Jan 11	-	28.92	17.96	10.96	288.42
Bond/CP Fund					
Jul 2010					\$584.81
Aug 10	5.00	0.28	8.23	(2.95)	576.85
Sept 10	17.20	0.27	7.09	10.38	570.04
Oct 10	8.20	0.21	130.56	(122.15)	439.68
Nov 10	-	0.20	19.59	(19.39)	420.29
Dec 10	-	0.19	25.50	(25.31)	394.98
Jan 11	-	0.18	18.27	(18.09)	376.90

Market Notes

On June 23rd, the FOMC maintained the target for the federal funds rate at a range of 0-25 basis points. The next meeting is August 10th.

**SDCWA - Fiscal Year 2010
Portfolio Management
Portfolio Details - Investments
July 31, 2010**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Managed Pool Accounts												
CASH35	73	CAMP - OPERATING/POOLED			65,404,329.44	65,404,329.44	65,404,329.44	0.310	AAA	0.310	1	
CASH37	6004	CAMP - 2008A COPS			27,859,654.42	27,859,654.42	27,859,654.42	0.310	AAA	0.310	1	
CASH44	3004	CAMP - 2010A BONDS		02/01/2010	57,172.67	57,172.67	57,172.67	0.310	AAA	0.310	1	
CASH45	4004	CAMP - 2010B BONDS-BABS		02/01/2010	8,519,790.44	8,519,790.44	8,519,790.44	0.310	AAA	0.310	1	
CASH07	205	FSA CAPITAL MGMT. SVC. - 2002A			18,385,750.00	18,385,750.00	18,385,750.00	5.810	AAA	5.810	1	
CASH42	3001	GOLDMAN - 2010A BONDS		02/01/2010	0.00	0.00	0.00	0.100	AAA	0.100	1	
CASH43	4001	GOLDMAN - 2010B BONDS-BABS		02/01/2010	0.00	0.00	0.00	0.100	AAA	0.100	1	
CASH09	8001	GOLDMAN - RATE STABILIZATION			0.00	0.00	0.00	0.100	AAA	0.100	1	
CASH31	6001	GOLDMAN - 2008A COPS			0.00	0.00	0.00	0.100	AAA	0.100	1	
CASH18	7001	GOLDMAN - EQUIPMENT			0.00	0.00	0.00	0.100	AAA	0.100	1	
CASH11	0002	GOLDMAN - OPERATING/POOLED			1,177,478.01	1,177,478.01	1,177,478.01	0.100	AAA	0.100	1	
CASH12	5001	GOLDMAN - PAY AS YOU GO			0.00	0.00	0.00	0.100	AAA	0.100	1	
CASH13	72	LAIF - OPERATING		07/01/2009	19,950,412.98	19,950,412.98	19,950,412.98	0.510		0.510	1	
CASH40	3002	LAIF - 2010A BONDS		02/01/2010	50,112,133.05	50,112,133.05	50,112,133.05	0.510		0.510	1	
CASH41	4002	LAIF - 2010B BONDS-BABS		02/01/2010	167,892,465.65	167,892,465.65	167,892,465.65	0.510		0.510	1	
CASH17	204	TRINITY PLUS - 1998A			12,240,775.00	12,240,775.00	12,240,775.00	5.550	AAA	5.550	1	
CASH27	1002	US BANK MONEY MARKET FUND			20,344.98	20,344.98	20,344.98	0.001	AAA	0.001	1	
CASH33	208	US BANK MONEY MARKET FUND			450,382.30	450,382.30	450,382.30	0.001	AAA	0.001	1	
Subtotal and Average			384,266,387.98		372,070,688.94	372,070,688.94	372,070,688.94			0.881	1	
Commercial Paper - Discount												
36959JMW0	10013	GENERAL ELECTRIC CAPITAL CORP.		06/14/2010	14,000,000.00	13,955,114.45	13,955,114.44	0.580	AA+	0.599	151	12/30/2010
36959JH22	6172	GENERAL ELECTRIC CAPITAL CORP.		02/26/2010	5,000,000.00	4,994,112.50	4,994,112.50	0.270	AA+	0.274	1	08/02/2010
36959JJ12	6173	GENERAL ELECTRIC CAPITAL CORP.		02/26/2010	7,200,000.00	7,188,780.00	7,188,780.00	0.300	AA+	0.306	31	09/01/2010
36959JK51	6175	GENERAL ELECTRIC CAPITAL CORP.		04/08/2010	7,000,000.00	6,987,400.00	6,987,400.00	0.360	AA+	0.366	65	10/05/2010
Subtotal and Average			39,681,921.58		33,200,000.00	33,125,406.95	33,125,406.94			0.437	84	
Federal Agency - Coupon												
31331YC24	10014	FEDERAL FARM CREDIT BANK		07/28/2010	9,500,000.00	10,005,022.64	10,005,022.64	3.250	AAA	0.678	617	04/09/2012
31331JBL6	4014	FEDERAL FARM CREDIT BANK		02/04/2010	9,100,000.00	9,177,259.00	9,116,198.00	1.100	AAA	1.007	529	01/12/2012
31331GNQ8	4018	FEDERAL FARM CREDIT BANK		02/04/2010	5,000,000.00	5,139,100.00	5,121,950.00	2.250	AAA	1.135	632	04/24/2012
31331Y3P3	4019	FEDERAL FARM CREDIT BANK		02/04/2010	10,000,000.00	10,366,100.00	10,443,800.00	3.500	AAA	0.809	428	10/03/2011
31331GDC0	4036	FEDERAL FARM CREDIT BANK		03/10/2010	3,000,000.00	3,107,880.00	3,135,240.00	3.600	AAA	0.750	439	10/14/2011
31331YZ86	4038	FEDERAL FARM CREDIT BANK		03/12/2010	2,300,000.00	2,387,583.68	2,410,284.68	3.875	AAA	0.679	389	08/25/2011
31331Y3P3	4039	FEDERAL FARM CREDIT BANK		03/12/2010	1,400,000.00	1,451,254.00	1,458,884.00	3.500	AAA	0.779	428	10/03/2011
3133XVDM0	10006	FEDERAL HOME LOAN BANK		01/28/2010	20,000,000.00	20,046,400.00	20,056,000.00	0.700	AAA	0.470	260	04/18/2011
3133XVDM0	10007	FEDERAL HOME LOAN BANK		02/17/2010	20,000,000.00	20,046,400.00	20,050,000.00	0.700	AAA	0.485	260	04/18/2011
3133XHPH9	4011	FEDERAL HOME LOAN BANK		02/04/2010	10,000,000.00	10,578,300.00	10,709,100.00	4.875	AAA	0.871	474	11/18/2011

Portfolio CWA2

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**SDCWA - Fiscal Year 2010
Portfolio Management
Portfolio Details - Investments
July 31, 2010**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Federal Agency - Coupon												
3133XHPH9	4012	FEDERAL HOME LOAN BANK		02/04/2010	5,200,000.00	5,500,716.00	5,569,460.00	4.875	AAA	0.863	474	11/18/2011
3133XVQL8	4013	FEDERAL HOME LOAN BANK		02/04/2010	18,300,000.00	18,444,387.00	18,351,606.00	1.125	AAA	0.970	495	12/09/2011
3133XWW47	4016	FEDERAL HOME LOAN BANK		02/04/2010	4,100,000.00	4,134,358.00	4,099,426.00	1.125	AAA	1.132	586	03/09/2012
3133XTAW6	4017	FEDERAL HOME LOAN BANK		02/04/2010	4,700,000.00	4,834,608.00	4,819,060.40	2.250	AAA	1.077	621	04/13/2012
3133XUKB8	4021	FEDERAL HOME LOAN BANK		02/04/2010	9,450,000.00	9,531,837.00	9,539,964.00	1.375	AAA	0.744	375	08/11/2011
3133XR4U1	4022	FEDERAL HOME LOAN BANK		02/04/2010	21,100,000.00	21,598,171.00	21,818,455.00	3.125	AAA	0.589	313	06/10/2011
3133XVDU2	4024	FEDERAL HOME LOAN BANK		02/04/2010	14,800,000.00	14,850,616.00	14,847,508.00	0.800	AAA	0.543	278	05/06/2011
3133XVDM0	4029	FEDERAL HOME LOAN BANK		02/17/2010	14,600,000.00	14,633,872.00	14,636,500.00	0.700	AAA	0.485	260	04/18/2011
3133XWEZ8	4030	FEDERAL HOME LOAN BANK		02/17/2010	12,600,000.00	12,642,840.00	12,623,171.40	0.750	AAA	0.617	341	07/08/2011
3133XJVL9	5556	FEDERAL HOME LOAN BANK		09/20/2007	5,000,000.00	5,140,000.00	5,076,300.00	5.000	AAA	4.520	222	03/11/2011
3133XJUT3	8160	FEDERAL HOME LOAN BANK		09/20/2007	2,500,000.00	2,677,300.00	2,539,125.00	5.000	AAA	4.608	586	03/09/2012
3128X9D80	10015	FEDERAL HOME LOAN MORTGAGE COR		07/28/2010	10,595,000.00	10,711,823.12	10,702,658.45	1.125	AAA	0.705	633	04/25/2012
3134A4HF4	4020	FEDERAL HOME LOAN MORTGAGE COR		02/04/2010	16,200,000.00	17,102,988.00	17,442,054.00	5.500	AAA	0.713	410	09/15/2011
3137EABK4	4028	FEDERAL HOME LOAN MORTGAGE COR		02/17/2010	25,000,000.00	25,416,750.00	25,657,500.00	2.750	AAA	0.454	253	04/11/2011
3128X6U95	4032	FEDERAL HOME LOAN MORTGAGE COR		02/23/2010	3,500,000.00	3,556,338.33	3,602,853.33	3.320	AAA	0.386	194	02/11/2011
31359MM26	10005	FEDERAL NATION MORTGAGE ASSOC.		01/28/2010	20,000,000.00	20,665,200.00	21,120,600.00	5.125	AAA	0.489	257	04/15/2011
31359MZ30	10008	FEDERAL NATION MORTGAGE ASSOC.		02/25/2010	10,000,000.00	10,546,900.00	10,700,400.00	5.000	AAA	0.694	440	10/15/2011
31359MZ30	10012	FEDERAL NATION MORTGAGE ASSOC.		04/29/2010	6,000,000.00	6,339,806.67	6,377,366.67	5.000	AAA	0.796	440	10/15/2011
31398AWQ1	3011	FEDERAL NATION MORTGAGE ASSOC.		02/18/2010	1,200,000.00	1,208,964.00	1,212,984.00	1.375	AAA	0.465	270	04/28/2011
31359MZ30	3012	FEDERAL NATION MORTGAGE ASSOC.		02/18/2010	1,200,000.00	1,265,628.00	1,284,084.00	5.000	AAA	0.740	440	10/15/2011
31398AWK4	3013	FEDERAL NATION MORTGAGE ASSOC.		02/18/2010	762,000.00	779,007.84	775,380.72	1.875	AAA	1.055	628	04/20/2012
31359MZ30	4010	FEDERAL NATION MORTGAGE ASSOC.		02/04/2010	15,000,000.00	15,820,350.00	16,055,250.00	5.000	AAA	0.817	440	10/15/2011
31359M5H2	4015	FEDERAL NATION MORTGAGE ASSOC.		02/04/2010	8,100,000.00	8,653,311.00	8,749,458.00	5.000	AAA	1.006	564	02/16/2012
31398ARH7	4023	FEDERAL NATION MORTGAGE ASSOC.		02/04/2010	14,000,000.00	14,319,200.00	14,513,240.00	3.375	AAA	0.523	291	05/19/2011
31398AVQ2	4033	FEDERAL NATION MORTGAGE ASSOC.		02/23/2010	10,000,000.00	10,094,000.00	10,141,400.00	1.750	AAA	0.440	234	03/23/2011
31398ATL6	4035	FEDERAL NATION MORTGAGE ASSOC.		03/10/2010	3,000,000.00	3,107,632.08	3,135,952.08	3.625	AAA	0.615	379	08/15/2011
31398ATL6	4037	FEDERAL NATION MORTGAGE ASSOC.		03/11/2010	1,500,000.00	1,553,967.08	1,567,527.08	3.625	AAA	0.637	379	08/15/2011
Subtotal and Average			341,434,523.53		348,707,000.00	357,435,870.44	359,465,763.45		0.748	376		
Federal Agency - Discount												
31358M34	3010	FEDERAL NATION MORTGAGE ASSOC.		02/18/2010	1,200,000.00	1,199,445.60	1,197,732.00	0.270	AAA	0.277	88	10/28/2010
31358BH7	4031	FEDERAL NATION MORTGAGE ASSOC.		02/23/2010	11,300,000.00	11,283,886.20	11,260,164.36	0.370	AAA	0.381	184	02/01/2011
31358CM5	4034	FEDERAL NATION MORTGAGE ASSOC.		03/10/2010	5,000,000.00	4,991,560.00	4,978,738.89	0.430	AAA	0.444	212	03/01/2011
31358CM5	4040	FEDERAL NATION MORTGAGE ASSOC.		03/18/2010	16,000,000.00	15,972,992.00	15,930,400.00	0.450	AAA	0.464	212	03/01/2011
31358E33	6174	FEDERAL NATION MORTGAGE ASSOC.		04/08/2010	10,000,000.00	9,997,940.00	9,990,608.33	0.230	AAA	0.233	32	09/02/2010
Subtotal and Average			43,357,643.58		43,500,000.00	43,445,823.80	43,357,643.58		0.382	160		

