



**DRAFT BUDGET
2017/2018 FISCAL YEAR**



Los Osos Community Services District Responsible Level of Service

The attached budget tool has been developed in order to continuously enhance financial accounting methods and to evaluate the daily impact of operations of the Los Osos Community Services District (Los Osos CSD). This budget tool allows Staff to recognize early detection of underestimations for material and supply costs for maintenance and repairs and to also help Staff to adjust to unexpected capital improvements. It is the District's responsibility to stay ahead of emergencies by continuous planned maintenance of all District powers.

The Los Osos CSD is responsible for water, drainage, and fire, and lighting in the Bayridge and Vista De Oro areas. With water and drainage comes the responsibility of permitting requirements, and staying within county and state regulations which ensures the health and welfare of our residents. Standard daily and monthly maintenance is a necessity. It is important that at all times our Staff has all the tools and training they need to guarantee that our systems are in excellent condition during all seasons.

As we also provide fire services for the entire community of Los Osos, we have to ensure the quality of equipment at the South Bay Fire Department is in excellent condition and that they have everything they need to ensure our health and safety 24/7.

With the addition of the Basin Management Plan adjudication, Los Osos CSD is legally responsible to ensure reversal of the water quality degradation of the upper aquifer and seawater intrusion in the lower aquifer. The Basin Management Plan identified several different programs in order to improve the quality of the basin. These programs must be completed and improvements made in order to stay in compliance with the adjudication. The District has completed part of Program A and will need to start on Phase 2 during the 2017-2018 budget cycle. The District is tasked to find financing for these projects on our own.

This year the District received volunteer help from three community members on a rate study; Rob Miller, Ron Munds and Richard Margetson. This study assisted the District in determining revenue shortfalls and a possible means to providing funds to help with capital improvement projects.

The Draft 2017-2018 Fiscal Budget reflects a cooperative exchange of ideas and experience by all District Staff, Fire Chief, committee members and some suggestions from the Auditor. It is the intention of the Los Osos Community Services District Board of Directors as well as all Staff to provide the Community of Los Osos the best possible services and to follow all transparency practices and Brown Act Rules and Regulations according to State Legislation.

**Los Osos Community Services District
2017-2018 Fiscal Budget Summary**

The proposed budget for the Administration (100), Water (500), Drainage (800), Vista De Oro (400), Bayridge (200) and Park and Recreation (900) funds are attached for your review. The Fire Fund will be presented by Cal Fire separately, and is also attached.

FUND 200 – BAYRIDGE

The County has been granted an easement from the District to the Bayridge Estates in order to allow them access to perform maintenance on the septic system. District staff will not need to perform maintenance on the system, but is responsible for grounds keeping of greenspace that we own and care of 3 drainage basins that get coded to Drainage (800). The Utility Staff predicts 5% of their time in this area. The District is still responsible for lighting. On March 5, 2015 the Bayridge fund took out a \$125,000 loan from Water in order to pay for emergency improvements. The loan payment has been determined to be \$25,006 a year (Exhibit A). The District is assessing the Bayridge parcels (147 lots) \$172 each for 5 years in order to pay back this loan (Exhibit B). In addition, there is also a lighting assessment on the parcels in order to assist with the street lights.

Total anticipated revenue from Bayridge property taxes for the 2017-2018 budget cycle is \$65,722. The total lighting and septic assessment anticipated is \$31,921. Staff predicts a small amount of utility crew time at Bayridge. This would include site inspections and response to system overflows while the property is still in the District's hands. The total amount of payroll, materials, supplies and services are anticipated to be \$28,565. As a result of 2016-2017 budget expenses, the budget was underestimated and has a negative roll over balance of \$31,338. It is a possibility that the District will need to transfer funds over to the Bayridge fund in the amount of \$19,187 in order to balance this fund at the end of the 2017-2018 fiscal year. There are no capital improvements anticipated for this fund.

FUND 400 – VISTA DE ORO

The County has been granted an easement from the District to the Vista De Oro Estates in order to allow them access to perform maintenance on the septic system. District staff will not need to perform maintenance on the system, but will have to take care of grounds keeping of the drainage basin that we own, but coded to Drainage (800).

There is no anticipated revenue from Vista De Oro property taxes for the 2017-2018 budget cycle. The anticipated lighting and septic assessment is \$12,200. Staff predicts a small amount of utility crew time at Vista De Oro. The total amount of materials, supplies and services are anticipated to be \$6,615. Although there was a negative balance roll over of \$19,807 from the 2016-2017 budget, the budget should have a small negative balance of \$992 at the end of the 2017-2018 fiscal budget. There are no capital improvements anticipated for this fund.



FUND 500 – WATER

Water is the main focus of the Los Osos CSD. The Utility Staff predicts at least 65% of their time will be spent in this area. This fund is subsidized mostly by 2785 connections. Currently, operations and maintenance can be completely funded by water revenue. If we use the 2016-2017 adjusted revenue as an example; the adjusted amount of \$1,939,219 of water revenue, fees of \$48,100, investment amount of \$3,000 and property tax of \$223,760 totaling \$2,282,779 for 2016-2017 could initially pay for the projected 2017-2018 \$1,088,136 total operating expenses. But this does not account for an estimated debt service of \$276,731 (Exhibit C), Policy Reserve set asides of \$865,731 (Exhibit D), reallocation of property tax by \$54,410 (Also Exhibit D) and estimated capital improvement projects of \$407,038 (Exhibit E) (total \$1,603,910). Also, this amount does not include the anticipated loss in water sales due to the sale of recycled water. We would have to hit our reserves for over \$400,000. If this was to become a yearly practice, this would eventually empty our accounts as we continually try to keep up with the much needed capital improvements. The District needs to find an additional revenue source in order to supply the public with a safe and reliable water source.

The proposed water rates would finance the capital improvements that are not only legally motivated, but necessity driven in order to fulfill the responsibility of being a conscientious water steward to the residents of the District. The capital improvements would provide for a better, sustainable water source. The rate increase would cover the costs of the additional funds needed for the 2017-2018 budget and for future budgets.

FUND 500 – WATER CAPITAL IMPROVEMENTS

The District completed two portions of Plan A projects that are part of the Basin Management mandatory adjudication improvements. We completed the intertie project with Golden State over budget at \$138,322.22 (original estimate per Los Osos CSD budget was \$100,000). The intertie between the two water purveyors improved the interconnection between the two distribution systems. The interconnection is for sharing water supplies in case of emergencies and will transfer water among the two purveyors in order to shift groundwater production within the Basin. These costs were equally split between Golden State and Los Osos CSD.

Phase 1 of the 8th Street Upper Aquifer Well (Plan A) was completed in the 2016-2017 budget in December of 2016. This project consisted of the drilling of a new well to extract water from the “Upper Aquifer” in the central area. The initial water quality results from the new well indicated nitrate concentrations below the drinking water standards, and chrome XI results above the allowable level, similar to the District’s 3rd Street Well. The tested chrome XI concentration is low enough to facilitate blending with the existing lower aquifer well without treatment. This project was estimated at \$120,000 and came in over budget at \$141,915.

The 2017-2018 budget needs to include Phase 2 of the 8th Street Upper Aquifer Well project. Phase 2 would cover the construction costs of pumping equipment, controls, a blending system with the existing lower aquifer well, and a pipeline connection to the current distribution system. This new water source will help to reduce extractions from the lower aquifer to in the on-going effort to halt seawater intrusion. This phase is expected to cost approximately \$250,000. However, this does not cover engineering costs. The District currently has a Request



for Proposals for engineering work. The District Engineer projects this additional cost to be approximately \$25,000.

Phase 2 will need to be funded by District Funds. Although Staff is seeking State Grants for the project, and with current Federal Funds being cut from State infrastructure needs, we cannot rely on grant possibilities. Most of the Grants Staff has applied for are reimbursable project grants, if the Los Osos CSD is awarded.

There is also a need to build a Maintenance/Storage building for our Water Yard. Currently our supplies and equipment is stored in a C Train container that is leaking. The Los Osos elements are speeding up the depreciation of our equipment. Costs for a standard building are estimated at \$75,000.

FUND 800 – DRAINAGE

The Los Osos CSD is responsible for Drainage for the Los Osos Community. Utility Staff is responsible for maintaining four (4) pump stations and five (5) drainage basins throughout the community. The Utility Staff is predicting at least 30% of their time in this area. This number is based on this past rain season.

Revenues from property taxes and drainage assessments is projected to be \$119,559. Expenses will be higher than the 2016-2017 budget (\$145,401) by about 10%. With payroll being the leading effect of the increase, we estimate \$155,598 for expenses for the 2017-2018 budget. This amount obviously reflects a start of a negative balance in the Drainage fund with just the increase of expenses by \$10,197. The Board will need to make a recommendation to Staff of how to fund Drainage for the 2017-2018 budget. This cost does not include Capital improvement projects that are needed.

FUND 800 – DRAINAGE CAPITAL IMPROVEMENTS

There are several needs in the Los Osos Community Drainage System. 8th Street continues to have issues during high rain events. The two small electrical pumps are not sufficiently fast enough to drain 8th street and they are electrical. The back-up pump, which is a diesel pump run from a generator is what we rely on to kick in when the small pumps are insufficient. This past rainy season, the diesel pump barely did its job and we had electrical issues when the vault flooded.

A brand new pump would cost around \$56,000. But, one of our consultants that worked on our pump is positive that the motor runs great. It is in need of some replacement parts only. We estimate repair to be about \$15,000. Staff is dedicated to finding parts for this pump. If we are unsuccessful, the District will need to purchase a new pump.

In addition to the back-up pump, the 8th street electrical panel also had some issues this season. The panel's purpose is intended to detect the inefficiency of the two smaller pumps, advise the crew, and automatically start the diesel pump. The panel is no longer doing this and



Utility Staff has to manually monitor the area. We have an estimate of approximately \$25,000 to replace the control panel.

In the 2016-2017 Budget, \$40,000 was set aside for improvements that was not used. If we roll over the \$40,000 from last year's budget we would need \$41,000 (\$56,000 + \$25,000= \$81,000) to execute 8th street improvements. These improvements of \$41,000 plus the shortfall in the operations budget would mean that the Board would have to make a recommendation to Staff to move funds from the capital improvement reserves in order to pay for the improvements. This would then leave a shortfall in the budget of \$4,791.

FUND 900 – PARKS AND RECREATION

The Parks and Recreation (Parks and Rec) fund is fairly new to the Los Osos CSD. Funds of \$305,838 have been set aside to financially assist the District in improving the Los Osos Community. The approximate fund total for the 2017-2018 year is \$293,564. The Parks and Rec Committee did a survey of what the citizens of Los Osos would like to have in the community. A vast majority of the surveys said a Dog Park. District Staff has been tasked with communicating with the County on this project. Other projects include “pocket parks” which are small pieces of land supplied with benches and trash cans where the general public can go to relax within their own neighborhoods.

There is no Utility Staff time projected to be spent on any of these proposed projects. Expenses are limited to Administration allocation costs and Legal Counsel. At this time, Staff is predicting a small increase in Legal Counsel's time which will make the estimated Parks Fund expenses at \$4,100 for the 2017-2018 year.

FUND 301 – FIRE

The Los Osos CSD is responsible for providing Fire and Safety Protection Services throughout Los Osos. Los Osos has contracted with Cal Fire to provide these services for our Community. The contract requires Cal Fire to provide 3 fulltime Fire Engineers and/or Medic responders with 1 fulltime Administrative assistant. (Exhibit F/Schedule A). Our contract also covers Chief Officer coverage, certification and training and other miscellaneous services at a cost to the District of \$2,164,108. This cost is paid through some property tax, and a fire tax in the amount of \$537,329 (Exhibit G). In addition to the Schedule A, the District is required to provide an ample budget for Cal Fire to use for reserves and operational measures.

The reserve fire fighters, South Bay Station 15 operations, maintenance and administration costs (10% allocation) are paid for by the District. Cal Fire prepared the budget for our South Bay Station 15. Anticipated revenue is \$ 2,592,100 for the 2017-2018 fiscal budget cycle. The operational and maintenance expense is estimated at \$2,408,303.

FUND 301 – FIRE CAPITAL IMPROVEMENTS

(Summary to follow)



FUND 100 – ADMINISTRATION

The Administration Fund (Admin) is completely financed through allocations of funds through all other funds. Administration covers the Administrative Service Manager, Legal Counsel, General Manager, Professional Services and general operation costs that run the District. Each fund has an allocation percentage that they will contribute to Admin costs. Since Water is the main focus of the District, the 500 Fund shoulders 83% of Admin costs for 2017-2018 and will contribute approximately \$450,177.

