

TO: BOARD OF DIRECTORS

REVIEWED: MARIO IGLESIAS
GENERAL MANAGER

FROM: LISA BOGNUDA
FINANCE DIRECTOR

DATE: MAY 3, 2019

AGENDA ITEM
E-2(A)
MAY 8, 2019

REVIEW DRAFT BUDGET FOR FISCAL YEAR 2019-2020

ITEM

Draft budget for fiscal year 2019-2020 [RECOMMEND CONSIDER DRAFT BUDGET AND SCHEDULE FOR ADOPTION ON JUNE 12, 2019]

BUDGET BACKGROUND

Attached is the draft of the fiscal year 2019-2020 budget.

The Finance and Audit Committee met on March 6, 2019, for a Kick Off meeting for the FY 19-20 Budget preparation. The Committee met again on April 29, 2019 to review the first draft and make recommendations. The committee's recommendations and comments have been incorporated into the draft budget.

In 2018, the Board of Directors adopted a change to the computation for employee cost of living adjustment (COLA). The Board approved the use of the California Cost of Living Index. Utilizing this index, the 2019-2020 COLA is computed to be 3.87% and is included in the draft budget. The COLA equates to an increase in the budget of \$3,900 per month. The California Department of Finance *Finance Bulletin* dated February 2109, Economic Update states the following:

"Consumer inflation for the U.S. and California rose 2.4 percent and 3.7 percent, respectively, in 2018 following 2.1 percent and 2.9 percent increases, respectively, in 2017. For California, housing inflation was 4.1 percent in 2018."

The first draft of the budget is projecting a net surplus of \$1,333,620 (Pages 16-17). Each Fund has its own impact on the net surplus – whether positive or negative, and therefore, each Fund must be looked at individually.

OPERATIONS AND MAINTENANCE FUNDS

Fund #125 – Water (Pages 39 & 40)

This Fund is budgeted to have a net overall operating surplus of \$5,466. This includes a transfer of \$610,000 to Funded Replacement and budgeted fixed asset purchases of \$355,700. The third of five rate increases will take effect December 1, 2019. The budget also includes the purchase of 566.68 acre feet (533.34 per contract plus 33.34 operational buffer) of supplemental water from the City of Santa Maria at a budgeted cost of \$963,526. Based on projections, the Water Fund will be below its Cash Reserve Goal pursuant to the Cash Reserve Policy.

Fund #128 – Water Rate Stabilization Fund (Pages 41 & 42)

This Fund is budgeted to have an overall surplus of \$10,450. The purpose is to serve as a buffer to water rates during any period where there are unexpected increases in operating costs and/or decreases in revenues. Based on projections, the Water Rate Stabilization Fund will continue to achieve its Cash Reserve Goal pursuant to the Cash Reserve Policy.

Fund #130 – Town Sewer (Pages 43 & 44)

This Fund is budgeted to have an overall net deficit of (\$199,175). This includes a transfer of \$395,000 to Funded Replacement and the budgeted purchase of \$31,900 in fixed assets. The fifth of a five year rate increase will go into effect on January 1, 2020. The budget includes funds for a sewer rate study to commence in 2020. Based on projections, the Sewer Fund will be below its Cash Reserve Goal pursuant to the Cash Reserve Policy.

Fund #135 – Town Sewer Rate Stabilization Fund (Pages 44 & 46)

This Fund is budgeted to have an overall surplus of \$7,875. This Fund was established in June 2012 as a requirement for issuance of Certificates of Participation and was funded by a transfer in from Fund #130. The purpose is to serve as a buffer to sewer rates during any period where there are unexpected increases in operating costs and/or decreases in revenues. Based on projections, the Sewer Rate Stabilization Fund will continue to achieve its Cash Reserve Goal pursuant to the Cash Reserve Policy.

Fund #150 – Blacklake Sewer (Pages 47 & 48)

This Fund is budgeted to have an overall net operating surplus of \$24,273. This includes a transfer of \$173,000 to Funded Replacement and the budgeted purchase of \$29,400 in fixed assets. The first rate increase of the newly adopted rates went into effect April 1, 2019. Based on projections, the Blacklake Sewer Fund will meet its Cash Reserve Goal pursuant to the Cash Reserve Policy.

The District is coordinating with the Blacklake community to review a possible consolidation of the Blacklake Sewer with the Town Sewer. The budget may be modified based on decisions made in the coming months regarding the formation of an assessment district to fund the consolidation infrastructure.

Fund #155 – Blacklake Sewer Rate Stabilization Fund (Pages 49 & 50)

This Fund is budgeted to have an overall surplus of \$1,325. This Fund was established in December 2012 and funded by a transfer in from Fund #150. The purpose is to serve as a buffer to sewer rates during any period where there are unexpected increases in operating costs and/or decreases in revenues. Based on projections, the Blacklake Sewer Rate Stabilization Fund will continue to achieve its Cash Reserve Goal pursuant to the Cash Reserve Policy.

Fund #200 – Blacklake Street Lighting (Pages 51 & 52)

This Fund is budgeted to have a net overall deficit of (\$1,650). The current assessment is \$50.00 per parcel on 557 parcels. This is the maximum assessment that can be imposed without going through a Prop 218 proceedings. Based on projections, the Blacklake Street Lighting is below its Cash Reserve Goal pursuant to the Cash Reserve Policy.

Fund #250 – Street Landscape Maintenance District (Pages 53 & 54)

This Fund is budgeted to have a net overall deficit of (\$3,095). Based on projections, the Street Landscape Maintenance District will be below its Cash Reserve Goal pursuant to the Cash Reserve Policy.

Fund #300 – Solid Waste (pages 55 & 56)

This Fund is budgeted to have a net overall surplus of \$48,275. The Board adopted Resolution 2018-1492, November 14, 2018, "Policy governing the use of franchise fees" which will guide the use of these funds. Based on projections, the Solid Waste Fund will continue to achieve its Cash Reserve Goal pursuant to the Cash Reserve Policy.

Fund #400 – Drainage (Pages 57 & 58)

This Fund is budgeted to have a net overall surplus of \$20,975. The current ad valorem tax covers all of the budgeted costs. The budget includes a transfer of the excess funds over the Cash Reserve Goal of \$21,000 to Fund #600 – Property Taxes. Based on projections, the Drainage Fund will achieve its Cash Reserve Goal pursuant to the Cash Reserve Policy.

