



309 North Rios Avenue  
Solana Beach, California  
92075

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## BOARD OF DIRECTORS

**Eric Dill,**

Chairperson,

San Dieguito Union High

School District

**Nancy Lynch,**

Vice Chairperson,

Solana Beach School

District

**Doug Rafner,**

Director,

Del Mar Union School

District

**Mark Risco,**

Executive Director and

Board Secretary

## North City West School Facilities Financing Authority Board of Directors' Meeting

March 13, 2014

309 North Rios Avenue Solana Beach, CA 92075

2:30 p.m.

Phone: (858) 792-6937; Fax: (858) 792-8270

### Welcome...

### PUBLIC COMMENTS

With the exception of personnel items, individuals wishing to address the Board concerning an agenda item (or on other topics pertaining to JPA/CFD jurisdiction) are invited to do so at this time.

In the interest of time, **public presentations are limited to five (5) minutes per person, per topic.** If you wish to speak, please complete a card (located at the sign-in desk); and present it to the Board chairperson before commencement of the meeting. When the chairperson invites you to speak, please state your name, address and/or organization before making your presentation.

**Please note:** The law does not permit complaints and/or charges against an employee or staff member in an open Board of Directors' meeting.

In accordance with the Brown Act, there shall be no action taken for an item that has not been scheduled on a published agenda. Instead, the Board may:

- 1) Acknowledge receipt of the information,
- 2) Refer to staff for further study, or
- 3) Defer the matter to a future agenda.

We appreciate your cooperation.

### PUBLIC INSPECTION OF DOCUMENTS

In compliance with *Government Code 54957.5*, agenda related documents distributed to the Board less than 72 hours prior to meetings are available for inspection at North City West School Facilities Financing Authority executive offices located at 27368 Via Industria, Suite 110, Temecula, California.

### CLOSED SESSION

To consider timely, qualified matters of litigation, personnel, or on real estate negotiations, the Board may meet in a closed session.

### AMERICANS WITH DISABILITIES ACT

In compliance with the *Americans with Disabilities Act*, please contact the director at (858) 792-6937 by **noon**, the day before the Board meeting, to arrange reasonable accessibility for meeting participation.

Please set cellular phones and pagers to **silent mode**, and engage in conversations outside the meeting room.

# North City West School Facilities Financing Authority

**Directors:**

Eric Dill, Chairperson, San Dieguito Union High School District  
Nancy Lynch, Vice Chairperson, Solana Beach School District  
Doug Rafner, Director, Del Mar Union School District  
Mark Risco, Executive Director and Board Secretary

## AGENDA

<u>Items</u>	<u>Page No.</u>
<b>1. CALL TO ORDER</b>	
A. Call to order March 13, 2014 at 2:30 p.m.	
<b>2. PLEDGE OF ALLEGIANCE</b>	
<b>3. APPROVAL OF AGENDA</b>	<b>1-2</b>
<b>4. APPROVAL OF MINUTES</b>	<b>3-5</b>
A. Regular meeting, December 11, 2013	
<b>5. PUBLIC COMMENT</b>	
In accordance with the Brown Act, unless an item has been placed on the published agenda, there shall be no action taken. The Board may 1) acknowledge receipt of the information, 2) refer to staff for further study, or 3) refer the matter to the next agenda.	
<b>6. FINANCIAL REPORTS</b>	<b>6-13</b>
The following reports record the routine business of the JPA/CFD for Fiscal Year 2013/14. Members of the Board, the administration or the public may request that specific items be discussed prior to their acknowledgement.	
A. Executive Summary	
B. Building Permit Activity	
C. Financial Overview	
D. Income	
E. Expenditures (through December 2013)	

# North City West School Facilities Financing Authority

## Directors:

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Mark Risco, Executive Director and Board Secretary

## 7. EXECUTIVE DIRECTOR'S REPORT

- A. The Annual Continuing Disclosure Report Status (completed 12/26/13)
- B. Delinquency Management Update
- C. Form 700
- D. Refund Letters were mailed on February 28, 2014

## 8. ACTION ITEM

14

- A. Review and acknowledge the audit findings for the FY 12/13 NCW JPA Annual Independent Audit.