In the past, the Fire Station has contributed 21% of the Admin costs. This year, one of the tasks given to the General Manager was to find an alternative way to cut Admin uses costs in order to bring the Fire allocation down. One of the biggest contributors of Admin Service usage was payroll and all paperwork associated with this task. The District went to a contracting source, ADP which electronically processes 80% of the paperwork needed to accomplish this task. Although Admin Staff and the General Manager must maintain communication with the Fire Department, the Chiefs are doing their best to handle as much of the Administrative items they can on their own. This budget cycle the 301 (fire) Fund will contribute 10% of the Admin costs at approximately \$54,238 for the 2017-2018 Admin budget.

The 800 (Drainage) Fund will contribute 6% of the Admin costs at approximately \$32,543. The 900 (Parks and Rec) Fund will contribute 1.00% of the Admin costs at approximately \$5,424. The 220 (Bayridge) and 400 (Vista De Oro) Fund should not shoulder any percentage of the Admin costs since there is no real everyday operational costs relating to Admin services. Any costs that might be associated to these funds would mostly come from utility staff and professional services which could be charged directly to the fund if needed.

The allocation total of \$542,382 is designed to cover Administrative Services that help keep the District functioning (Exhibit G).





200-BAYRIDGE	Acct. Code	Account Title	Adopted 16-17 Budget	Accounting Adjusted 16-17 Budget	Actuals as of 04-30-17	Proposed 17-18 Budget
Revenues						
Property taxes	4035	Property Taxes	\$8,290	\$8,347	\$5,652	\$8,725
	4505	HO Prop Tax Relief	\$57	\$57	\$20	\$70
TOTAL PROPERTY			\$8,347	\$8,404	\$5,672	\$8,795
Special Taxes & Total Special Taxes Assessments	4550	Assessments to pay \$125,000 loan Lighting & Septic Assessment	\$54,831	\$29,825	\$12,375	\$31,921
			\$54,831	\$54,831	\$12,375	\$56,927
		TOTAL BAYRIDGE REVENUES	\$63,178	\$63,235	\$18,047	\$65,722

200-BAYRIDGE	Acct. Code	Account Title	Adopted 16-17 Budget	Accounting Adjusted 16-17 Budget	Actuals as of 04-30-17	Proposed 17-18 Budget
Expenditures						
Salaries & Wages	8018	Holiday Pay	\$0	\$0	\$809	\$0
	8051	Floating Holiday	\$0	\$0	\$894	\$0
	8054	Regular Salaries	\$18,944	\$18,944	\$15,630	\$15,074
	8060	Sick Leave	\$0	\$0	\$923	\$0
	8066	Comp Time Used	\$0	\$0	\$618	\$0
	8081	Vacation	\$0	\$0	\$1,394	\$0
Total Salaries & Payroll Taxes &			\$18,944	\$18,944	\$20,268	\$15,074
	5030	Life Insurance - ER	\$106	\$106	\$3	\$99
	5050	Medicare - ER	\$577	\$477	\$281	\$403
	5060	Cafeteria Plan - ER	\$2,407	\$1,799	\$1,039	\$1,436
	5070	Retirement ER - Regular	\$2,666	\$2,401	\$1,833	\$1,902
	5071	Retirement ER -Add'l Pickup	\$1,007	\$807	\$607	\$699
	5075	Retirees Medical - ER	\$543	\$343	\$189	\$247
	5100	Unemployment Ins ER	\$0	\$0	\$0	\$0
	5120	Worker's Compensation - ER	\$600	\$387	\$97	\$288
	5121	Cal Pers Unfunded Liability	\$0	\$0	\$0	\$0
	5124	Retirement ER Tier 2	\$700	\$310	\$0	\$202
	5133	Benefits Charged by Water	\$0	\$0	\$0	\$0
	5197	Benefit Billings to Other Funds	\$0	\$0	\$0	\$0
Total Payroll			\$8,606	\$6,630	\$4,049	\$5,276
		Total Payroll & Taxes	\$27,550	\$25,574	\$24,317	\$20,350

200-BAYRIDGE	Acct. Code	Account Title	Adopted 16-17 Budget	Accounting Adjusted 16-17 Budget	Actuals as of 04-30-17	Proposed 17-18 Budget
Expenditures						
Insurance, licenses	6342	Fees - Regulatory	\$600	\$1,500	\$1,044	\$1,500
	6345	Property Taxes & Assess. Costs	\$0	\$500	\$267	\$500
	7325	Insurance	\$800	\$800	\$735	\$800
Total Ins.,Lic. & Regulatory Fees			\$1,400	\$2,800	\$2,046	\$2,800
	7320	Professional & Consulting Services	\$0	\$3,000	\$2,867	\$500
	7326	Legal Services	\$3,500	\$1,500	\$831	\$500
Total Legal &			\$3,500	\$4,500	\$3,698	\$1,000
Rent and utilities	6000	Cell Phones	\$0	\$100	\$93	\$115
	6025	Telephone	\$0	\$0	\$20	\$0
	7352	Rent - Office & Other Structures	\$0	\$50	\$34	\$0
	8610	Electric	\$1,000	\$0	\$0	\$0
	8620	Gas Service	\$0	\$0	\$0	\$0
	8630	Trash Services	\$0	\$0	\$0	\$0
	8645	Septage Handling	\$62,000	\$15,000	\$12,020	\$0
	8670	Street Lighting	\$5,000	\$6,000	\$3,830	\$4,300
Total Rent and			\$68,000	\$21,150	\$15,997	\$4,415
		Total Materials, Supplies & Services	\$72,900	\$28,450	\$21,741	\$8,215
		TOTAL OPERATING EXPENSES	\$100,450	\$54,024	\$46,058	\$28,565
		Transfer to General Fund	\$11,757	\$8,718	\$6,602	\$0
		No Capital Outlay Expenses	\$0	\$0	\$0	\$0

BAYRIDGE 200 UNRESTRICTED FUND BALANCE CALCULATIONS		
	FROM 6/30/2016	TO 7/1/2017
Fund Balance Negative from 15-16 audit	-\$6,825	-\$31,338
Revenues	\$63,235	\$65,722
Expenditures	-\$54,024	-\$28,565
Loan Payment	-\$25,006	-\$25,006
Transfer to the General Fund	-\$8,718	\$0
Projected Fund Balance as of 06/30/2017	-\$31,338 Negative	-\$19,187 Negative

400-VISTA DE ORO	Acct. Code	Account Title	Adopted 16-17 Budget	Accounting Adjusted 16-17 Budget	Actuals as of 04-30- 17	Proposed 17-18 Budget
<u>Revenues</u>						
Property taxes	4035	Property Taxes	\$0	\$0	\$0	\$0
	4505	HO Prop Tax Relief	\$0	\$0	\$0	\$0
TOTAL PROPERTY			\$0	\$0	\$0	\$0
Special Taxes & Total Special Taxes & Assessments	4550	Lighting & Septic Assessment	\$15,768	\$11,500	\$2,834	\$12,200
			\$15,768	\$11,500	\$2,834	\$12,200
		TOTAL VISTA DE ORO	\$15,768	\$11,500	\$2,834	\$12,200

400-VISTA DE ORO	Acct. Code	Account Title	Adopted 16-17 Budget	Accounting Adjusted 16-17 Budget	Actuals as of 04-30- 17	Proposed 17-18 Budget
<u>Expenditures</u>						
Insurance, licenses	6342	Fees - Regulatory	\$0	\$1,500	\$1,044	\$1,500
	6345	Property Taxes & Assess. Costs	\$0	\$500	\$18	\$500
	7325	Insurance	\$0	\$500	\$441	\$500
Total Ins.,Lic. & Regulatory Fees			\$0	\$2,500	\$1,503	\$2,500
	7320	Professional & Consulting	\$1,300	\$4,300	\$3,233	\$500
	7326	Legal Services	\$3,000	\$1,500	\$254	\$500
Total Legal &			\$4,300	\$5,800	\$3,487	\$1,000
Rent and utilities	6000	Cell Phones	\$0	\$100	\$93	\$115
	6025	Telephone	\$0	\$0	\$0	\$0
	7352	Rent - Office & Other Structures	\$0	\$50	\$34	\$0
	8610	Electric	\$0	\$0	\$0	\$0
	8620	Gas Service	\$0	\$0	\$0	\$0
	8630	Trash Services	\$0	\$0	\$0	\$0
	8645	Septage Handling	\$0	\$2,600	\$1,930	\$0
	8670	Street Lighting	\$2,500	\$2,300	\$1,536	\$3,000
Total Rent and utilities			\$2,500	\$5,050	\$3,593	\$3,115

400-VISTA DE ORO	Acct. Code	Account Title	Adopted 16-17 Budget	Accounting Adjusted 16-17 Budget	Actuals as of 04-30- 17	Proposed 17-18 Budget
		TOTAL OPERATING EXPENSES	\$6,800	\$13,350	\$8,583	\$6,615
		Transfer to General Fund	\$8,832	\$5,812	\$4,401	\$0
		No Capital Outlay Expenses	\$0	\$0	\$0	\$0

VISTA DE ORO 400 UNRESTRICTED FUND BALANCE CALCULATIONS			
		6/30/2017	7/1/2017
Fund Balance Negative from 15-16 audit	-\$6,333	-\$6,333	-\$19,807
	Revenues	\$11,500	\$12,200
	Expenditures	\$19,162	\$6,615
	Loan Payment	\$0	\$0
	Transfer to the General Fund	-\$5,812	\$0
	Projected End Fund Balance	-\$19,807	-\$992

500 - Water	Acct. Code	Account Title	Adopted 16-17 Budget	Accounting Adjusted 16-17 Budget	Actuals as of 04-30-17	Proposed 17-18 Budget
Revenues						
Water Sales Revenues:	4030	Residential Single Family	\$1,800,000	\$1,517,831	\$1,240,750	\$2,325,006
	4102	Residential-Multi Family	\$0	\$150,349	\$124,594	\$0
	4103	Commercial	\$0	\$229,022	\$182,855	\$0
	4104	Irrigation-Water Sales	\$0	\$42,017	\$28,646	\$0
	New	Recycled Water Revenue	\$0	\$0	\$0	\$106,229
	New	Baseline No Consumption	\$0	\$0	\$0	\$32,890
Total Water Sales Revenue			\$1,800,000	\$1,939,219	\$1,576,845	\$2,464,125
	4114	Water Other Services Revenue	\$0	\$2,000	\$2,085	\$60,000
	4931	Water Activation Fees	\$10,000	\$7,000	\$6,350	\$0
	4932	Water Sales Penalties(Late Fees)	\$20,000	\$23,000	\$20,757	\$0
	4933	Door Hangers/Lock Out Fees	\$17,000	\$16,000	\$15,045	\$0
	4935	Sale-Specs/Plans and Non Cap Items	\$0	\$100	\$50	\$0
Total Water Service Charges			\$47,000	\$48,100	\$44,287	\$60,000
Property taxes	4035	Property Taxes	\$221,660	\$221,660	\$149,163	\$167,250
	4505	HO Prop Tax Relief	\$2,100	\$2,100	\$533	\$2,100
TOTAL PROPERTY TAX			\$223,760	\$223,760	\$149,696	\$169,350
	4510	Investment Income on Funds	\$3,000	\$3,000	\$2,051	\$1,500
TOTAL USE OF Mon.&Prop			\$3,000	\$3,000	\$2,051	\$1,500
Other Revenue	4925	Insurance Claim Reimbursement	\$42,000	\$42,000	\$42,000	\$0
	4930	Other Revenues	\$3,000	\$14,700	\$3,000	\$65,087
	4934	Gain on the Sale of Fixed Assets	\$12,000	\$12,000	\$12,000	\$0
Total Other Revenue			\$57,000	\$68,700	\$57,000	\$65,087
		TOTAL WATER DEPT REVENUES	\$2,130,760	\$2,282,779	\$1,829,879	\$2,760,062

500 - Water	Acct. Code	Account Title	Adopted 16-17 Budget	Accounting Adjusted 16-17 Budget	Actuals as of 04-30-17	Proposed 17-18 Budget
Expenditures						
Salaries & Wages	8012	Call Back Pay	\$17,000	\$0	\$0	\$0
	8018	Holiday Pay		\$0	\$12,142	\$0
	8027	Jury Duty	\$0	\$0	\$0	\$0
	8045	Overtime Pay	\$5,500	\$5,500	\$3,439	\$6,500
	8051	Floating Holiday Pay	\$0	\$0	\$13,422	\$0
	8054	Salaries & Wages Regular	\$394,702	\$404,576	\$231,001	\$387,444
	8056	Retroactive Pay	\$0	\$312	\$312	\$0
	8060	Sick Leave Pay	\$0	\$0	\$0	\$0
	8063	Standby Pay	\$10,000	\$16,000	\$13,170	\$17,000
	8066	Comp Time Used	\$0	\$0	\$0	\$0
	8081	Vacation Pay	\$0	\$0	\$0	\$0
Total Salaries & Wages			\$427,202	\$426,388	\$273,486	\$410,944