Fund #805 – Funded Replacement Water (Pages 59 & 60)

This Fund is budgeted to have a net surplus of \$715,500. The revenue is a transfer in of \$610,000 from Fund #125 – Water and interest income. Cash reserves will be used for Funded Replacement projects totaling \$1,790,000. The project descriptions can be found on page 25 of the draft budget.

Fund #810 – Funded Replacement Town Sewer (Pages 61 & 62)

This Fund is budgeted to have a net surplus of \$502,500. The revenue is a transfer in of \$395,000 from Fund #130 – Town Sewer and interest income. Cash reserves will be used for Funded Replacement projects totaling \$1,890,000. The project descriptions can be found on page 25 of the draft budget.

Fund #830 – Funded Replacement Blacklake Sewer (Pages 63 & 64)

This Fund is budgeted to have a net surplus of \$198,000. The revenue is a transfer in of \$173,000 from Fund #150 and interest income. Cash reserves will be used for Funded Replacement projects totaling \$972,600. The project descriptions can be found on page 25 of the draft budget.

The District is coordinating with the Blacklake community to review a possible consolidation of the Blacklake Sewer with the Town Sewer. The budget may be modified based on decisions made in the coming months regarding the formation of an assessment district to fund the consolidation infrastructure.

NON-OPERATING BUDGETS

Fund #500 – Supplemental Water Fund (Page 31 and 31(a))

Page 31

This Fund includes budgeted expenditures of \$950,000 for the construction of pump station improvements and the Interconnection phase of the Supplemental Water Project. For planning purposes, the completion of the project is expected in FY 23-24 in order to

accommodate the delivery of 2,500 acre feet of water from the City of Santa Maria. It is noted that the project completion date could be impacted by future court action.

Page 31(a)

Based on proposed Board Action (Item E-1, May 8, 2019), Page 31(a) would replace Page 31. Item E-1 would authorize Staff to bid supplemental water project Nipomo area pipeline improvements and authorizes funding for the \$3.7M project of which \$2.3M is from Fund 500 and a transfer in of \$1.4M from Fund 805.

Fund #700 – Town Water Capacity (Page 32)

This Fund includes budgeted expenditures of \$400,000 for the connection of Tract 2650 to the Blacklake pressure zone and a water master plan.

Fund #710 – Town Sewer Capacity (Page 33)

This Fund does not include any budgeted capital improvement projects.

Fund #600 – Property Taxes (Page 34)

This Fund does not include any budgeted capital improvement projects. In 2013, the District refinanced \$2.8 million dollars in Revenue Bonds. In addition, in 2013, the District issued \$9.6 million dollars in Certificates of Participation (COP) to fund a portion of the Supplemental Water Project. The District pledged the ad valorem taxes to pay all of the 2013 Refunding and the remaining balance of the ad valorem taxes was pledged to pay a portion of the 2013 COPs.

RECOMMENDATION

It is recommended your Honorable Board provide direction to Staff and set Wednesday, June 12, 2019, 9:00 a.m. as the date and time for a Public Hearing to consider adoption of the Fiscal Year 2019-2020 Budget.

ATTACHMENTS

A. Draft Fiscal Year 2019-2020 Budget

MAY 8, 2019

ITEM E-2(A)

ATTACHMENT A

NIPOMO COMMUNITY SERVICES DISTRICT

BUDGET DRAFT

FISCAL YEAR 2019-2020



MISSION STATEMENT

To provide our customers with reliable, quality,
and cost-effective services now and in the future

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NIPOMO COMMUNITY SERVICES DISTRICT

BUDGET

FISCAL YEAR 2019-2020

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**NIPOMO COMMUNITY SERVICES DISTRICT
BUDGET
FISCAL YEAR 2019-2020**

INTRODUCTION

The Nipomo Community Services District (District) is a multi-service special district formed on January 28, 1965, under the Community Services District Law, California Government Code Section 61000 et. seq. The Nipomo Community Services District serves the residents and property owners within the limits of its approximately seven square miles service area with water, sewer, solid waste, street lighting to the Blacklake Village, limited drainage and limited street landscape maintenance.

The legislative head of the District is an elected Board of Directors composed of five members. Each member serves a four-year term, and elections are held every two years, on even-number years. The terms for the Board of Directors are staggered. Regular meetings are held at the District Board Room, 148 South Wilson Street, Nipomo, California, at 9:00 a.m. on the second and fourth Wednesdays of each month.

BOARD OF DIRECTORS

Name	Title	Current Term
Ed Eby	President	12/18 – 12/22
Dan Allen Gaddis	Vice President	12/18 - 12/22
Craig Armstrong	Director	12/16 – 12/20
Bob Blair	Director	12/16 – 12/20
Dan Woodson	Director	12/18 – 12/22

The District has twenty-one full-time and one half-time staff positions budgeted in 2019-2020.

The District is represented by the law firm of Richards, Watson and Gershon.

The District Office is open to the public from 8:00 a.m. to 4:30 p.m. Monday through Friday except holidays. In addition, the District has a 24-hour telephone number, (805) 929-1133. This number is answered by an answering service during non-business hours and service related emergency calls are forwarded to standby personnel. Facsimile transmissions may be made to (805) 929-1932, web site is ncsd.ca.gov and email is info@ncsd.ca.gov. All other emergency requests are handled through the 911 system.

The District is pleased to announce the Government Finance Officers Association of the United States and Canada (GFOA) awarded a *Certificate of Excellence in Financial Reporting* to Nipomo Community Services Districts for its comprehensive annual financial report for the last five consecutive fiscal years (2013 – 2017). In order to be awarded a Certificate of Achievement, the District had to publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. Copies of these reports may be found on the District web site.

BUDGET PREPARATION

1. OPERATING AND NON-OPERATING BUDGETS

NCSD's budget is separated into two budgets - the Operating Budget and the Non-Operating Budget. The Operating Budget represents the day-to-day operations and maintenance of the District. The expenditures from the Operating Budget are funded from water and sewer use revenues, solid waste, street lighting and street landscape maintenance charges. The Non-Operating Budget represents the long-term capital financing program of the District. The Non-Operating Budget is funded by capacity charges, general purpose property taxes and certificates of participation.