## 9. DISCUSSION ITEMS

- A. Dates of Upcoming Board Meetings  
June 5, 2014
- B. San Dieguito UHSD Middle School No. 5 Update
- C. NCW Funding Possibilities (Del Mar SD)
  - a. Modernization of Carmel Del Mar
  - b. Relocatables for Del Mar Heights and Del Mar Hills

## 10. ADJOURNMENT

The next scheduled Board Meeting will be held on June 5, 2014 at the Solana Beach District Office. The District Office is located at 309 North Rios Avenue, Solana Beach, CA. 92075



CARMEL VALLEY

# North City West School Facilities Financing Authority

## Directors:

Eric Dill, Chairperson, San Dieguito Union High School District  
Nancy Lynch, Vice Chairperson, Solana Beach School District  
Doug Rafner, Director, Del Mar Union School District  
Mark Risco, Executive Director and Board Secretary

## ITEM 4A

### MINUTES

The Directors of the **North City West School Facilities Financing Authority** and Community Facilities District 1 & 2 of the North City West School Facilities Financing Authority held a **Regular Meeting** on **December 11, 2013** at Solana Beach School District Offices, 309 North Rios Avenue, Solana Beach, CA, 92075. (The letters "JPA" will be used in place of North City West School Facilities Financing Authority and the letters "CFD" will be used in place of Community Facilities Districts 1 & 2).

#### PRESENT:

Directors: Eric Dill, San Dieguito Union High School District  
Doug Rafner, Del Mar Union School District

#### Other Personnel, Member Districts:

Caroline Brown, Solana Beach School District  
Carlos Estella, Solana Beach School District  
Holly McClurg, Del Mar Union School District

Administration: Mark Risco, Willdan Financial Services  
Gladys Medina, Willdan Financial Services  
Beatrice Medina, Willdan Financial Services

Legal Counsel: Kelly Salt, Best Best & Krieger LLP

#### **1. CALL TO ORDER, PLEDGE OF ALLEGIANCE**

The meeting was called to order at 3:05 p.m.

#### **2. PLEDGE OF ALLEGIANCE**

#### **3. CLOSED SESSION**

A1. Approve to settle the claim for the one property owner overpayment.

Moved by Rafner, second by Dill. Carried unanimously.

A2. Approve to have Executive Director to resolve the remaining 79 property owner's overpayment.

Moved by Rafner, second by Dill. Carried unanimously.

# North City West School Facilities Financing Authority

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B. Approve to send notice to property owner advising of increase.

Moved by Rafner, second by Dill. Carried unanimously.

#### 4. APPROVAL OF AGENDA

Moved by Rafner, second by Dill to approve the agenda. Carried unanimously.

#### 5. APPROVAL OF MINUTES

Moved by Rafner, second by Dill to approve the minutes. Carried unanimously.

#### 6. PUBLIC COMMENT

There was no public comment.

#### 7. EXECUTIVE DIRECTOR'S REPORT

We have not received any building permits.

Expenditures are within the allotted budget amount approved by Board.

The annual audit has been completed; awaiting the final write up.

The annual CDIAC reporting was filled on October 25, 2013

Delinquencies are below 0.50%.

Disclosure certificates to be filed prior December 31, 2013

#### 8. ACTION ITEMS

A. Review and Acknowledge the Series 2005A, 2005B, and 2006C Interim Arbitrage Rebate Analysis.

Moved by Rafner, second by Dill to approve item. Carried unanimously.

B. Review and Acknowledge the Series 2002 Interim Arbitrage Rebate Analysis.

Moved by Rafner, second by Dill to approve item. Carried unanimously.

C. Review and Approve the Annual Master Plan Letter to the City

Moved by Rafner, second by Dill to approve the letter. Carried unanimously.

D. Review and Approve taxpayer Claim and Appeal Procedures.

Moved by Rafner, second by Dill to approve the letter. Carried unanimously.

#### 9. DISCUSSION ITEMS

Next Board meeting is March 13, 2014

San Dieguito UHSD received demographic study draft for Middle School No. 5. District will begin looking at boundaries. School scheduled to open in the Fall 2015 with 250 7<sup>th</sup> grade students attending.