500 - Water		Acct. Code Account Title	Adopted 16-17 Budget	Accounting Adjusted 16-17 Budget	Actuals as of 04-30-17	Proposed 17-18 Budget
Payroll Taxes & Benefits						
	5010	Total Fringe Benefits	\$0	\$0	\$1,139	\$0
	5030	Life Insurance - ER	\$5,725	\$2,000	\$3,655	\$2,000
	5050	Medicare - ER	\$7,200	\$6,000	\$55,500	\$5,500
	5060	Cafeteria Plan - ER	\$54,000	\$54,000	\$30,225	\$48,600
	5070	Retirement ER - Regular	\$55,000	\$48,000	\$1,795	\$44,000
	5071	Retirement ER -Addtl Pickup	\$10,000	\$3,500	\$637	\$3,000
	5075	Retirees Medical - ER	\$3,000	\$1,500	\$4,642	\$1,200
	5100	Unemployment Ins ER	\$0	\$2,500	\$12,422	\$2,000
	5120	Worker's Compensation - ER	\$19,000	\$12,422	\$0	\$12,800
	5121	Cal Pers Unfunded Liability	\$0	\$0	\$3,434	\$0
	5124	Retirement ER Tier 2	\$6,625	\$5,500	\$0	\$4,800
	5132	Benefits Charged by Admin	\$0	\$0	\$0	\$0
	5197	Benefit Billings to Other Funds	\$0	\$0	\$0	\$0
Total Payroll Taxes&Benefits			\$160,550	\$135,422	\$113,449	\$123,900
Total Payroll & Taxes			\$587,752	\$561,810	\$386,935	\$534,844
Expenditures						
Employment Services	6200	Hiring, Advertising & Other Costs	\$0	\$0	\$0	\$0
	6230	Medical Exam	\$250	\$140	\$70	\$140
	6250	Temporary agency Help	\$0	\$0	\$0	\$0
	7347	Pension Service Expense		\$0	\$0	\$0
Total Employment Services			\$250	\$140	\$70	\$140
Clothing and uniforms	7246	Uniform & Gear	\$2,000	\$2,500	\$1,557	\$2,600
Total Clothing & Uniforms			\$2,000	\$2,500	\$1,557	\$2,600
Contract services	6100	Labor & Support-IT Services	\$1,000	\$300	\$25	\$325
	6110	IT Purchased Services	\$15,000	\$13,000	\$8,699	\$14,000
	6142	GIS/Maps/Data/Upgrades	\$0	\$0	\$0	\$0
	7204	Cleaning Supplies	\$300	\$100	\$0	\$100
	7250	Water Quality Testing	\$50,000	\$50,000	\$21,535	\$52,000
	7255	Security Services	\$8,000	\$9,500	\$7,288	\$9,785
	7301	Contract Maintenance Services	\$6,000	\$2,000	\$0	\$2,100
	7321	Janitorial Cleaning Supplies	\$2,500	\$750	\$526	\$850
	7342	Public Meeting Recordings	\$0	\$0	\$0	\$0
Total Contract Services			\$82,300	\$77,400	\$39,104	\$80,910

500 - Water		Acct. Code Account Title	Adopted 16-17 Budget	Accounting Adjusted 16-17 Budget	Actuals as of 04-30-17	Proposed 17-18 Budget
Expenditures						
Equipment and tools						
	7242	Minor Tools, Accessories & Field	\$5,000	\$2,500	\$3,433	\$2,500
	7253	Rent - Equipment	\$2,000	\$1,000	\$280	\$1,000
	7256	Meter Purchases & Replacements	\$75,000	\$50,000	\$30,185	\$50,000
Total Equipment and Tools			\$82,000	\$53,500	\$33,898	\$53,500
Financial Services						
	7310	Bank Service Charges	\$2,200	\$0	\$0	\$0
	9153	Bad Debt Expense	\$1,500	\$1,500	\$0	\$2,000
Total Financial Services			\$3,700	\$1,500	\$0	\$2,000
Insurance, licenses and Regulatory Fees						
	6120	Computer Licenses	\$500	\$200	\$0	\$200
	6340	Misc Fees	\$7,000	\$7,000	\$2,647	\$4,000
	6342	Fees - Regulatory	\$15,000	\$18,000	\$24,197	\$18,000
	6343	Lien & Notary Fees	\$0	\$0	\$0	\$0
	6345	Property Taxes & Assess. Costs	\$2,200	\$3,000	\$2,184	\$2,600
	7325	Insurance	\$30,000	\$26,539	\$26,539	\$31,581
Total Ins.,Lic. & Regulatory Fees			\$54,700	\$54,739	\$55,567	\$56,381
Legal and professional						
	7318	Professional & Consulting BMC	\$27,000	\$27,000	\$7,203	\$10,000
	7319	Other Professional Services	\$3,000	\$0	\$7,558	
	7320	Professional & Consulting Services	\$100,000	\$156,300	\$101,813	\$40,000
	7326	Legal Services	\$10,000	\$7,000	\$8,650	\$7,000
	7336	Legal Services - BMC	\$10,000	\$2,500	\$823	\$2,500
	7340	Legal Notifications & Mand Adver.	\$0	\$0	\$0	\$0
	9155	Inter Agency Cost Sharing	\$120,000	\$50,000	\$24,473	\$55,000
Total Legal & Professional			\$270,000	\$242,800	\$150,520	\$114,500
Expenditures						
Office Supplies & Operations						
	6121	IT-Supplies & Miscellaneous	\$0	\$0	\$0	\$0
	6130	Computer Hardware	\$2,500	\$2,500	\$0	\$2,500
	6140	Computer Software		\$0	\$0	\$0
	7100	Copier Contract		\$0	\$0	\$0
	7140	General Supplies & Minor	\$4,000	\$3,000	\$2,844	\$3,100
	7160	Postage, Shipping & Mail Supplies	\$20,000	\$14,000	\$11,633	\$14,420
	7170	Special Purpose Forms	\$0	\$0	\$0	\$0
	7180	Billing Supplies and Forms	\$1,200	\$3,500	\$2,193	\$3,605
	7225	Mapping Costs	\$0	\$0	\$0	\$0
	7226	Membership & Dues	\$1,950	\$500	\$1,309	\$515
	7230	Misc Small Parts	\$800	\$800	\$687	\$824
	7237	Process Control & Treat. Supplies	\$8,000	\$5,500	\$3,528	\$5,665
	7239	Water Treatment Chemicals	\$4,200	\$4,200	\$4,113	\$4,326
	7241	R & M Water Distribution System	\$12,000	\$28,500	\$20,820	\$29,355
	7249	Safety Supplies	\$1,000	\$2,800	\$1,945	\$2,884
Total Office Supplies & Oper.			\$55,650	\$65,300	\$49,072	\$67,194

500 - Water	Acct. Code Account Title	Adopted 16-17 Budget	Accounting Adjusted 16-17 Budget	Actuals as of 04-30-17	Proposed 17-18 Budget
Other expenses					
	7016 Significant Value Purchase-Field	\$0	\$0	\$0	\$0
	7330 Misc Operating Expenses	\$1,000	\$300	\$0	\$250
	7348 Water Conservation Program	\$15,000	\$5,000	\$628	\$1,000
	8650 Clean-Up Costs	\$0	\$0	\$0	\$0
	8735 Misc Department Expense	\$0	\$0	\$0	\$0
Total Other Expenses		\$16,000	\$5,300	\$628	\$1,250
<u>Expenditures</u>					
Rent and utilities					
	6000 Cell Phones	\$2,600	\$2,600	\$2,155	\$2,725
	6025 Telephone	\$10,000	\$10,000	\$6,954	\$10,300
	7352 Rent - Office & Other Structures	\$0	\$4,500	\$2,838	\$4,635
	8610 Electric	\$90,000	\$88,000	\$58,602	\$91,000
	8620 Gas Service	\$300	\$300	\$218	\$309
	8630 Trash Services	\$1,400	\$5,500	3723-	\$5,600
	8644 Disposal Services	\$72,000	\$20,000	\$14,417	\$20,600
	8670 Street Lighting	\$700	\$700	\$244	\$700
Total Rent and utilities		\$177,000	\$131,600	\$85,428	\$135,869
Repairs and maintenance					
	6405 R & M - Extinguishers	\$600	\$600	\$331	\$618
	6422 R & M - Hydrants	\$0	\$0	\$345	\$0
	6640 R & M - Equip & Other Non-	\$5,000	\$500	\$214	\$515
	6641 R & M - Wells	\$8,000	\$2,500	\$585	\$2,500
	6750 R & M - Minor Tools & Equipment	\$5,000	\$2,000	\$927	\$2,060
	6800 R & M - Grounds & Collection	\$1,000	\$1,000	\$860	\$1,030
	6900 R & M - Buildings & Structures	\$3,500	\$3,500	\$1,949	\$3,500
Total Repairs & Maint.		\$23,100	\$10,100	\$5,211	\$10,223
Travel and training					
	7323 Books, Publications & Subscriptions	\$450	\$450	\$6	\$550
	7324 Education & Training Fees	\$18,500	\$8,000	\$1,480	\$10,000
	8410 Certifications	\$400	\$200	\$175	\$300
	8510 Lodging and Meals Local	\$0	\$200	\$330	\$3,000
	8539 Training Meals	\$750	\$100	\$36	\$1,000
	8550 Mileage Reimbursement & Parking	\$1,000	\$400	\$302	\$1,000
Total Traveling & Training		\$21,100	\$9,350	\$2,329	\$15,850
Vehicle Maint. & Repair					
	7211 Misc Fuel & Diesel	\$5,500	\$2,500	\$1,774	\$2,575
	7220 Gasoline	\$6,500	\$4,000	\$3,233	\$4,120
	7228 Markings & Other Misc Services	\$1,000	\$1,000	\$317	\$1,030
	7232 Vehicle Repairs	\$8,000	\$5,000	\$2,254	\$5,150
		\$21,000	\$12,500	\$7,578	\$12,875

500 - Water	Acct. Code	Account Title	Adopted 16-17 Budget	Accounting Adjusted 16-17 Budget	Actuals as of 04-30-17	Proposed 17-18 Budget
		Total Materials, Supplies & Services	\$808,800	\$666,729	\$430,962	\$553,292
		TOTAL OPERATING EXPENSES	\$1,396,552	\$1,228,539	\$817,897	\$1,088,136

Debt Service

	New	Loan Administration Fee	\$0	\$11,470	\$0	\$11,015
	9022	Debt Service - Principal	\$151,486	\$151,486	\$151,486	\$156,109
	9023	Debt Service - Interest & Annual Fee	\$125,768	\$114,298	\$114,298	\$109,607
Total Debt Service			\$277,254	\$277,254	\$265,784	\$276,731

Reserves

	9571	Vehicle Replacement Reserve	\$0	\$0	\$0	\$0
	9572	Capital Outlay Reserve	\$65,000	\$8,903	\$0	\$500,000
	9573	General Contingency Reserve	\$19,244	\$50,000	\$0	\$57,000
		Interfund Loan Reserve to Bayridge	\$0	\$125,000	\$0	\$0
		Debt Service Reserve	\$0	\$277,257	\$0	\$276,731
	9983	Basin Management Reserve	\$0	\$0	\$0	\$0
	9988	Water Conservation Reserve	\$0	\$0	\$0	\$0
		Water Rate Stabilization Reserve	\$0	\$64,000	\$0	\$32,000
Total Reserves (Set Aside)			\$84,244	\$525,160	\$0	\$865,731

500 - Water	Acct. Code	Account Title	Adopted 16-17 Budget	Accounting Adjusted 16-17 Budget	Actuals as of 04-30-17	Proposed 17-18 Budget
Capital Outlay	9059	Purchase Pump	\$0	\$10,000	\$0	\$52,038
	9059	Purchase Generator	\$0	\$21,659	\$21,659	
		8th Street Aquifer Well, Phase 1 (Program (C) Eastern Wells)	\$12,000	\$141,915	\$141,915	\$30,000
		8th Street Aquifer Well, Phase 2	\$540,000	\$0	\$275,000	\$250,000
		Vehicle	\$50,000			
		Water Operations Facility	\$0	\$0	\$75,000	\$75,000
		Golden State Water Company (Minus Golden State paid invoices)	-\$50,000		-\$69,161 \$18,075	\$0
		Total Capital Outlay	\$552,000	\$173,574	\$462,488	\$407,038
		Transfer out to General	\$364,482	\$360,356	\$272,847	\$450,177

CAPITAL OUTLAY RESERVE		
	6/30/2017	7/2/2017
Transfer in from Previous Unrestricted Carryover	\$1,649,290	\$1,452,561
8th Street Aquifier Well, Phase 1	-\$141,915	-\$275,000
Golden State Water Company	\$51,086	\$0
Total Revenue	\$2,282,779	\$2,760,062
Total Expenditures	-\$1,226,039	-\$1,088,136
Capital Outlay	-\$277,124	-\$407,038
Reserve Set-Asides	-\$525,160	-\$589,000
Transfer out to the General Fund	-\$360,356	-\$450,177
Debt Service-Expense	-\$277,257	-\$276,731
Debt Reserved Used	\$277,257	\$276,731
Reserve End Balance	\$1,452,561	\$1,403,272