Each Fund of NCSD has its own budget. The Funds in the Operating Budget are as follows:

#110	Administration
#125	Water
#128	Water Rate Stabilization
#130	Sewer Fund-Town Division
#135	Sewer Rate Stabilization Fund-Town Division
#150	Sewer Fund-Blacklake Division
#155	Sewer Rate Stabilization Fund-Blacklake Division
#200	Blacklake Street Lighting
#250	Street Landscape Maintenance District
#300	Solid Waste
#400	Drainage
#805	Funded Replacement-Water
#806	Funded Replacement-Supplemental Water
#810	Funded Replacement-Town Sewer
#830	Funded Replacement-Blacklake Sewer
#880	Town Sewer Sinking

The Funds in the Non-Operating Budget are as follows:

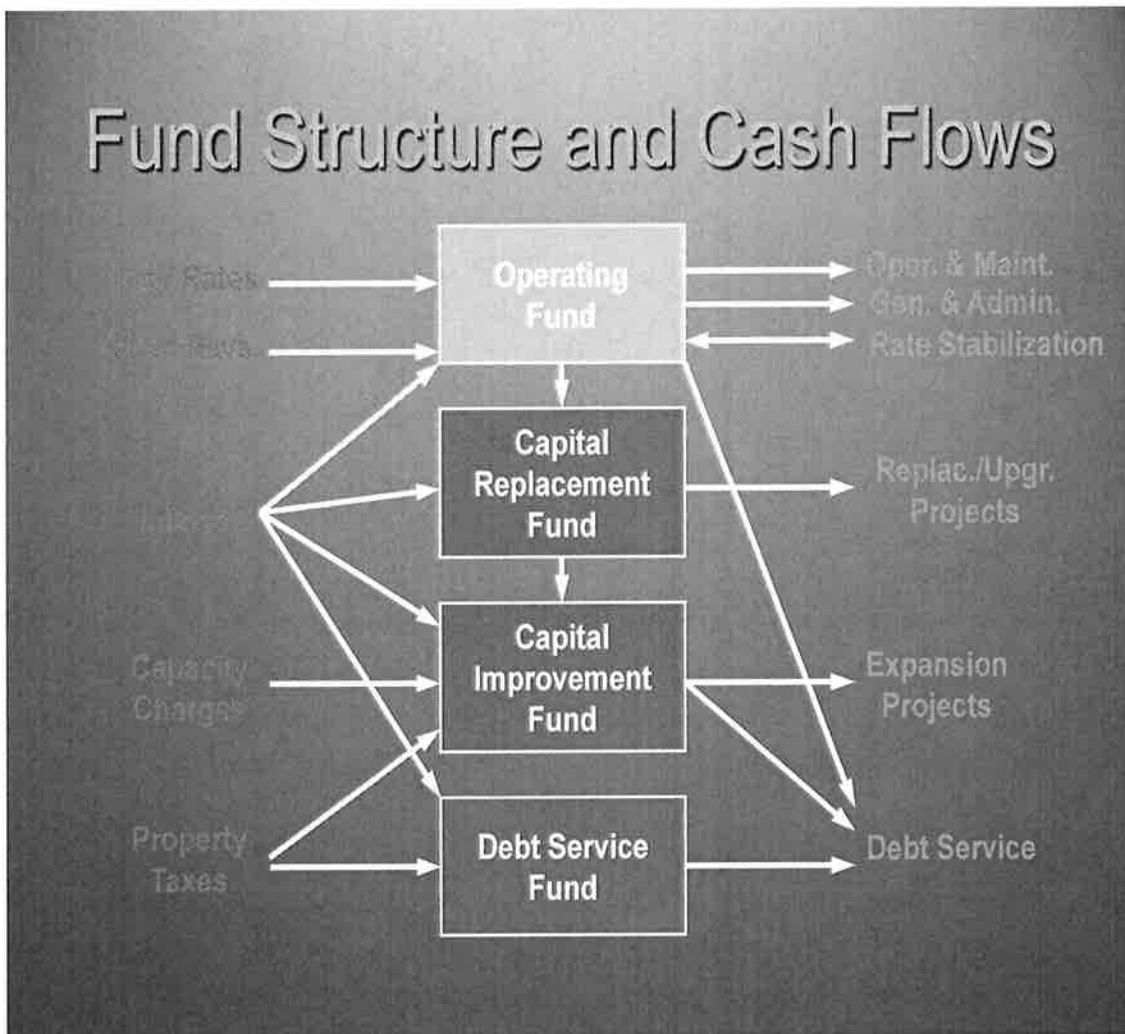
#500	Supplemental Water
#600	Property Tax
#700	Water Capacity Charges
#710	Sewer Capacity Charges -Town Division

The Administration Fund accounts for all of the assets and resources used for the general administration of the District. The remaining operating funds are "enterprise funds". The purpose of enterprise funds is to account for operations in a manner similar to private business enterprises. The policy defined by the elected Board of Directors is that the costs of providing service (expenses, including depreciation of providing goods and services) be financed or recovered primarily through user charges.

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2. FUND AND RESERVE STRUCTURES AND CASH FLOWS

The model below provides a helpful overview of the fund and non-designated reserve structure and cash flows of the District. The revenues (sources) of funds include user rates, other revenues, interest income, capacity charges and property taxes. The expenditures (uses) of funds include operations and maintenance, general and administrative costs, replacement and upgrade projects, expansion projects and debt service. In addition, there are transfers into, out of, and between funds and non-designated reserves.