**SDCWA - Fiscal Year 2010
Portfolio Management
Portfolio Details - Investments
July 31, 2010**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Treasury Securities - Coupon												
912828EJ5	10002	UNITED STATES TREASURY		10/27/2009	12,000,000.00	12,097,500.00	12,441,876.84	4.250	AAA	0.430	75	10/15/2010
912828JL5	10003	UNITED STATES TREASURY		11/24/2009	22,000,000.00	22,061,886.00	22,330,000.00	2.000	AAA	0.230	60	09/30/2010
912828JS0	10004	UNITED STATES TREASURY		11/24/2009	20,000,000.00	20,068,760.00	20,192,200.00	1.250	AAA	0.302	121	11/30/2010
912828LT5	10009	UNITED STATES TREASURY		03/24/2010	18,000,000.00	18,135,000.00	18,061,171.88	1.000	AAA	0.786	456	10/31/2011
912828JJ0	210	UNITED STATES TREASURY		09/01/2009	37,863,000.00	37,922,179.87	38,596,595.63	2.375	AAA	0.426	30	08/31/2010
Subtotal and Average			111,621,844.35		109,863,000.00	110,285,325.87	111,621,844.35			0.423	126	
Certificates of Deposit - CDARS												
CDARS03	4026	BORREGO SPRINGS BANK		02/11/2010	245,000.00	245,000.00	245,000.00	1.300		1.300	193	02/10/2011
CDARS04	4027	BORREGO SPRINGS BANK		02/11/2010	9,755,000.00	9,755,000.00	9,755,000.00	1.300		1.300	193	02/10/2011
CDARS01	10001	FIRST BUSINESS BANK		10/08/2009	2,000,000.00	2,000,000.00	2,000,000.00	1.300		1.300	67	10/07/2010
CDARS02	4025	NEIGHBORHOOD NATIONAL BANK		02/11/2010	5,000,000.00	5,000,000.00	5,000,000.00	1.400		1.400	193	02/10/2011
Subtotal and Average			17,000,000.00		17,000,000.00	17,000,000.00	17,000,000.00			1.329	178	
Total and Average			938,261,950.07		924,340,688.94	933,363,116.00	936,641,347.26			0.745	174	

**SDCWA - Fiscal Year 2010
Portfolio Management
Portfolio Details - Cash
July 31, 2010**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity
Passbook/Checking Accounts											
CASH00	50	WELLS FARGO - RETIREE & COBRA		07/01/2009	41,405.30	41,405.30	41,405.30			0.000	1
CASH01	48	PETTY CASH		07/01/2009	2,500.00	2,500.00	2,500.00			0.000	1
CASH02	1000	WELLS FARGO - OPERATING/POOLED			560,153.15	560,153.15	560,153.15	0.001		0.001	1
CASH03	1001	WELLS FARGO - PAYROLL ZBA		07/01/2009	-59,471.79	-59,471.79	-59,471.79			0.000	1
CASH04	5000	WELLS FARGO - PAY AS YOU GO		07/01/2009	0.00	0.00	0.00			0.000	1
CASH05	8000	WELLS FARGO - RSF		07/01/2009	0.00	0.00	0.00			0.000	1
CASH38	3000	WELLS FARGO - 2010A BONDS		02/01/2010	3.15	3.15	3.15			0.000	1
CASH39	4000	WELLS FARGO - 2010B BONDS-BABS		02/01/2010	3.58	3.58	3.58			0.000	1
CASH30	6000	WELLS FARGO - 2008A COPS			3.68	3.68	3.68	0.001		0.001	1
CASH19	7000	WELLS FARGO - EQUIPMENT		07/01/2009	0.00	0.00	0.00			0.000	1
Average Balance			0.00								1
Total Cash and Investments			938,261,950.07		924,885,286.01	933,907,713.07	937,185,944.33			0.745	174

**SDCWA - Fiscal Year 2010
Portfolio Management
Activity Summary
July 2009 through July 2010**

Month End	Year	Number of Securities	Total Invested	Yield to Maturity		Managed Pool Rate	Number of Investments Purchased	Number of Investments Redeemed	Average Term	Average Days to Maturity
				360 Equivalent	365 Equivalent					
July	2009	70	511,452,913.69	1.837	1.862	1.254	10	3	284	83
August	2009	67	505,522,939.30	1.583	1.605	0.990	1	4	243	74
September	2009	64	500,637,555.33	1.488	1.508	1.080	1	4	253	85
October	2009	60	455,388,877.68	1.517	1.538	1.143	2	6	264	87
November	2009	53	464,047,156.23	1.249	1.266	1.083	2	9	244	99
December	2009	45	424,393,508.31	1.136	1.152	1.021	0	8	222	91
January	2010	42	427,448,456.33	1.047	1.061	1.077	2	5	239	118
February	2010	80	1,003,638,179.14	0.715	0.725	0.706	41	3	248	200
March	2010	86	1,001,988,223.87	0.701	0.711	0.759	10	4	266	209
April	2010	84	941,264,048.98	0.718	0.728	0.843	3	5	273	210
May	2010	83	942,479,823.83	0.712	0.722	0.840	0	1	272	192
June	2010	83	918,247,898.07	0.736	0.747	0.902	1	1	281	182
July	2010	83	936,641,347.26	0.735	0.745	0.881	2	3	288	174
Average		69	694,857,763.69	1.090%	1.105%	0.968	6	4	260	139

August 18, 2010

Attention: Administrative and Finance Committee

Resolution establishing amount due from the city of San Diego for the In-Lieu Charge as a condition of providing water service for Fiscal Year 2011.

Staff recommendation

Adopt Resolution 2010-__ establishing an amount due of \$1,583,297.54 from the city of San Diego for the In-Lieu charge for Fiscal Year 2011.

Fiscal Impact

The amount due from the city of San Diego for the Fiscal Year 2011 In-Lieu Charge is \$1,583,297.54 and is payable in four installments as follows: \$395,824.40 on September 10, 2010; \$395,824.38 on November 5, 2010; \$395,824.38 on February 3, 2011; and \$395,824.38 on May 6, 2011.

Background

Each year, the Water Authority receives an allocation of property taxes from the County of San Diego that is collected on behalf of the taxing agencies. After the passage of Proposition 13 in 1978 limiting property taxes to 1 percent of assessed valuations, the Legislature established a formula to distribute property tax revenue on a pro rata basis to each agency, including the Water Authority, based on tax collections in the three fiscal years prior to its passage. Pursuant to provisions of the County Water Authority Act, the city was then making payments in lieu of property taxes to the Water Authority. As a result of those payments' exclusion from the Legislature's formula, property taxes payable to the Water Authority from the city were understated.

Over the following years, the Water Authority and city occasionally disputed the appropriate amount of property taxes payable. In April 1987, the two agencies negotiated a settlement and the Water Authority Board adopted Resolution No. 87-21. This resolution authorized an annual In-Lieu Charge as a condition of service to member agencies that made payments in lieu of taxes prior to the passage of Prop.13 and established the calculation for the annual In-Lieu Charge.

Discussion

Water Authority staff calculated the In-Lieu Charge due from the city for Fiscal Year 2011, resulting in a charge of \$1,583,297.54 payable in four installments. The calculation and installment payment schedule are shown in Attachment A.

The In-Lieu Charge is calculated by multiplying an imputed rate per \$100 of assessed valuation times the city's total net assessed valuation for the upcoming year. The imputed rate is calculated by dividing Water Authority's tax collections from last year, less the amount paid by

the city, by the total net assessed valuation applicable last year, less the city's and half of Camp Pendleton's combined applicable assessed valuations.

The decrease to the In-Lieu Charge from the prior fiscal year for the city is \$45,986.80 or 2.8 percent. The decrease is due to decreases in the city's net valuations consistent with the overall decline of the county's total assessed value.

The State's actions to balance its budget deficit included the suspension of Proposition 1A which resulted in an 8% across-the-board reduction in property taxes to local municipalities and special districts. Prior actions to shift property taxes to the State (i.e., ERAF) resulted in an adjustment to the In-Lieu Charge calculations in subsequent years. In contrast to those previous actions, the State is now required to repay this loan, including interest, within a three-year period which ends June 30, 2013. As a result, the current calculation of the In-Lieu Charge does not require an adjustment.

Representatives from the city's Water Department have reviewed and are in agreement with the calculation presented in Attachment A.

