



June 13, 2017

TO: LOCSD Board of Directors

FROM: Renee Osborne, General Manager

SUBJECT: Agenda Item 2B – 6/15/2017 Board Meeting
Public Hearing to Adopt the Proposed Fiscal Year 2017/2018 Budget

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Jon-Erik G. Storm

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Vicki L. Milledge

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DESCRIPTION

The Public Hearing to adopt the Proposed 2017-2018 Fiscal Budget was duly noticed and this is the time and place to hear all testimony regarding the adoption of the Proposed 2017/2018 Draft Fiscal Budget for all LOCSD departments.

STAFF RECOMMENDATION

The staff recommends that the Board take one of the following actions:

Motion: I move that the Board adopt Resolution 2017-15 adopting the Fiscal Year 2017/2018 Proposed Budget.

Motion: I move that the Board adopt Resolution 2015-17 to adopt the Fiscal Year 2016/2017 Continuing Budget.

DISCUSSION

Attached is the proposed 2017-2018 Draft Fiscal Budget for the Administration/General, Water, Drainage, Fire, Bayridge, Wastewater and Parks and Recreation operations budgets. Staff has received comments by the Board, Finance, and Utilities Committees regarding recommended changes to the 2017-2018 fiscal budget.

Bayridge and Vista De Oro budgets are not being charged allocation percentages for the Administration budget. There are not enough funds in those budgets to pull towards general administration costs. Charging them allocations would continue the negative balance of Bayridge and put Vista into a negative balance. Staff requests an alternative direction from the Board regarding those two funds.

Drainage and Wastewater currently have a negative fund balance. Drainage had unforeseen expenses for the 2016-2017 budget year. Payroll increased the Drainage fund slightly because of the rainy season. Staff considered charging Drainage for part of the training expenses in Water. This would further put the fund in debt an additional \$4700. General fund allocation was also lowered from previous years in order to keep expenses down. The District must comply with the NPDES permit. Staff must maintain all Drainage systems accordingly. Capital improvements will need to be made in Drainage. Staff is asking for Capital Reserves to pay for the improvements. Alternatively, Staff will need direction on how to fund operations and maintenance.

Wastewater did not have a budget prepared for the 2016-2017 fiscal year. With the hiring of NBS to perform the assessments, the assessment amount did not cover the expenses. Although there is a large rollover from the previous year, in two years this fund should balance out if expenses and assessments remain the same.

The remaining funds (Water, Fire, Parks, and Admin) have positive balances going into the 2017-2018 year. With the Water revenue rollover from 2016-2017 and the proposed rate increase, Water will be able to sustain itself while paying for some capital improvements and contributing to the reserve funds for future projects. Parks and Rec expenses remain low and Staff will continue to move towards solidifying an agreement with the County on establishing a Dog Park for the Los Osos Community. Staff anticipates transferring all Dog Park future expenses to a non-profit group. The Fire Fund has a positive rollover balance and will receive a contribution from property tax monies that was being used by Water. Fire feels that they have their expenses covered for the 2017-2018 year.

Administration/General Fund expenses for the 2017-2018 year are down by over \$50,000 compared to the previous projected budget expenses. Since this fund is completely subsidized by all other funds, Staff continues to control expenses.

Attachment - Resolutions 2017-15 to Adopt the 2017/2018 Budget or to Continue the 2016/2017 Budget
Proposed Draft Budget 2017/2018 Fiscal Year

RESOLUTION NO. 2017-15

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE LOS OSOS COMMUNITY SERVICES DISTRICT
ADOPTING THE FISCAL YEAR 2017/2018 PROPOSED BUDGET**

WHEREAS, the Los Osos Community Services District desires to manage its fiscal affairs according to an adopted budget; and

WHEREAS, the Board of Directors reviewed the Proposed Draft Fiscal Year 2017/2018 Budget at their June 1, 2017 meeting; and

WHEREAS, at the above meeting, the Board of Directors provided additional direction to staff to post a notice of public hearing for adoption of the budget on June 15, 2017; and

WHEREAS, staff proposes the Board of Directors adopt the Budget as presented for the Funds 100, 200, 301, 400, 500, 600, 800, and 900 for Fiscal Year 2017/2018 and authorize staff to incorporate any further changes as directed by the Board.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE LOS OSOS COMMUNITY SERVICES DISTRICT DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER THAT THE FISCAL YEAR 2017/2018 BUDGET IS ADOPTED AS PRESENTED OR AMENDED AS MOTIONED BY THE BOARD ON JUNE 15, 2017.

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 15th day of June 2017.

Jon-Erik Storm, President
LOCSO Board of Directors

ATTEST:

APPROVED AS TO FORM:

Renee Osborne
General Manager and Secretary to the Board

Roy A. Hanley
District Legal Counsel

RESOLUTION NO. 2017-15

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE LOS OSOS COMMUNITY SERVICES DISTRICT
TO ADOPT FISCAL YEAR 2016/2017 CONTINUING BUDGET**

WHEREAS, the Los Osos Community Services District desires to manage its fiscal affairs according to an adopted budget; and

WHEREAS, the Board of Directors reviewed the Proposed Draft Fiscal Year 2017/2018 Budget at their June 1, 2017 meeting; and

WHEREAS, at the above meeting, the Board of Directors provided additional direction to staff to post a notice of public hearing for adoption of the budget on June 15, 2017; and

WHEREAS, at the June 15, 2017 meeting, the Board of Directors reviewed the Fiscal Year 2017/2018 Budget as proposed and after conducting a public hearing the Board of Directors directed staff to continue the Budget hearing to June 26, 2017; and

WHEREAS, in order for the District to continue to operate and pay bills, it is necessary for the Board of Directors to authorize the use of appropriations; and

WHEREAS, on June 29, 2016, the Board of Directors, by Resolution No. 2016-22, adopted the Fiscal Year 2016/2017 budget; and

WHEREAS, the Board of Directors desires to continue at the spending level as adopted for Fiscal Year 2016/2017.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE LOS OSOS COMMUNITY SERVICES DISTRICT DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER THAT THE FISCAL YEAR 2016/2017 BUDGET IS HEREBY CONTINUED UNTIL A FISCAL YEAR 2017/2018 BUDGET IS ADOPTED.

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 15th day of June 2017.

Jon-Erik Storm, President
LOCSD Board of Directors

ATTEST:

APPROVED AS TO FORM:

Renee Osborne
General Manager and Secretary to the Board

Roy A. Hanley
District Legal Counsel



**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), Bayridge (200), Vista De Oro (400), Water (500), Wastewater (600), Drainage (800), 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 the 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 \$63,597. The total lighting and septic assessment anticipated is \$29,825. 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 and loan debt are anticipated to be \$55,256. As a result of 2016-2017 budget expenses, the budget was underestimated and has a negative roll over balance of \$26,877. It is a possibility that the District will need to transfer funds over to the Bayridge fund 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 301 – FIRE

The Los Osos CSD is responsible for providing Fire and Safety Protection Services throughout Los Osos. Los Osos has contracted with San Luis Obispo County/Cal Fire to provide these services for our Community. The contract provides staffing, along with the District Firefighter Reserve program, to provide three (3) personnel per shift (Exhibit F/Schedule A). The contract also provides chief officer coverage, one (1) fulltime office technician and a Fire prevention specialist. Certification/training, automotive, Fire investigation and dispatching are other services provided to the District at a total cost 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 adequate operations budget for Cal Fire to use for reserves and operational expenses.