# North City West School Facilities Financing Authority

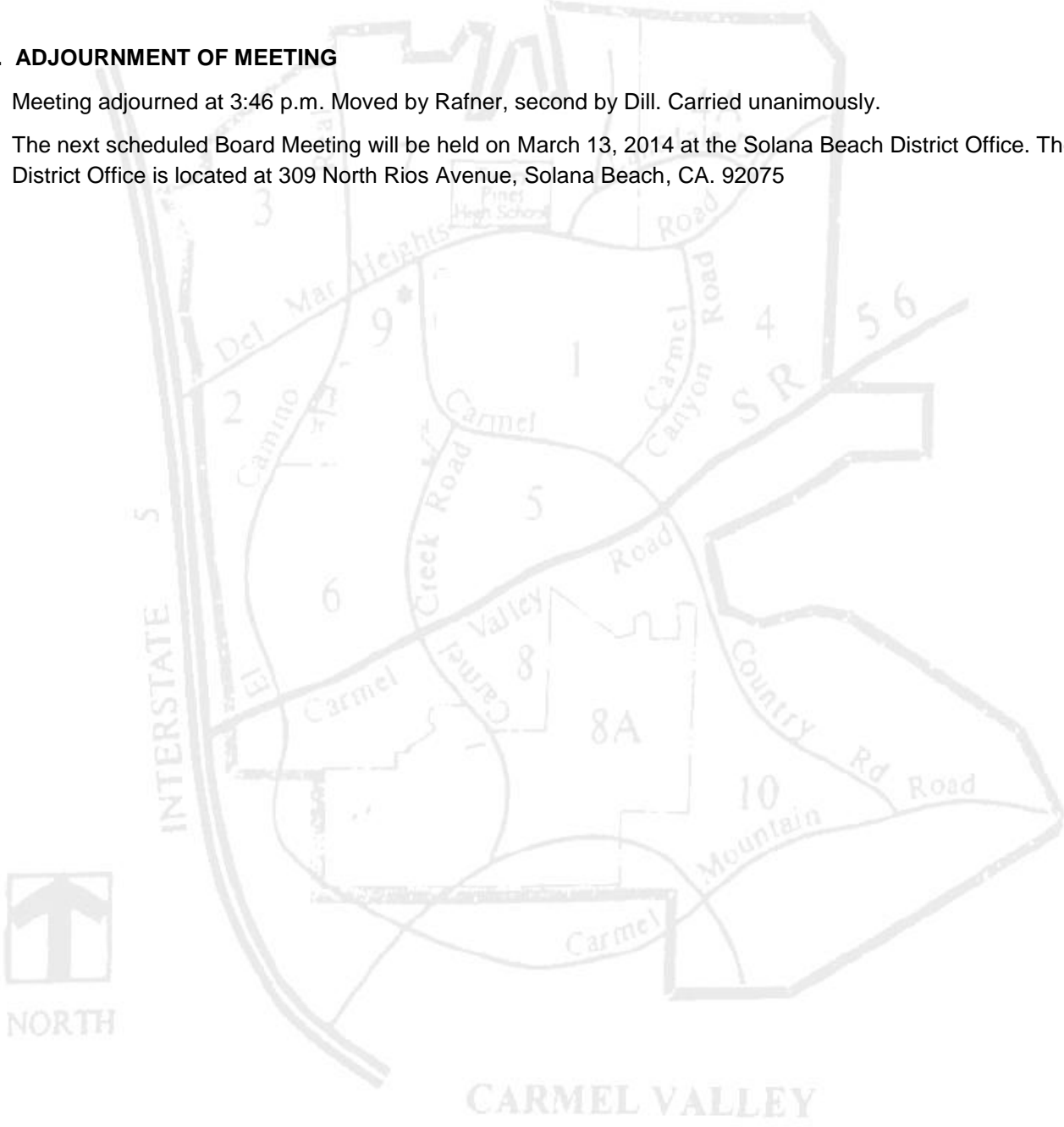
**Directors:**

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Nancy Lynch, Vice Chairperson, Solana Beach School District  
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Mark Risco, Executive Director and Board Secretary

**10. ADJOURNMENT OF MEETING**

Meeting adjourned at 3:46 p.m. Moved by Rafner, second by Dill. Carried unanimously.

The next scheduled Board Meeting will be held on March 13, 2014 at the Solana Beach District Office. The District Office is located at 309 North Rios Avenue, Solana Beach, CA. 92075





# North City West School Facilities Financing Authority

**Directors:**

Eric Dill, Chairperson, San Dieguito Union High School District  
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## ITEM 6A

### **SUBJECT: EXECUTIVE SUMMARY, FINANCIAL REPORTING THROUGH DECEMBER 31, 2013**

**1. School fees/building permits for CFD No.1**

For Fiscal Year 2013/14, school fees for 0 homes were paid.

