

## Manager's Column

Adobe Press; Inside the NCSD

March 24, 2017 Issue

### **"When will my water bill go down?"**

*The mission of the Nipomo Community Services District is to provide its customers with reliable, quality, and cost-effective services now and in the future.*

This will be my final Manager's Column in the Adobe Press. Like so many news organizations, publishers of the Adobe Press are unable to meet the financial needs of the paper and so must shut it down. It's a sign of the times. Paper is out and e-readers providing digital media is in.

Saving money and being aware of the environment are signs of the time as well. If you stop to think about it, money and the environment are directly connected. Reduce your demands on resources from the environment and you'll reduce your cash outlay. Consume less power, save money. Drive fewer miles, save money. All of this seems to make sense until you get to water. Use less water, pay more money. Water seems to buck the trend and it can be exasperating – a term my grandmother used a lot when describing something she just couldn't make sense of.

Grandma's not alone on this one. The community did a stellar job meeting the Governor's mandate to cut water use. But water providers up and down the state not only had their water tanks and reservoirs drained, they had their cash reserve funds drained as well. In ironic terms, the proverbial rainy day money, that responsible agencies set aside to take care of unforeseen and unforeseeable problems, dried up.

Now that rain has finally started falling again, people are asking when water rates will start falling. I know from the expressions on customers' faces this is a hard pill to swallow, but water is not a manmade product – it is a finite resource. There is only so much of it that we can readily use and then it's gone. We saw that vividly last summer as we drove by local reservoirs. Many water agencies experienced a 30 percent drop or more in budgeted water sales for the past several years. Budgeted water sales are built on historic consumption and matched with an anticipated revenue stream designed specifically to cover the cost of service. This is where I lose the attention of most customers. "When will my water bill go down" is the recurring question.

As a CSD (Community Services District), there is no profit built into the water/revenue relationship. This is where government and private enterprise part ways. When more revenue is generated by higher than budgeted water sales, the proceeds go towards building reserves - not to someone's pocket. When reserves reach a level commensurate to the Board defined policies or the required bond covenants, rates don't rise as much. When droughts hit and revenues fail to reach the budget levels, then reserves are tapped and rates go up higher to recover the spent reserves and the reduced level of water sales.

Unlike our friends at the Adobe Press, we can't reach a point where our product delivery is no longer viable in the market place. We can't stop providing the essential utility services to our community even if the cost of services rise. Exasperating!

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- Check the "What's Happening" section on the District website's homepage at [www.ncsd.ca.gov](http://www.ncsd.ca.gov)
- Visit our booth at a Nipomo community event
- Provide feedback by emailing [info@ncsd.ca.gov](mailto:info@ncsd.ca.gov)

Until next time...

Mario Iglesias, General Manager