Prepared by: Ann Yasukochi, Management Analyst

Reviewed by: Eric Sandler, Director of Finance

Approved by: Sandra L. Kerl, Deputy General Manager

Attachments: Attachment A – Calculation of In-Lieu Charge due from the city of San Diego for Fiscal Year 2011
Resolution 2010-__ Resolution establishing the amount due from the city of San Diego for the In-Lieu Charge for Fiscal Year 2011

Attachment A - Calculation of In-Lieu Charge due from the City of San Diego for Fiscal Year 2011

Numerator:

County Tax Apportionment No. 14 received from County of San Diego, 2010		\$	8,520,275.90
Less amount received from the City of San Diego			<u>(2,439,943.91)</u>
Numerator amount		\$	6,080,331.99

Denominator:

Assessed Valuations for Fiscal Year 2010 Less Redevelopment			
All CWA Member Agencies	<u>Total</u>	<u>Less Redevelopment</u>	<u>Net</u>
Secured Valuations (1% Roll)	\$372,556,157,313	\$ (37,372,853,776)	\$335,183,303,537
Unsecured Valuations (1% Roll)	<u>14,680,688,561</u>	<u>(2,139,712,539)</u>	<u>12,540,976,022</u>
TOTAL Net Valuations	\$387,236,845,874	\$ (39,512,566,315)	\$ 347,724,279,559
Deduct City of San Diego			
Secured Valuations (1% Roll)	\$ 176,929,692,755	(17,447,636,448)	\$ 159,482,056,307
Unsecured Valuations (1% Roll)	8,732,152,274	(531,179,707)	8,200,972,567
Deduct 50% of Pendleton	629,758,138	50.00%	314,879,069
TOTAL Deductions			<u>\$ 167,997,907,943</u>
Denominator amount			\$ 179,726,371,616

Imputed Rate

Numerator amount	\$	6,080,331.99
Denominator amount	\$	179,726,371,616
Rate/\$100 Assessed Valuation	\$	0.00338311

In-Lieu Charge due from the City of San Diego, Fiscal Year 2011

City of San Diego 2011	<u>Total</u>	<u>Less Redevelopment</u>	<u>Net</u>
Secured Valuations (1% Roll)	\$ 174,484,948,313	\$ (16,729,092,397)	\$ 157,755,855,916
Unsecured Valuations (1% Roll)	<u>8,489,022,514</u>	<u>(523,427,172)</u>	<u>7,965,595,342</u>
TOTAL Net Valuations	\$ 182,973,970,827	\$ (17,252,519,569)	\$ 165,721,451,258

Gross In-Lieu Charge (Imputed Rate x Total Net Valuations)	\$	5,606,538.989
Less Collected from City In-Lieu Charge Due		<u>(2,439,943.910)</u>
TOTAL	\$	3,166,595.079

TOTAL Amount Due (1/2 per Sec. 4, Resolution 87-21) \$ 1,583,297.540

Amount due on:

Friday, September 10, 2010	\$	395,824.40
Friday, November 5, 2010		395,824.38
Thursday, February 3, 2011		395,824.38
Friday, May 6, 2011		<u>395,824.38</u>
Total Amount Due	\$	1,583,297.54

RESOLUTION NO. 2010-__

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN DIEGO COUNTY WATER AUTHORITY ESTABLISHING THE AMOUNT DUE FROM THE CITY OF SAN DIEGO FOR FISCAL YEAR 2011 FOR THE IN-LIEU CHARGE AS A CONDITION OF PROVIDING WATER SERVICE.

WHEREAS, by Resolution 87-21 the San Diego County Water Authority (the "Water Authority") established an In-Lieu Charge, as a condition of providing water service against each member agency, which made In-Lieu payments pursuant to Section 9(d) of the County Water Authority Act for the three fiscal years preceding 1978-79;

WHEREAS, the City of San Diego (the "City") is the only member agency to which said charge is applicable;

WHEREAS, the Water Authority has calculated, pursuant to Resolution 87-21, the In-Lieu Charge applicable to the City for Fiscal Year 2011 pursuant to Section 2 thereof, the reduction of the In-Lieu Charge pursuant to Section 3 thereof, and the payment due to the Water Authority pursuant to Section 4 thereof, and presented the same to the Board of Directors;

NOW THEREFORE, it is resolved by the Board of Directors of the Water Authority as follows:

- Section 1: In-Lieu Charge - City of San Diego (Resolution 87-21, Section 2)
An In-Lieu Charge in the amount of \$5,606,538.99 is hereby established against the City for Fiscal Year 2011 as a condition of providing water service to the City.
- Section 2: Reduction of In-Lieu Charge (Resolution 87-21, Section 3)
A deduction from said charge shall be made in the amount of \$2,439,943.91 being the amount received by the Water Authority during Fiscal Year 2010 from the County of San Diego Auditor and Controller based upon an allocation from the 1% ad valorem tax levied on taxpayers within the boundaries of the City of San Diego.
- Section 3: Amount Due (Resolution 87-21, Section 4)
The City shall pay the Water Authority the sum of \$1,583,297.54 which is one-half of the calculated In-Lieu Charge pursuant to Section 1 hereof reduced by the amount received as set forth in Section 2 hereof.

Section 4: Installment Payments

The amount due of \$1,583,297.54 shall be paid in four installments as follows:

September 10, 2010	\$ 395,824.40
November 5, 2010	395,824.38
February 3, 2011	395,824.38
May 6, 2011	<u>395,824.38</u>
Total Amount Due	<u>\$1,583,297.54.</u>

Section 5: Transmittal

The Clerk of the Board shall forthwith deliver or cause to be promptly delivered a certified copy of this Resolution to the City of San Diego Water Department.

PASSED, APPROVED AND ADOPTED, this 26th day of August 2010.

AYES: Unless noted below all Directors voted aye.

NOES:

ABSTAIN:

ABSENT:

Claude A Lewis, Chair

ATTEST:

Thomas V. Wornham, Secretary

I, Doria F. Lore, Clerk of the Board of Directors of the San Diego County Water Authority, do hereby certify that the vote shown above is correct and this Resolution No. 2010-__ was duly adopted at the meeting of the Board of Directors on the date stated above.

Doria F. Lore,
Clerk of the Board



August 18, 2010

Attention: Administrative & Finance Committee

Adopt Resolution approving amendments to the San Diego County Water Authority Local Conflict of Interest Code; Public Hearing. (Action)

Purpose

This action is to hold a public hearing to consider amendments to the San Diego County Water Authority Local Conflict of Interest Code.

Staff recommendation

Adopt Resolution No. 2010-___ approving amendments to the San Diego County Water Authority Local Conflict of Interest Code.

Fiscal impact

None.

Background

The state Political Reform Act requires each local agency to adopt a local conflict of interest code and to update its code every two years. The Water Authority last updated its Local Conflict of Interest Code in 2008. The Local Conflict of Interest Code is included as Chapter 1.04 of the Administrative Code. Section 1.04.120 adopts an appendix that designates those employment and consultant positions that are subject to the Local Conflict of Interest Code and the disclosure categories applicable to those positions. Amendments to the Appendix are required because of the addition, deletion or modification of designated positions. The procedure for making substantive amendments to conflict of interest codes includes a public hearing.

A copy of the proposed revised Appendix listing of designated employees and the corresponding disclosure categories is attached to this report. The revised Appendix listing designated employees and disclosure categories for those positions has been reviewed by the executive staff.

Prepared by: Audrey R. Kroeger, Legal Administrative Assistant
Daniel S. Hentschke, General Counsel

Attachment: Resolution No. 2010-___
Conflict of Interest Code Appendix (2010)

RESOLUTION NO. 2010-___

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN DIEGO COUNTY WATER AUTHORITY APPROVING AMENDMENTS TO THE SAN DIEGO COUNTY WATER AUTHORITY LOCAL CONFLICT OF INTEREST CODE

Whereas, on July 22, 2010 the Board of Directors set August 26, 2010 as the date for the Administrative and Finance Committee to hold a public hearing to consider amendments to the San Diego County Water Authority Local Conflict of Interest Code; and

Whereas, on August 26, 2010 the Administrative and Finance Committee held a public hearing to consider amendments to the San Diego County Water Authority Local Conflict of Interest Code; and

Whereas, following the public hearing the Administrative and Finance Committee recommended adoption of amendments to the San Diego County Water Authority Local Conflict of Interest Code;

Now, therefore, the Board of Directors of the San Diego County Water Authority resolves:

1. The San Diego County Water Authority Local Conflict of Interest Code Appendix (2010 Update), attached hereto, is approved.

2. The General Counsel is directed to provide a certified copy of this resolution to the Clerk of the Board of Supervisors.

PASSED, APPROVED AND ADOPTED, on this 26th day of August, 2010 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Claude A. Lewis, Chair

ATTEST:

Thomas V. Wornham, Secretary

Resolution No. 2010-____
Page 2 of 2

I, Doria F. Lore, Clerk of the Board of Directors of the San Diego County Water Authority, certify that the vote shown above is correct and this Resolution No. 2010-____ was duly adopted at the meeting of the Board of Directors on the date stated above.

Doria F. Lore
Clerk of the Board

APPENDIX

SAN DIEGO COUNTY WATER AUTHORITY LOCAL CONFLICT OF INTEREST CODE

List of Designated Positions and Disclosure Requirements
(20~~10~~¹⁰08 Update)

SECTION 1: AUTHORITY AND SCOPE

This Appendix is adopted pursuant to and as a part of the San Diego County Water Authority Local Conflict of Interest Code, which adopts by reference the latest provisions of Section 18730 of Title 2 of the California Code of Regulations.

The San Diego County Water Authority Local Conflict of Interest Code contains both requirements for the disclosure of financial interests and disqualification requirements. Violations of the local conflict of interest code are subject to the administrative, criminal and civil sanctions of the Political Reform Act.

This Appendix contains a list of designated positions and disclosure requirements for employees holding designated positions. This Appendix is the "Appendix" referred to in subsection (b)(3) [Disclosure Categories] of 2 Cal. Code of Regs. Section 18730. The General Manager, in consultation with the General Counsel, may add designated positions and establish disclosure requirements for such positions whenever a new job classification is created. Such designation shall be effective pending amendment of the Code or this Appendix by the Board of Directors.

The Members of the Board of Directors, the General Manager, the Director of Finance and the Treasurer are designated as "other public officials who manage public investments" under Government Code Section 87200 and 2 Cal. Code of Regulation Section 18720. Persons in these positions are required to disclose financial interests pursuant to Government Code sections 87200 - 87210 and are, therefore, not included in the list set forth below. However, such persons are subject to the disqualification requirements of the San Diego County Water Authority Local Conflict of Interest Code.

SECTION 2: EFFECTIVE DATE

This 20~~10~~¹⁰08 update of the Appendix shall be effective the day following its approval by the code reviewing body. The San Diego County Board of Supervisors is designated by statute as the code reviewing body for the San Diego County Water Authority. Following approval by the code reviewing body, this Appendix remains in effect until repealed or superseded.

SECTION 3: LIST OF DESIGNATED POSITIONS AND DISCLOSURE CATEGORIES

The positions within the Water Authority listed in this section are "designated positions." Any person whose employment position (whether full time, part time or temporary) with the Water Authority is a designated position, is a "designated employee" for the purposes of the local conflict of interest code. Designated employees shall disclose in the manner provided in the local conflict of interest code, those reportable financial interests which are within each of the categories

represented by the numerals following each listed position. Each disclosure category is identified by a number and is described below. Disclosure requirements for interests in each disclosure category are set forth in subsection (b)(7) [Manner of Reporting] of 2 Cal. Code of Regs. Section 18730.

Category Number	Reportable Financial Interests
1	All investments
2	All sources of income
3	All interests in real property
4	All business positions
5	Investments and business positions in business entities, and sources of income, engaged directly or indirectly, in land development, construction, civil engineering, environmental consulting, land planning, real estate (including without limitation brokerage, sales, marketing, leasing, appraisal, and lending), commercial lending, banking or farming.
6	Investments and business positions in business entities, and sources of income, engaged, directly or indirectly, in development, distribution, transfer, conservation, storage, treatment, reclamation or marketing of water.
7	Investments and business positions in business entities, and sources of income, engaged in architecture, engineering, accounting, auditing, law, public relations, provision of temporary employees, office products, telecommunications, computer hardware and software, personnel services, management services, or in the manufacture, production, vending or servicing of goods, materials, machinery or equipment of the type routinely used or purchased by public water agencies; including those entities and sources within the scope of category 8.
8	Investments and business positions in business entities, and sources of income who have contracted with the Authority within the past two years or who in the future may foreseeably contract with the Authority to provide services, supplies, materials, machinery or equipment. Reporting under this category shall apply to those contracts for services, supplies, materials, machinery or equipment acquisition, the solicitation, negotiation, or administration of which are within the scope of regular and customary job duties of the employee.