Cal Fire prepared the budget for our South Bay Station 15. Anticipated revenue is \$ 2,688,400 for the 2017-2018 fiscal budget cycle. The operational and maintenance expense is estimated at \$2,535,030.

FUND 301 – FIRE CAPITAL IMPROVEMENTS

Anticipated Capital Outlay expenses for Fund 301 total \$155,500 which include \$75,500 to complete the Medic Rescue purchase that was initiated in 2016/17; an additional \$10,000 to equip the vehicle with new, state-of-the-art medical equipment. According to the *20-year Projection for Replacing Vehicles/Engines* Schedule, Command Vehicle 3411 is due for replacement this year. Staff budgeted \$70,000 for this purchase. Anticipated Fire Mitigation expenses in FY 2017/18 for Fund 313 total \$4,100 which include a 4-day door-to-door community wide chipping event, a sponsored CPR course to be held for local residents and fire prevention education materials.

According to the *20-year Projection for Replacing Vehicles/Engines* Schedule, Utility-15 and Medic Engine-215 are due for replacement in 2018/2019 at an estimated total cost of \$730,000. The replacement of Utility-15 has been delayed since 2013/14 and Medic Engine-215 celebrated its 20th birthday in 2017. As part of this budget, \$118,041 will be placed into the Vehicle Reserve 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, which is 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 \$15,768. 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 \$5,715. Although there was a negative balance roll over of \$9,727 from the 2016-2017 budget, the budget should have a small balance of \$326 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 70% of their time will be spent in this area. This fund is subsidized mostly by 2785 connections. Currently, operations and maintenance (\$1,089,835) can be completely funded by water revenue (anticipated revenue \$2,746,134). This does not account for an estimated debt service of \$276,731 (Exhibit C), Policy Reserve set asides of \$589,000 (Exhibit D), and estimated capital improvement projects of \$380,000 (Exhibit E), and a transfer to the General Fund of \$467,690 which totals \$1,713,421. Also, this amount does not include the anticipated loss in water sales due to the sale of recycled water.

The proposed water rates would finance the capital improvements that are legally mandated and 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, 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 are 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 600 – WASTEWATER

Although the District is no longer responsible for Wastewater, the Wastewater Fund is still part of the District’s Budget because of assessments and bond payments that need to be made. On



July 7, 2016 the Board voted on Resolution No. 2016-27 to assess 4192 parcels \$10.56 to cover administrative costs and debt service; \$44,267 (Exhibit H). There was no budget created for the wastewater fund for the 2016-2017 fiscal year. The amount of expenditures for 2016-2017 exceeded the amount of assessment costs which gives the fund a roll over negative balance of \$25,638 for our 2017-2018 budget.

The proposed 2017-2018 revenue budget of \$44,267 minus expenses of \$39,267 leave the 2017-2018 budget a positive balance of \$5000. Per the 2015-2016 Audit, there is a cash balance of \$14,883 in the Wastewater project fund that can be used towards the negative balance (Exhibit I) which would end the total 2017-2018 fund balance after the 2016-2017 rollover at a negative \$5,755.

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 25% of their time in this area. This number is based on this past rain season.

Revenues from property taxes and drainage assessments are projected to be \$118,335. Expenses will be higher than the 2016-2017 budget by about 10%. With payroll being the leading effect of the increase, we estimate \$122,519 for expenses for the 2017-2018 budget. This amount obviously reflects a start of a negative balance in the Drainage fund. This cost does not include Capital improvement projects that are needed. The Board will need to make a recommendation to Staff of how to fund Drainage for the 2017-2018 budget.

FUND 800 – DRAINAGE CAPITAL IMPROVEMENTS

There are several needs in the Los Osos Community Drainage System. Eighth 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 and an additional \$5,000 towards engineering costs for the pump and 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 \$46,000 to execute 8th street improvements. The requested capital improvements can be paid for through the capital improvement reserves. This would then leave a shortfall in the budget for operational expenses of \$15,829. Staff will need a recommendation from the board for how to fund this account.

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 survey results said a Dog Park. District Staff has been tasked with coordination 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 \$9,507 for the 2017-2018 year.

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 86.5% of Admin costs for 2017-2018 and will contribute approximately \$467,690.

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 \$54,068 for the 2017-2018 Admin budget.

The 800 (Drainage) Fund will contribute 2% of the Admin costs at approximately \$10,814. The 900 (Parks and Rec) Fund will contribute 1.00% of the Admin costs at approximately \$5,407. The Wastewater Fund will contribute .5% of the Admin costs at approximately \$2,703. 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 \$540,682 is designed to cover Administrative Services that help keep the District functioning (Exhibit J). Attached for Board approval is the proposed Staffing for 2017-2018 (Exhibit K).



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

2017 - 2018 Proposed Budget	200 Bayridge	400 Vista	500 Water	800 Drainage	900 Park & Rec	301 Fire	100 Administration	600 Wastewater
Total Operating Expense	\$30,250	\$5,715	\$1,089,835	\$122,519	\$4,100	\$2,535,030	\$535,682	\$11,564
Loan Payments	\$25,006	\$0	\$276,731	\$0	\$0		\$0	\$25,000
Capital Outlay	\$0	\$0	\$380,000	\$86,000	\$0	\$155,500	\$0	\$0
Contribution to Reserves	\$0	\$0	\$589,000	\$0	\$0	\$128,041	\$0	\$0
Transfer to Gen Fund	\$0	\$0	\$467,690	\$10,814	\$5,407	\$54,068	\$0	\$2,703
Total Expenditures	\$55,256	\$5,715	\$2,803,256	\$219,333	\$9,507	\$2,872,639	\$535,682	\$39,267

100 Admin

Fund Revenue	\$540,682
Total Fund Expenses	\$535,682
Net	\$5,000

200 Bayridge

Fund Revenue	\$63,597
Total Fund Expenses	\$55,256
Net	\$8,341

400 Vista

Fund Revenue	\$15,768
Total Fund Expenses	\$5,715
Net	\$10,053

Roll Over 2016-2017 \$0

Projected Fund Balance \$5,000

Roll Over 2016-2017 -\$26,877

Projected Fund Balance -\$18,536

Roll Over 2016-2017 -\$9,727

Projected Fund Balance \$326

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

500 Water

Fund Revenue	\$2,746,134
Total Fund Expenses	\$2,803,256
<hr/>	
Net	-\$57,122
Roll Over 2016-2017	\$1,828,480
Projected Fund Balance	\$1,771,358

600 Waste Water

Fund Revenue	\$44,267
Total Fund Expenses	\$39,267
<hr/>	
Net	\$5,000
Roll Over 2016-2017	-\$25,638
Fund Cash Balance	\$14,883
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Projected Fund Balance	-\$5,755

900 Parks & Rec

Fund Revenue	\$900
Total Fund Expenses	\$9,507
<hr/>	
Net	-\$8,607
Fund Cash Balance	\$293,564
Projected Balance	\$284,957

800 Drainage

Fund Revenue	\$118,335
Total Fund Expenses	\$219,333
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Net	-\$100,998
Capital Revenue	\$86,000
Roll Over 2016-2017	-\$831
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Projected Fund Balance	-\$15,829