**2. Direct Master Plan school fee permits forecast:**

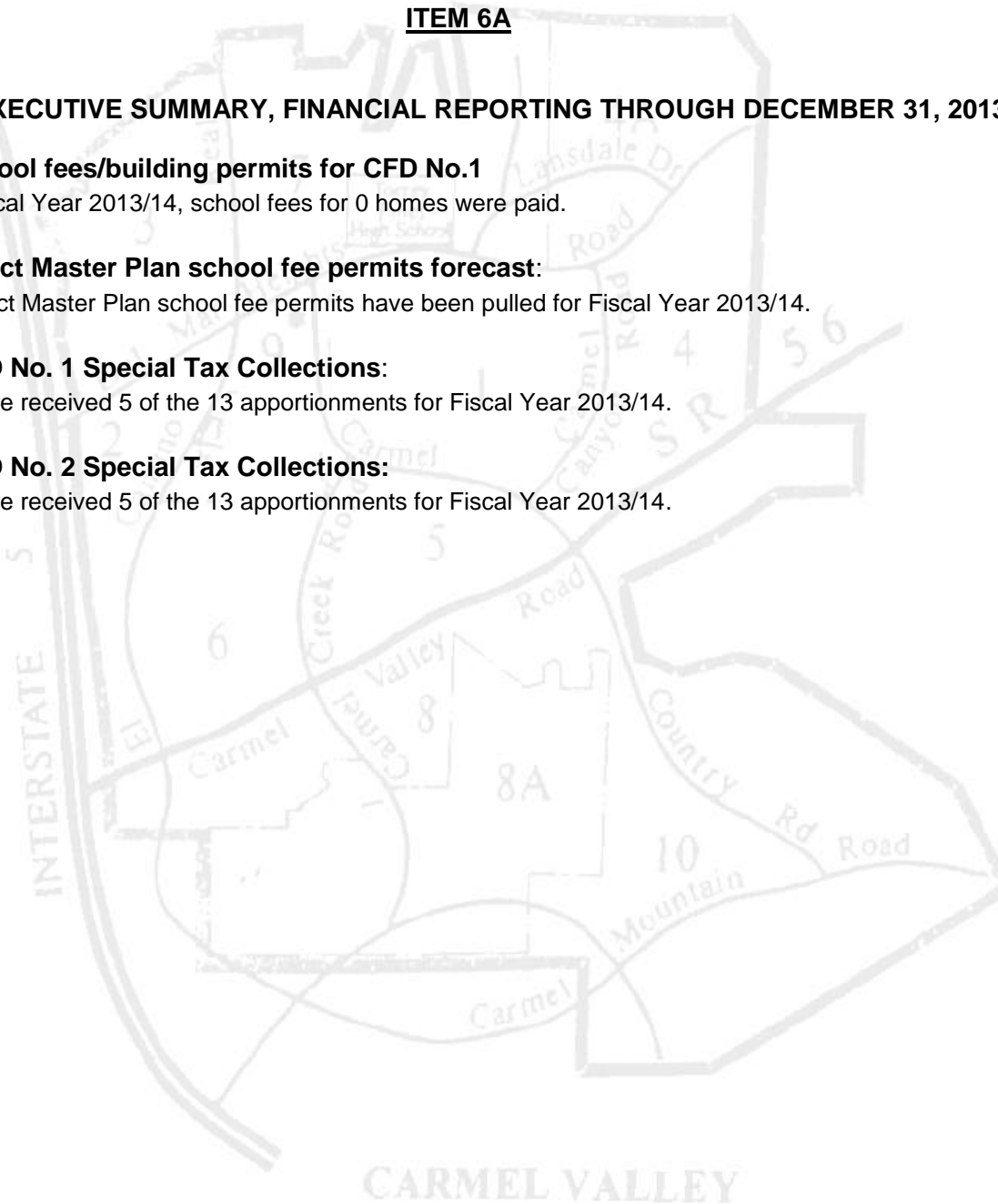
No direct Master Plan school fee permits have been pulled for Fiscal Year 2013/14.

**3. CFD No. 1 Special Tax Collections:**

We have received 5 of the 13 apportionments for Fiscal Year 2013/14.

**4. CFD No. 2 Special Tax Collections:**

We have received 5 of the 13 apportionments for Fiscal Year 2013/14.