800 - DRAINAGE		Acct. Code Account Title	Adopted 16-17 Budget	Accounting Adjusted 16-17 Budget	Actuals as of 04-30-17	Proposed 17-18 Budget
Revenues						
Property taxes	4035	Property Taxes	\$21,613	\$21,613	\$14,888	\$22,045
	4505	HO Prop Tax Relief	\$146	\$146	\$54	\$149
TOTAL PROPERTY TAX			\$21,759	\$21,759	\$14,942	\$22,194
Special Taxes & Assess.	4400	Drainage Assessments	\$95,456	\$95,456	\$65,973	\$97,365
Total Special Taxes & Assess. Assessments			\$95,456	\$95,456	\$65,973	\$97,365
Use of Property & Money	4510	Investment Income on Funds	\$0	\$0	\$0	\$0
TOTAL USE OF Mon.&Prop			\$0	\$0	\$0	\$0
Other Revenue	4955	Other Govt State Aid	\$0	\$23	\$23	\$0
Total Other Revenue			\$0	\$23	\$23	\$0
TOTAL DRAINAGE REVENUES			\$117,215	\$117,238	\$80,938	\$119,559

800 - DRAINAGE		Acct. Code Account Title	Adopted 16-17 Budget	Accounting Adjusted 16-17 Budget	Actuals as of 04-30-17	Proposed 17-18 Budget
Expenditures						
Salaries & Wages						
	8045	Overtime Pay	\$500	500	\$0	500
	8054	Salaries & Wages Regular	\$75,774	76,000	\$74,527	90,443
Total Salaries & Wages			\$76,274	76,500	\$74,527	90,943
Payroll Taxes & Benefits						
	5010	Total Fringe Benefits		0		0
	5030	Life Insurance - ER	\$1,055	1,055	\$12	1,250
	5050	Medicare - ER	\$1,327	1,327	\$148	1,590
	5060	Cafeteria Plan - ER	\$9,582	9,582	\$1,200	11,515
	5070	Retirement ER - Regular	\$9,213	9,213	\$6,909	9,800
	5071	Retirement ER -Addtl Pickup	\$2,800	1,843	\$1,004	2,400
	5075	Retirees Medical - ER	\$1,553	553	\$422	1,000
	5100	Unemployment Ins ER	\$0	0	\$0	0
	5120	Worker's Compensation - ER	\$2,843	1,843	\$1,546	2,600
	5121	Cal Pers Unfunded Liability	\$0	0	\$0	0
	5124	Retirement ER Tier 2	\$3,666	1,105	\$87	1,500
	5132	Benefits Charged by Admin	\$0	0	\$0	0
	5197	Benefit Billings to Other Funds	\$0	0	\$0	0
Total Payroll Taxes&Benefits			\$32,039	26,521	\$11,328	31,655
Total Payroll & Taxes			\$108,313	\$103,021	\$85,855	\$122,598

800 - DRAINAGE		Acct. Code	Account Title	Adopted 16-17 Budget	Accounting Adjusted 16-17 Budget	Actuals as of 04-30-17	Proposed 17-18 Budget
Expenditures							
Clothing and uniforms	7246	Uniform & Gear		\$200	200	\$85	100
Total Clothing & Uniforms				\$200	200	\$85	100
Equipment and tools	7242	Minor Tools, Accessories & Field		\$100	100	\$118	200
Total Equipment and Tools				\$100	100	\$118	200
Insurance, licenses and	6120	Computer Licenses		\$0	0	\$0	0
	6342	Fees - Regulatory		\$6,000	6,000	\$5,986	8,000
	6345	Property Taxes & Assess. Costs		\$0	0	\$0	200
	7325	Insurance		\$3,200	3,200	\$2,939	3,100
Total Ins.,Lic. & Regulatory Fees				\$9,200	\$9,200	\$8,925	\$11,300
	7320	Professional & Consulting		\$10,000	10,000	\$5,063	6,000
	7326	Legal Services		\$1,500	1,500	\$0	1,500
Total Legal & Professional				\$11,500	\$11,500	\$5,063	\$7,500
Misc Expenses	7211	Misc Fuel & Diesel		\$0	500	\$444	550
	7220	Gasoline		\$0	750	\$808	750
	7230	Misc Small Parts		\$100	90	\$747	650
	7249	Safety Supplies		\$300	300	\$196	100
Total Office Supplies & Oper.				\$400	1,640	\$2,195	2,050
Rent and utilities	6000	Cell Phones		\$1,110	1,200	\$1,250	1,800
	6025	Telephone		\$640	640	\$0	100
	7352	Rent - Office & Other Structures		\$1,400	300	\$45	300
	8610	Electric		\$1,050	1,700	\$1,225	1,800
	8670	Street Lighting		\$850	850	\$575	850
Total Rent and utilities				\$5,050	4,690	\$3,095	4,850
	6640	R & M - Equip & Other Non-		\$5,000	5,000	\$989	2,000
	6750	R & M - Minor Tools & Equipment		\$0	0	\$419	750
	6800	R & M - Grounds & Collection		\$5,000	5,000	\$1,595	3,500
	6900	R & M - Buildings & Structures		\$5,000	5,000	\$58	750
Total Repairs & Maint.				\$15,000	15,000	\$3,061	7,000
Total Traveling & Training	8550	Mileage Reimbursement & Parking		\$50	50	\$0	0
				\$50	50	\$0	0
		Total Materials, Supplies & Services		\$41,500	\$42,380	\$22,542	\$33,000
		TOTAL OPERTATING EXPENSES		\$149,813	\$145,401	\$108,397	\$155,598

800 - DRAINAGE	Acct. Code	Account Title	Adopted 16-17 Budget	Accounting Adjusted 16-17 Budget	Actuals as of 04-30-17	Proposed 17-18 Budget
<u>CAPITAL OUTLAY</u>						
Total Capital Outlay		Pump Purchase	\$20,000	\$0	\$0	\$50,000
		Control Panel	\$20,000	\$0	\$0	\$25,000
			\$40,000	\$0	\$0	\$75,000
<u>Reserves</u>						
Total Reserves (Set Aside)	9571	Capital Outlay Reserve	\$10,000	\$0	\$0	\$0
	9572	General Contingency Reserve	\$5,000	\$0	\$0	\$0
			\$15,000	\$0	\$0	\$0

	6/30/2017	7/1/2017
Transfer out to the General Fund	-\$46,498	-\$32,543
Total Expenditures	-\$145,401	-\$155,598
Total Revenues	\$117,238	\$119,559
Capital Outlay	\$0	-\$75,000
Recommend CIP Reserve to pay for Pump & Panel	\$0	\$75,000
16-17 Unrestricted Reserve per Audit	\$73,812	\$0
General Contingency Reserve		\$32,238
Reserve Set-A-Side		\$32,402
Transfer from 6/30/2017		-\$849
Projected Unrestricted Fund Balance	-\$849	-\$4,791

900-PARK & REC	Acct. Code Account Title	Adopted 16-17 Budget	Accounting Adjusted 16-17 Budget	Actuals as of 04-30-17	Proposed 17-18 Budget
<u>Revenues</u>					
	Interest Revenue- Investments	\$0	\$900	\$569	\$900
		\$0	\$900	\$569	\$900
	TOTAL PARK & REC REVENUES		\$900	\$569	\$900

900-PARK & REC	Acct. Code Account Title	Adopted 16-17 Budget	Accounting Adjusted 16-17 Budget	Actuals as of 04-30-17	Proposed 17-18 Budget
<u>Expenditures</u>					
	7140 General Supplies & Minor Equipment	\$0	\$50	\$18	\$100
	7326 Legal Services	\$0	\$500	\$490	\$1,000
	7320 Professional Services (Studies)	\$0	\$1,000	\$0	\$3,000
	Total Expenditures	\$0	\$1,550	\$508	\$4,100

	6/30/2017	7/1/2017
Transfer to General Fund	-\$11,624	-\$5,424
Revenues	\$900	\$900
Expenditures	-\$1,550	-\$4,100
Fund Balance per audit	\$305,838	\$293,564
Projected Restricted End Fund Balance	\$293,564	\$284,940



The Fire Budget will be forwarded as soon as it becomes available



**GENERAL
ADMINISTRATION**

100 - ADMINISTRATION	Acct. Code	Account Title	Adopted 16-17 Budget	Accounting Adjusted 16-17 Budget	Actuals as of 04-30-17	Proposed 17-18 Budget
Other Revenue	4005	Copying Costs	\$200	\$200	\$4	\$100
	4929	Settlement & Recoveries	\$0	\$0	\$0	\$0
	4930	Other Revenues	\$0	\$0	\$0	\$0
	4935	Sales/Specs	\$0	\$0	\$0	\$0
	4989	Claim Revenue	\$0	\$0	\$0	\$0
Total Other Revenue			\$200	\$200	\$4	\$100
TOTAL GF/ADMINISTRATION			\$200	\$200	\$4	\$100

REVENUE FUND
TRANSFERS

Transfer In From Watewater	\$26,440	\$26,155	\$19,804	\$0
Transfer In From Fire	\$123,453	\$122,056	\$92,417	\$54,238
Transfer In From Water	\$364,482	\$360,356	\$272,847	\$450,177
Transfer In From Park and	\$5,879	\$11,624	\$8,801	\$5,424
Transfer In From Drainage	\$47,030	\$46,498	\$35,207	\$32,543
Transfer In From Bayridge	\$11,757	\$8,718	\$6,602	\$0
Transfer In From Vista De Oro	\$8,833	\$5,813	\$4,401	\$0
Fiscal 16/17	\$587,874	\$581,220	\$440,079	\$542,382

100 - ADMINISTRATION	Acct. Code	Account Title	Adopted 16-17 Budget	Accounting Adjusted 16-17 Budget	Actuals as of 04-30-17	Proposed 17-18 Budget
Salaries & Wages	7322	Director's Compensation	\$10,000	\$10,100	\$7,050	\$10,100
	8018	Holiday pay	\$0	\$0	\$7,516	\$0
	8045	Overtime Pay	\$2,500	\$6,000	\$55,454	\$6,000
	8050	Administrative Leave Pay		\$0	\$0	\$0
	8051	Floating Holiday Pay		\$0	\$507	\$0
	8054	Salaries & Wages - Regular	\$254,502	\$110,000	\$62,185	\$100,896
	8060	Sick Leave Pay		\$0	\$0	\$0
	8066	Comp Time Used		\$0	\$0	\$0
	8081	Vacation Pay		\$0	\$0	\$0
Total Salaries & Wages			\$267,002	\$126,100	\$132,712	\$116,996
	5020	FICA - ER	\$3,300	\$1,200	\$1,177	\$1,700
	5030	Life Insurance - ER	\$2,200	\$600	\$205	\$650
	5031	Disability Insurance	\$0	\$50	\$3	\$50
	5050	Medicare - ER	\$4,000	\$1,650	\$1,260	\$1,843
	5060	Cafeteria Plan - ER	\$20,000	\$9,000	\$6,375	\$9,000
	5070	Retirement ER - Regular	\$18,433	\$11,000	\$6,875	\$10,325
	5071	Retirement ER -Addtl Pickup	\$2,641	\$750	\$312	\$750
	5075	Retirees Medical - ER	\$3,000	\$1,600	\$1,407	\$1,600
	5100	Unemployment Ins ER	\$3,500	\$750	\$2,266	\$1,600