301 Fire

Fund Revenue	\$2,688,400
Total Fund Expenses	\$2,872,639
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Net	-\$184,239
Roll Over 2016-2017	\$24,639
Fire Mitigation Reserve	\$4,100
Vehicle Sinking Fund	\$155,500
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Projected Fund Balance	\$0



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	\$8,696
	4505	HO Prop Tax Relief	\$57	\$57	\$20	\$70
TOTAL PROPERTY			\$8,347	\$8,404	\$5,672	\$8,766
		Assessments to pay \$125,000 loan		\$25,006		\$25,006
Special Taxes & Total Special Taxes Assessments	4550	Lighting & Septic Assessment	\$54,831	\$29,825	\$12,375	\$29,825
			\$54,831	\$54,831	\$12,375	\$54,831
		TOTAL BAYRIDGE REVENUES	\$63,178	\$63,235	\$18,047	\$63,597

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	\$0	\$0
	8051	Floating Holiday	\$0	\$0	\$0	\$0
	8054	Regular Salaries	\$18,944	\$17,050	\$15,630	\$9,798
	8060	Sick Leave	\$0	\$0	\$0	\$0
	8066	Comp Time Used	\$0	\$0	\$0	\$0
	8081	Vacation	\$0	\$0	\$0	\$0
Total Salaries & Payroll Taxes &			\$18,944	\$17,050	\$15,630	\$9,798
	5030	Life Insurance - ER	\$106	\$95	\$3	\$64
	5050	Medicare - ER	\$577	\$429	\$281	\$262
	5060	Cafeteria Plan - ER	\$2,407	\$1,619	\$1,039	\$933
	5070	Retirement ER - Regular	\$2,666	\$2,161	\$1,833	\$1,236
	5071	Retirement ER -Addtl Pickup	\$1,007	\$726	\$607	\$454
	5075	Retirees Medical - ER	\$543	\$309	\$189	\$161
	5100	Unemployment Ins ER	\$0	\$0	\$0	\$0
	5120	Worker's Compensation - ER	\$600	\$348	\$97	\$187
	5121	Cal Pers Unfunded Liability	\$0	\$0	\$0	\$0
	5124	Retirement ER Tier 2	\$700	\$279	\$0	\$131
	5133	Benefits Charged by Water	\$0	\$0	\$0	\$0
	5197	Benefit Billings to Other Funds	\$0	\$0	\$0	\$0
Total Payroll			\$8,606	\$5,967	\$4,049	\$3,429
		Total Payroll & Taxes	\$27,550	\$23,017	\$19,679	\$13,228

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	\$1,100	\$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	\$2,400	\$2,046	\$2,800
	7320	Professional & Consulting Services	\$0	\$2,900	\$2,867	\$500
	7326	Legal Services	\$3,500	\$1,500	\$831	\$500
Total Legal & Professional			\$3,500	\$4,400	\$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	\$4,596	\$3,830	\$4,596
Total Rent and utilities			\$68,000	\$19,746	\$15,997	\$4,711
		Total Materials, Supplies & Services	\$72,900	\$26,546	\$21,741	\$8,511
		TOTAL OPERATING EXPENSES	\$100,450	\$49,563	\$41,420	\$21,739
		Loan Payment	\$25,006			\$25,006
		Transfer to General Fund	\$11,757	\$8,718	\$6,602	\$0
		No Capital Outlay Expenses	\$0	\$0	\$0	\$0

Proposed 2017-2018 Budget

Fund Revenue	\$63,597
Total Fund Expenses	\$55,256
Net	\$8,341
Roll Over 2016-2017	-\$26,877
Projected Fund Balance	-\$18,536

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	\$15,768	\$2,834	\$15,768
			\$15,768	\$15,768	\$2,834	\$15,768
		TOTAL VISTA DE ORO	\$15,768	\$15,768	\$2,834	\$15,768

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	\$400
	7326	Legal Services	\$3,000	\$1,500	\$254	\$400
Total Legal &			\$4,300	\$5,800	\$3,487	\$800
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	\$2,300
Total Rent and utilities			\$2,500	\$5,050	\$3,593	\$2,415

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	\$5,715
		Transfer to General Fund	\$8,832	\$5,812	\$4,401	\$0
		No Capital Outlay Expenses	\$0	\$0	\$0	\$0

Projected 2017-2018 Budget

Fund Revenue	\$15,768
Total Fund Expenses	\$5,715
Net	\$10,053
Roll Over 2016-2017	-\$9,727
Projected Fund Balance	\$326

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	\$1,906,000
	4102	Residential-Multi Family	\$0	\$150,349	\$124,594	\$178,000
	4103	Commercial	\$0	\$229,022	\$182,855	\$236,000
	4104	Irrigation-Water Sales	\$0	\$42,017	\$28,646	\$3,000
	New	Recycled Water Revenue	\$0	\$0	\$0	\$107,000
	New	Baseline No Consumption	\$0	\$0	\$0	\$32,890
Total Water Sales Revenue			\$1,800,000	\$1,939,219	\$1,576,845	\$2,462,890
	4114	Water Other Services Revenue	\$0	\$2,000	\$2,085	\$47,000
	4931	Water Activation Fees	\$10,000	\$7,000	\$6,350	\$7,000
	4932	Water Sales Penalties(Late Fees)	\$20,000	\$23,000	\$20,757	\$23,000
	4933	Door Hangers/Lock Out Fees	\$17,000	\$16,000	\$15,045	\$16,000
	4935	Sale-Specs/Plans and Non Cap Items	\$0	\$100	\$50	\$0
Total Water Service Charges			\$47,000	\$48,100	\$44,287	\$93,000
Property taxes	4035	Property Taxes (minus 25% to fire)	\$221,660	\$221,660	\$149,163	\$228,858
	4505	HO Prop Tax Relief	\$2,100	\$2,100	\$533	-\$57,214
TOTAL PROPERTY TAX			\$223,760	\$223,760	\$149,696	\$173,744
TOTAL USE OF Mon.&Prop	4510	Investment Income on Funds	\$3,000	\$3,000	\$2,051	\$1,500
			\$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	\$15,000
	4934	Gain on the Sale of Fixed Assets	\$12,000	\$12,000	\$12,000	\$0
Total Other Revenue			\$57,000	\$68,700	\$57,000	\$15,000
		TOTAL WATER DEPT REVENUES	\$2,130,760	\$2,282,779	\$1,829,879	\$2,746,134

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
		Adopted	Accounting		Proposed
		16-17	Adjusted		17-18
500 - Water	Acct. Code Account Title	Budget	Budget	Actuals as of 04-30-17	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	\$11,699
	8410 Certifications	\$400	\$200	\$175	\$300
	8510 Lodging and Meals	\$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	\$17,549
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	\$554,991
		TOTAL OPERATING EXPENSES	\$1,396,552	\$1,228,539	\$817,897	\$1,089,835
		TRANSFER TO GENERAL FUND		\$360,356		\$467,690
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
		Debt Service Reserve	\$0	\$277,254	\$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 (Contribution)			\$84,244	\$400,157	\$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	\$0	\$0	\$0
	9059	Purchase Generator	\$0	\$21,659	\$21,659	\$0
		Emergency Intertie Connection	\$55,000	\$120,247	\$0	\$0
		8th Street Aquifer Well, Phase 1	\$12,000	\$141,915	\$141,915	\$0
		Program (C) Eastern Wells	\$0	\$0	\$0	\$30,000
		8th Street Aquifer Well, Phase 2	\$540,000	\$0	\$275,000	\$275,000
		Vehicle	\$50,000	\$0	\$0	\$0
		Water Operations Facility	\$0	\$0	\$75,000	\$75,000
		Total Capital Outlay	\$657,000	\$283,821	\$513,574	\$380,000