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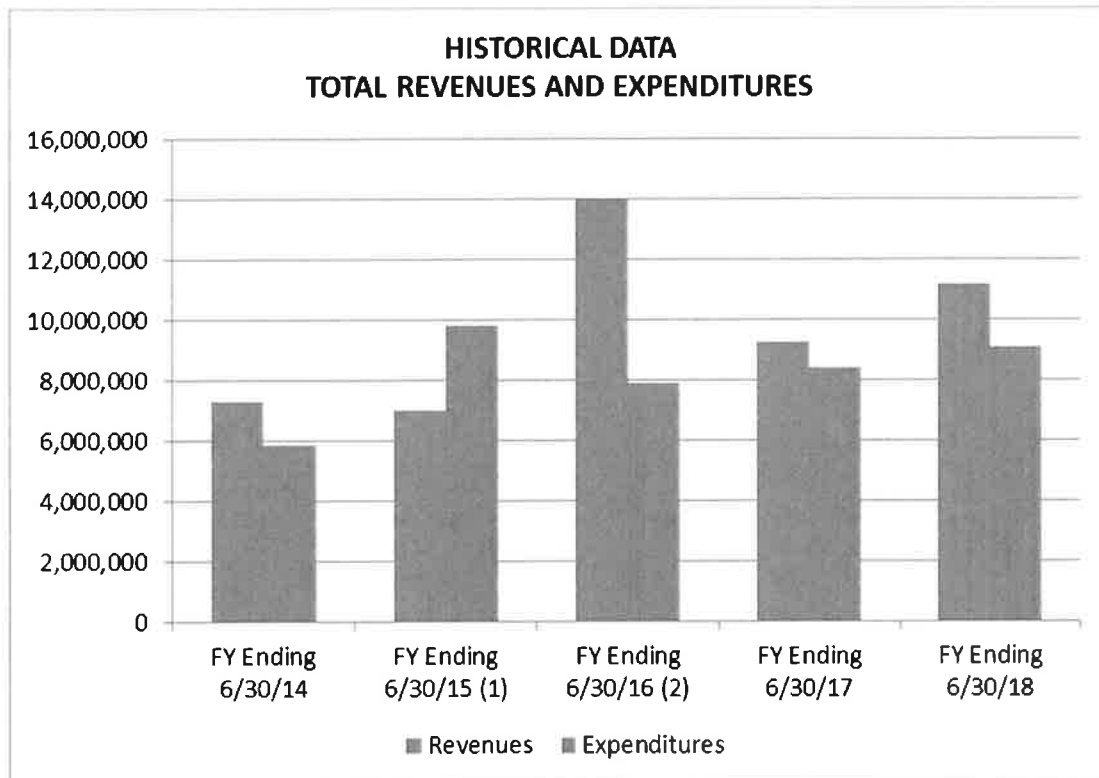
**NIPOMO COMMUNITY SERVICES DISTRICT
BUDGET
FISCAL YEAR 2019-2020**

3. FINANCIAL OVERVIEW

PROPOSED 2019-20 BUDGET COMPARED TO ESTIMATED ACTUAL 2018-19 BUDGET

- Total budgeted Revenues for fiscal year 2019-2020 is 10,643,065. This is an increase of 5.9% above the Estimated Actual Revenues for fiscal year 2018-2019. A graph depicting the revenues can be found on page 20.
- Total budgeted Expenditures for fiscal year 2019-2020 is \$9,309,445. This is an increase of 15% above the Estimated Actual Expenditures for fiscal year 2018-2019. A graph depicting the expenditures can be found on page 21.

ACTUAL TOTAL REVENUES AND EXPENDITURES



- (1) Includes loss of \$3,685,588 on disposal of capital assets as a result of the write off of the original Southland Wastewater Treatment Plant and related infrastructure that was taken out of service upon the completion of the upgraded wastewater treatment facility.
- (2) Includes Contracts Receivable income of \$5,742,576 from Golden State Water Company and Woodlands Mutual Water Company.

NET POSITION

- As of June 30, 2018, the District's net position exceeded \$68 million dollars.

Total Assets	\$91,616,772
Total Liabilities	\$24,026,677
Total Net Position	\$68,343,154

AUDIT

An audit of the District's financial statements is conducted annually by the independent Certified Public Accounting firm of Rogers, Anderson, Malody and Scott, LLP. A copy of the most recent audit report may be found at the District's web site ncsd.ca.gov.

4. THE NON-OPERATING BUDGET - CAPITAL IMPROVEMENT PROJECTS

Capital facilities (infrastructure) represent a major investment by Nipomo Community Services District. Supply, treatment, transmission, and distribution facilities are needed to provide water service to customers of the District. Investment in collection, transmission, treatment and disposal facilities are required for wastewater service. Capital investments are necessary to maintain reliable, high-quality service to existing customers and to provide facilities for future growth and economic development.

The magnitude of investment required for proper management of a utility system requires development of an effective long-range capital financing plan. The most important factor affecting capital expansion is growth in demand. As areas are developed or annexed, additional pressure is placed on a utility to provide water and wastewater services. The capital investment required to support this growth should be funded in such a way so that the financial risks relating to growth are minimized for the District and its customers. The Capital Financing Plan of the District will be funded with capacity charges paid for by new development, interest earned, property taxes, Certificates of Participation (in accordance with District adopted Debt Management Policy) and Assessment Districts.

A summary of the proposed Capital Improvement Projects and a description of each project may be found on page 30.

**NIPOMO COMMUNITY SERVICES DISTRICT
ACCOUNT TITLE AND DESCRIPTION
FISCAL YEAR 2019-2020**

OPERATING EXPENDITURES CATEGORIES

OPERATIONS AND MAINTENANCE

TITLE	DESCRIPTION
Wages	Provides wages for 14 full-time and 1 half-time employee
Wages – Overtime	Provides for overtime for on-call personnel and overtime for emergency response
Payroll Taxes	Provides for the employer's portion of payroll taxes including Medicare and State Unemployment Tax
Retirement	Provides for the contribution to the Public Employees Retirement system
Medical and Dental	Provides for health, dental and vision insurance for employees and their dependents
Workers Compensation Insurance	Provides for Workman's Compensation Insurance for the maintenance personnel
Wholesale Water Purchased	Provides for purchase of supplemental water from the City of Santa Maria pursuant to Wholesale Water Agreement
Supplemental Water O & M and Overhead	Provides for accumulation of operations and maintenance costs and overhead of the Supplemental Water Project
Electricity	Provides for electricity for offices, well sites, sewer facilities
Water	Provides for water used at the wastewater enterprises
Chemicals	Provides for chlorine and other chemicals used in water and sewer systems
Lab Tests and Sampling	Provides for mandated testing of water supply and wastewater
Operating Supplies	Provides for necessary supplies to operate water and wastewater systems
Outside Services	Provides for services provided outside the normal operation and function of district personnel
Permits and Operating Fees	Provides for Federal, State and County charges associated with operating the water and wastewater systems
Repairs and Maintenance	Provides for the repair and maintenance of all district facilities including buildings, vehicles, water systems and sewer systems
Engineering	Provides for engineering services
Fuel	Provides for district vehicles, backhoes, generators, etc
Meters	Provides for the purchase of meters for new installation and replacement program
Safety Program	Provides for training employees to ensure their health, safety and well-being
Uniforms	Provides for uniforms and boot allowance to operations personnel
Landscape Maintenance and Water	Provides for landscape maintenance service and water consumption for Tract 2409-Street Landscape Maint District #1
Solid Waste Program	Provides for Board approved solid waste program
Water Conservation Program	Provides for Board approved water conservation program
Operating Transfers Out – Funded Replacement	Provides for the funding of major refurbishment or replacement of aging water and sewer facilities

