



## NOTICE OF BUDGET & FINANCE COMMITTEE MEETING

Responsible for the review of District finances including: rates, fees, charges and other sources of revenue; budget and reserves; audit; investments; insurance; and other financial matters.

**NOTICE IS HEREBY GIVEN** that the San Lorenzo Valley Water District has called a regular meeting of the Budget & Finance Committee to be held on Tuesday, **February 28, 2017 at 9:30 a.m.** at the Operations Building, 13057 Highway 9, Boulder Creek, California.

### AGENDA

1. Convene Meeting/Roll Call
2. Oral Communications  
*This portion of the agenda is reserved for Oral Communications by the public for items which are not on the Agenda. Please understand that California law (The Brown Act) limits what the Board can do regarding issues raised during Oral Communication. No action or discussion may occur on issues outside of those already listed on today's agenda. Any person may address the Committee at this time, on any subject that lies within the jurisdiction of this committee. Normally, presentations must not exceed three (3) minutes in length, and individuals may only speak once during Oral Communications. Any Director may request that the matter be placed on a future agenda or staff may be directed to provide a brief response.*
3. Old Business:  
*Members of the public will be given the opportunity to address each scheduled item prior to Committee action. The Chairperson of the Committee may establish a time limit for members of the public to address the Committee on agenda items.*
4. New Business:  
*Members of the public will be given the opportunity to address each scheduled item prior to Committee action. The Chairperson of the Committee may establish a time limit for members of the public to address the Committee on agenda items.*
  - A. BUDGET PACKAGE - CONTENT AND FORMAT REVIEW  
Discussion and possible action by the Committee regarding the Budget Package-content and format review.
  - B. SALARY BENCHMARKING STUDY  
Discussion and possible action by the Committee regarding a salary benchmarking study.
  - C. RATE STUDY REVIEW  
Discussion and possible action by the Committee regarding a rate study review.
5. Informational Material: None.

6. Adjournment

*In compliance with the requirements of Title II of the American Disabilities Act of 1990, the San Lorenzo Valley Water District requires that any person in need of any type of special equipment, assistance or accommodation(s) in order to communicate at the District's Public Meeting can contact the District Office at (831) 338-2153 a minimum of 72 hours prior to the scheduled meeting.*

*Agenda documents, including materials related to an item on this agenda submitted to the Committee after distribution of the agenda packet, are available for public inspection and may be reviewed at the office of the District Secretary, 13060 Highway 9, Boulder Creek, CA 95006 during normal business hours. Such documents may also be available on the District website at [www.slvwd.com](http://www.slvwd.com) subject to staff's ability to post the documents before the meeting.*

**Certification of Posting**

I hereby certify that on February 24, 2017, I posted a copy of the foregoing agenda in the outside display case at the District Office, 13060 Highway 9, Boulder Creek, California, said time being at least 72 hours in advance of the regular meeting of the Budget & Finance Committee of the San Lorenzo Valley Water District in compliance with California Government Code Section 54956.

Executed at Boulder Creek, California, on February 24, 2017.

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Holly B. Morrison, District Secretary  
San Lorenzo Valley Water District

**San Lorenzo Valley Water District  
Revenue Rates  
Last Twenty Fiscal Years**

Consumption Rates	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Residential - Tier 1 (per HCF)	\$ 1.55	\$ 1.55	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.95	\$ 1.95	\$ 2.18	\$ 2.36	\$ 2.71	\$ 2.71	\$ 2.71	\$ 3.09	\$ 3.43	\$ 3.81
<i>Tier 1 % Increase each year</i>		0%	13%	0%	0%	0%	0%	0%	0%	0%	11%	0%	12%	8%	15%	0%	0%	14%	11%	11%
<b>Ready-to-serve Fees per Month</b>																				
<b>Fiscal Year</b>	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)			
<b>Meter Size</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
3/4" or smaller	\$ 12.50	\$ 14.38	\$ 14.38	\$ 14.38	\$ 14.38	\$ 15.50	\$ 15.65	\$ 15.80	\$ 15.95	\$ 16.10	\$ 17.88	\$ 17.88	\$ 20.02	\$ 21.62	\$ 24.87	\$ 24.87	\$ 24.87	\$ 27.60	\$ 30.64	\$ 34.00
<i>3/4" % Increase each year</i>		15%	0%	0%	0%	8%	1%	1%	1%	1%	11%	0%	12%	8%	15%	0%	0%	11%	11%	11%
<small>(1) Bi-monthly bills, amounts converted to monthly</small>																				
Bill based on 4 units of water	\$ 18.70	\$ 20.58	\$ 21.38	\$ 21.38	\$ 21.38	\$ 22.50	\$ 22.65	\$ 22.80	\$ 22.95	\$ 23.10	\$ 25.68	\$ 25.68	\$ 28.74	\$ 31.06	\$ 35.71	\$ 35.71	\$ 35.71	\$ 39.96	\$ 44.36	\$ 49.24
<i>% Increase over current year</i>	163%	139%	130%	130%	130%	119%	117%	116%	115%	113%	92%	92%	71%	59%	38%	38%	38%	23%	11%	

**FULL BILL BASIC + USAGE**

20 YEAR COMPOUND ANNUAL GROWTH RATE	Amount	Year	10 YEAR COMPOUND ANNUAL GROWTH RATE	Amount	Year	
	Start Value \$	18.70	1997	Start Value \$	25.68	2007
	End Value \$	49.24	2016	End Value \$	49.24	2016
<b>Compound Annual Growth Rate</b>	<b>5.23%</b>		<b>Compound Annual Growth Rate</b>	<b>7.50%</b>		

# Years with 1% or less Basic fee increase = 10 out of the 20 years  
 # Years with 1% or less Tier 1 usage fee increase = 11 out of the 20 years  
 A 4 unit per month customer's bill would have doubled back in 2006  
 \* Include the drought surcharge and it would be 2008

**USAGE ONLY**

20 YEAR COMPOUND ANNUAL GROWTH RATE	Amount	Year	10 YEAR COMPOUND ANNUAL GROWTH RATE	Amount	Year	
	Start Value \$	1.55	1997	Start Value \$	1.95	2007
	End Value \$	3.81	2016	End Value \$	3.81	2016
<b>Compound Annual Growth Rate</b>	<b>4.85%</b>		<b>Compound Annual Growth Rate</b>	<b>7.73%</b>		

**BASIC ONLY**

20 YEAR COMPOUND ANNUAL GROWTH RATE	Amount	Year	10 YEAR COMPOUND ANNUAL GROWTH RATE	Amount	Year	
	Start Value \$	12.50	1997	Start Value \$	17.88	2007
	End Value \$	34.00	2016	End Value \$	34.00	2016
<b>Compound Annual Growth Rate</b>	<b>5.41%</b>		<b>Compound Annual Growth Rate</b>	<b>7.41%</b>		