Projected 2017-2018 Budget

Fund Revenue	\$2,746,134
Total Fund Expenses	\$2,803,256
<hr/>	
Net	-\$57,122
Roll Over 2016-2017	\$1,828,480
<hr/>	
Projected Fund Balance	\$1,771,358

600 - WASTEWATER	Acct. Code	Account Title	Adopted 16-17 Budget	Accounting Adjusted 16-17 Budget	Actuals as of 04-30-17	Proposed 17-18 Budget
Revenues						
		Assessments - Administrative fee	\$0.00	\$44,267.00	\$0.00	\$44,267.00
			\$0.00	\$0.00	\$0.00	\$0.00
		TOTAL REVENUES	\$0.00	\$44,267.00	\$0.00	\$44,267.00

600 - WASTEWATER	Acct. Code	Account Title	Adopted 16-17 Budget	Accounting Adjusted 16-17 Budget	Actuals as of 04-30-17	Proposed 17-18 Budget
Expenditures						
	7320	Professional Services (NBS)	\$0	\$18,750	\$13,763	\$11,564
		Bond payment	\$0	\$25,000	\$0	\$25,000
		Total Expenditures	\$0	\$43,750	\$13,763	\$36,564
		TRANSFER TO GENERAL FUND		\$26,155		\$2,703

Proposed 2017-2018 Budget

Fund Revenue	\$44,267
Total Fund Expenses	\$39,267
Net	\$5,000
Roll Over 2016-2017	-\$25,638
Fund Cash Balance	\$14,883
Projected Fund Balance	-\$5,755

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	\$22,746
	4505	HO Prop Tax Relief	\$146	\$146	\$54	\$149
TOTAL PROPERTY TAX			\$21,759	\$21,759	\$14,942	\$22,895
Special Taxes & Assess.	4400	Drainage Assessments	\$95,456	\$95,424	\$65,973	\$95,440
Total Special Taxes & Assess. Assessments			\$95,456	\$95,424	\$65,973	\$95,440
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	\$117,206	\$80,938	\$118,335

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	200
	8054	Salaries & Wages Regular	\$75,774	76,000	\$74,527	63,310
Total Salaries & Wages			\$76,274	76,500	\$74,527	63,510
Payroll Taxes & Benefits	5010	Total Fringe Benefits		0		0
	5030	Life Insurance - ER	\$1,055	1,055	\$12	875
	5050	Medicare - ER	\$1,327	1,327	\$148	1,113
	5060	Cafeteria Plan - ER	\$9,582	9,582	\$1,200	8,061
	5070	Retirement ER - Regular	\$9,213	9,213	\$6,909	6,860
	5071	Retirement ER -Addtl Pickup	\$2,800	1,843	\$1,004	1,680
	5075	Retirees Medical - ER	\$1,553	553	\$422	700
	5100	Unemployment Ins ER	\$0	0	\$0	0
	5120	Worker's Compensation - ER	\$2,843	1,843	\$1,546	1,820
	5121	Cal Pers Unfunded Liability	\$0	0	\$0	0
	5124	Retirement ER Tier 2	\$3,666	1,105	\$87	1,050
	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	22,159
		Total Payroll & Taxes	\$108,313	\$103,021	\$85,855	\$85,669

800 - DRAINAGE		Adopted	Accounting	Actuals as	Proposed
Acct.	Account Title	16-17	Adjusted	of 04-30-17	17-18
		Budget	Budget		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	1,000
	7326 Legal Services	\$1,500	1,500	\$0	500
Total Legal & Professional		\$11,500	\$11,500	\$5,063	\$1,500
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	1,500
	6025 Telephone	\$640	640	\$0	100
	7352 Rent - Office & Other Structures	\$1,400	300	\$45	300
	8610 Electric	\$1,050	1,700	\$1,225	15,000
	8670 Street Lighting	\$850	850	\$575	850
Total Rent and utilities		\$5,050	4,690	\$3,095	17,750
	6640 R & M - Equip & Other Non-	\$5,000	5,000	\$989	1,000
	6750 R & M - Minor Tools & Equipment	\$0	0	\$419	750
	6800 R & M - Grounds & Collection	\$5,000	5,000	\$1,595	2,000
	6900 R & M - Buildings & Structures	\$5,000	5,000	\$58	200
Total Repairs & Maint.		\$15,000	15,000	\$3,061	3,950
	Total Materials, Supplies & Services	\$41,450	\$42,330	\$22,542	\$36,850
	TOTAL OPERATING EXPENSES	\$149,763	\$145,351	\$108,397	\$122,519
	TRANSFER TO GENERAL FUND		\$46,498		\$10,814

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>						
		Pump Purchase	\$20,000	\$0	\$0	\$56,000
		Control Panel	\$20,000			\$25,000
Total Capital Outlay		(Engineering costs)	\$0	\$0	\$0	\$5,000
			\$40,000	\$0	\$0	\$86,000
<u>Reserves</u>						
	9571	Capital Outlay Reserve	\$10,000	\$0	\$0	\$0
Total Reserves	9572	General Contingency Reserve	\$5,000	\$0	\$0	\$0
			\$15,000	\$0	\$0	\$0

Proposed 2017-2018 Budget

Fund Revenue	\$118,335
Total Fund Expenses	\$219,333
Net	-\$100,998
Capital Revenue	\$86,000
Roll Over 2016-2017	-\$831
Projected Fund Balance	-\$15,829

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		Interest Received	\$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
TRANSFER TO GENERAL				\$11,624		\$5,407

Proposed 2017-2018 Budget

Fund Revenue	\$900
Total Fund Expenses	\$9,507
Net	-\$8,607
Fund Cash Balance	\$293,564
Projected Balance	\$284,957



301-FIRE DEPARTMENT	Acct. Code	Account Title	Accounting		Actuals as of 04-30-17	Proposed 17-18 Budget
			Adopted 16-17 Budget	Adjusted 16-17		
Revenues						
	4035	Property Taxes	\$1,905,834	\$1,905,834	\$1,227,264	\$1,943,951
		25% Prop Taxes from Water	\$0	\$0	\$0	\$57,215
	4505	HO Prop Tax Relief	\$12,883	\$12,883	\$1,058	\$13,141
TOTAL			\$1,918,717	\$1,918,717	\$1,228,322	\$2,014,307
Special taxes and assessments						
	4015	CSA 9-I Assessments	\$24,480	\$24,480	\$0	\$25,214
	4050	Special Fire Tax	\$529,401	\$529,401	\$0	\$543,882
	4055	Mutual Aid Reimbursement	\$0	\$1,135	\$1,135	\$2,000
TOTAL SPECIAL TAXES &			\$553,881	\$555,016	\$1,135	\$571,096
Use of money						
	4501	Interest-Undistributed Taxes	0	\$0		
	4510	Investment Income on Funds	0	\$2,000	\$1,288	\$1,000
	4934	Gain on Sale of Fixed Assets-Fire	0	\$0	\$0	\$0
			0	\$2,000	\$1,288	\$1,000
Other Revenue						
	4000	Ambulance Agreement	\$68,512	\$67,134	\$51,797	\$67,134
	4655	Donations	\$0	\$100	\$100	\$100
	4932	Penalties	\$0	\$0	\$0	\$0
	4950	Grant Revenue	\$0	\$0	\$0	\$34,763
	4955	Govt Other State Aid &	\$0	\$2,245	\$2,245	\$0
	4957	Govt Other Fed Aid &	\$5,900	\$0	\$0	\$0
Total Other			\$74,412	\$69,479	\$54,142	\$101,997
TOTAL FIRE DEPT. REVENUES			\$2,547,010	\$2,545,212	\$1,284,887	\$2,688,400