100 - ADMINISTRATION	Acct. Code	Account Title	Adopted 16-17 Budget	Accounting Adjusted 16-17 Budget	Actuals as of 04-30-17	Proposed 17-18 Budget
	5120	Worker's Compensation - ER	\$4,000	\$4,479	\$4,479	\$4,800
	5121	Cal Pers Unfunded Liability	\$0	\$0	\$0	\$0
	5124	Retirement ER Tier 2	\$7,886	\$0	\$0	\$0
	5132	Benefits Charged by Admin	\$0	\$0	\$0	\$0
	5197	Benefit Billings to Other Funds	\$0	\$0	\$0	\$0
Total Payroll Taxes&Benefits			\$68,960	\$31,079	\$24,359	\$32,318
		Total Payroll & Taxes	\$335,962	\$157,179	\$157,071	\$149,314
Employment Services	6200	Hiring, Advertising & Other Costs	\$500	\$200	\$200	\$0
	6230	Medical Exam	\$0	\$70	\$70	\$0
Total Employment Services			\$500	\$270	\$270	\$0
Contract services	6100	Labor & Support-IT Services	\$4,000	\$8,000	\$4,668	\$7,000
	6110	IT Purchased Services	\$27,800	\$26,700	\$19,023	\$24,700
	7100	Copier Contract	\$7,000	\$7,300	\$7,082	\$8,440
	7255	Security Services	\$1,200	\$1,000	\$582	\$912
	7321	Janitorial Cleaning Supplies	\$2,100	\$4,000	\$3,284	\$4,000
	7342	Public Meeting Recordings	\$13,000	\$13,000	\$11,233	\$13,000
Total Contract Services			\$55,100	\$60,000	\$45,872	\$58,052
Financial Services	7310	Bank Service Charges	\$1,001	\$3,000	\$2,264	\$3,000
Total Financial Services			\$1,001	\$3,000	\$2,264	\$3,000
Insurance, licenses and Regulatory Fees	6120	Computer Licenses	\$2,000	\$200	\$200	\$0
	6340	Misc Fees	\$1,000	\$500	\$212	\$100
	6341	LAFCO Fees	\$20,000	\$21,011	\$21,011	\$21,642
	7325	Insurance	\$2,000	\$8,852	\$8,852	\$9,254
Total Ins.,Lic. & Regulatory Fees			\$25,000	\$30,563	\$30,275	\$30,996
Legal and professional	7305	Auditing Services	\$20,000	\$18,650	\$20,050	\$22,000
	7302	Professional Services-GM	\$0	\$0	\$0	\$78,000
	7303	Professional Services-ACCTG	\$0	\$0	\$0	\$48,000
	7304	Professional Services-Other	\$0	\$0	\$0	\$26,000
	7320	Professional Services	\$2,000	\$180,935	\$148,416	\$0
	7326	Legal Services	\$57,600	\$50,000	\$29,252	\$54,000
	7340	Legal Notifications & Mand Adver.	\$1,000	\$1,000	\$394	\$500
	7343	Election Expense	\$11,600	\$11,233	\$11,233	\$0
Total Legal & Professional			\$92,200	\$261,818	\$209,345	\$228,500

100 - ADMINISTRATION	Acct. Code Account Title	Adopted 16-17 Budget	Accounting Adjusted 16-17 Budget	Actuals as of 04-30-17	Proposed 17-18 Budget
Office Supplies & Operations	6121 IT-Supplies & Miscellaneous	\$500	\$50	\$0	\$0
	6130 Computer Hardware	\$0	\$0	\$0	\$0
	6140 Computer Software	\$240	\$50	\$0	\$0
	7140 General Supplies & Minor	\$8,000	\$8,000	\$4,843	\$8,000
	7160 Postage, Shipping & Mail Supplies	\$3,000	\$5,000	\$3,802	\$5,500
	7226 Membership & Dues	\$5,670	\$7,000	\$6,126	\$7,000
Total Office Supplies & Oper.		\$17,410	\$20,100	\$14,771	\$20,500
Other expenses					
	8735 Misc Department Expense	\$13,500	\$2,500	\$0	\$200
Total Other Expenses		\$13,500	\$2,500	\$0	\$200
Rent and utilities					
	6025 Telephone	\$4,200	\$4,200	\$2,430	\$3,360
	7352 Rent - Office & Other Structures	\$28,900	\$33,079	\$27,279	\$34,800
	7350 Rent - Meetings	\$800	\$1,750	\$1,750	\$500
	8610 Electric	\$3,600	\$3,600	\$1,943	\$3,000
	8620 Gas Service	\$300	\$550	\$340	\$500
	8630 Trash Services	\$0	\$0	\$0	\$0
Total Rent and utilities		\$37,800	\$43,179	\$33,742	\$42,160
Total Repairs & Maint.					
	6405 R & M - Extinguishers	\$101	\$110	\$110	\$110
		\$101	\$110	\$110	\$110
Travel and training					
	7323 Books, Publications &	\$500	\$400	\$265	\$400
	7324 Education & Training Fees	\$4,000	\$1,000	\$0	\$1,500
	8541 Meals Local Area-Director	\$0	\$100	\$0	\$100
	8539 Training Meals	\$1,800	\$1,000	\$882	\$100
	8550 Mileage Reimb. & Room & Parking	\$3,000	\$2,000	\$1,512	\$750
Total Traveling & Training		\$9,300	\$4,500	\$2,659	\$2,850
	Total Materials, Supplies &	\$251,912	\$426,040	\$339,308	\$386,368
	TOTAL OPERATING EXPENSES	\$587,874	\$583,219	\$496,379	\$535,682



EXHIBITS

EXHIBIT

A

LOS OSOS COMMUNITY SERVICES DISTRICT
 FISCAL YEAR 2016-2017 DRAFT FINAL BUDGET
BAYRIDGE LOAN PAYMENT

Bayridge Loan Payment Schedule

Loan amount	\$	125,000
Annual interest rate		0.01%
Loan period in years		5
Start date of loan		4/29/2016

Monthly payment	\$	2,084
Number of payments		60

Total Interest **31.77343677**

Total Cost of Loan **\$ 125,032**

ANNUAL PAYMENT **\$ 25,006**

RESOLUTION NO. 2015 - 08

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE LOS OSOS COMMUNITY SERVICES DISTRICT
APPROVING AN INTERFUND LOAN FROM THE DISTRICT'S WATER FUND
TO THE BAYRIDGE FUND TO COVER ENGINEERING AND CONSTRUCTION COSTS
FOR PHASE 1 OF MAINTENANCE PLAN FOR FY2014/2015 AND FY2015/2016**

WHEREAS, the Board of Directors of the Los Osos Community Services District (District) acknowledges the need for Phase 1 Maintenance Improvement Projects to the Bayridge Estates Septic System; and

WHEREAS, the Board of Directors understands the LOCSD must make every effort possible to provide healthy and viable septic system operations; and

WHEREAS, the Board of Directors recognizes that certain improvements are required prior to the transition to the County and connection to the new sewer system; and

WHEREAS, the Board of Directors acknowledges that Bayridge Fund 200 does not have sufficient reserves to finance the Phase 1 Maintenance Improvement Projects; and

WHEREAS, the Board of Directors has taken previous action to use Reserves to support an interfund loan; and

WHEREAS, the Board of Directors hereby finds that there are sufficient reserves in the Water Fund Capital Outlay Reserve to accommodate this Phase 1 Maintenance Improvement Projects interfund loan; and

WHEREAS, the Board of Directors recognizes the assessments will remain on the 147 parcels until the Fund 200 settles all the liabilities due to the LOCSD for providing Phase 1 Maintenance Improvements, on-going operating expenses, septic transition and abandonment costs; and

WHEREAS, the Board of Directors understands according to Government Code Section 66006 and 66013 the LOCSD may provide interfund loans and according to Government Code Section 6116 (a) allows for borrowing.

NOW THEREFORE, THE BOARD OF DIRECTORS OF THE LOS OSOS COMMUNITY SERVICES DISTRICT DOES HEREBY RESOLVE, DECLARE AND DETERMINE THAT:

1. An interfund loan from the Water Fund to Bayridge Fund is approved in the amount not to exceed \$125,000.
2. The interfund loan is approved subject to the terms of the Agreement incorporated herein as Exhibit A.

ADOPTED this 5th day of March 2015 by the Governing Body of the Los Osos Community Services District by the following roll call votes:

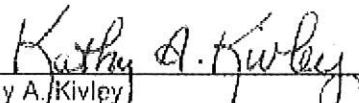
Upon motion of Director Storm, seconded by Director Tovatzky
and on the following roll call vote, to wit:

AYES: Storm, Tovatzky, Casanova, Wright
NOES: _____
ABSENT: Dakylski
ABSTAIN: _____

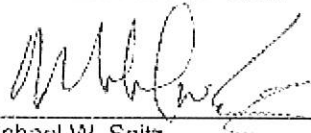
The foregoing resolution is hereby passed and adopted this 5th day of March 2015.


R. Michael Wright
President, Board of Directors
Los Osos Community Services District

ATTEST


Kathy A. Kivley
General Manager and Secretary to the Board

APPROVED AS TO FORM.


Michael W. Seitz
District Legal Counsel

Interfund Loan Agreement

The interfund loan agreement, made and entered into this the 5th March 2015 effective March 6, 2015 for FY 2014/2015 and FY 2015/2016 by and between the Water Fund 500 and the Bayridge Fund 200;

WITNESSETH:

WHEREAS, the Board of Directors of the Los Osos Community Services (LOCSD) has determined that the LOCSD must continue to provide public services Bayridge Fund 200; and

WHEREAS, the Board of Directors recognizes the employees of the LOCSD provide storm water drainage, street, septic and open space management services; and

WHEREAS, the Board of Directors recognized certain pipelines were identified as deficient to the on-going operations; and

WHEREAS, the Board of Directors recognizes there are not sufficient funds available from the current budget or Reserves to cover the cost of engineering and construction repairs related to the maintenance of the septic system services; and

WHEREAS, the Board of Directors recognizes the importance of street re-pavement and overlay work and the timing of both; and

WHEREAS, the Board of Directors desires for the benefit of the residents to keep engineering and construction expense at the lowest and most reasonable costs and therefore needs to work within San Luis Obispo County schedule; and

WHEREAS, the Board of Directors understands the LOCSD must make every effort possible to provide healthy and viable septic system operations; and

WHEREAS, the Board of Directors realizes when the Los Osos Recycling Facility built by San Luis Obispo County County) is complete the Bayridge subdivision will connect to the County System; and

WHEREAS, the Board of Directors recognizes the current septic system will be abandoned at a cost to the residents and expensed through this fund; and

WHEREAS, the Board of Directors recognizes the assessments will remain on the parcels until Fund 200 settles all the liabilities due to the LOCSD for providing the Phase 1 Maintenance Improvement Projects, on-going operating expense, septic transition and abandonment costs; and

WHEREAS, the Board of Directors understands according to Government Code Section 66006 and 66013 the LOCSD may provide interfund loans and according to Government Code Section 61116 (b) allows for borrowing; and

WHEREAS, the Board of Directors agrees to provide an interfund loan to the Bayridge Fund, in an amount not to exceed \$125,000 associated with the construction of the Phase 1 Maintenance Improvement Projects.

NOW THEREFORE, in consideration of the mutual covenants therein contained, the Board agrees as follows:

1. The Water Fund will transfer an amount not to exceed of \$125,000 from the Water Capital Outlay Reserve (3160) to Bayridge Fund 200 Infrastructures (9006).
2. The borrowing is for Phase 1 of the maintenance projects identified as Exhibit 1
3. The borrowing may occur over two fiscal years: 2014/2015 and 2015/2016
4. The Bayridge Fund will pay back the Water Fund principal and interest with the payment to begin after connection to San Luis Obispo County Water Recycling System and abandonment of the septic system.
5. The interest rate will be based on West Coast Prime plus 1% at the time of borrowing/transfer from the Water Fund General Contingency Reserve to the Bayridge Fund.
6. Transfers will only occur as necessary to cover the cost of the Phase 1 Maintenance Improvement Projects.
7. Any discrepancy between the closing balance and Audit Financial Statement will be reconciled based on the year end Audit Financial Statements for the Fiscal Year with the appropriate adjustments to follow.
8. This interfund loan agreement may be amended, modified or terminated by the Los Osos Community Services Board of Directors by Resolution.

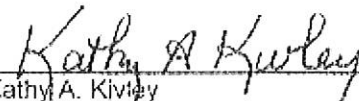
9. The necessity for any funding in excess of \$125,000 requires a separate action by the Board of Directors.
- 10 This interfund loan will be recorded according to the guidelines as established by GABS Summary of Statement No. 34

The Board of Director hereby agree with all the terms and conditions as outlined. This agreement was passed by Resolution No. 2015-08 passed on 5th day of March 2015 and incorporated therein by reference.



R. Michael Wright
President, Board of Directors
Los Osos Community Services District

ATTEST:



Kathy A. Kivley
General Manager and Secretary to the Board

Bayridge Estates Phase 1 Maintenance Improvement Projects

The following project encompass Phase 1 of the engineering and construction maintenance plan:

- Bay Oaks Drive: Between Manholes 5 and 6 (~190 feet). The inspection noted one high priority sag and two medium priority sags along with root intrusion.
- Bay Oaks Drive: At Manhole 7. The inspection noted a high priority pipe offset.
- Del Mar Drive: Between Manholes 21 and 22 (~250 feet). The inspection noted two high priority sags, three medium priority sags and a pipe offset.
- Green Oaks Drive: Between Manholes 10 and 11 (~200 feet). The inspection noted one high priority sag and three medium priority sags.