**NIPOMO COMMUNITY SERVICES DISTRICT
ACCOUNT TITLE AND DESCRIPTION
FISCAL YEAR 2019-2020**

OPERATING EXPENDITURES CATEGORIES

GENERAL AND ADMINISTRATIVE

TITLE	DESCRIPTION
Wages	Provides wages for 6 full-time employees
Payroll Taxes	Provides for the employer's portion of payroll taxes including Medicare, State Unemployment Tax and Training Tax
Retirement	Provides for the contribution to the Public Employees Retirement system
Medical and Dental	Provides for health, dental and vision insurance for employees and their dependents
Other Post Employment Benefits (OPEB)	Provides for funding of medical benefits for retirees and future retirees of the District
Workers Compensation Insurance	Provides for Workman's Compensation Insurance for office staff and board members
Bank Charges and Credit Card Fees	Provides for monthly bank charges and credit cards fees
Computer Expense	Provides for billing software technical support, computer consulting, computer upgrades and supplies, etc
Dues and Subscriptions	Provides for membership to California Special Districts Association (CSDA), water and wastewater organizations, various publications and dues
Education and Training	Provides for registration for personnel and board members to attend training classes, seminars and meetings
Elections	Provides for cost of elections
Insurance – Liability	Provides for fire and general liability insurance, errors and omissions coverage and employee dishonesty bond
LAFCO Funding	Provides for district's portion of funding SLO County Local Agency Formation Commission (LAFCO)
Landscape and Janitorial	Provides for weekly landscape and janitorial services for the office buildings
Legal – General Counsel	Provides for routine district legal counsel services plus additional legal services as needed or requested
Legal – Water Counsel	Provides for special water counsel contracted by District
Professional Services	Provides for professional services of attorneys, auditors, engineers and other professionals for special District matters
Miscellaneous	Provides for occasional minor expenses
Newsletters and Mailers	Provides for the preparation and printing of newsletters/mailers
Office Supplies	Provides for general office supplies and materials
Outside Services	Provides for services provided outside the normal operation and function of district personnel

**NIPOMO COMMUNITY SERVICES DISTRICT
ACCOUNT TITLE AND DESCRIPTION
FISCAL YEAR 2019-2020**

OPERATING EXPENDITURES CATEGORIES

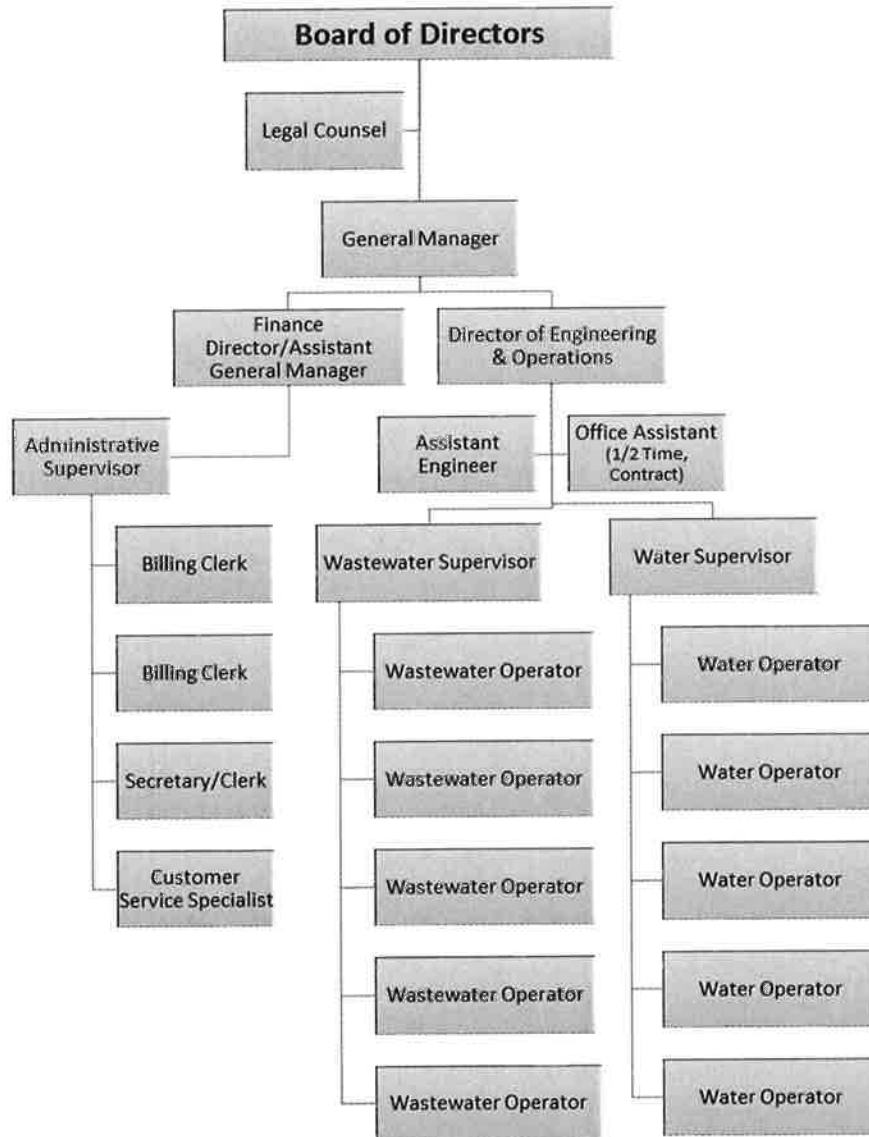
GENERAL AND ADMINISTRATIVE

TITLE	DESCRIPTION
Postage	Provides for postage for utility bills and District business
Public Notices	Provides for the publication of all legally required notices
Repairs and Maintenance	Provides for the repair and maintenance of office equipment and buildings
Property Taxes	Provides for the property tax assessments Sundale Well property
Telephone	Provides for regular phone service, long distance, fax lines and Supervisory Control and Data Acquisition (SCADA) system lines
Travel and Mileage	Provides for travel, meals and lodging for personnel and board members to attend seminars and classes
Utilities – Gas, Electric and Trash	Provides for utilities to operate the district office and shop
Operating Transfer Out – Funded Administration	Provides for the Enterprise Funds to proportionately share in the general and administrative costs of the District