301-FIRE DEPARTMENT	Acct. Code	Account Title	Accounting		Actuals as of 04-30-17	Proposed 17-18 Budget
			Adopted 16-17 Budget	Adjusted 16-17 Budget		
Expenditures						
Salaries & Wages						
	8290	Resv FF-OT Em Res Off Duty	\$8,248	\$1,400	\$1,051	\$1,600
	8295	Resv FF-Overtime/Shift Coverage	\$4,974	\$19,100	\$12,085	\$22,050
	8310	Resv FF-Emerg Resp-Off Duty	\$0	\$2,300	\$1,529	\$2,660
	8330	Resv FF- Mutual Aid Coverage	\$0	\$0	\$0	\$0
	8340	Resv FF-Shift Coverage	\$95,699	\$71,000	\$74,899	\$82,000
	8345	Resv FF-Special Projects	\$4,813	\$4,500	\$2,425	\$5,550
	8355	Resv FF- Training & Drills	\$11,027	\$4,100	\$2,683	\$4,724
	8360	Resv FF-Weed Abatement	\$1,038	\$1,038	\$124	\$1,205
Total Salaries &			\$125,799	\$103,438	\$94,796	\$119,789

301-FIRE DEPARTMENT	Acct. Code	Account Title	Accounting		Actuals as of 04-30-17	Proposed 17-18 Budget
			Adopted 16-17 Budget	Adjusted 16-17 Budget		
Payroll Taxes &						
	5021	FICA - Fire - ER	\$4,912	\$5,750	\$5,551	\$7,000
	5030	Life Insurance - ER	\$1,962	\$1,960	\$2,054	\$2,500
	5031	Disability Insurance	\$86	\$0	\$0	
	5035	AD and D Insurance	\$1,350	\$1,050	\$603	\$1,000
	5051	Medicare - Reserves - ER	\$1,542	\$1,560	\$1,478	\$2,000
	5070	Retirement - ER -Regular	\$0	\$450	\$277	\$750
	5120	Workers Comp Insurance - ER	\$5,381	\$9,600	\$6,392	\$8,500
	5124	Retirement - ER -Tier 2	\$1,213	\$2,700	\$1,434	\$2,200
Total Payroll			\$16,446	\$23,070	\$17,789	\$23,950
		Total Personnel Expenses	\$142,245	\$126,508	\$112,585	\$143,739
Expenditures						
Employment	5000	Medical Exams & Procedures	\$1,600	\$2,640	\$1,340	\$2,440
	5101	Unemp. Costs - Reserves	\$6,000	\$3,700	\$2,762	\$3,700
	6200	Hiring, Advertising & Other Costs	\$0	\$0	\$0	\$0
	6230	Medical Exam	\$5,400	\$4,899	\$5,016	\$2,800
Total Employment			\$13,000	\$11,239	\$9,118	\$8,940
Clothing and	7246	Uniform & Gear	\$2,900	\$2,300	\$1,832	\$1,800
	7248	Uniform Safety Boots	\$3,400	\$4,450	\$4,250	\$1,400
Total Clothing & Uniforms			\$6,300	\$6,750	\$6,082	\$3,200
Contract Services						
	6110	IT Purchased Services	\$7,000	\$900	\$733	\$1,080
	7202	Building Alarms & Security	\$450	\$500	\$445	\$450
	7204	Cleaning Supplies, Laundry &	\$3,700	\$3,700	\$2,870	\$3,700
	7209	District Operating Center	\$450	\$0	\$0	\$0
	7222	Hazardous Materials	\$2,000	\$2,000	\$2,000	\$2,000
	7499	CSA 9-I Payments for Services to	\$0	\$0	\$0	\$0
	7500	Schedule A Charges	\$1,994,494	\$1,994,494	\$934,081	\$2,164,108
Total Contract			\$2,008,094	\$2,001,594	\$940,129	\$2,171,338
Equipment and	7252	Miscellaneous Hardware	\$0	\$342	\$21	\$36,263
	6055	Radios -Non Capital	\$3,500	\$1,009	\$1,009	\$4,000
	6440	Fire Personal Protection Equipment	\$14,198	\$10,040	\$7,971	\$14,198
	6460	Self-Contained Breathing	\$2,500	\$200	\$200	\$32,500
	6610	Rescue-Extrication Equipment	\$1,500	\$1,500	\$0	\$1,500
	6630	Rope & Climbing Equipment	\$500	\$500	\$0	\$500
	7234	Oxygen Supplies & Cylinder Rent	\$500	\$700	\$307	\$500
	7242	Minor Tools, Accessories & Field	\$800	\$400	\$21	\$350
Total Equipment			\$23,498	\$14,691	\$9,529	\$89,811

301-FIRE DEPARTMENT	Acct. Code	Account Title	Accounting		Actuals as of 04-30-17	Proposed 17-18 Budget
			Adopted 16-17 Budget	Adjusted 16-17 Budget		
Financial						
	7310	Bank Service Charges	\$100	\$0	\$0	\$20
	(New) 8152	ADP Processing Fees	\$0	\$400	\$0	\$1,800
Total Financial			\$100	\$400	\$0	\$1,820
Insurance, licenses and regulatory fees						
	6120	Computer Licenses	\$500	\$0	\$0	\$500
	6340	Misc Fees	\$300	\$0	\$0	\$300
	6345	Property Taxes & Assessments	\$1,500	\$2,150	\$1,418	\$2,500
	7325	Insurance	\$18,000	\$19,227	\$19,227	\$19,900
Total Ins.,Lic. & Regulatory Fees			\$20,300	\$21,377	\$20,645	\$23,200
Legal and						
	7320	Professional & Consulting Services	\$1,000	\$1,577	\$1,648	\$1,000
	7326	Legal Services	\$1,500	\$700	\$420	\$1,500
	7340	Legal Notifications & Mandated	\$220	\$0	\$0	\$100
Total			\$2,720	\$2,277	\$2,068	\$2,600
Expenditures						
Office Supplies & Operations						
	6121	IT-Supplies & Miscellaneous	\$0	\$0	\$0	
	6130	Computer Hardware	\$2,400	\$0	\$0	\$2,630
	7100	Copier Contract	\$1,925	\$1,925	\$1,434	\$1,800
	7140	General Supplies & Minor	\$2,770	\$1,720	\$1,720	\$1,700
	7160	Postage, Shipping & Mail Supplies	\$400	\$118	\$118	\$100
	7200	Batteries - Common Sizes		\$0	\$0	\$0
	7216	Fire Prevention Education Materials	\$1,200	\$1,031	\$1,031	\$1,200
	7226	Membership & Dues	\$1,300	\$425	\$425	\$500
	7238	Paramed+C260ic & EMT Small	\$16,000	\$16,000	\$14,515	\$46,000
	7240	Propane	\$400	\$0	\$90	\$400
	7307	Office Tools & Accessories	\$0	\$0	\$0	
Total Office			\$26,395	\$21,219	\$19,333	\$54,330
Other expenses						
	7209	District Operating Center	\$0	\$0	\$0	\$450
	7016	Significant Value Purchase-Field	\$0	\$0	\$0	\$0
	7025	Significant Value Purchase-	\$0	\$0	\$0	\$0
	7201	White Goods & Accessories -	\$200	\$0	\$0	\$300
	7218	Cooking Products - Food, Drinks &	\$350	\$350	\$338	\$300
	7224	Kitchen Cookware & Utensils	\$800	\$216	\$0	\$700
	7230	Misc Small Parts & Supplies	\$5,200	\$300	\$301	\$5,000
	7345	Outreach-Program Give Away	\$0	\$0	\$0	\$2,900
	5040	Commission and Sales Expense	\$0	\$0	\$0	\$0
Total Other			\$6,550	\$866	\$639	\$9,650