EXHIBIT

B

Date: July 7, 2016
Agenda Item: 2B
 Approved
 Denied
 Continued to

RESOLUTION NO. 2016-23

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE LOS OSOS COMMUNITY SERVICES DISTRICT
SETTING ASSESSMENTS FOR SERVICES AT BAYRIDGE ESTATES AND DIRECTING
THEIR COLLECTION BY THE COUNTY IN THE FISCAL YEAR 2016/2017 TAX ROLL**

WHEREAS, the Los Osos Community Services District ("District") is a community services district organized under California Law under Govt. Code § 61000 et. Seq.; and

WHEREAS, the Los Osos Community Services District ("District") became effective on January 1, 1999, pursuant to an election and Resolution No. 98-239 of the Board of Supervisors of the County of San Luis Obispo, and

WHEREAS, by said Resolution and the resulting election, the Los Osos Community Services District is now authorized to exercise all of the powers, with all of the authority and responsibilities, that County Service Area No. 9 exercised prior to January 1, 1999, except the Cooperative Road Program and Fire and Emergency Medical for Zone I; and

WHEREAS, the San Luis Obispo County Board of Supervisors previously established and fixed annual service charge for central septic and street lighting services within the Los Osos Community Services District within this subdivision named Bayridge Estates which is a part of Los Osos Community Services District; and

WHEREAS, the Los Osos Community Services Districts are authorized under Government Code §61100(b) and (g) to have as its purpose the collection, treatment, or disposal of sewage generated and to maintain and operate street lights within the District's boundary respectively; and

WHEREAS, the Los Osos Community Services District is authorized under Health and Safety Code §6951 to operate a central septic system; and

WHEREAS, the Los Osos Community Services District is authorized under Government Code §61621 and §61621.2 to prescribe and collect rates and other charges for services provided by the District and to collect such charges on the tax rolls; and

WHEREAS, Bayridge Estates is within the Los Osos Community Services District and receives lighting and has a central septic system that is serviced by the District; and

WHEREAS, the Los Osos Community Services District has determined in prior years that the procedure for collection of annual service charges on the County tax roll for costs of certain services is the most advantageous procedure for the District to use and such determination is hereby affirmed; and

WHEREAS, the Board held a public hearing in its special meeting on June 20, 2013 at the time and place for which notice was given, which concluded a public hearing process held in accordance with California Constitution Article XIII d regarding a proposed increase of \$172 per parcel per year and at which meeting a majority protest did not occur and the increased fees passed by majority vote.

WHEREAS, this resolution is for the purpose of continuing to levy charges for central septic services and street lighting in the Bayridge Estates subdivision; and

NOW, THEREFORE, BE IT RESOLVED, DECLARED, DETERMINED AND ORDERED BY THE BOARD OF DIRECTORS OF THE LOS OSOS COMMUNITY SERVICES DISTRICT AS FOLLOWS:

1. That the findings and recitals in Paragraphs 1 through 12 are true and correct; and
2. That the Board of Directors hereby confirms and levies each individual service charge of \$373.00 per parcel for Fiscal Year 2016/2017 on all properties within Bayridge Estates for the purpose of funding central septic operations and street lighting within Bayridge Estates; and
3. That this service charge on the parcels of real property within Bayridge Estates shall be established, imposed and levied in the amounts as listed in EXHIBIT A and as so confirmed shall appear as separate items on the Fiscal Year 2016/2017 tax bill of each parcel of property so listed; and
4. That the levy of the charge shall be collected at the same time and in the same manner as general taxes levied for collection by the County pursuant to Government Code §61115(b).

On the motion of Director Storm, seconded by Director Wright, and on the following roll call vote, to wit:

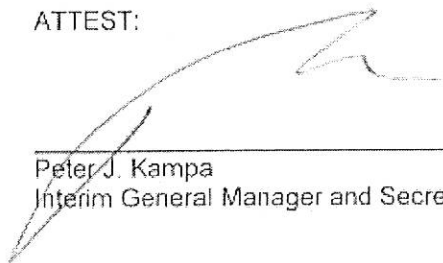
Ayes: Storm, Wright, Casera, Tomatzky, Dekeyeski
Noes: _____
Absent: _____
Conflicts: _____

The foregoing resolution is hereby passed, approved, and adopted by the Board of Directors of the Los Osos Community Services District this 7th day of July, 2016.



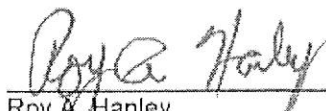
Marshall E. Ochylski
President, Board of Directors
Los Osos Community Services District

ATTEST:



Peter J. Kampa
Interim General Manager and Secretary to the Board

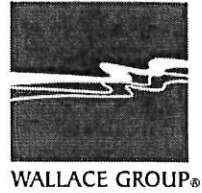
APPROVED AS TO FORM:



Roy A. Hanley
District Legal Counsel

MEMORANDUM

Date: June 14, 2016
To: Peter Kampa, General Manager
Los Osos Community Services District
From: Lonnie E. Lepore, Senior Project Analyst
Subject: Los Osos Community Services Special District- Zone "9F"
Bayridge Estates Service Charge- Fund No. 1761



- CIVIL ENGINEERING
CONSTRUCTION MANAGEMENT
LANDSCAPE ARCHITECTURE
MECHANICAL ENGINEERING
PLANNING
PUBLIC WORKS ADMINISTRATION
SURVEYING / GIS SOLUTIONS
WATER RESOURCES
WALLACE SWANSON INTERNATIONAL

Attached is a draft Exhibit "A" for the above referenced zone.

There were no changes to the parcels within the special district since the FY 2015-16 tax roll. The rate of \$373.00 per parcel remains the same as FY 2015-16.

The following parcels are not being assessed within the special district:

Table with 2 columns: APN and OWNER. Lists various parcel numbers and their corresponding owners, including Los Osos Community Services District and SLO County - Public Works Dept.

FY 2015/16
Number of Parcels = 147
Amount Due = \$54,831.00

FY 2016/17
Number of Parcels = 147
Amount Due = \$54,831.00

cc: Rob Miller, Wallace Group

M:\384-LOCSD\384-120 FY 2016-17 Special District Tax Roll\01 - PM and Contract\9F - Bayridge Estates - Fund 1761\Memo 2016-06-14 9F Bayridge Estates_PKampa.doc

WALLACE GROUP
A California Corporation
612 CLARION CT
SAN LUIS OBISPO
CALIFORNIA 93401
T 805 544-4011
F 805 544-4294
www.wallacegroup.us

EXHIBIT

C

LOS OSOS COMMUNITY SERVICES DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2016

NOTE 5 – LONG-TERM LIABILITIES

The following is a summary of changes in the District's long-term liabilities for the fiscal year ended June 30, 2016:

	Balance at July 1, 2015	Additions	Reductions	Balance at June 30, 2016	Current Portion	Long Term Portion
Governmental Activities:						
Compensated Absences	\$ 18,297	\$ 4,832	\$ 6,813	\$ 16,316	\$ 12,237	\$ 4,079
Other Post Employment Benefits Obliga	6,158	6,092	3,581	8,669		8,669
Net Pension Liability	279,555	146,170	89,686	336,039		336,039
Total Governmental Activities	\$ 304,010	\$ 157,094	\$ 100,080	\$ 361,024	\$ 12,237	\$ 348,787
Business-Type Activities:						
Compensated Absences	\$ 56,013	\$ 28,694	\$ 21,141	\$ 63,566	\$ 15,892	\$ 47,674
Other Post Employment Benefits Obliga	26,952	12,591	1,607	37,936		37,936
Water Fund:						
Loan Payable	3,970,240		147,005	3,823,235	151,489	3,671,746
Wastewater Treatment Project Fund:						
Loan Payable to Fiduciary Fund	297,334		25,000	272,334	25,000	247,334
Net Pension Liability	341,455	150,507	145,954	346,008		346,008
Total Business-Type Activities	\$ 4,691,994	\$ 191,792	\$ 340,707	\$ 4,543,079	\$ 192,381	\$ 4,350,698

NOTE 6 – LOANS PAYABLE

California Infrastructure and Economic Development Bank

On December 6, 2004, the District entered into a loan agreement with the California Infrastructure and Economic Development Bank (CIEDB) for a principal amount of \$5 million for the purpose of constructing and upgrading water delivery facilities. The loan is for a term of thirty years ending in August 2034 with an interest rate of 3.05% per annum. Annual payments average \$278,000 per year including interest. Debt service payments are due in August and February each year. Water revenues were pledged to guarantee the loan. All projects covered by the loan were completed and closed out in January 2009. The outstanding principal balance of the loan at June 30, 2016, was \$3,823,235.

California Infrastructure and Economic Development Bank				
For the Fiscal Year Ending June 30	Principal	Interest	Annual	Total
			Administrative Fee	
2017	\$ 151,486	\$ 114,298	\$ 11,470	\$ 277,254
2018	156,109	109,607	11,015	276,731
2019	160,871	104,773	10,547	276,191
2020	165,777	99,792	10,064	275,633
2021	170,834	94,659	9,567	275,060
2022-2026	935,575	390,646	39,826	1,366,047
2027-2031	1,087,225	236,684	24,912	1,348,821
2032-2035	995,358	61,858	7,579	1,064,795
Total	\$ 3,823,235	\$ 1,212,317	\$ 124,980	\$ 5,160,532

Loan Payable to Fiduciary Fund

The District used \$714,268 bond reserve funds on September 1, 2006, to cover amounts the District had spent from the bond redemption funds. As part of the bankruptcy settlement, the District is to pay back the reserve fund with its bond administration fee plus \$25,000 annually. As of June 30, 2016, the District owed \$272,334. See Note 12 – Contingencies and Commitments for further details.

EXHIBIT

D



Date: March 29, 2017
TO: LOCSO Board of Directors
FROM: Rate Study Working Group
Rob Miller, Richard Margetson, Ron Munds
SUBJECT: Agenda Item 7D – Board Meeting Date: April 6, 2017
Consideration of Reserve Policies, Revenue Allocations, and Rates for the Water Enterprise Fund

President

Jon-Erik G. Storm

Vice President

Vicki L. Milledge

Directors

Charles L. Cesena
Marshall E. Ochylski
Louis G. Tornatzky

General Manager

Renee Osborne

District Accountant

Robert Stilts, CPA

Unit Chief

Scott M. Jalbert

Battalion Chief

Josh Taylor

DESCRIPTION

After collaborating with the Financial Advisory and Utilities Advisory Committees, staff is recommending the implementation of revised water rates and reserve policies sufficient to meet the financial obligations of the District, accrue prudent reserves, and provide for the critical capital requirements of the water system.

SUMMARY OF STAFF RECOMMENDATION

Staff recommends that the Board adopt the following motion:

Motion: I move that the Board:

1. *Adopt Resolution 2017-11 amending District Reserve Policies relating to the Water Enterprise Fund;*
2. *Direct staff to implement revised administrative and property tax allocations for future Water Fund budgets as follows:*
 - a. *Allocate 80% of the District's administrative cost to the Water Fund*
 - b. *Reallocate property tax revenue from the Water Fund to funds with a District-wide benefit in the following percentages: 25% reduction in FY 17/18, additional 12.5% reduction in FY 18/19, and additional 12.5% reduction in FY 19/20, for a total of 50% over three years.*
 - c. *Establish the policy that the long-term goal of the District is to reallocate 100% of property tax revenue away from the Water Fund to funds that provide a District-wide benefit.*
3. *Review and approve the water rate analysis and direct staff to issue the appropriate public notice in accordance with Proposition 218, and set the date of a public hearing to consider a water rate increase*

Mailing Address:

P.O. Box 6064
Los Osos, CA 93412

Offices:

2122 9th Street, Suite 102
Los Osos, CA 93402

Phone: 805/528-9370

FAX: 805/528-9377

www.losososcsd.org

DISCUSSION

In December, 2014, the Board adopted a water rate increase to provide adequate revenue to operate the water system, fund a portion of District administration, and provide for critical capital projects necessary to sustain the District's water supply and address deficiencies within its aging water infrastructure. The rate increase was scheduled to take place over a period of four years, and the following rates were adopted as shown in Table 1, as recommend by the 2014 Rate Study prepared by Bartle Wells Associates (December, 2014). Two of the scheduled rate increases have already occurred.

Table 1: Summary of Previously Adopted Water Rates by Fiscal Year					
		Adopted Water Rates by Fiscal Year			
		FY 15/16	FY 16/17 (current)	FY 17/18	FY 18/19
Fixed Bi-Monthly Service Charge		\$52.36	\$59.32	\$64.64	\$70.42
Water Consumption Charges					
Rate per hundred cubic feet (ccf) per bi-monthly billing period					
Tier 1	0 - 5 ccf	\$2.00	\$2.35	\$2.50	\$2.60
Tier 2	6 – 10 ccf	3.75	4.40	4.80	5.20
Tier 3	11 – 20 ccf	6.00	6.75	7.25	7.80
Tier 4	>20 ccf	8.20	9.20	9.80	10.40
Expected revenue from service charge and water sales from 2014 Rate Study		\$2.1 M	\$2.3 M	\$2.4 M	\$2.5 M

The planned revenues contemplated in the 2014 Rate Study (last row in Table 1) have not been realized, primarily due to a decrease in the number of water units sold. The volume of water sold has decreased by 30% compared to calendar year 2013. As a result, revenues have fallen short of the planned target by approximately \$300,000, which has hindered the District's ability to move forward with critical capital projects. In addition, staff is recommending adjustments in the allocation of administrative costs and property tax revenue that will result in a net additional annual impact to the Water Fund of approximately \$220,000. These adjustments are described in additional detail below.