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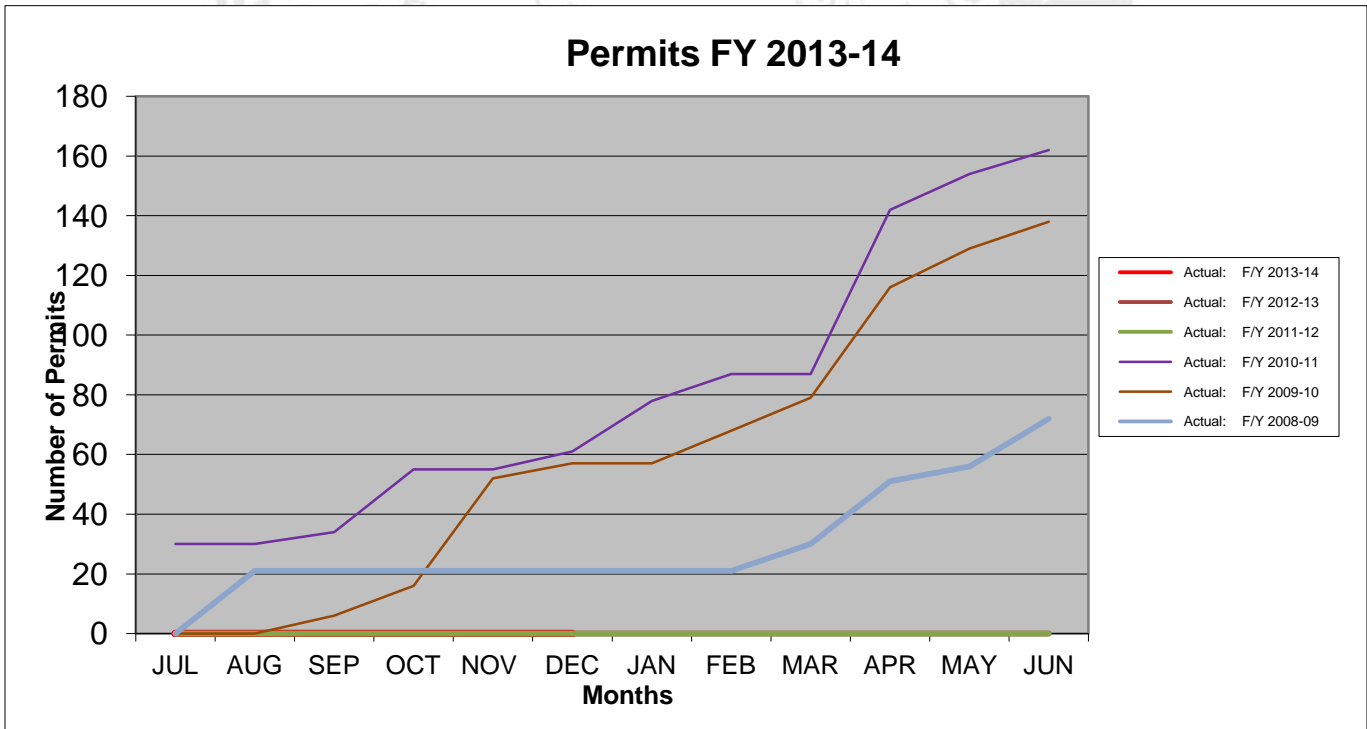
**ITEM 6B-2**

**CARMEL VALLEY RESIDENTIAL BUILDING PERMITS**

**YEAR TO DATE TOTALS**

*Current Fiscal Year 2013-14*

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Actual: F/Y 2013-14	0	0	0	0	0	0						
Actual: F/Y 2012-13	0	0	0	0	0	0	0	0	0	0	0	0
Actual: F/Y 2011-12	0	0	0	0	0	0	0	0	0	0	0	0
Actual: F/Y 2010-11	30	30	34	55	55	61	78	87	87	142	154	162
Actual: F/Y 2009-10	0	0	6	16	52	57	57	68	79	116	129	138
Actual: F/Y 2008-09	0	21	21	21	21	21	21	21	30	51	56	72



# North City West School Facilities Financing Authority

## Directors:

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### ITEM 6C

#### FINANCIAL OVERVIEW

The financial overview consists of three parts:

#### **ITEM 7C-1** - Summary of Current Funds Available for Future Projects

Shows funds on deposit as of the beginning of each fiscal quarter, less current fiscal year encumbrances, resulting in the balance of unencumbered funds available for future projects.