301-FIRE DEPARTMENT	Acct. Code	Account Title	Adopted 16-17 Budget	Accounting Adjusted 16-17 Budget	Actuals as of 04-30-17	Proposed 17-18 Budget
Expenditures						
Rent and utilities	6000	Cell Phones	\$2,000	\$1,550	\$1,287	\$1,550
	6025	Telephone	\$3,300	\$3,300	\$2,625	\$3,300
	8610	Electric	\$200	\$175	\$81	\$175
	8620	Gas Service	\$1,200	\$1,400	\$977	\$1,400
	8630	Trash Services	\$1,250	\$2,230	\$1,647	\$1,850
	8640	Water and Water Services	\$3,500	\$2,625	\$3,065	\$2,650
(NEW)	8659	Utilities-Cable	\$0	\$0	\$0	\$1,020
	8670	Street Lighting	\$132	\$132	\$88	\$132
Total Rent and			\$11,582	\$11,412	\$9,770	\$12,077
Repairs and Maint.	6400	R & M-Compressors	\$500	\$0	\$0	\$500
	6405	R & M - Extinguishers	\$1,000	\$575	\$360	\$1,000
	6640	R & M - Equip & Other Non-	\$8,800	\$800	\$654	\$800
	6750	R & M - Minor Tools & Equipment	\$1,800	\$500	\$145	\$500
	6775	R & M -Operation/Field Equipment	\$800	\$765	\$765	\$800
	6800	R & M - Grounds & Collection	\$450	\$0	\$0	\$450
	6900	R & M - Buildings & Structures	\$5,000	\$3,665	\$2,248	\$3,000
	7017	Routine Maintenance	\$0	\$0	\$0	\$0
Total Repairs & Maint.			\$18,350	\$6,305	\$4,172	\$7,050
Travel and training	6300	DMV Driv Lic Class B	\$200	\$100	\$0	\$100
	7141	CERT Training Supplies	\$100	\$100	\$0	\$100
	7323	Books, Publications &	\$275	\$423	\$423	\$375
	7324	Education & Training Fees	\$500	\$0	\$0	\$0
	8405	Reserve FF Training Costs	\$5,400	\$2,000	\$1,720	\$6,300
	8410	Certifications	\$400	\$0	\$0	\$400
	8510	Lodging & Meals	\$0	\$0	\$0	\$0
Total Traveling & Training			\$6,875	\$2,623	\$2,143	\$7,275
		Total Materials, Supplies & Services	\$2,143,764	\$2,100,753	\$1,023,628	\$2,391,291
		TOTAL OPERATING EXPENSES	\$2,286,009	\$2,227,261	\$1,136,213	\$2,535,030
		TRANSFER TO GENERAL FUND		\$122,056		\$54,068

301-FIRE DEPARTMENT	Acct. Code	Account Title	Adopted 16-17 Budget	Accounting Adjusted 16-17 Budget	Actuals as of 04-30-17	Proposed 17-18 Budget
	9572	General Contingency (Ops) Res.	\$10,000	\$10,000		\$10,000
	9504	Veh. Repl. Reserves	\$85,000	\$85,000		\$118,041
Capital Outlay	9006	Sewer Lateral-Fire		\$15,800	\$15,800	\$0
		Transfer In from General Fund		-\$15,800		\$0
		Building Structures & Infrasctructure	\$10,000	\$0		\$0
		Vehicles	\$170,000	\$100,000	\$100,000	\$155,500
		Fire Equipment and Assessments	\$25,000	\$20,540		\$0
		Total Capital Outlay	\$300,000	\$215,540	\$115,800	\$283,541

Proposed 2017-2018 Budget

Fund Revenue	\$2,688,400
Total Fund Expenses	\$2,872,639
Net	-\$184,239
Roll Over 2016-2017	\$24,639
Fire Mitigation Reserve	\$4,100
Vehicle Reserve Fund	\$155,500
Projected Fund Balance	\$0



**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 From Wastewater	\$26,440	\$26,155	\$19,804	\$2,703
Transfer From Fire	\$123,453	\$122,056	\$92,417	\$54,068
Transfer From Water	\$364,482	\$360,356	\$272,847	\$467,690
Transfer From Park and Recreation	\$5,879	\$11,624	\$8,801	\$5,407
Transfer From Drainage	\$47,030	\$46,498	\$35,207	\$10,814
Transfer From Bayridge	\$11,757	\$8,718	\$6,602	\$0
Transfer From Vista De Oro	\$8,833	\$5,813	\$4,401	\$0
Total Transfer to General	\$587,874	\$581,220	\$440,079	\$540,682

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	\$134,654	\$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	\$195,583	\$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	\$6,000	\$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	\$18,100	\$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	\$424,040	\$325,546	\$386,368
	TOTAL OPERATING EXPENSES	\$587,874	\$581,219	\$482,617	\$535,682

ALLOCATION FUND TRANSFERS

	2016-2017		2017-2018 %	
Transfer From Wastewater	4.5%	\$26,155	0.5%	\$2,703
Transfer From Fire	21.0%	\$122,056	10.0%	\$54,068
Transfer From Water	62.0%	\$360,356	86.5%	\$467,690
Transfer From Park & Recreation	2.0%	\$11,624	1.0%	\$5,407
Transfer From Drainage	8.0%	\$46,498	2.0%	\$10,814
Transfer From Bayridge	1.5%	\$8,718	0.0%	\$0
Transfer From Vista De Oro	1.0%	\$5,813	0.0%	\$0
Total Transfer to General	100.0%	\$581,220	100.0%	\$540,682

Proposed 2017-2018 Budget

Fund Revenue	\$540,682
Total Fund Expenses	\$535,682
<hr/>	
Net	\$5,000
Roll Over 2016-2017	\$0
<hr/>	
Projected Fund Balance	\$5,000



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
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Total Cost of Loan	\$	125,032
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ANNUAL PAYMENT	\$	25,006
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Date: March 5, 2015
Agenda Item: 12B-2
 Approved
 Denied
 Continued to

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 (p) 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:

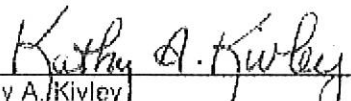
Upon motion of Director Storm, seconded by Director Tovratzky
and on the following roll call votes, to wit:

AYES: Storm, Tovratzky, Casera, Wright
NOES: _____
ABSENT: Dakylski
ABSTAIN: _____

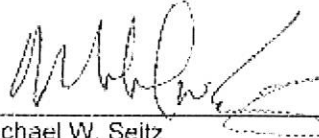
The foregoing resolution is hereby passed and adopted this 5th day of March 2015.