Recommended Adjustments in Administrative Allocation

After consulting with the Financial Advisory (FAC) and Utilities Advisory (UAC) Committees, staff recommends an increase in the administrative allocation applicable to the Water Fund. The current percentage in the adopted FY 2016/17 budget is 62%, resulting in a budgeted expense of \$365,000. Staff recommends that the allocation increase to 80% in FY 2017/18, with a projected amount of approximately \$469,000. This change will reduce the administrative allocation of other funds, with a projected allocation to the Fire Fund of 10%.

Recommended Reallocation of Property Tax Revenue

The Water Fund currently receives approximately \$224,000 per year of property tax revenue from the County. This amount changes annually in proportion to the overall assessed value of the property, which has historically resulted in annual increases in the amount allocated to the Water Fund. This revenue is not based on a special assessment or special tax, and therefore it is not separately listed on the County's property tax bill sent to each property owner within the District's water service area. Given that the Water Fund only benefits approximately 50% of the population within the District, the equity of the current structure has been the subject of extensive discussion at the Board and Committee level. It should be noted that the Board has no legal obligation to change the allocation. After reviewing the issue in detail, including the impacts on water rates, the FAC and UAC unanimously recommended that the Board adopt the following two policy positions with respect to property tax revenue:

1. Reallocate property tax revenue from the Water Enterprise Fund to funds with a District-wide benefit in the following percentages: 25% reduction in FY 17/18, additional 12.5% reduction in FY 18/19, and additional 12.5% reduction in FY 19/20, for a total of 50% over three years.
2. Establish the policy that the long-term goal of the District is to reallocate 100% of property tax revenue away from the Water Enterprise Fund to funds that provide a District-wide benefit.

The water rate analysis completed by staff projects revenues and expenses for three years, and includes the assumption that the proposed changes in the administrative percentage and property tax allocation are adopted.

Proposed Water Rates

The 2014 Rate Study included a Capital Improvement Program (CIP) that was adopted by the Board. The CIP included critical water supply projects consistent with the Basin Plan, as well as other high priority projects to address aging or insufficient distribution infrastructure. The minimum annual net revenue required to support these projects is approximately \$500,000 per year, which can then be allocated to various methods of funding projects such as capital reserves, annual pay-as-you-go projects, or additional debt financing. Net revenues are also important to satisfy coverage requirements established by funding entities such as the I-Bank. After reviewing various capital funding scenarios and the associated impacts on rates, the FAC and UAC recommended a three-year rate structure sufficient to fund the District’s CIP program in the following amounts:

- Fiscal Year 2017/18: \$500,000
- Fiscal Year 2018/19: \$700,000
- Fiscal Year 2019/20: \$900,000

Staff has assembled a three-year rate structure to accomplish the policies and objectives listed above. The rate structure is intended to provide a higher level of revenue stability compared to the 2014 Rate Study, which is focused more heavily on water conservation. This is accomplished by raising the rates in the lower tiers by a higher percentage than the upper tiers, as well as including increases in the fixed bi-monthly service charge. The proposed rates are summarized in Table 2, and annual projections of revenues and expenses are provided in Exhibit A. Inflation is projected to increase expenses by 3% in future years, and future recycled water revenues are discounted by 10%.

Table 2: Summary of Recommended Water Rates by Fiscal Year					
		Current Rates	Proposed Rates		
			FY 17/18	FY 18/19	FY 19/20
Fixed Bi-Monthly Service Charge		\$59.32	\$65.00	\$70.00	\$76.00
Water Consumption Charges					
Rate per hundred cubic feet (ccf) per bi-monthly billing period					
Tier 1	0 - 5 ccf	\$2.35	\$5.00	\$6.00	\$7.00
Tier 2	6 – 10 ccf	4.40	6.75	7.75	8.75
Tier 3	11 – 20 ccf	6.75	8.50	9.50	10.50
Tier 4	>20 ccf	9.20	10.25	11.25	12.25
Expected net revenues available for capital projects (capital reserve, pay-as-you-go, additional debt service)		N/A	\$500,000	\$700,000	\$900,000

During the discussion of this item, staff will be prepared to display an automated rate model if the Board wishes to see the impact of various rate changes not listed in Table 2. The financial impact to the District's customers will depend on the quantity of water purchased. A common bi-monthly water consumption volume is 12 hundred cubic feet (ccf), which equates to approximately 150 gallons per day. Using this metric, staff has prepared a bi-monthly bill comparison as shown in Table 3. The Golden State Water Company totals are based on a ¾" meter using the rates that will be implemented in April, 2017, according to the company's website. It should be noted that the other communities listed are likely to raise rates in future years, so care should be taken when comparing future LOCSD rates with current rates from other purveyors.

Table 3: Bi-monthly Water Bill Comparison Assuming 12 ccf of Consumption				
Purveyor	Current Amount	Proposed Bi-Monthly Bill Amount (12 ccf)		
		FY 17/18	FY 18/19	FY 19/20
LOCSD based on rates in Table 2	\$107	\$141	\$158	\$176
Golden State Water Company (April 2017 rates)	\$164			
City of Morro Bay (July, 2017 rates)	\$144			
Cambria CSD (with Supplemental Water Facility operating)	\$167 (\$137 without SWF)			
City of San Luis Obispo	\$124			

The District currently charges all users the same bi-monthly fixed charge, regardless of meter size. Morro Bay, Cambria, and the City of San Luis Obispo use the same approach. Golden State changes the fixed charge based on meter size. While staff is not recommending any changes to the current approach at this time, the District could consider varying its fixed charge in the future. Currently, the District has very few residential meters that are larger than ¾".

Staff recommends that the Board enact the motions listed on page 1 of this staff note to enact the policy decisions and rates described above. The text of a proposed resolution to amend District reserve policies consistent with UAC and FAC recommendations is included as Exhibit B. Staff plans to bring back additional recommendations on the Capital Reserve Policy at the June meeting if the rate study is approved by the Board. If the Board chooses to move forward as recommended, staff will begin the process of notifying its customers as required by Proposition 218. Customers will be provided a minimum of 45 days of notice, and a public hearing date will be set for early June to adopt the rates. If adopted, the rates will supersede the previously adopted increases, and will become effective on July 1, 2017.

FINANCIAL IMPACT

If the Board chooses to implement staff's recommendations, revenues within the Water Fund are expected to increase over the next three years, with amounts sufficient to fund capital projects in the amount of \$500,000 for FY 17/18, \$700,000 for FY 18/19, and \$900,000 for FY 19/20. The above rate analysis was completed at no cost to the District through the efforts of the rate working group, UAC, and FAC.

FINANCIAL SUMMARY FOR YEAR 1 - FY 17/18

REVENUE CALCULATOR					
Water Sales	Totals	Percentage	Rates	Est. Revenue	
Tier 1	74,168	40.7%	\$ 5.00	\$370,840	
Tier 2	47,611	26.1%	\$ 6.75	\$321,374	
Tier 3	35,151	19.3%	\$ 8.50	\$298,784	
Tier 4	25,513	14.0%	\$ 10.25	\$261,508	
Total	182,443			\$1,252,506	
Base Fee			\$ 65.00	\$1,072,500	
Total				\$2,325,006	
Other Revenue			# Accounts		
Base Fee w/ no consumption			506	\$32,890	
Property Tax				\$ 167,250	
Water Service Charges				\$47,000	
Recycled Water Revenue				\$ 106,229	
Other				\$60,000	
Total				\$413,369	
Require Inputs			TOTAL	\$2,738,375	
Recycled Water Revenue Calculator					
	CCF	Revenue			
Tier 1	60 \$	270			
Tier 2	60 \$	365	School Irrigation		
Tier 3	120 \$	918	8,563 Commercial ccf		
Tier 4	11,347 \$	104,676	3,024 Irrigation ccf		
Total	11,587 \$	106,229	11,587 Total/yr.		
EXPENSES CALCULATOR					
RESERVES					
	Capital Outlay	see below			
	Rate Stabilization	\$	32,000		
	General Contingency	\$	57,000		
	Designation for Basin Mgt.	In O&M budget			
	Designation for Water Cons.	\$	-		
Restricted	I-Bank Loan	\$	278,000		
	TOTAL	\$	367,000		
GENERAL					
	Capital (Outlay reserve, future debt, pay as you go, Ibank coverage requirement)	\$	500,000		
	Operating	\$	1,400,000		
	Admin Overhead	\$	470,000		
	TOTAL	\$	2,370,000		
	TOTAL	\$	2,737,000		
Require Inputs					
REVENUE VS. EXPENSES		\$	1,375		

YEAR 2 - FY 18/19

REVENUE CALCULATOR					
Water Sales	Totals	Percentage	Rates	Est. Revenue	
Tier 1	74,168	40.7%	\$ 6.00	\$445,008	
Tier 2	47,611	26.1%	\$ 7.75	\$368,985	
Tier 3	35,151	19.3%	\$ 9.50	\$333,935	
Tier 4	25,513	14.0%	\$ 11.25	\$287,021	
Total	182,443			\$1,434,949	
Base Fee			\$ 70.00	\$1,155,000	
Total				\$2,589,949	
Other Revenue			# Accounts		
Base Fee w/ no consumption			506	\$35,420	
Property Tax				\$	140,769
Water Service Charges					\$47,000
Recycled Water Revenue				\$	116,657
Other					\$60,000
Total					\$399,846
Require Inputs			TOTAL		\$2,989,795
Recycled Water Revenue Calculator					
	CCF	Revenue			
Tier 1	60	\$ 324			
Tier 2	60	\$ 419	School Irrigation		
Tier 3	120	\$ 1,026	8,563	Commercial ccf	
Tier 4	11,347	\$ 114,888	3,024	Irrigation ccf	
Total	11,587	\$ 116,657	11,587	Total/yr.	
EXPENSES CALCULATOR					
RESERVES					
	Capital Outlay	see below			
	Rate Stabilization	\$	32,000		
	General Contingency	\$	57,000		
	Designation for Basin Mgt.	In O&M budget			
	Designation for Water Cons.	\$	-		
Restricted	I-Bank Loan	\$	278,000		
	TOTAL	\$	367,000		
GENERAL					
	Capital (Outlay reserve, future debt, pay as you go, lbank coverage requirement)	\$	700,000		
	Operating	\$	1,442,000		
	Admin Overhead	\$	484,100		
	TOTAL	\$	2,626,100		
	TOTAL	\$	2,993,100		
Require Inputs					
REVENUE VS. EXPENSES		\$	(3,305)		

YEAR 3 - FY 19/20

REVENUE		CALCULATOR			
Water Sales	Totals		Percentage	Rates	Est. Revenue
Tier 1	74,168		40.7%	\$ 7.00	\$519,176
Tier 2	47,611		26.1%	\$ 8.75	\$416,596
Tier 3	35,151		19.3%	\$ 10.50	\$369,086
Tier 4	25,513		14.0%	\$ 12.25	\$312,534
Total	182,443				\$1,617,392
Base Fee				\$ 76.00	\$1,254,000
Total					\$2,871,392
Other Revenue				# Accounts	
Base Fee w/ no consumption				506	\$38,456
Property Tax					\$ 113,741
Water Service Charges					\$47,000
Recycled Water Revenue					\$ 127,085
Other					\$60,000
Total					\$386,282
Require Inputs			TOTAL		\$3,257,674
Recycled Water Revenue Calculator					
		CCF	Revenue		
Tier 1		60 \$	378		
Tier 2		60 \$	473		
Tier 3		120 \$	1,134		
Tier 4		11,347 \$	125,101		
Total		11,587 \$	127,085		
				School Irrigation	
				8,563 Commercial ccf	
				3,024 Irrigation ccf	
				11,587 Total/yr.	
EXPENSES		CALCULATOR			
RESERVES					
	Capital Outlay		see below		
	Rate Stabilization	\$	32,000		
	General Contingency	\$	57,000		
	Designation for Basin Mgt.		In O&M budget		
	Designation for Water Cons.	\$	-		
Restricted	I-Bank Loan	\$	278,000		
	TOTAL	\$	367,000		
GENERAL					
	Capital (Outlay reserve, future debt, pay as you go, lbank coverage requirement)	\$	900,000		
	Operating	\$	1,485,260		
	Admin Overhead	\$	498,623		
	TOTAL	\$	2,883,883		
	TOTAL	\$	3,250,883		
Require Inputs					
REVENUE VS. EXPENSES			\$	6,791	

Date: April 6, 2017
Agenda Item:
() Approved
() Denied
() Continued to

RESOLUTION NO. 2017-11

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE LOS OSOS COMMUNITY SERVICES DISTRICT
APPROVING AMENDMENTS TO THE DISTRICT RESERVE POLICY**

WHEREAS, the Los Osos Community Services District adopted Resolution 2016-14 establishing a District Reserves Policy and establishing reserve account balances by fund; and

WHEREAS, the District desires to revise said Reserve Policy in regards to the Contingency Reserve and the Rate Stabilization reserve as follows:

A General Water Contingency Reserve shall be established for Emergency Operations should a natural or other disaster occur that would temporarily interrupt the District's income from Utility bills, to repair District facilities, and to provide funding for unforeseen circumstances not covered by the District's Operation and Maintenance Budget. The funding goal of this reserve account is an annual appropriation of at least \$57,000 per year up to a maximum cumulative goal of sixty (60%) percent of the District's annual Operation and Maintenance Budget as approved by the Board from time to time.