NON-OPERATING REVENUES AND EXPENDITURES CATEGORIES

TITLE	DESCRIPTION
Interest Income	Provides for interest income earned on Reserves
Blacklake Water & Sewer Loan Surcharge	Provides for the collection of the Blacklake Water & Sewer Surcharge
Interest Expense-Debt Service	Provides for interest expense on debt service
Debt Service – Principal Portion	Provides for principal payment on debt service
Transfer In and Out	Provides for transfer in and out of Funds
Fixed Asset Purchases	Provides for the purchase of new assets used in the day-to-day operations and maintenance of the district

NIPOMO COMMUNITY SERVICES DISTRICT
ORGANIZATIONAL STRUCTURE
2019-2020



NIPOMO COMMUNITY SERVICES DISTRICT
DISTRICT PERSONNEL
2019-2020

ADMINISTRATION	MONTHLY SALARY STEP/RANGE (PAGE 11)	Budgeted FY 18-19	Additions 19-20	Budgeted 19-20
General Manager	Contract	1	0	1
Assist General Manager/Finance Director	44	1	0	1
Billing Clerk	13	1	0	1
Billing Clerk (1)	13	0	1	1
Secretary/Clerk	5	1	0	1
Administrative Supervisor (2)	31	1	0	1
Customer Service Specialist (3)	21	<u>1</u>	<u>0</u>	<u>1</u>
ADMINISTRATION SUBTOTAL		<u>6</u>	<u>1</u>	<u>7</u>

OPERATIONS				
Director of Engineering and Operations	60	1	0	1
Assistant Engineer	29	1	0	1
Water Supervisor	32	1	0	1
Wastewater Supervisor	38	1	0	1
Wastewater Operator III	24	0	0	0
Wastewater Operator II	20	3	0	3
Wastewater Operator I	16	2	0	2
Water Operator III	17	0	0	0
Water Operator II	13	1	0	1
Water Operator I	9	4	0	4
Utility Office Assistant	Contract	<u>0.5</u>	<u>0</u>	<u>0.5</u>
OPERATIONS SUBTOTAL		<u>14.5</u>	<u>0</u>	<u>14.5</u>

TOTAL		<u>20.5</u>	<u>1</u>	<u>21.5</u>
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Positions projected to be unfilled as of June 2019

- (1) 2017 Rate Study included second billing clerk FY 19-20
- (2) Administrative Supervisor position replaced Public Information Director/Clerk position
- (3) 2017 Rate Study included customer Service Specialist FY 18-19