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.

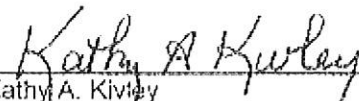
9. The necessity for any funding in excess of \$125,000 requires a separate action by the Board of Directors.
- 10 This interfund loan will be recorded according to the guidelines as established by GABS Summary of Statement No. 34

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 XIIIId 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:

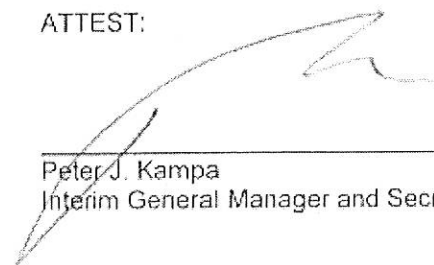
Ayes: Storm, Wright, Casera, Pmatzky, Dekeyeski
Noes: _____
Absent: _____
Conflicts: _____

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

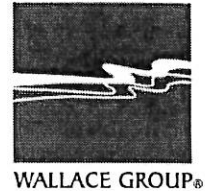
APPROVED AS TO FORM:



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 17 parcels and their respective 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-LOCS\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

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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.

For the Fiscal Year Ending June 30	California Infrastructure and Economic Development Bank			
	Principal	Interest	Annual Administrative Fee	Total
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

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

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**

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		
	Tier 3	120	\$ 1,026		School Irrigation
	Tier 4	11,347	\$ 114,888		8,563 Commercial ccf
	Total	11,587	\$ 116,657		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)		\$ 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	8,563	Commercial ccf
Tier 4	11,347	\$	125,101	3,024	Irrigation ccf
Total	11,587	\$	127,085	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	

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, Bateriaes, 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

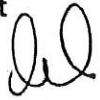
www.losososcsd.org

FINANCIAL IMPACT

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

Attachment

MEMORANDUM

Date: May 22, 2017
To: Renee Osborne, General Manager
 Los Osos Community Services District
From: Lonnie Lepore, Senior Project Analyst 
Subject: Calculation of Proposed Annual CPI Increase – FY 2017-18



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WATER RESOURCES

WALLACE SWANSON
INTERNATIONAL

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	<u>Average</u>
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%

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

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

RESOLUTION NO. 2016-27

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE LOS OSOS COMMUNITY SERVICES DISTRICT
CONFIRMING ANNUAL ASSESSMENTS FOR THE
WASTEWATER TREATMENT DISTRICT #1 AND DIRECTING THEIR COLLECTION
BY THE COUNTY IN THE FISCAL YEAR 2016/2017 TAX ROLL**

WHEREAS, the Los Osos Community Services District ("District") became effective 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 under the authority of the Cortese-Knox Local Government Reorganization Act of 1985 (Government Code § 56000 et seq.); and

WHEREAS, the Board of Directors of the District has determined that it was necessary, convenient and desirable to undertake proceedings pursuant to the provisions of the Municipal Improvement Act of 1913 in order to comply with the Regional Water Quality Control Board Order 00-131 and to issue bonds in such proceedings under the provisions of the Improvement Bond Act of 1915 for the acquisition and construction of those certain public wastewater treatment improvements for a proposed wastewater assessment district in the District designated as "Waste Water Assessment District #1"; and

WHEREAS, the District has complied with the Municipal Improvement Act of 1913 and the Improvement Bond Act of 1915 and;

WHEREAS, the District has complied with the legal requirements of Prop 218 in a public hearing of June 21, 2002, to set assessments for a Wastewater project and;

WHEREAS, now pursuant to Streets and Highways Code §8680, the District has authority to collect the annual installments corresponding in number and proportional amount to the number of installments and principal amounts of bonds maturing or becoming subject to mandatory prior redemption in each year pursuant to §8650.1 and;

WHEREAS, the District has determined that an administrative charge of \$10.56 per parcel is needed, the calculation for which is attached hereto as Exhibit A and is in accordance with the provisions of the Municipal Improvement Act of 1913 and District's bond resolution of 2002, and;

WHEREAS, collection of debt service assessments through the County tax roll is the preferred way to collect and the District desires to continue to have said annual assessment collected by the San Luis Obispo County Tax Collector.

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

1. That the foregoing recitals are true and correct; and
2. That the Board of Directors hereby confirms and levies for Fiscal Year 2016/2017 assessments to cover debt service payments for principal and interest on bonds issued for the Wastewater Assessment District No. 1 as listed in EXHIBIT A; and
3. That the Board of Directors hereby confirms and levies for Fiscal Year 2016/2017 assessments to cover administrative costs of \$10.56 per parcel to be added to and collected along with the debt service assessments; and

4. That these assessments on parcels within the boundary of the Wastewater Assessment District No. 1 shall be established, imposed and levied in the amounts as listed in EXHIBIT B and as so confirmed shall appear as separate items on the Fiscal Year 2016/2017 tax bill of each parcel of property so listed;
5. That the levy of these assessments 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 Wright, seconded by Director Storm,
and on the following roll call vote, to wit:

Ayes: Wright, Storm, Tomaszky, Ochylski
 Noes: Cesca
 Absent: _____
 Conflicts: _____

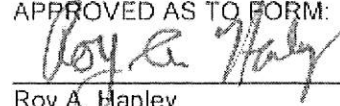
The foregoing resolution is hereby passed, approved, and adopted by the Board of Directors of the Los Osos Community Services District this 7th day of July, 2016.



 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

Renee Osborne

From: Andrew Kraus <akraus@nbsgov.com>
Sent: Thursday, June 8, 2017 11:27 AM
To: Renee Osborne
Subject: RE: Wastewater Summary

Hi Renee,

Thanks for the recent discussion and as mentioned, we will plan on levying \$10.56 per parcel in admin fees for Wastewater Assessment District No. 1 in Fiscal Year 2017/18.

As mentioned I just wanted to provide you with an estimate of NBS's proposed fees related to the District for FY 2017/18, which is currently estimated at **\$11,564.63**. Breaking this total fee down, this would be \$9,425.75 estimated for our base fee for providing administrative services, \$1,983.25 estimated for disclosure services, and \$165.63 estimated for other expenses.

Also, I will do my best to prepare the preliminary FY 2017/18 Assessment District levy information for you by sometime this afternoon.



Thanks again!

NBS

ANDREW KRAUS

financial analyst

800.676.7516 | akraus@nbsgov.com

Helping Communities Fund Tomorrow...