Designated Positions

Disclosure Categories

General Manager's Office

Assistant General Manager	1, 2, 3, 4
Deputy General Manager	1, 2, 3, 4
Executive Administrative Assistant	8
Management Analyst	5, 6, 7, 8
Water Policy Manager	5, 6, 7
Government Relations Manager	5, 6, 7

General Counsel's Office

General Counsel	1, 2, 3, 4
Assistant General Counsel	1, 2, 3, 4
Deputy General Counsel	1, 2, 3, 4
Legal Administrative Assistant	8

Administrative Services Department

Director of Administrative Services	1, 2, 3, 4
Clerk of the Board	7
Deputy Clerk of the Board	7
Management Analyst	5, 6, 7, 8
Assistant Management Analyst	5, 6, 7, 8
Data Base Administrator	7
Facilities Services Technician	7
Information Systems Supervisor	7
Information Systems Manager	7
Purchasing Manager	1, 2, 3, 4
Purchasing Technician I and II	8
Risk Manager	5, 6, 7
Safety Officer	8
Senior Management Analyst	1, 2, 3, 4
Supervising Management Analyst <u>Administrative Services Manager</u>	1, 2, 3, 4
Warehouse Supervisor	7

Colorado River Program

Colorado River Program Manager	1, 2, 3, 4
Management Analyst	5, 6, 7, 8
Senior Engineer	5, 6, 7
Principal Engineer	1, 2, 3, 4
Principal Water Resources Specialist	6, 7
Senior Public Affairs Representative	7
Senior Water Resource Specialist	6, 8
Engineer (P.E.)	5, 6, 7

Conservation Program

<u>Water Conservation Program Executive</u>	1, 2, 3, 4
<u>Principal Water Resource Specialist</u>	5, 6, 7
<u>Water Resources Specialist</u>	5, 6, 7
<u>Senior Water Resource Specialist</u>	5, 6, 7
<u>Project Scheduler</u>	8

Engineering Department

Director of Engineering	1, 2, 3, 4
Assistant Management Analyst	5, 6, 7, 8
Construction Manager	5, 7 1, 2, 3, 4
Cost Estimator	5, 6, 7
Engineer (P.E.)	5, 6, 7
Engineer I	5, 6, 7
Engineer II	5, 6, 7
Engineering Manager	1, 2, 3, 4
Engineering Technician I	5
Engineering Technician II	5
Management Analyst	5, 6, 7, 8
<u>Principal Construction Manager</u>	1, 2, 3, 4
Principal Engineer	1, 2, 3, 4
Program Control Manager	5, 6, 7
<u>Senior Construction Manager</u>	5, 7
Senior Project Scheduler	5, 6, 7
Senior Engineer	5, 6, 7
Senior Engineering Technician	5, 6, 7
Senior Management Analyst	1, 2, 3, 4
Supervising Administrative Assistant	7, 8
Supervising Engineering Technician	5, 6, 7
Supervising Management Analyst	1, 2, 3, 4

Finance Department

Controller	1, 2, 3, 4
Deputy Director of Finance	1, 2, 3, 4
Budget Officer	8
Accounting Supervisor	8 7
Accountant	8
Assistant Management Analyst	5, 6, 7, 8
Investment Analyst	8 7
Rate and Debt Administrator	1, 2, 5
Financial Analyst	8
<u>Financial Unit Manager</u>	1, 2, 3, 4
Financial Services Manager/Asst. Treasurer	1, 2, 3, 4
Senior Accountant	8

Human Resources Department

Director of Human Resources	1, 2, 3, 4
Human Resources Analyst	7
<u>Human Resources Assistant</u>	<u>7</u>
Senior Human Resources Analyst	7

MWD Program

MWD Program Chief	1, 2, 3, 4
<u>MWD Water Policy Manager</u>	<u>5, 6, 7</u>
Senior Water Resources Specialist	6, 8
<u>Assistant Water Resources Specialist</u>	<u>8</u>

Operations and Maintenance Department

Director of Operations and Maintenance	1, 2, 3, 4
Electrical/Electronics Supervisor	7
Fleet Maintenance Supervisor	7
Management Analyst	5, 6, 7, 8
Operations and Maintenance Manager	5, 7
Principal Water Resources Specialist	5, 6, 7
Senior Electrical/Electronics Technician	7
Senior Engineering Technician	7
Senior Maintenance Technician	7
Supervising Management Analyst	1, 2, 3, 4
Senior System Operator	8
Systems Operations Supervisor	7
System Maintenance Supervisor	7
Water Resources Specialist	5, 6, 7

Public Affairs Department

Director of Public Affairs	1, 2, 3, 4
Education Programs Supervisor	7
Education Programs Specialist	8
Public Affairs Manager	5, 6, 7
Public Affairs Supervisor	7
Public Affairs Representative II	8
Public Affairs Representative I	8
Senior Public Affairs Representative	7
Small Business Contracting Manager	5, 7

Right of Way Department

Director of Right of Way	1, 2, 3, 4
Engineering/Right of Way Technician I	5
Engineering/Right of Way Technician II	5
<u>Right of Way Technician I</u>	<u>5, 7</u>
<u>Right of Way Technician II</u>	<u>5, 7</u>
<u>Right of Way Technician III</u>	<u>5, 7</u>
<u>Right of Way Technician IV</u>	<u>5, 7</u>
Supervising Land Surveyor	5, 7
<u>Land Surveyor (P.L.S.)</u>	<u>5, 7</u>
<u>Management Analyst</u>	<u>5, 7</u>
Right of Way Supervisor	5, 7
Right of Way Agent	5, 7
Right of Way Inspector	5
Senior Right of Way Agent	5, 7
Senior Right of Way Inspector	5, 7
Senior Survey Technician	5, 8
Survey Technician	5, 8

Water Resources Department

Director of Water Resources	1, 2, 3, 4
Water Resources Manager	5, 6, 7 <u>1, 2, 3, 4</u>
Principal Water Resources Specialist	5, 6, 7
Water Resources Specialist	5, 6, 7
Senior Water Resources Specialist	5, 6, 7
Management Analyst	5, 6, 7, 8
Assistant Management Analyst	5, 6, 7, 8
Principal Engineer	5, 6, 7 <u>1, 2, 3, 4</u>
Engineer (P.E.)	5, 6, 7

Consultants

Fair Political Practices Commission regulation [2 Cal. Code of Regs. section 18701(a)] defines "consultant" as an individual whom, pursuant to a contract with a state or local governmental agency:

- (a) Makes a governmental decision whether to:
 - (1) Approve a rate, rule or regulation;
 - (2) Adopt or enforce a law;
 - (3) Issue, deny, suspend, or revoke a permit, license, application, certificate, approval, order, or similar authorization or entitlement;
 - (4) Authorize the agency to enter into, modify, or renew a contract provided it is the type of contract that requires agency approval;

- (5) Grant agency approval to a contract which requires agency approval and in which the agency is a party or to the specifications for such a contract;
- (6) Grant agency approval to a plan, design, report, study, or similar item;
- (7) Adopt, or grant agency approval of, policies, standards, or guidelines for the agency, or for any subdivision of the agency; or

(b) Serves in a staff capacity with the agency and in that capacity performs the same or substantially all the same duties for the agency that would otherwise be performed by an individual holding a position specified in the agency's local conflict of interest code.

Disclosure required:

Disclosure required by consultants shall be determined on a case-by-case basis by the General Manager, or in the case of legal service contracts, by the General Counsel. The General Manager, in consultation with the General Counsel, or General Counsel may determine whether a person is a consultant and what disclosure, if any, is required by the consultant. The determination shall be in writing and shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The written determination is a public record and shall be retained for public inspection in the office of the Clerk of the Board. The written determination may be made as a part of the contract pursuant to which the consultant provides services to the Authority. Subject to the foregoing, consultants that meet the definition of paragraph (b), above, generally will disclose financial interests in the same manner as is required for the designated position the duties of which are performed, in whole or in part, by the consultant.



August 18, 2010

Attention: Administrative and Finance Committee

2015 Business Plan Follow up. (Information)

Purpose

The purpose of this memo is to follow up with additional information requested during the July 2010 introduction of the updated 2015 Business Plan.

Background

At the July 2010 board meeting, the General Manager introduced the updated 2015 Business Plan including linkage to the Board's Strategic Plan. Following the presentation, two requests were made for additional information. One request was for information on the benchmarks used to measure our progress; and the other request was for information related to the cost of diversifying our water supply portfolio. Each request is discussed below.

Discussion

Benchmarks

Benchmarks and best management practices are an integral part of the Water Authority's business and strategic planning efforts. While not specifically identified within the Business Plan, they are the basis on which many of our Business Plan goals are developed. Below are examples of some of the benchmarks used to measure four programs of the 2015 Business Plan.

1. Capital Improvement Program

The Water Authority uses a combination of internal and regional benchmarking measures and best business practices to monitor and manage our Capital Improvement Program. Some of these regional benchmarking measures were developed in conjunction with a multi-agency benchmarking group that the Metropolitan Water District began sponsoring in 2003 to evaluate the capital project delivery efficiency of agencies in the Western United States responsible for major water infrastructure. The Water Authority and a dozen other West-coast agencies worked together to understand, create, and measure ourselves against a variety of mutually established CIP performance benchmarks and best management practices. The Water Authority's Business Plan goal is to create a body of knowledge on best CIP management practices by December 2011, once the group has completed its work. In the meantime, we have already adopted several of the benchmarks deemed important by the group.

These benchmarks, along with other internal benchmarks, are represented in the chart, below.

Measure	Target Goal	Value	Comments
% of Appropriation	100%	80%	Percentage value reflects lower than budgeted San Vicente Dam Raise construction bids on Packages 2 and 3
Cost Performance Index	1.0±5%	1.05	Within range
Schedule Performance Index	1.0±5%	0.99	Within range
Change Orders (Past 5 Years)	<5%	6.8%	Above Water Authority target but below Industry Standard of 10%
Design and construction services costs as percentage of construction costs	15±5%	83%	Within range
Invoice Processing Time	<20 days	19	Within range
Contractor Progress Payment Timeline	<10 days	5	Within range

2. Operations and Maintenance Program

The Water Authority uses a combination of regulatory, industry, and Water Authority specific benchmarks or best management practices to monitor and manage our Operations and Maintenance Program. The primary internal monitoring tool is the O&M Monthly Operating Report. Key measures in this report include safety, water quality, preventative and corrective maintenance, revenue generation, and equipment availability. Staff is currently reviewing our existing benchmarks and will revise them to reflect the addition of new responsibilities and additional facilities as they become operational. Examples of some of these benchmarks are represented in the chart, below.

Measure	Target Goal	Value	Comments
% of Operating Budget Performance	95%±5%	93.5%	Budget Close in process, projected values
Flow Control Facility Monthly PM	90%	90%	
Hydrogeneration Annual PM	90%	100%	
Hydrogeneration Revenue	100%	93%	Based on \$1.3M / Yr Target
Fleet PM	98%	100%	PM completed within 500 miles of target date
Emergency Response Training	90%	92%	Per NIMS Federal Regulations
Incident Rate (injury and illness)	3.2	1.2	Bureau of Labor Statistics Industry avg. 3.2
SCADA Availability	99.5%	99.9%	
TOVWTP Production (actual vs. forecast avg. monthly production)	100%	103%	Twin Oaks Valley Water Treatment Plant avg. monthly forecast production 73 Mgd.
Water Quality Compliance at TOVWTP	100%	100%	Per Dept. of Public Health primary standards
Negative Results for Monthly Distribution System Coliform Samples	95%	100%	95% per Dept. of Public Health Regulations
Water Meter Accuracy	±2%	0.5%	Target per Water Authority Administrative Code

3. Financial Planning Program

The most comprehensive metric for benchmarking the effectiveness of long-range financial planning activities are the long-term, underlying credit ratings conferred by the three primary credit rating agencies—Moody’s Investors Service, Standard & Poor’s and Fitch Ratings. Credit ratings reflect the overall quality of long-term financial policies, management, and performance. Moreover, these ratings are a direct indicator of the cost of debt, which is one of the Water Authority’s most significant costs. The table below identifies the range of investment grade ratings from the three primary firms as well as the Water Authority’s long-term, underlying credit rating from each firm. The Water Authority enjoys a rating of Aa2 from Moody’s, and a rating of AA+ from both Standard and Poor’s, and from Fitch. These highly favorable credit ratings are enjoyed by only about 14% of municipal issuers and ensure that the Water Authority can borrow funds at very attractive interest rates. A goal in the Financial Planning program of the Business Plan has been to “secure a one-notch credit rating upgrade by one of the three credit rating agencies.” In fiscal year 2010 the Water Authority received two one-notch upgrades from Moody’s and Fitch respectively.