Funds held in the San Diego County Treasury (through the S.D. County Office of Education).

- A. **Fund 77** (21-09): CFD No. 1 Special Tax Funds.
- B. **Fund 78** (21-10): CFD No. 1 Special Taxes collected by County of San Diego.
- C. **Fund 79** (35-00): Direct mitigation fees collected under the Master Plan.  
And CFD No. 2 Special Taxes collected by the County of San Diego.
- D. **Fund 83** (21-25): Del Mar Neighborhood #8A School Site Fund.
- E. **Fund 84** (21-25): Del Mar Neighborhood #8A School Construction Fund.

Currently inactive funds: 76, 80, 81, 82

#### **ITEM 7C-2** - Financial Status of Approved Projects

Shows the annual approved project budgets, the year to date project expenditures (by county fund or bonds), the percent of budget spent year to date, and the resulting unspent balance remaining for the fiscal year.

# North City West School Facilities Financing Authority

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## ITEM 7C-1

### SUMMARY OF CURRENT FUNDS AVAILABLE FOR FUTURE PROJECTS

Current Fiscal Year 2013-14  
As of December 31, 2013

	Dec 31, 2012	April 30, 2013	July 31, 2013	Sept 30, 2013	Dec 31, 2013
<b>FUNDS ON DEPOSIT</b>					
Fund 76, subordinate tax fund	\$ 6,227	\$ 6,238	\$ 6,243	\$ 6,243	\$ 6,248
Fund 77, CFD #1 devel fees & check acct	\$ 1,253,639	\$ 1,255,823	\$ 1,256,817	\$ 1,256,817	\$ 1,257,796
Fund 78, less semi-annual bond payments	\$ 5,554,234	\$ 6,571,868	\$ 8,998,247	\$ 4,417,840	\$ 6,361,213
Fund 79, Master Plan fees & CFD #2	\$ 19,496	\$ 7,662	\$ (15,162)	\$ (15,186)	\$ (6,758)
Fund 80, SBSB #6 site	\$ -	\$ -	\$ -	\$ -	\$ -
Fund 81, La Costa Canyon	\$ -	\$ -	\$ -	\$ -	\$ -
Fund 82, SBSB #6 construction	\$ -	\$ -	\$ -	\$ -	\$ -
Fund 83, DMUSD #7 land	\$ 84,616	\$ 84,763	\$ 84,830	\$ 84,830	\$ 84,896
Fund 84, DMUSD #7 construction	\$ 4	\$ 4	\$ 4	\$ 4	\$ 4
1997C Bond Construction Fund	\$ -	\$ -	\$ -	\$ -	\$ -
2002 Subordinate Bonds (Spec. Account)	\$ 41,054	\$ 41,054	\$ 41,054	\$ 41,054	\$ 41,054
2005A & B Subordinate Bonds	\$ 4,701,851	\$ 4,701,972	\$ 4,701,992	\$ 4,707,744	\$ 4,707,771
<b>Total Funds on Deposit</b>	<b>\$ 11,661,122</b>	<b>\$ 12,669,385</b>	<b>\$ 15,074,027</b>	<b>\$ 10,499,348</b>	<b>\$ 12,452,225</b>
<b>ENCUMBRANCES</b>					
Carmel Valley Middle School Expansion	\$ 4,245,993	\$ 4,245,993	\$ 4,245,993	\$ 4,245,993	\$ 4,245,993
La Costa Canyon High School					
Torrey Pines H.S. C.S.R. addition					
Ashley Falls School					
Ashley Falls addition					
Sage Canyon School (Neighb. #10)					
Sage Canyon 8 Relocatables					
Del Mar School (Neighb. #8A) site	\$ 72,852	\$ 72,852	\$ 72,852	\$ 72,852	\$ 72,852
Del Mar School (Neighb. #8A) construct.					
Other Del Mar JPA Relocatables					
Solana Pacific School construction					
Administration	\$ 95,404	\$ 59,940	\$ 90,719	\$ 90,695	\$ 81,520
NCW JPA Reserve					
<b>Total Encumbrances</b>	<b>\$ 4,414,249</b>	<b>\$ 4,378,785</b>	<b>\$ 4,409,564</b>	<b>\$ 4,409,540</b>	<b>\$ 4,400,365</b>
<b>SUMMARY</b>					
Total Funds on Deposit	\$ 11,661,122	\$ 12,669,385	\$ 15,074,027	\$ 10,499,348	\$ 12,452,225
Encumbrances (current fiscal year)	\$ (4,414,249)	\$ (4,378,785)	\$ (4,409,564)	\$ (4,409,540)	\$ (4,400,365)
<b>Unencumbered Funds Available</b>	<b>\$ 7,246,873</b>	<b>\$ 8,290,600</b>	<b>\$ 10,664,463</b>	<b>\$ 6,089,808</b>	<b>\$ 8,051,860</b>

