

STAFF REPORT

To: Coastside County Water District Board of Directors

From: David Dickson, General Manager

Agenda: February 9, 2010

Report

Date: February 5, 2010

Subject: General Manager's Report

Recommendation:

None. Information only.

Background:

For this month's report, I would like to highlight the following:

1. Proposition 1A Securitization

We received a check in January for \$26,784 from the California Communities Proposition 1A Securitization program. This represents half of the amount shifted from our property tax share under the State's Proposition 1A suspension. We should receive the remainder in May or June 2010. This puts our property tax revenue to date at about \$374,000, equal to or ahead of what we have received in recent years.

2. ERAF Refund

In another upside budget surprise, the District in January received an ERAF (Educational Revenue Augmentation Fund) refund of \$305,000. The amount of this refund has been unpredictable, and we had budgeted \$100,000 for this fiscal year. We received an ERAF refund of \$134,000 in FY08-09.

3. Utility User Tax Discussion - San Mateo County Board of Supervisors

On January 26, the San Mateo County Board of Supervisors discussed a number of potential "revenue enhancement" measures to close a \$100 million budget gap. A utility user tax was one of the alternatives identified. Many municipal and county jurisdictions levy taxes on gas, electricity telephone, cable, sewer and water charges. In its discussion, the Board of Supervisors did not provide County staff with any direction to further investigate a possible utility tax. Any utility user tax would have to be approved by the voters.