Credit Rating Agency	Investment Grade Long Term Credit Ratings	Water Authority Credit Rating
Moody’s Investors Service	Aaa, Aa1, Aa2, Aa3, A1, A2, A3, Baa1, Baa2, Baa3	Aa2
Standard & Poor’s	AAA, AA, A, BBB	AA+
Fitch Ratings	AAA, AA, A, BBB	AA+

4. Information Technology Program

The Information Technology (IT) program uses benchmarks established from two recent studies of our IT program by industry consultants. The Business Impact Analysis was completed in 2007 and the IT Vulnerability Assessment was completed in 2009. These studies used industry standards to establish important disaster recovery objectives as outlined in the chart below. Recovery Time Objectives represent the maximum amount of time it should take to re-activate an application should a disaster event occur. Recovery Point Objectives represent an acceptable amount of data lost in the event of such a disaster. Several related goals are included in the Information Technology Program of the Business Plan.

Application/IT Service	Recovery Time Objective (time loss)	Recovery Point Objective (data loss)
Billing System	2 weeks	1 day
Data and Voice Infrastructure	4 hours	N/A
Internet Access	4 hours	N/A
Maximo	3 days	8 hours
Email	4 hours	5 minutes
PeopleSoft	3 days	4 hours

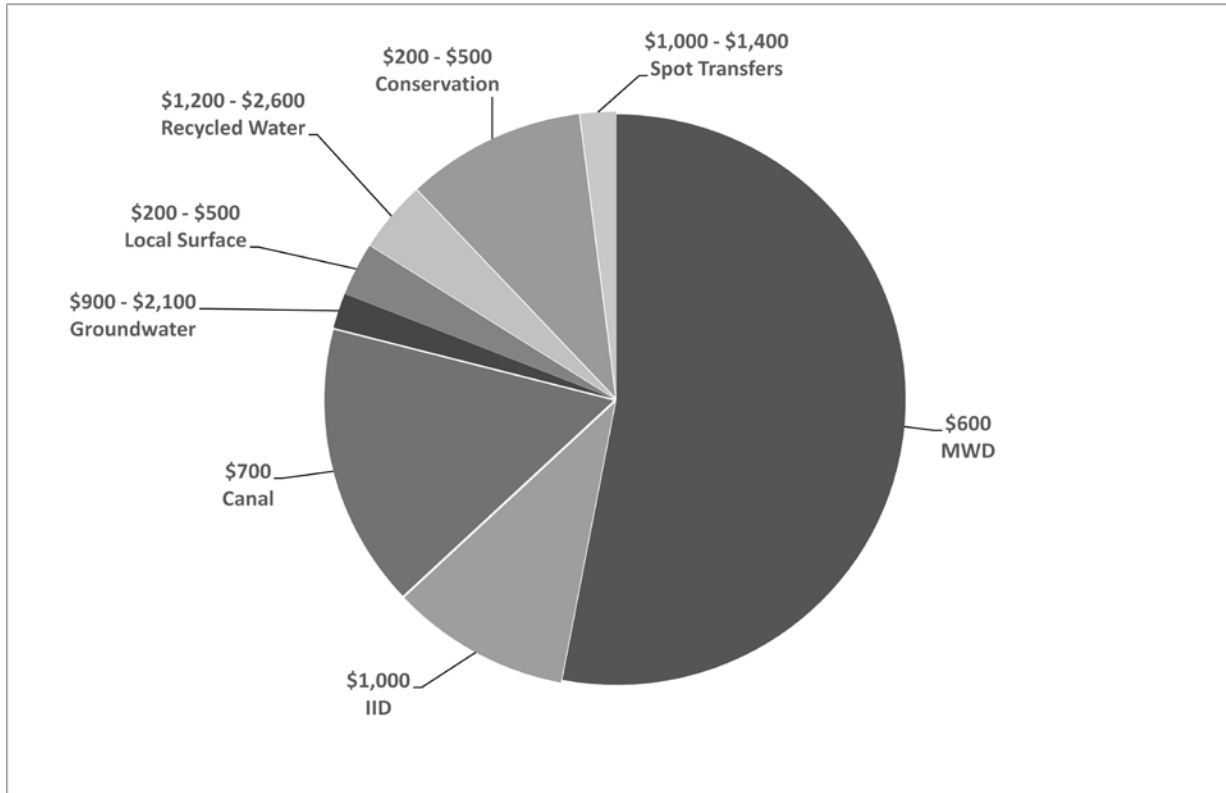
The Water Authority continues to seek other benchmarking opportunities through organizations such as American Water Works Association, International Water Association and a variety of IT groups.

Water Supplies Portfolio

The Water Authority's 2015 Business Plan contains many strategies and goals related to the diversification of water supplies. Several pie chart graphics are used to depict both our current portfolio of supplies as well as our planned portfolio in future years. In response to a question raised about the cost of our diversification efforts, we have included two pie chart graphics, below. The first pie chart shows the cost per acre foot, by supply source, in 2010. The second pie chart shows the projected cost per acre foot after successful diversification efforts in 2020.

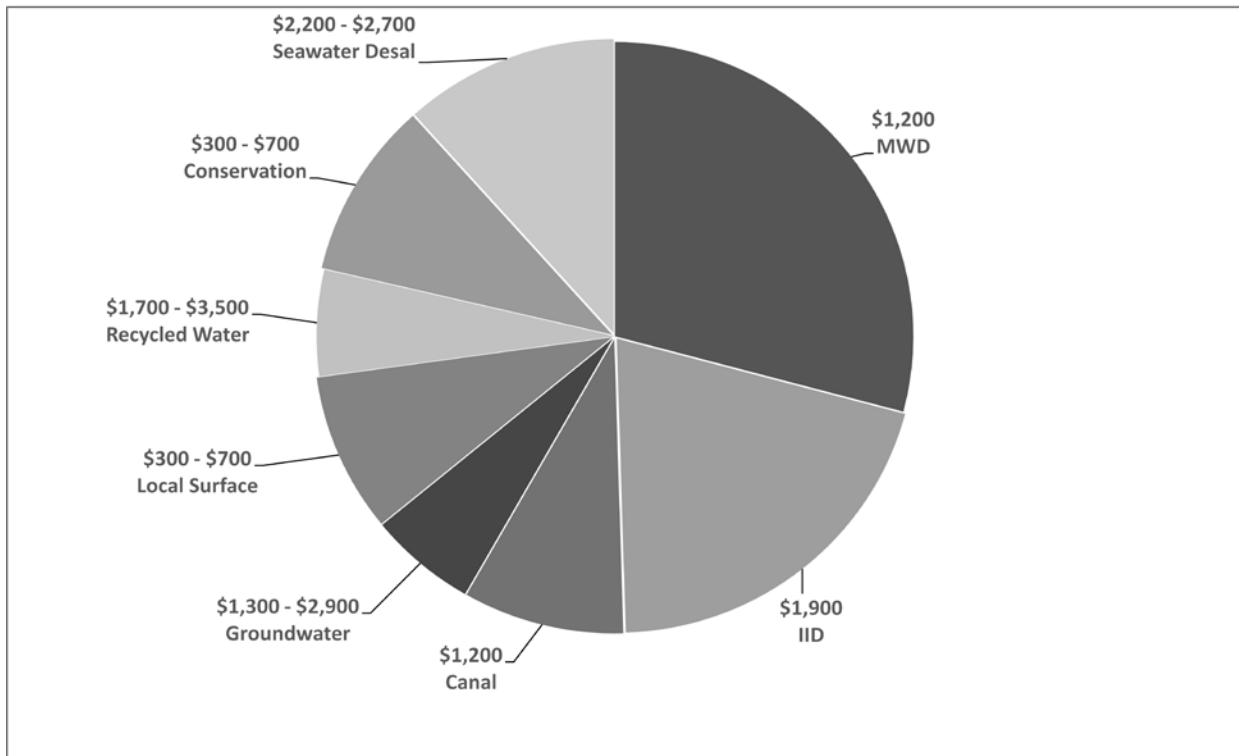
Water Supply Diversification in 2010

\$/AF Supply Cost



Water Supply Diversification in 2020

\$/AF Supply Cost



Prepared by: Marilyn L. Young, Director of Administrative Services
Reviewed by: Ken Weinberg, Director of Water Resources
Approved by: Sandra L. Kerl, Deputy General Manager



August 18, 2010

Attention: Administrative and Finance Committee

Report on Water Standby Availability Charge deferrals for Fiscal Year 2011 (Information)

Purpose

This informational item is an annual report to the Board of Directors of the parcels that have applied for and received the deferral status from the Water Standby Availability Charge for Fiscal Year 2011.

Background

The Water Standby Availability Charge is a stable source of revenue to the Water Authority of approximately \$11.2 million annually. It is a special assessment, shown as such on the property tax bills, and is based on a charge of \$10 per acre or parcel, whichever is greater. The collection of the charge is remitted to the Water Authority by the San Diego County Auditor and Controller.

As part of the implementation of the Water Standby Availability Charge, a procedure was developed to allow deferral of the charge on parcels that complied with the specific terms and conditions set forth by the Board of Directors. Approval of a Water Standby Availability Charge deferral generally requires the property owner to record a covenant of the deferral. The deferred charges accrue interest at 10 percent, the legal rate of fiscal interest, compounded each year. When water service is requested, all charges that have been deferred plus interest are due and payable. The fee for deferral and cancellation of deferral is \$500 for each application. The application fee may be waived for deferrals to establish permanent open space.

Discussion

The Board has requested an annual report of the parcels that apply for and receive the deferral status, shown in Attachment 1. Currently, there are 358 parcels on the deferral list representing 18,552.74 acres with total deferred Water Standby Availability Charges of \$2,442,094.74 and accrued interest of \$3,673,329.42. In Fiscal Year 2010, deferrals for four owners were completed for 1,402.12 acres and an amendment completed for one for 1.40 acres; and 2,349.75 acres have been removed from the prior year deferral list due to change in ownership.

Prepared by: Ann Yasukochi, Management Analyst
Reviewed by: Lisa Celaya, Budget and Analysis Manager

Attachment 1 – San Diego County Water Authority, Water Standby Availability Charge Deferral Report.