# North City West School Facilities Financing Authority

**Directors:**

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**ITEM 6C-2**

**FINANCIAL STATUS OF APPROVED PROJECTS**

Current Fiscal Year 2013-14  
 As of December 31, 2013

		<b>C.V. MIDDLE SCHOOL</b>	<b>DEL MAR ELEM. N #8A School</b>	<b>ADMIN.</b>	<b>TOTAL PROJECTS</b>
<b>F/Y 2013/14</b>	<b>L</b>		\$ 72,852		\$ 72,852
<b>BUDGET</b>	<b>C</b>	\$ 4,245,993	\$ -	\$ 101,350	\$ 4,347,343

<b>EXPEND.</b>	<b>L</b>				
<b>FUND 78</b>	<b>C</b>				\$ -
<b>EXPEND.</b>	<b>L</b>				
<b>FUND 79</b>	<b>C</b>			\$ 19,830	\$ 19,830
<b>EXPEND.</b>	<b>L</b>				\$ -
<b>FACIL. FUND.</b>	<b>C</b>				\$ -
<b>TOTAL</b>	<b>L</b>				\$ -
<b>EXPEND.</b>	<b>C</b>	\$ -	\$ -	\$ 19,830	\$ 19,830

<b>PERCENT</b>	<b>L</b>		0.0%		
<b>OF BUDGET</b>	<b>C</b>	0.0%	0.0%	19.6%	

<b>BALANCE</b>	<b>L</b>		\$ 72,852	\$ -	\$ 72,852
<b>REMAINING</b>	<b>C</b>	\$ 4,245,993	\$ -	\$ 81,520	\$ 4,327,513

L = Land purchase

C = Construction/Operations

# North City West

## School Facilities

### Financing Authority

**Directors:**

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**ITEM 6D**

**INCOME TO DATE, Funds 76, 77, 78, 79, 80, 81, 82, 83, & 84**

*Current Fiscal Year 2013-14*  
 As of December 31, 2013

DATE	ITEM NO.	SOURCE	FUND 77 (21-09)		FUND 78 (21-10)			FUND 79 (35-00)				FUND 76 (21-62)	FUNDS (21-00,25)
			PERMIT INCOME	INTEREST INCOME	TAX APPN. INCOME	INTEREST INCOME	MISC. INCOME	TAX APPN. INCOME	INTEREST INCOME	PERMIT INCOME	MISC. INCOME	INTEREST INCOME	80, 81, 82, 83 & 84 INCOME
7/16/13	CT	Apportionment #13			\$ 28,229.49			\$ 7,314.60					
7/29/13	CT	County Int, 100% 6/30/13		993.77		6,238.41			9.42			4.94	67.08
8/13/13	CT	Apportionment #1			8,689.86								
9/10/13	CT	Apportionment #2			7,349.17								
10/8/13	CT	Apportionment #3			9,775.52								
10/23/13	CT	County Int, 100% 9/30/13		978.75		5,203.16			5.32			4.86	66.06
11/5/13	CT	Apportionment #4			300,356.73			1,425.40					
12/10/13	CT	Apportionment #5			1,628,037.01			16,172.00					
<b>YEAR TO DATE TOTAL INCOME</b>			\$ -	\$ 1,972.52	\$1,982,437.78	\$ 11,441.57	\$ -	\$ 24,912.00	\$ 14.74	\$ -	\$ -	\$ 9.80	\$ 133.14
<b>FORECAST TOTAL INCOME</b>			\$ -		<b>\$8,371,014.00</b>			<b>\$ 68,420.00</b>		\$ -			
<b>FORECAST YEAR TO DATE INCOME</b>			\$ -		\$7,083,165.69			\$ 57,893.85		\$ -			
<b>PERCENT COLLECTED YEAR TO DATE</b>			0.0%		23.7%			36.4%		NA			