A Rate Stabilization Reserve shall be established to: Equalize revenues should District income from the Utility billings decrease due to conservation efforts initiated by the District or by the public; and Provide a funding source to offset operation and maintenance revenues associated with fee waivers or reductions approved by the District Board of Directors in accordance with District policies and procedures established pursuant to Government Code Section 61123).(d). Reserves in this category shall be funded by water sales revenues.

The funding goal of this Rate Stabilization Reserve shall be \$32,000 annually until such time as this Rate Stabilization Reserve reaches a total of ten (10%) percent of the total annual water Operation and Maintenance Budget as approved by the Board of Directors from time to time; and once said total is met, the \$32,000 annual allocation shall be allocated annually to the General Water Contingency Reserve, and;

WHEREAS, revisions to the current District Reserve Policy are attached hereto.

NOW, THEREFORE, BE IT RESOLVED that the Los Osos Community Services District Board of Directors does hereby approve amendments to the District Reserve Policy and fully restates the Reserve Policy attached hereto as Exhibit A.

On the motion of Director _____, seconded by Director _____, and on the following roll call vote, to wit:

Ayes: _____
Nays: _____
Absent: _____
Conflicts: _____

The foregoing resolution is hereby passed, approved, and adopted by the Board of Directors of the Los Osos Community Services District this 6th day of April 2017.

Jon-Erik Storm
President, Board of Directors
Los Osos Community Services District

ATTEST:

APPROVED AS TO FORM:

Ann Kudart
Deputy Secretary to the Board

Roy A. Hanley
District Legal Counsel

EXHIBIT

E

LOCSD Water Capital Improvement Projects Listing

Title	Description	Amount in 2014 \$ (unless specified)	Status	Priority
Supplemental Water Wells	Program C Eastern Wells	\$30,000 (17/18)	In progress	current
LOCSD/GSWC Intertie	Emergency connection	\$55,000 (\$103,550) split with GSWC	Completed March 2017	
8 th St Upper Aquifer Well	Supplemental Well Blend with existing lower aquifer well water – possible nitrate removal	(\$275,000 – Phase 2 for FY 17/18)	In progress	current
Water Operation Facility Improvements	Maintenance and Repairs for Water Operations Facility (Improve work shop by destroying sea trains, put in modular building)	\$75,000 (17/18)	Incomplete	1
SCADA System Upgrade	Design/Construction of SCADA System	\$210,00	Incomplete	2
18 th St/Paso Robles Loop	Distribution system loop in boosted zone – pipe project	\$39,270	Not started	4
Santa Maria Loop Upgrade	Distribution system loop in boosted zone – pipe project	\$150,150	Not Started	5
18 th St/Ramona Loop Upgrade	Distribution system loop in boosted zone – pipe project	\$86,800	Not Started	6
Ferrell Avenue Loop Upgrade	Distribution system loop in main gravity zone – pipe project	\$167,475	Not Started	7
Ferrell Well Loop Upgrade	Distribution system loop in main gravity zone – pipe project	\$11,550	Not Started	8
12 th St/El Moro Upgrade	Distribution loop in main zone/Fire Flow upgrade – new pipe	\$214,830	Not Started	9

Title	Description	Amount in 2014 \$ (unless specified)	Status	Priority
South Bay Wells Distribution Project	New project – Connect existing wells at South Bay to gravity Zone	\$Unknown	Not Started	10
10 th St & Santa Maria Valve replacement	Replace gate valve	\$50,000	Not Started	11
South of Santa Ysabel	Replace gate valve	\$2,100	Not Started	12
14 th St Dead-end upgrade	Upgrade pipe – improve Fire Flow to Residential zone	\$98,000	Not Started	13
7 th St Dead-end upgrade	Dead-end upgrade from Santa Ysabel going north	\$34,720	Not Started	14
El Moro Upgrade	New pipe – Distribution loop in main zone	\$307,230	Not Started	15
10 th St Tank Repair	Prolong life of 10 th St tank for another 10 years	\$140,000	Completed FY11/12 \$120,878	
16 th St North & South Tank Spot Repair Project	Coating project and spot repair to prolong life another 10 years	\$50,000	Completed FY15/16 \$32,463	
South Bay Upper Aquifer Well Project	Supplemental well on Eastern side	\$10,000	Completed FY13/14 \$620,000 funding through Prop 84 grant	

EXHIBIT

F



CAL FIRE
San Luis Obispo
County Fire Department

635 N. Santa Rosa • San Luis Obispo, CA 93405
 Phone: 805.543.4244 • Fax: 805.543.4248
 www.cdfslo.org



Scott M. Jalbert, Fire Chief

LOS OSOS FIRE PROTECTION SERVICES AGREEMENT

Schedule A

Costs for Providing Fire Protection Services

Fiscal Year 2017-2018 (July 1, 2017 through June 30, 2018)

Expense Type	CAL FIRE Costs	County Fire Costs	Total Costs
Personnel Costs			
	1,968,276 *	68,890 <i>cwoh</i>	2,037,166
Fire Station Staffing			
Fire Prevention Services			
Fire Hazard Mitigation Services			
Dispatch Services			
Training Services			
Chief Officer Coverage			
Administrative Services			
Fire Investigation Services			
Reserve Firefighter Program Management			
Operating Costs			
Uniforms	18,251 *	639 <i>cwoh</i>	18,890
Vehicle Operations	46,528 *	1,628 <i>cwoh</i>	52,479
Fleet Repair			
Preventive Maintenance			
Fuel, Oil, Lubrication, Batteries, Tires			
As per Schedule D of this agreement			
Communications		3,235	3,235
Paramedic Recertifications		1,302	1,302
Mobile Data Computing Support		3,501	3,501
Firefighter Training		7,555	7,555
GIS Support		606	606
Other Misc Costs		28,824	28,824
1/4 Time Office Workers		8,672	8,672
County-Wide Overhead		1,879	1,879
TOTAL AMOUNT PAYABLE TO SLO COUNTY FIRE			2,164,108
CSA9i Portion			25,214
Los Osos CSD Portion			2,138,894

* These costs include CAL FIRE administrative rate of 12.59%
 This schedule is modified annually for application in the subsequent fiscal year.

EXHIBIT

G



May 22, 2017

TO: LOCSO Board of Directors

FROM: Renee Osborne, General Manager

SUBJECT: **Agenda Item 6G – 6/1/2017 Board Meeting**
Approve the Implementation of the Consumer Price Index (CPI) Increase to the Fire Special Tax for the Fiscal Year 2017/2018

President
Jon-Erik G. Storm

Vice President
Vicki L. Milledge

Directors
Charles L. Cesena
Marshall E. Ochylski
Louis G. Tornatzky

General Manager
Renee Osborne

District Accountant
Robert Stilts, CPA

Unit Chief
Scott M. Jalbert

Battalion Chief
Greg Alex

DESCRIPTION

Request approval of the proposed 2.75% increase, equivalent to \$0.44 per unit of benefit, to the Fire Special Tax for Fiscal Year 2017/2018.

STAFF RECOMMENDATION

This item will be approved along with the Consent Calendar unless it is pulled by a Director for separate consideration. If so, Staff recommends that the Board adopt the following motion:

Motion: I move that the Board approve the implementation of the Consumer Price Index (CPI) increase to the Fire Special Tax for Fiscal Year 2017/2018.

DISCUSSION

The attached memorandum of May 22, 2017 from Wallace Group Senior Project Analyst Lonnie Lepore outlines the calculation of the 2.75% proposed annual CPI increase for Fiscal Year 2017/2018, equivalent to \$0.44 per unit of benefit to the Fire Special Tax. The increase would bring the assessment to \$16.60 per unit of benefit.

The ability to increase the Fire Special Tax by the CPI was approved by the voters within the District. If the District approves the implementation of the CPI increase, the revenues to Fire will increase as follows:

Mailing Address:
P.O. Box 6064
Los Osos, CA 93412

Fire Special Tax Revenue 2016/17 Budget	\$529,401.60
Fire Special Tax Revenue 2017/18 Budget	\$537,329.60
Total Revenue Increase	\$ 7,928.00

Offices:
2122 9th Street, Suite 102
Los Osos, CA 93402

Phone: 805/528-9370
FAX: 805/528-9377

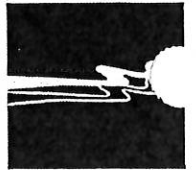
www.losososcsd.org

FINANCIAL IMPACT

There is no direct cost increase to the District for implementation of the CPI increase.

Attachment

MEMORANDUM



WALLACE GROUP®

Date: May 22, 2017

To: Renee Osborne, General Manager
Los Osos Community Services District

From: Lonnie Lepore, Senior Project Analyst *ll*

Subject: Calculation of Proposed Annual CPI Increase – FY 2017-18

LOCSD Ordinance No. 2005-01, adopted February 22, 2005, imposed a special tax on every parcel within the District for the purpose of funding fire prevention and protection services. The Ordinance also authorized an annual adjustment to the rates after FY 2005/06 limited to the average of the percentage changes in the Consumer Price Index (CPI) for all items in both San Francisco CMSA and Los Angeles CMSA.

The computation is based on a conservative approach using December 31 CPI data. This conservative approach has been consistently used for the last seven years due to the unavailability of June 30 CIP data until a couple of months after the fiscal year closes.

The proposed increase would be 2.75%, equivalent to forty cents (\$0.44) per unit of benefit, to the Fire Special Tax. The increase would bring the assessment to \$16.60 per unit of benefit (FY 2016-17 approved amount was \$16.16 per unit of benefit). A residential single family dwelling is equivalent to five (5) units of benefit; multiple dwellings in a parcel except apartments and mobile homes are configured to be four (4) units of benefit per dwelling unit while apartments and mobile homes are configured to be three (3) units of benefit per dwelling unit. Therefore the annual increase from this CPI increase will range from \$1.32 to \$2.20 per household.

	United States	San Francisco CMSA	Los Angeles CMSA	Average
Average as of Dec. 31				
2015	236.525	260.289	245.357	252.823
2016	241.432	269.483	250.189	259.836
% Change	2.07%	3.53%	1.97%	2.75%

CIVIL ENGINEERING

CONSTRUCTION MANAGEMENT

LANDSCAPE ARCHITECTURE

MECHANICAL ENGINEERING

PLANNING

PUBLIC WORKS ADMINISTRATION

SURVEYING / GIS SOLUTIONS

WATER RESOURCES

WALLACE SWANSON INTERNATIONAL

Cc: Rob Miller, Wallace Group

WALLACE GROUP
A California Corporation

612 CLARION CT
SAN LUIS OBISPO
CALIFORNIA 93401

T 805 544-4011
F 805 544-4294

www.wallacegroup.us

EXHIBIT

H

LOS OSOS COMMUNITY SERVICES DISTRICT
 COST ALLOCATION PLAN
 MID-YEAR 16/17

\$581,220

TOTAL PROJECTED GENERAL FUND/ADMINISTRATION COSTS

	FIRE	WATER	PARK & REC	DRAINAGE	BAYRIDGE	VISTA DE ORO	Waste Water	TOTALS
Allocation Per Cent	21.00%	62.00%	2.00%	8.00%	1.50%	1.00%	4.50%	100.00%
AMOUNT ALLOCATED	\$122,056	\$360,356	\$11,624	\$46,498	\$8,718	\$5,812	\$26,155	\$581,220

LOS OSOS COMMUNITY SERVICES DISTRICT
 COST ALLOCATION PLAN
 FISCAL-YEAR 17-18

\$542,382

TOTAL PROJECTED GENERAL FUND/ADMINISTRATION COSTS

	FIRE	WATER	PARK & REC	DRAINAGE	BAYRIDGE	VISTA DE ORO	TOTALS
Allocation Per Cent	10.00%	83.00%	1.00%	6.00%	0.00%	0.00%	100.00%
AMOUNT ALLOCATED	\$54,238	\$450,177	\$5,424	\$32,543	\$0	\$0	\$542,382