San Diego County Water Authority Water Standby Availability Charge Deferral Report

The following parcels have received a deferral of their Water Standby Availability Charge during Fiscal Year 2010-2011

Number	Name	Deferral		Deferred Amount	Accrued Interest
		Date	Acreage		
390-040-28	Lew	1990	1.00	\$ 210.00	\$ 494.03
393-010-29	Lew	1990	37.45	7,864.50	18,501.33
393-010-31	Lew	1990	26.81	5,630.10	13,244.88
393-010-43	Rumbeirger Trust	1990	7.52	1,579.20	3,715.09
393-011-15	Lew	1990	59.46	12,486.60	29,374.87
513-130-06	Michelsen	1990	4.04	848.40	1,995.87
597-090-44	Zaiser	1990	20.00	4,200.00	9,880.55
393-010-39	Leung	1990	13.52	2,839.20	6,679.25
468-491-16	Lewis	1990	1.00	210.00	494.03
390-060-01	Digenan	1990	53.50	11,235.00	26,430.47
390-060-05	Digenan	1990	3.08	646.80	1,521.60
389-030-14	Ramer	1991	37.00	7,400.00	15,910.92
390-060-02	Hartung	1991	95.10	19,020.00	40,895.38
390-060-06	Hartung	1991	7.84	1,568.00	3,371.40
390-060-07	Hartung	1991	11.87	2,374.00	5,104.40
390-060-08	Hartung	1991	71.60	14,320.00	30,789.79
390-060-09	Hartung	1991	85.60	17,120.00	36,810.14
390-071-01	Hartung	1991	53.50	10,700.00	23,006.34
391-060-34	Avila	1991	1.20	240.00	516.03
391-060-35	Avila	1991	1.00	200.00	430.02
391-060-36	Avila	1991	59.41	11,882.00	25,547.78
317-280-12	South Poway	1991	46.43	9,286.00	19,966.06
111-070-21	Rowan	1991	9.14	1,828.00	3,930.43
111-070-22	Rowan	1991	24.23	4,846.00	10,419.51
130-030-01	Sierra Land & Live	1991	400.00	80,000.00	172,010.00
130-030-03	Sierra Land & Live	1991	154.14	30,828.00	66,284.05
130-050-16	Sierra Land & Live	1991	5.30	1,060.00	2,279.13
130-060-14	Sierra Land & Live	1991	16.83	3,366.00	7,237.32
130-080-39	Sierra Land & Live	1991	73.37	14,674.00	31,550.93
134-240-06	Austin	1991	2.20	440.00	946.05
134-240-07	Austin	1991	6.59	1,318.00	2,833.86
134-240-18	Austin	1991	55.72	11,144.00	23,960.99
134-250-04	Austin	1991	395.20	79,040.00	169,945.88
427-010-21	Ruby	1991	1.00	200.00	430.02
327-140-07	Hutton	1991	7.23	1,446.00	3,109.08
134-240-19	Jiles	1991	22.72	4,544.00	9,770.17
320-010-32	Fernandez	1991	4.90	980.00	2,107.12
517-030-14	Mayberg	1991	40.00	8,000.00	17,201.00
517-040-30	Mayberg	1991	37.27	7,454.00	16,027.03
518-030-17	Mayberg	1991	61.61	12,322.00	26,493.84
518-030-18	Mayberg	1991	4.68	936.00	2,012.52
518-030-24	Mayberg	1991	95.40	19,080.00	41,024.38
518-030-30	Mayberg	1991	24.60	4,920.00	10,578.61
518-040-08	Immenschuh	1991	100.06	20,012.00	43,028.30
321-111-11	Webb	1991	14.03	2,806.00	6,033.25
513-063-01	Penny	1992	93.17	17,702.30	34,729.12
513-130-08	Michelsen	1992	5.96	1,132.40	2,221.59

Number	Name	Deferral			
		Date	Acreage	Deferred Amount	Accrued Interest
520-020-09	Razooky	1992	177.44	33,713.60	66,140.76
381-150-19	Hanlon	1992	6.60	1,254.00	2,460.15
381-160-35	Hanlon	1992	2.24	425.60	834.96
381-160-42	Hanlon	1992	17.41	3,307.90	6,489.58
381-160-69	Hanlon	1992	10.69	2,031.10	3,984.70
381-160-79	Hanlon	1992	7.53	1,430.70	2,806.81
381-171-04	Hanlon	1992	14.33	2,722.70	5,341.51
280-123-26	Alden	1992	4.90	931.00	1,826.47
393-010-34	Mize	1992	11.17	2,122.30	4,163.62
402-170-08	Scheurman	1992	6.00	1,140.00	2,236.50
109-392-16	Brady-Partner	1992	2.62	497.80	976.60
513-130-17	Michelsen	1993	3.28	590.40	1,054.82
513-130-19	Michelsen	1993	91.71	16,507.80	29,493.10
520-031-04	Wartman	1993	106.64	19,195.20	34,294.45
101-562-04	Fuller	1993	10.00	1,800.00	3,215.91
393-070-43	Kotasek	1993	2.00	360.00	643.18
322-010-26	Davis	1993	2.97	534.60	955.12
241-100-15	Konyn	1993	43.16	7,768.80	13,879.86
241-100-33	Konyn	1993	6.19	1,114.20	1,990.65
276-010-10	Konyn	1993	118.22	21,279.60	38,018.48
276-021-01	Konyn	1993	181.04	32,587.20	58,220.82
276-031-07	Konyn	1993	39.68	7,142.40	12,760.73
133-010-12	Borden	1993	16.04	2,887.20	5,158.32
133-010-13	Borden	1993	25.31	4,555.80	8,139.47
133-010-14	Borden	1993	17.92	3,225.60	5,762.91
133-010-15	Borden	1993	8.73	1,571.40	2,807.49
133-010-16	Borden	1993	17.79	3,202.20	5,721.10
133-420-04	Borden	1993	19.77	3,558.60	6,357.85
133-420-05	Borden	1993	8.57	1,542.60	2,756.03
133-420-06	Borden	1993	10.55	1,899.00	3,392.78
133-420-07	Borden	1993	9.51	1,711.80	3,058.33
133-420-08	Borden	1993	30.68	5,522.40	9,866.41
133-420-15	Borden	1993	28.54	5,137.20	9,178.20
185-072-24	Ostrander	1993	21.54	3,877.74	6,928.03
415-110-42	Stevens	1994	1.00	170.00	275.99
259-191-05	Rancho Santa Fe	1994	10.64	1,808.80	2,936.55
259-191-06	Rancho Santa Fe	1994	25.28	4,297.60	6,977.07
381-171-07	Hanon	1994	30.56	5,195.20	8,434.31
268-120-14	Rancho Santa Fe	1994	17.44	2,964.80	4,813.30
268-130-42	Rancho Santa Fe	1994	81.00	13,770.00	22,355.33
366-080-29-01	Nigra	1994	38.27	6,505.90	10,562.20
510-010-26	Stepina	1994	40.00	6,800.00	11,039.67
366-030-29	Brody	1994	20.00	3,400.00	5,519.83
366-030-43	Brody	1994	21.00	3,570.00	5,795.83
366-070-46	Brody	1994	21.00	3,570.00	5,795.83
101-170-01	Spain	1994	320.00	54,400.00	88,317.35
101-170-02	Spain	1994	359.00	61,030.00	99,081.03
101-170-03	Spain	1994	527.21	89,625.70	145,505.60
375-120-02	Foster Trust	1994	38.94	6,619.80	10,747.12
509-010-17	Marinello	1994	19.74	3,355.80	5,448.08
510-020-13	Romero	1994	12.17	2,068.90	3,358.82
510-040-05	Romero	1994	39.11	6,648.70	10,794.04
510-040-18	Romero	1994	38.01	6,461.70	10,490.45
109-392-33	Weil	1994	10.41	1,769.70	2,873.07
327-030-02	Blythe	1994	423.39	71,976.30	116,852.14
327-130-02	Blythe	1994	464.82	79,019.40	128,286.48
328-010-02	Blythe	1994	480.00	81,600.00	132,476.03
328-020-09	Blythe	1994	152.38	25,904.60	42,055.62

Number	Name	Deferral			
		Date	Acreage	Deferred Amount	Accrued Interest
328-021-01	Blythe	1994	380.00	64,600.00	104,876.86
328-060-01	Blythe	1994	640.00	108,800.00	176,634.71
328-070-01	Blythe	1994	540.00	91,800.00	149,035.53
328-090-01	Blythe	1994	456.80	77,656.00	126,073.02
328-100-01	Blythe	1994	313.15	53,235.50	86,426.81
329-030-02	Blythe	1994	372.70	63,359.00	102,862.12
190-172-08	Haskell	1994	41.25	7,012.50	11,384.66
320-020-04	Machanis	1994	27.00	4,590.00	7,451.78
645-075-05	Rice-Hamel	1994	0.91	170.00	275.99
585-090-44	Rice-Hamel	1994	10.40	1,768.00	2,870.31
585-090-45	Rice-Hamel	1994	28.50	4,845.00	7,865.76
189-162-18	Patterson	1994	9.53	1,620.10	2,630.20
259-221-13	Rancho Santa Fe	1995	7.67	1,227.20	1,805.88
381-160-19	Hanlon	1995	6.60	1,056.00	1,553.95
392-060-04	Reed	1995	1.00	160.00	235.45
392-060-05	Reed	1995	7.36	1,177.60	1,732.89
102-052-08	Edmunson	1995	76.17	12,187.20	17,934.00
240-050-10	Hull	1995	19.49	3,118.40	4,588.86
185-091-01	Curtiss	1995	30.06	4,809.60	7,077.54
185-101-01	Curtiss	1995	39.63	6,340.80	9,330.77
185-091-02	Curtiss	1995	40.00	6,400.00	9,417.88
185-290-05	Curtiss	1995	20.20	3,232.00	4,756.03
185-201-34	Saiki	1995	119.00	19,040.00	28,018.20
185-451-15	Saiki	1995	28.65	4,584.00	6,745.56
479-381-02	Kunkel	1996	1.00	150.00	199.50
520-020-21	Ferlin	1996	19.49	2,923.50	3,888.20
102-490-07	Deuling	1996	21.50	3,225.00	4,289.19
327-021-08	Spitsbergen	1996	120.00	18,000.00	23,939.68
128-150-23-02	Wouters	1996	16.81	2,521.50	3,353.55
223-100-20	Lees	1997	8.24	1,153.60	1,382.05
102-110-05	Amer. Heritage-Trust	1997	40.00	5,600.00	6,708.99
240-141-27	Hildebrand	1997	18.07	2,529.80	3,030.79
190-120-20	Gratz	1997	8.19	1,146.60	1,373.67
190-120-22	Zander	1997	14.01	1,961.40	2,349.82
190-120-23	Johnson	1997	9.97	1,395.80	1,672.22
133-070-10	Peterson	1997	151.97	21,275.80	25,489.14
133-060-22	Peterson	1997	4.03	564.20	675.93
130-080-38	Borden	1997	4.31	603.40	722.89
131-140-10	Borden	1997	5.14	719.60	862.11
131-170-10	Borden	1997	4.63	648.20	776.57
131-180-15	Borden	1997	43.31	6,063.40	7,264.16
131-170-11	Borden	1997	14.71	2,059.40	2,467.23
390-030-10	Hickman	1997	16.28	2,279.20	2,730.56
399-040-12	Gilbert	1998	19.31	2,510.30	2,698.57
133-070-05	Lizt	1998	12.44	1,617.20	1,738.49
133-070-11	Lizt	1998	228.57	29,714.10	31,942.62
133-070-14	Lizt	1998	198.05	25,746.50	27,677.45
133-060-21	Lizt	1998	1.47	191.10	205.43
102-731-07	Kuperman	1999	50.58	6,069.60	5,828.19
122-050-14	Center for Land Mgnt.	1999	75.14	9,016.80	8,658.17
157-021-05	Center for Land Mgnt.	1999	62.32	7,478.40	7,180.95
262-051-24	Center for Land Mgnt.	1999	44.79	5,374.80	5,161.02
262-051-10	Center for Land Mgnt.	1999	79.72	9,566.40	9,185.91
394-151-54	Miller	1999	1.00	120.00	115.23
521-010-10	Wiles Family Trust	1999	51.52	6,182.40	5,936.50
389-030-10	Hickman	1999	16.28	1,953.60	1,875.90
402-170-19	Reeber	1999	2.46	295.20	283.46
108-370-51	Richardson	1999	4.24	508.80	488.56