# North City West

## School Facilities

### Financing Authority

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**ITEM 6E**

**EXPENDITURES TO DATE, Funds 76, 77, 78, 79, 80, 81, 82, 83, & 84**

Current Fiscal Year 2013-14  
 As of December 31, 2013

DATE	VENDOR	PURPOSE	WARRANT / SOURCE	EXPENDITURES				
				(21-10)	(21-00)	(35-00)	CFD	TOTAL
				FUND 78	F. FUND AGR 54908/54909 Funds 83 & 84	FUND 79 54907 ADMIN	BONDS	EXPEND.
07/11/13	AT&T	Phone Service June 11 thru July 10	12-204026	\$	\$	\$ 23.83	\$	\$23.83
07/11/13	US Bank	Administrative Fees 6/1/13-5/31/14 (2012A)	12-204028			2,200.00		\$2,200.00
07/12/13	Del Mar USD	Demography Study	12-204548			6,783.69		\$6,783.69
07/17/13	US Bank	Administrative Fees 6/1/13-5/31/14 (2006C)	12-205615			1,600.00		\$1,600.00
07/30/13	AT&T	Phone Service July 11 thru Aug 10	12-209320			23.83		\$23.83
08/16/13	US Bank	Debt Service - Special Tax Revenue Bonds 2005B & 2006C	12-214406	4,371,373.54				\$4,371,373.54
08/16/13	US Bank	Debt Service - Special Tax Revenue Bonds 2012A	12-214406	225,071.92				\$225,071.92
08/23/13	AT&T	Phone Service Aug 11 thru Sept 10	12-216895			23.83		\$23.83
10/07/13	AT&T	Phone Service Sept 11 thru Oct 10	12-232010			28.59		\$28.59
10/25/13	AT&T	Phone Service Oct 11 thru Nov 10	12-241029			27.35		\$27.35
10/29/13	Solana Beach School Dist	CASH 2013 Fall Conference Expenses	12-241879			737.74		\$737.74
11/08/13	Bondlogistix	Interim Arbitrage Rebate Report - Series 2002	12-246540			1,500.00		\$1,500.00
11/25/13	AT&T	Phone Service Nov 11 to Dec 10	12-253150			27.35		\$27.35
11/25/13	US Bank	Administrative Fees 9/1/13-8/31/14 (2002)	12-253151			2,500.00		\$2,500.00
12/19/13	Best Best & Krieger LLP	General Counsel Services through Oct 31	12-262664			874.00		\$874.00
12/19/13	Best Best & Krieger LLP	General Counsel Services through Nov 30	12-262664			1,980.16		\$1,980.16
12/19/13	Bondlogistix	Interim Arbitrage Rebate Report - Series 2005A & B, 2006C	12-262665			1,500.00		\$1,500.00
<b>Total Expenditures To Date:</b>				<b>\$ 4,596,445.46</b>	<b>\$ -</b>	<b>\$ 19,830.37</b>	<b>\$ -</b>	<b>\$ 4,616,275.83</b>





# North City West School Facilities Financing Authority

## Directors:

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Mark Risco, Executive Director and Board Secretary

### ITEM 8A

#### **SUBJECT: Acceptance of the North City West Financing Facilities Authority audited financial statements and Internal Auditor's Report on Internal Control for Fiscal Year 2013**

BACKGROUND: The annual independent audit of the North City West Financing Facilities Authority (NCW FFA) financial statements and review of internal controls for Fiscal Year 2013 was conducted during the week of November 21<sup>st</sup> through 22, 2013 by the firm Wilkinson Hadley King & Co., LLP, Certified Public Accountants.

The financial statements for the Fiscal Year Ended June 30, 2013 include a full set of comparative statements for the prior Fiscal Year Ended June 30, 2012. This is the first year comparative statements have been included in the annual audited report. The prior year statements were added to increase visibility to the Board of year over year changes in the fund and account activities and to make the statements more in compliance with *Governmental Accounting Standards*.

The independent auditor's report states that the NCWFFA financial statements present fairly, in all material respects, the financial position of the NCWFFA as of June 30, 2013 and 2012 and the respective changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America. The independent auditor's report on internal control states that no material weakness in internal control or any instances of noncompliance to *Government Auditing Standards* were identified during the audit.

The complete independent auditor's report follows for your review.

RECOMMENDATION: Review and accept the FY 2012-13 independent audit as presented.



NORTH

CARMEL VALLEY