NIPOMO COMMUNITY SERVICES DISTRICT

MONTHLY SALARY STEP/RANGE

NO	Monthly Salary Range					Longevity Pay	
	Step 1	Step 2	Step 3	Step 4	Step 5	15 Yrs - 2.5%	20 Yrs - 2.5%
1	\$2,854	\$2,997	\$3,146	\$3,304	\$3,469	\$3,556	\$3,642
2	\$2,925	\$3,072	\$3,225	\$3,386	\$3,556	\$3,645	\$3,733
3	\$2,997	\$3,146	\$3,304	\$3,469	\$3,642	\$3,733	\$3,824
4	\$3,072	\$3,225	\$3,386	\$3,556	\$3,733	\$3,827	\$3,920
5	\$3,146	\$3,304	\$3,469	\$3,642	\$3,824	\$3,920	\$4,016
6	\$3,225	\$3,386	\$3,556	\$3,733	\$3,920	\$4,018	\$4,116
7	\$3,304	\$3,469	\$3,642	\$3,824	\$4,016	\$4,116	\$4,216
8	\$3,386	\$3,556	\$3,733	\$3,920	\$4,116	\$4,219	\$4,322
9	\$3,469	\$3,642	\$3,824	\$4,016	\$4,216	\$4,322	\$4,427
10	\$3,556	\$3,733	\$3,920	\$4,116	\$4,322	\$4,430	\$4,538
11	\$3,642	\$3,824	\$4,016	\$4,216	\$4,427	\$4,538	\$4,649
12	\$3,733	\$3,920	\$4,116	\$4,322	\$4,538	\$4,651	\$4,765
13	\$3,824	\$4,016	\$4,216	\$4,427	\$4,649	\$4,765	\$4,881
14	\$3,920	\$4,116	\$4,322	\$4,538	\$4,765	\$4,884	\$5,003
15	\$4,016	\$4,216	\$4,427	\$4,649	\$4,881	\$5,003	\$5,125
16	\$4,116	\$4,322	\$4,538	\$4,765	\$5,003	\$5,128	\$5,253
17	\$4,216	\$4,427	\$4,649	\$4,881	\$5,125	\$5,253	\$5,381
18	\$4,322	\$4,538	\$4,765	\$5,003	\$5,253	\$5,385	\$5,516
19	\$4,427	\$4,649	\$4,881	\$5,125	\$5,381	\$5,516	\$5,651
20	\$4,538	\$4,765	\$5,003	\$5,253	\$5,516	\$5,654	\$5,792
21	\$4,649	\$4,881	\$5,125	\$5,381	\$5,651	\$5,792	\$5,933
22	\$4,765	\$5,003	\$5,253	\$5,516	\$5,792	\$5,937	\$6,081
23	\$4,881	\$5,125	\$5,381	\$5,651	\$5,933	\$6,081	\$6,230
24	\$5,003	\$5,253	\$5,516	\$5,792	\$6,081	\$6,233	\$6,385
25	\$5,125	\$5,381	\$5,651	\$5,933	\$6,230	\$6,385	\$6,541
26	\$5,253	\$5,516	\$5,792	\$6,081	\$6,385	\$6,545	\$6,705
27	\$5,381	\$5,651	\$5,933	\$6,230	\$6,541	\$6,705	\$6,868
28	\$5,516	\$5,792	\$6,081	\$6,385	\$6,705	\$6,872	\$7,040
29	\$5,651	\$5,933	\$6,230	\$6,541	\$6,868	\$7,040	\$7,212
30	\$5,792	\$6,081	\$6,385	\$6,705	\$7,040	\$7,216	\$7,392
31	\$5,933	\$6,230	\$6,541	\$6,868	\$7,212	\$7,392	\$7,572
32	\$6,081	\$6,385	\$6,705	\$7,040	\$7,392	\$7,577	\$7,762
33	\$6,230	\$6,541	\$6,868	\$7,212	\$7,572	\$7,762	\$7,951
34	\$6,385	\$6,705	\$7,040	\$7,392	\$7,762	\$7,956	\$8,150
35	\$6,541	\$6,868	\$7,212	\$7,572	\$7,951	\$8,150	\$8,348
36	\$6,705	\$7,040	\$7,392	\$7,762	\$8,150	\$8,353	\$8,557
37	\$6,868	\$7,212	\$7,572	\$7,951	\$8,348	\$8,557	\$8,766
38	\$7,040	\$7,392	\$7,762	\$8,150	\$8,557	\$8,771	\$8,985
39	\$7,212	\$7,572	\$7,951	\$8,348	\$8,766	\$8,985	\$9,204
40	\$7,392	\$7,762	\$8,150	\$8,557	\$8,985	\$9,210	\$9,434
41	\$7,572	\$7,951	\$8,348	\$8,766	\$9,204	\$9,434	\$9,664
42	\$7,762	\$8,150	\$8,557	\$8,985	\$9,434	\$9,670	\$9,906
43	\$7,951	\$8,348	\$8,766	\$9,204	\$9,664	\$9,906	\$10,148
44	\$8,150	\$8,557	\$8,985	\$9,434	\$9,906	\$10,154	\$10,401
45	\$8,348	\$8,766	\$9,204	\$9,664	\$10,148	\$10,401	\$10,655
46	\$8,557	\$8,985	\$9,434	\$9,906	\$10,401	\$10,661	\$10,921
47	\$8,766	\$9,204	\$9,664	\$10,148	\$10,655	\$10,921	\$11,188
48	\$8,985	\$9,434	\$9,906	\$10,401	\$10,921	\$11,194	\$11,467
49	\$9,204	\$9,664	\$10,148	\$10,655	\$11,188	\$11,467	\$11,747
50	\$9,434	\$9,906	\$10,401	\$10,921	\$11,467	\$11,754	\$12,041
51	\$9,664	\$10,148	\$10,655	\$11,188	\$11,747	\$12,041	\$12,334
52	\$9,906	\$10,401	\$10,921	\$11,467	\$12,041	\$12,342	\$12,643
53	\$10,148	\$10,655	\$11,188	\$11,747	\$12,334	\$12,643	\$12,951
54	\$10,401	\$10,921	\$11,467	\$12,041	\$12,643	\$12,959	\$13,275
55	\$10,655	\$11,188	\$11,747	\$12,334	\$12,951	\$13,275	\$13,599
56	\$10,921	\$11,467	\$12,041	\$12,643	\$13,275	\$13,607	\$13,939
57	\$11,194	\$11,754	\$12,342	\$12,959	\$13,607	\$13,947	\$14,296
58	\$11,474	\$12,048	\$12,650	\$13,283	\$13,947	\$14,296	\$14,653
59	\$11,761	\$12,349	\$12,966	\$13,615	\$14,296	\$14,653	\$15,019
60	\$12,055	\$12,658	\$13,291	\$13,955	\$14,653	\$15,019	\$15,395

INCLUDES COLA ADJUSTMENT OF 3.87% EFFECTIVE 7/1/19

NIPOMO COMMUNITY SERVICES DISTRICT
FLEET SCHEDULE
2019-2020

	OPERATIONS VEHICLES	YEAR	DATE PURCHASED	FISCAL YR PURCHASED	MILEAGE (FEB 2019)
1	FORD F250 4x4	2007	8/25/06	2007	112,525
2	FORD F150 4x4 (1)	2009	12/29/08	2009	112,865
3	FORD F150 (2)	2009	1/6/09	2009	95,802
4	FORD RANGER	2010	11/7/09	2010	22,365
5	FORD F250 4X4	2010	1/15/10	2010	63,854
6	FORD F150	2013	1/23/13	2013	67,775
7	FORD F150	2013	9/26/13	2014	47,583
8	FORD F250	2015	11/7/14	2015	24,778
9	FORD F250	2016	4/5/16	2016	23,257
10	FORD F250	2017	4/13/18	2018	7,898
11	FORD F250	2017	4/13/18	2018	6,305

- (1) To be replaced FY 18-19
(2) To be replaced FY 19-20

	ADMIN VEHICLES	YEAR	DATE PURCHASED	FISCAL YR PURCHASED	MILEAGE (FEB 2019)
12	FORD ESCAPE	2007	12/1/06	2007	27,921

	OTHER OPERATIONS EQUIPMENT	DATE PURCHASED	FISCAL YR PURCHASED	MILEAGE/ HOURS (FEB 2019)
13	FORD DUMP TRUCK	6/25/06	2006	27,394
14	JOHN DEERE LOADER/BACKHOE JD110 (3)	1/2/08	2008	582 hrs (out of service)
15	JOHN DEERE BACKHOE JD310	9/3/09	2010	458 hrs
16	VAC CON	2/10/10	2010	17,408
17	FORD F550 SERVICE TRUCK	04/16/13	2013	9,969
18	JOHN DEERE GATOR CART	4/18/14	2014	1,229 hrs
19	CAT 914 LOADER	10/30/15	2015	385 hrs
20	CAT 279D SKID STEER	8/9/17	2018	328 hrs

- (3) To be replaced FY 19-20

RESOLUTION 2019 - BUDGET
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
ADOPTING THE 2019-2020 FISCAL YEAR BUDGET

WHEREAS, Section 61110 et seq. of the Government Code establishes procedures for the adoption of budgets for Community Services Districts, including the Nipomo Community District ("District"); and

WHEREAS, pursuant to Government Code Section 61110 et seq. the District elects to adopt a one (1) year budget for Fiscal Year 2019-2020; and

WHEREAS, the District has published notice of this hearing adopting the District's budget pursuant to Government Code Section 61110, et seq.; and

WHEREAS, the District desires to make known its planned activities and associated costs for Fiscal Year 2019-2020, including:

A. A description of the District's use of water and sewer capacity charges in compliance with Government Code Section 66013; and

B. The purposes for which reserves designated in the budget may be spent.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED by the Board of Directors of the Nipomo Community Services District, San Luis Obispo County, California, as follows:

1. The proposed budget entitled, "2019-2020 Budget, Nipomo Community Services District," is hereby approved and adopted.

2. The budget be administered in accordance with generally accepted accounting principles and the past policies and practices established by the District.