EXHIBIT

I

LOS OSOS COMMUNITY SERVICES DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 June 30, 2016

	Water Fund	Wastewater Treatment Project Fund	Totals
ASSETS			
Current assets:			
Cash and investments	\$ 1,767,489	\$ 14,883	\$ 1,782,372
Accounts receivable, net	359,892		359,892
Accrued revenue receivables	5,986		5,986
Deposits	10,000		10,000
Inventory at cost	57,731		57,731
Other assets	900		900
Total current assets	<u>2,201,998</u>	<u>14,883</u>	<u>2,216,881</u>
Noncurrent assets:			
Capital assets, net of accumulated depreciation	5,638,910	158,590	5,797,500
Total noncurrent assets	<u>5,638,910</u>	<u>158,590</u>	<u>5,797,500</u>
Total assets	<u>7,840,908</u>	<u>173,473</u>	<u>8,014,381</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred pensions	79,396		79,396
Total deferred outflows of resources	<u>79,396</u>		<u>79,396</u>
LIABILITIES			
Current liabilities:			
Accounts payable	27,264	4,000	31,264
Accrued liabilities	25,579		25,579
Accrued interest payable	48,587		48,587
Deposits payable	3,150		3,150
Compensated absences - current portion	15,892		15,892
Loan payables - current portion	151,489	25,000	176,489
Total current liabilities	<u>271,961</u>	<u>29,000</u>	<u>300,961</u>
Noncurrent liabilities:			
Compensated absences	47,674		47,674
OPEB payable	37,936		37,936
Loans payable	3,671,746	247,334	3,919,080
Net pension liability	346,008		346,008
Total noncurrent liabilities	<u>4,103,364</u>	<u>247,334</u>	<u>4,350,698</u>
Total liabilities	<u>4,375,325</u>	<u>276,334</u>	<u>4,651,659</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred pensions	80,014		80,014
Total deferred inflows of resources	<u>80,014</u>		<u>80,014</u>
NET POSITION			
Net investment in capital assets	1,815,675	158,590	1,974,265
Unrestricted (deficit)	1,649,290	(261,451)	1,387,839
Total net position	<u>\$ 3,464,965</u>	<u>\$ (102,861)</u>	<u>\$ 3,362,104</u>

The notes to basic financial statements are an integral part of this statement.

EXHIBIT

J

**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**

\$540,682

TOTAL PROJECTED GENERAL FUND/ADMINISTRATION COSTS

	FIRE	WATER	PARK & REC	DRAINAGE	BAYRIDGE	VISTA DE ORO	WASTE WATER	TOTALS
Allocation Per Cent	10.00%	86.50%	1.00%	2.00%	0.00%	0.00%	0.50%	100.00%
AMOUNT ALLOCATED	\$54,068	\$467,690	\$5,407	\$10,814	\$0	\$0	\$2,703	\$540,682

**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**

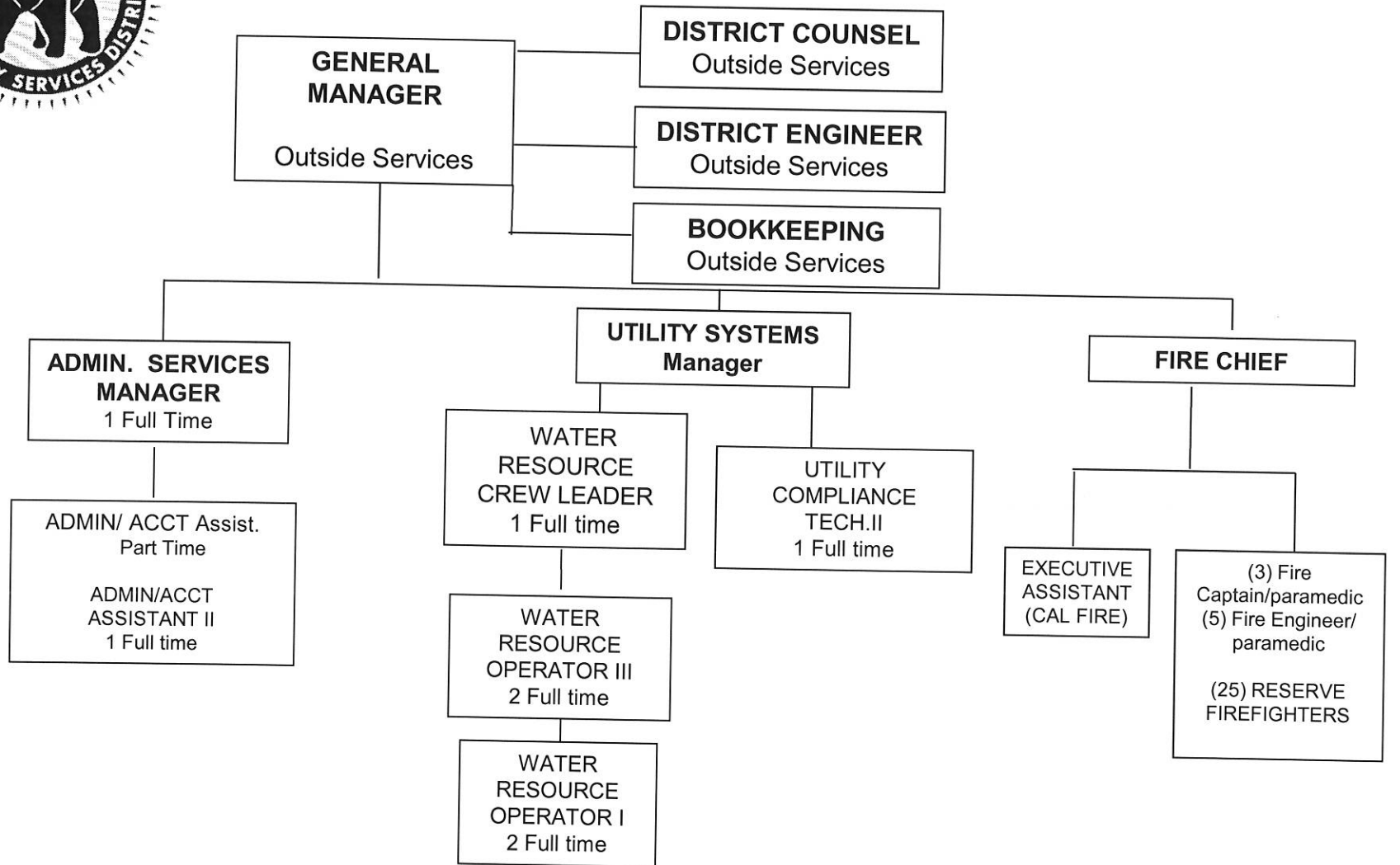
\$540,682

TOTAL PROJECTED GENERAL FUND/ADMINISTRATION COSTS

	FIRE	WATER	PARK & REC	DRAINAGE	BAYRIDGE	VISTA DE ORO	WASTE WATER	TOTALS
Allocation Per Cent	10.00%	86.50%	1.00%	2.00%	0.00%	0.00%	0.50%	100.00%
AMOUNT ALLOCATED	\$54,068	\$467,690	\$5,407	\$10,814	\$0	\$0	\$2,703	\$540,682

EXHIBIT

K



LOS OSOS COMMUNITY SERVICES DISTRICT
2017-2018 Staffing