Number	Name	Deferral			
		Date	Acreage	Deferred Amount	Accrued Interest
185-030-29	Amer. Universal Temple	1999	26.12	3,134.40	3,009.73
185-030-23	Crandall	1999	20.15	2,418.00	2,321.83
185-030-25	Lien	1999	6.87	824.40	791.61
185-030-27	Lien	1999	40.83	4,899.60	4,704.72
185-030-56	Lien	1999	25.47	3,056.40	2,934.83
185-030-57	Crandall	1999	3.60	432.00	414.82
597-090-49	Zaiser	2000	20.90	2,299.00	1,961.32
510-103-01	Wilkerson	2000	154.84	17,032.40	14,530.62
510-102-01	Wilkerson	2000	2.54	279.40	238.36
510-102-02	Wilkerson	2000	2.50	275.00	234.61
510-102-03	Wilkerson	2000	3.06	336.60	287.16
510-102-04	Wilkerson	2000	2.54	279.40	238.36
510-102-05	Wilkerson	2000	2.56	281.60	240.24
510-102-06	Wilkerson	2000	3.38	371.80	317.19
510-102-07	Wilkerson	2000	2.93	322.30	274.96
510-102-08	Wilkerson	2000	2.70	297.00	253.38
510-102-09	Wilkerson	2000	2.54	279.40	238.36
510-102-10	Wilkerson	2000	2.58	283.80	242.11
510-102-11	Wilkerson	2000	4.01	441.10	376.31
510-102-12	Wilkerson	2000	4.02	442.20	377.25
510-102-13	Wilkerson	2000	4.00	440.00	375.37
510-102-14	Wilkerson	2000	4.13	454.30	387.57
510-102-15	Wilkerson	2000	4.03	443.30	378.19
510-102-16	Wilkerson	2000	4.15	456.50	389.45
510-102-17	Wilkerson	2000	4.00	440.00	375.37
510-102-18	Wilkerson	2000	4.00	440.00	375.37
510-102-19	Wilkerson	2000	4.00	440.00	375.37
510-102-20	Wilkerson	2000	4.00	440.00	375.37
510-102-21	Wilkerson	2000	2.76	303.60	259.01
510-102-22	Wilkerson	2000	2.74	301.40	257.13
510-102-23	Wilkerson	2000	2.60	286.00	243.99
510-102-24	Wilkerson	2000	2.57	282.70	241.18
510-102-25	Wilkerson	2000	2.65	291.50	248.68
189-080-03	Andes	2000	40.00	4,400.00	3,753.71
189-080-04	Andes	2000	40.00	4,400.00	3,753.71
189-080-32	Andes/Chairo	2000	19.92	2,191.20	1,869.35
240-050-09	Appleby Family Trust	2000	109.34	12,027.40	10,260.78
240-141-28	Appleby Family Trust	2000	106.09	11,669.90	9,955.79
131-170-08	Roberts	2000	49.94	5,493.40	4,686.51
131-180-14	Roberts	2000	257.52	28,327.20	24,166.41
133-070-15	Rancho Pauma	2000	143.46	15,780.60	13,462.69
133-070-13	Rancho Pauma	2000	15.21	1,673.10	1,427.35
390-040-06	Morgan	2001	37.39	3,739.00	2,815.90
390-040-55	Morgan	2001	20.00	2,000.00	1,506.23
508-061-31	Gaston	2001	3.70	370.00	278.65
278-200-07	Lyles	2001	40.39	4,039.00	3,041.84
108-420-04	Fallbrook Land Conservancy	2001	53.43	5,343.00	4,023.90
108-420-09	Fallbrook Land Conservancy	2001	9.78	978.00	736.55
108-420-10	Fallbrook Land Conservancy	2001	10.07	1,007.00	758.39
108-420-11	Fallbrook Land Conservancy	2001	45.00	4,500.00	3,389.03
108-420-12	Fallbrook Land Conservancy	2001	33.55	3,355.00	2,526.71
108-420-13	Fallbrook Land Conservancy	2001	25.85	2,585.00	1,946.81
108-420-14	Fallbrook Land Conservancy	2001	8.99	899.00	677.05
108-420-15	Fallbrook Land Conservancy	2001	914.00	91,400.00	68,834.87
108-420-16	Fallbrook Land Conservancy	2001	29.06	2,906.00	2,188.56
126-230-01	Fallbrook Land Conservancy	2001	27.36	2,736.00	2,060.53
125-020-31	Fallbrook Land Conservancy	2001	10.37	1,037.00	780.98
102-300-09	Fallbrook Land Conservancy	2001	40.00	4,000.00	3,012.47

Number	Name	Deferral			
		Date	Acreage	Deferred Amount	Accrued Interest
190-062-02	Bull	2001	40.74	4,074.00	3,068.20
216-140-39	The Environmental Trust	2002	1.41	126.90	83.72
212-050-46	The Environmental Trust	2002	1.10	99.00	65.31
168-050-01	The Environmental Trust	2002	109.45	9,850.50	6,498.51
168-040-31	The Environmental Trust	2002	0.48	90.00	59.37
306-250-15	The Environmental Trust	2002	0.20	90.00	59.37
306-250-16	The Environmental Trust	2002	0.16	90.00	59.37
306-050-29	The Environmental Trust	2002	32.27	2,904.30	1,916.01
645-074-08	The Environmental Trust	2002	1.00	90.00	59.37
645-074-18	The Environmental Trust	2002	0.90	90.00	59.37
645-075-09	The Environmental Trust	2002	0.90	90.00	59.37
631-041-10	The Environmental Trust	2002	4.93	443.70	292.72
667-040-05	The Environmental Trust	2002	15.00	1,350.00	890.61
645-075-08	The Environmental Trust	2002	0.90	90.00	59.37
276-010-03	The Environmental Trust	2002	80.00	7,200.00	4,749.94
645-102-01	The Environmental Trust	2002	1.00	90.00	59.37
645-102-02	The Environmental Trust	2002	1.00	90.00	59.37
645-102-03	The Environmental Trust	2002	1.00	90.00	59.37
645-102-11	The Environmental Trust	2002	0.90	90.00	59.37
645-061-02	The Environmental Trust	2002	40.00	3,600.00	2,374.97
645-060-07	The Environmental Trust	2002	46.47	4,182.30	2,759.12
667-040-06	The Environmental Trust	2002	5.00	450.00	296.87
398-090-12	The Environmental Trust	2002	14.06	1,265.40	834.80
160-300-12	The Environmental Trust	2002	50.51	4,545.90	2,998.99
678-242-11	The Environmental Trust	2002	61.81	5,562.90	3,669.92
265-320-03	The Environmental Trust	2002	40.00	3,600.00	2,374.97
678-020-02	The Environmental Trust	2002	44.10	3,969.00	2,618.40
678-020-03	The Environmental Trust	2002	49.95	4,495.50	2,965.74
678-021-03	The Environmental Trust	2002	11.17	1,005.30	663.21
678-020-18	The Environmental Trust	2002	122.70	11,043.00	7,285.22
678-060-30	The Environmental Trust	2002	40.81	3,672.90	2,423.06
678-060-31	The Environmental Trust	2002	9.24	831.60	548.62
678-060-32	The Environmental Trust	2002	7.23	650.70	429.28
678-060-33	The Environmental Trust	2002	2.14	192.60	127.06
593-140-13	The Environmental Trust	2002	0.52	90.00	59.37
580-040-01	The Environmental Trust	2002	52.89	4,760.10	3,140.30
580-040-41	The Environmental Trust	2002	16.79	1,511.10	996.89
580-040-44	The Environmental Trust	2002	63.79	5,741.10	3,787.48
580-040-46	The Environmental Trust	2002	7.30	657.00	433.43
645-020-15	The Environmental Trust	2002	63.49	5,714.10	3,769.67
667-050-01	The Environmental Trust	2002	40.00	3,600.00	2,374.97
519-040-36	Oswall	2002	25.63	2,306.70	1,521.76
323-442-31	The Environmental Trust	2002	5.47	492.30	324.78
323-452-42	The Environmental Trust	2002	10.33	929.70	613.34
278-200-23	Merrie A. Jarvis Trust	2002	64.76	5,828.40	3,845.08
272-111-13	The Environmental Trust	2002	10.03	902.70	595.52
593-140-14	The Environmental Trust	2002	1.95	175.50	115.78
218-012-25	The Environmental Trust	2002	18.60	1,674.00	1,104.36
222-030-49	The Environmental Trust	2002	16.35	1,471.50	970.77
218-012-27	The Environmental Trust	2002	31.70	2,853.00	1,882.16
182-111-02	The Environmental Trust	2002	40.00	3,600.00	2,374.97
218-330-20	The Environmental Trust	2002	12.33	1,109.70	732.08
185-240-18	The Environmental Trust	2002	20.69	1,862.10	1,228.45
366-030-32	Harrison & Worch	2003	20.00	1,600.00	915.90
106-180-61	Fallbrook Land Conservancy	2003	14.57	1,165.60	667.23
101-361-62	Fallbrook Land Conservancy	2003	77.95	6,236.00	3,569.70
390-040-47	Edwards	2003	20.00	1,600.00	915.90
322-010-45	Doyle	2003	36.55	2,924.00	1,673.80

Number	Name	Deferral			
		Date	Acreage	Deferred Amount	Accrued Interest
321-110-36	Cockerell	2003	32.65	2,612.00	1,495.20
108-390-25	Fallbrook Land Conservancy	2003	11.57	925.60	529.85
108-390-26	Fallbrook Land Conservancy	2003	26.25	2,100.00	1,202.11
122-050-11	Ctr. For Nat. Lands Mgt.	2004	57.14	3,999.80	1,963.27
122-050-27	Ctr. For Nat. Lands Mgt.	2004	8.34	583.80	286.55
122-442-01	Ctr. For Nat. Lands Mgt.	2004	9.06	634.20	311.29
122-442-02	Ctr. For Nat. Lands Mgt.	2004	8.28	579.60	284.49
122-442-03	Ctr. For Nat. Lands Mgt.	2004	2.50	175.00	85.90
122-441-01	Ctr. For Nat. Lands Mgt.	2004	1.40	98.00	48.10
122-441-02	Ctr. For Nat. Lands Mgt.	2004	4.64	324.80	159.43
122-441-03	Ctr. For Nat. Lands Mgt.	2004	8.56	599.20	294.11
223-651-25	Ctr. For Nat. Lands Mgt.	2004	1.03	72.10	35.39
223-651-26	Ctr. For Nat. Lands Mgt.	2004	2.39	167.30	82.12
223-070-19	Ctr. For Nat. Lands Mgt.	2004	3.96	277.20	136.06
223-072-03	Ctr. For Nat. Lands Mgt.	2004	15.35	1,074.50	527.41
223-072-01	Ctr. For Nat. Lands Mgt.	2004	21.73	1,521.10	746.62
223-081-10	Ctr. For Nat. Lands Mgt.	2004	18.58	1,300.60	638.39
223-081-11	Ctr. For Nat. Lands Mgt.	2004	38.04	2,662.80	1,307.01
223-081-12	Ctr. For Nat. Lands Mgt.	2004	35.73	2,501.10	1,227.64
222-030-48	Ctr. For Nat. Lands Mgt.	2004	20.88	1,461.60	717.41
223-030-79	Ctr. For Nat. Lands Mgt.	2004	9.90	693.00	340.15
223-030-83	Ctr. For Nat. Lands Mgt.	2004	27.22	1,905.40	935.25
223-030-80	Ctr. For Nat. Lands Mgt.	2004	78.90	5,523.00	2,710.92
264-111-11	Lennar Bridges LLC	2005	99.27	5,956.20	2,469.01
213-110-07	Ctr. For Nat. Lands Mgt.	2006	115.79	5,789.50	1,986.50
213-110-09	Ctr. For Nat. Lands Mgt.	2006	11.98	599.00	205.53
213-110-11	Ctr. For Nat. Lands Mgt.	2006	33.25	1,662.50	570.44
213-111-10	Ctr. For Nat. Lands Mgt.	2006	9.27	463.50	159.04
213-112-11	Ctr. For Nat. Lands Mgt.	2006	4.15	207.50	71.20
213-112-13	Ctr. For Nat. Lands Mgt.	2006	14.30	715.00	245.33
213-112-16	Ctr. For Nat. Lands Mgt.	2006	3.37	168.50	57.82
213-112-17	Ctr. For Nat. Lands Mgt.	2006	8.68	434.00	148.91
213-112-19	Ctr. For Nat. Lands Mgt.	2006	3.97	198.50	68.11
213-112-21	Ctr. For Nat. Lands Mgt.	2006	2.44	122.00	41.86
213-112-27	Ctr. For Nat. Lands Mgt.	2006	2.85	142.50	48.89
223-070-29	Ctr. For Nat. Lands Mgt.	2006	35.41	1,770.50	607.50
223-072-02	Ctr. For Nat. Lands Mgt.	2006	78.29	3,914.50	1,343.15
264-111-12	Ctr. For Nat. Lands Mgt.	2006	105.66	5,283.00	1,812.71
222-121-07	Ctr. For Nat. Lands Mgt.	2006	31.01	1,550.50	532.01
223-070-25	Ctr. For Nat. Lands Mgt.	2006	19.83	991.50	340.21
223-081-09	Ctr. For Nat. Lands Mgt.	2006	17.99	899.50	308.64
223-650-04	Ctr. For Nat. Lands Mgt.	2006	7.36	368.00	126.27
223-650-09	Ctr. For Nat. Lands Mgt.	2006	16.62	831.00	285.13
223-651-09	Ctr. For Nat. Lands Mgt.	2006	1.01	50.50	17.33
223-651-17	Ctr. For Nat. Lands Mgt.	2006	22.81	1,140.50	391.33
223-651-20	Ctr. For Nat. Lands Mgt.	2006	4.34	217.00	74.46
223-651-22	Ctr. For Nat. Lands Mgt.	2006	4.56	228.00	78.23
223-772-24	Ctr. For Nat. Lands Mgt.	2006	5.60	280.00	96.07
223-773-36	Ctr. For Nat. Lands Mgt.	2006	7.71	385.50	132.27
223-774-35	Ctr. For Nat. Lands Mgt.	2006	0.90	50.00	17.16
390-061-03	Ctr. For Nat. Lands Mgt.	2006	264.24	13,212.00	4,533.33
390-061-04	Ctr. For Nat. Lands Mgt.	2006	21.68	1,084.00	371.94
108-421-16	Fallbrook Land Conservancy	2006	8.86	443.00	152.00
108-421-17	Fallbrook Land Conservancy	2006	29.28	1,464.00	502.33
108-421-18	Fallbrook Land Conservancy	2006	25.78	1,289.00	442.28
108-421-19	Fallbrook Land Conservancy	2006	13.21	660.50	226.63
134-100-13	Stehly	2008	18.50	555.00	118.59
134-080-19	Stehly	2008	17.27	518.10	110.70

Number	Name	Deferral Date	Acreage	Deferred Amount	Accrued Interest
404-171-09-17	Back Country Land Trust	2008	38.75	1,162.50	248.39
404-171-11	Back Country Land Trust	2008	61.23	1,836.90	392.48
520-050-32	Back Country Land Trust	2008	30.07	902.10	192.75
404-170-60	Back Country Land Trust	2008	82.84	2,485.20	531.00
402-271-03	Back Country Land Trust	2008	39.91	1,197.30	255.82
402-450-36	Back Country Land Trust	2008	82.06	2,461.80	526.00
329-021-05	Collins	2009	40.00	800.00	124.00
187-623-27	Taylor	2009	40.00	800.00	124.00
102-490-20	Deuling	2009	31.57	631.40	97.87
255-031-26	Real Estate Collateral Management Co	2010	10.64	106.40	10.64
102-732-01	Holzer Family Partnership	2010	10.53	105.30	10.53
102-732-25	Holzer Family Partnership	2010	10.17	101.70	10.17
102-732-27	Holzer Family Partnership	2010	11.97	119.70	11.97
596-160-35	Joel and Diane Proctor	2010	9.87	98.70	9.87
130-080-37	Pala Band of Mission Indians	2010	2.10	21.00	2.10
130-100-19	Pala Band of Mission Indians	2010	14.88	148.80	14.88
131-110-06	Pala Band of Mission Indians	2010	599.17	5,991.70	599.17
131-180-06	Pala Band of Mission Indians	2010	650.23	6,502.30	650.23
131-180-13	Pala Band of Mission Indians	2010	1.34	13.40	1.34
131-180-16	Pala Band of Mission Indians	2010	81.22	812.20	81.22
404-171-17	Back Country Land Trust	2010	1.40	14.00	1.40
Totals			18,552.74	\$ 2,442,094.74	\$ 3,673,329.42



August 18, 2010

Attention: Administrative and Finance Committee

Controller's Report on Monthly Financial Statements (Information)

The final monthly financial statements for the fiscal year ended June 30, 2010 will be available at the September 23, 2010 Board meeting. The Water Authority is still in the process of closing the fiscal year, preparing audit schedules, and financial statements. The Water Authority's auditors, Lance, Soll & Lunghard, LLP, are scheduled to perform year-end audit procedures on September 7, 2010.

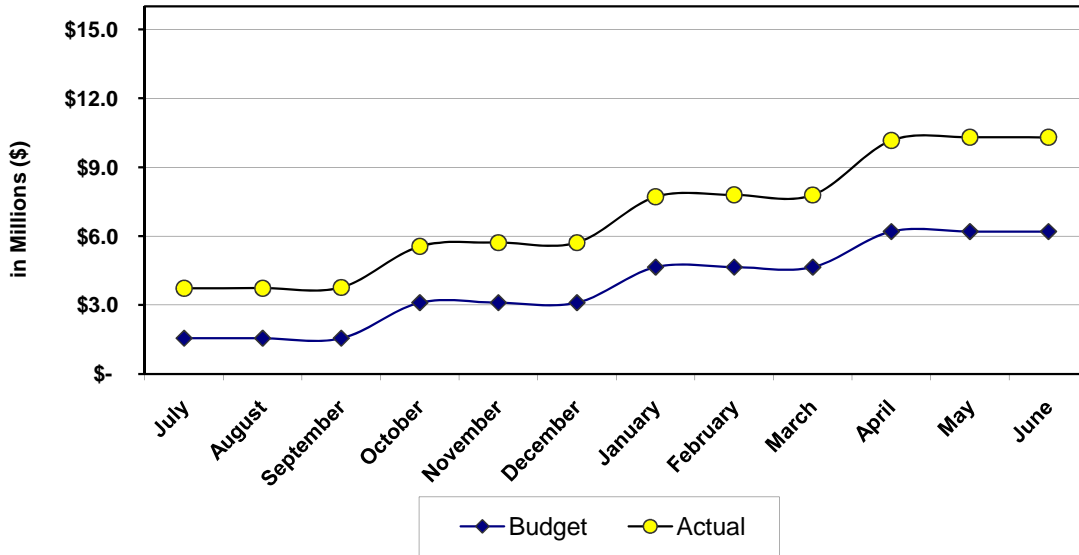
Water sales revenue for the twelve months ended June 30, 2010 is \$387.9 million or 490,829 acre-feet as compared to the budget of \$450.6 million or 600,753 acre-feet. The 109,924 acre-feet, or 18.3 percent, decrease in water deliveries are primarily due to the impact of the mandatory restrictions, continued water conservation efforts across the region, the economy, and reduced need for outdoor irrigation. Actual water sales revenue is \$387.9 million, or 86.1 percent of budget.

Capacity charges received for the twelve months ended June 30, 2010 are \$10.3 million compared to the budget of \$6.2 million, or 166.1 percent. Capacity charges are trending higher than budget by \$4.1 million due to a greater number of meter permits issued by the member agencies than anticipated. The largest payments for capacity charges received during this fiscal year were from the City of San Diego (\$3.0 million), Otay Water District (\$1.2 million) and Olivenhain Municipal Water District (\$1.0 million).

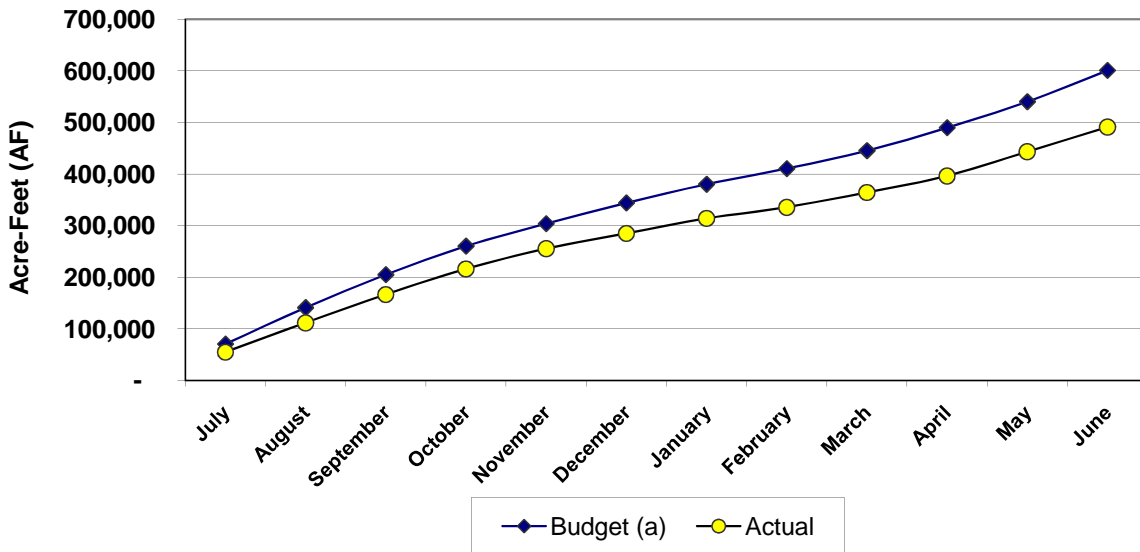
Attached is a graph depicting preliminary water sales and capacity charge revenue for the twelve months ended June 30, 2010.

Leanne B. Wade, Controller

**CAPACITY CHARGES
Budget Versus Actual
for the 12 Months Ended June 30, 2010**



**WATER SALES
Budget Versus Actual
for the 12 Months Ended June 30, 2010**



Fiscal Year 2010 Cumulative Water Sales (AF)

Months	July	August	September	October	November	December	January	February	March	April	May	June
Budget (a)	70,476	140,959	204,870	260,170	303,733	343,957	380,091	410,411	445,174	489,533	540,069	600,753
Actual	54,717	111,476	166,277	215,946	255,185	284,634	313,779	335,473	364,072	396,215	443,165	490,829
AF Difference (b)	(15,759)	(29,483)	(38,593)	(44,224)	(48,548)	(59,323)	(66,312)	(74,938)	(81,102)	(93,318)	(96,904)	(109,924)
Cum. Actual AF % Difference (b/a)	-22.4%	-20.9%	-18.8%	-17.0%	-16.0%	-17.2%	-17.4%	-18.3%	-18.2%	-19.1%	-17.9%	-18.3%



San Diego County Water Authority

BOARD CALENDAR

SEPTEMBER 2010

- 8 **SCOOP – 9:30 a.m. (please note time change)**
- 8 **MWD Delegates – 11:30 a.m.**
- 9 **No Special Board meeting this month – Rosh Hashanah**
- 23 **Regular Board meeting – 3:00 p.m.**

OCTOBER 2010

- 6 **MWD Delegates – 11:30 a.m.**
- 14 **Tentative Special Board meeting – 1:30 p.m.**
- 28 **Regular Board meeting – 3:00 p.m.**

NOVEMBER 2010

- 3 **MWD Delegates – 11:30 a.m.**
- 18 **Tentative Special Board meeting – 1:30 p.m.**
(The combined November and December Board meeting will be held on December 9, 2010)

8/17/2010