3. The above Recitals are true and correct and incorporated herein by this reference.

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

AYES:

NOES:

ABSENT:

the foregoing Resolution is hereby adopted this ___th day of June 2019.

Ed Eby

President of the Board

ATTEST:

APPROVED AS TO FORM:

MARIO IGLESIAS

Secretary to the Board

WHITNEY G. MCDONALD

District Legal Counsel

RESOLUTION NO. 2019-APPROP LIMITATION
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NIPOMO COMMUNITY SERVICES DISTRICT
DETERMINING THE APPROPRIATION LIMITATION FOR THE 2019-2020 FISCAL YEAR

WHEREAS, Article XIII B of the California Constitution specifies that appropriations made by governmental entities may increase annually by the change in population and the California per-capita income, and

WHEREAS, it has been determined by the State Department of Finance that the California per-capita income increase shall be used; and

WHEREAS, the percent change in the California per-capita income is 1.0385% and the percent change in the population of the unincorporated area of San Luis Obispo County is 0.54% (Population converted to a ratio is computed as follows: $\{0.54 \times 100\} \div 100 = 1.0054$).

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Directors of the Nipomo Community Services District, San Luis Obispo County, California, as follows:

1. That the ratio of change is and is determined as follows:
 $1.0385 \times 1.0054 = 1.044$
2. That the 2019-2020 appropriation limit is and is determined as follows:

2019 Limitation	\$6,193,802
2019 Ratio of Change	<u>1.044</u>
2019 Appropriations Limitation	\$6,466,329
Appropriations Limitation Subject to Limitation	(\$17,825)
2019-2020 Appropriations Under Limit	<u>\$6,448,504</u>

3. No further adjustment to the 2019-2020 appropriation limitation has been made for mandated costs. However, any new mandated costs or increases in costs would increase the limitation amount by "Proceeds of Taxes" used to finance mandates in Fiscal Year 2019-2020.

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

AYES:
NOES:
ABSENT:

the foregoing resolution is hereby adopted this ____th day of June 2019.

ED EBY
President of the Board

ATTEST:

APPROVED AS TO FORM:

MARIO IGLESIAS
Secretary to the Board

WHITNEY G. MCDONALD
District Legal Counsel

OPERATING BUDGET SUMMARY

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**NIPOMO COMMUNITY SERVICES DISTRICT
PROPOSED BUDGET
2019-20**

CONSOLIDATED - ALL FUNDS	2017-18 ACTUAL	2018-19 BUDGET	2018-19 EST ACTUAL	2019-20 PROPOSED
OPERATING REVENUES				
Water - Availability Charges	1,423,083	1,162,000	1,150,000	1,273,000
Water - Usage Charges	3,533,852	4,380,000	4,120,000	4,170,000
Sewer Revenues	2,507,041	2,547,000	2,565,500	2,774,000
Fees and Penalties	119,723	125,000	130,000	145,000
Meter and Connection Fees	0	1,000	12,000	20,000
Plan Check and Inspection Fees	0	500	700	5,000
Miscellaneous Income	154,882	66,400	75,850	74,700
Street Lighting/Landscape Maint Charges	35,148	40,030	40,030	40,030
Franchise Fee - Solid Waste	72,224	62,000	62,000	62,000
Oper Transfers In-Funded Admin	445,940	482,760	433,211	557,685
Oper Transfers In-Funded Replacement	1,143,000	1,158,000	1,158,000	1,178,000
TOTAL OPERATING REVENUES (A)	9,434,893	10,024,690	9,747,291	10,299,415

OPERATING EXPENDITURES OPERATIONS & MAINTENANCE	2017-18 ACTUAL	2018-19 BUDGET	2018-19 EST ACTUAL	2019-20 PROPOSED
Wages	751,014	946,500	771,000	1,010,400
Wages - Overtime	76,362	90,200	84,200	98,300
Payroll Taxes	15,758	18,900	17,400	21,000
Retirement	203,440	195,500	181,000	244,200
Medical and Dental	277,144	357,000	287,000	357,000
Workers Comp Insurance	20,693	38,000	25,700	37,000
Wholesale Water Purchase (See Page 66)	1,039,190	961,000	907,700	963,526
Supplemental Water O&M/Overhead/Replacement (See Page 66)	250,703	262,000	245,000	260,000
Electricity-pumping	535,406	618,700	590,300	608,000
Water	3,298	4,950	4,330	5,150
Chemicals	63,879	81,000	66,000	76,000
Lab Tests and Sampling	90,717	105,500	100,000	107,000
Operating Supplies	203,843	210,000	199,000	210,000
Outside Services	189,424	249,500	217,000	247,500
Permits and Operating Fees	42,853	49,500	40,000	50,000
Repairs & Maintenance	184,028	248,500	195,000	212,500
Engineering	13,908	28,000	12,000	18,000
Fuel	35,996	33,000	39,000	40,000
Meters	0	50,000	50,000	50,000
Safety Program	1,500	7,900	2,200	5,000
Uniforms	14,347	18,000	19,000	20,000
Landscape Maintenance and Water	17,785	8,000	8,000	13,500
Solid Waste Program	133,340	7,500	4,000	8,000
Water Conservation Program	31,378	50,000	20,000	30,000
Oper Transfer Out - Funded Replacement	1,143,000	1,158,000	1,158,000	1,178,000
TOTAL OPERATIONS & MAINTENANCE (B)	5,339,006	5,797,150	5,242,830	5,870,076

Budgets by Fund can be found on Pages 37-64

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**CONSOLIDATED - ALL FUNDS
CONTINUED
GENERAL & ADMINISTRATIVE**

	2017-18 ACTUAL	2018-19 BUDGET	2018-19 EST ACTUAL	2019-20 PROPOSED
Wages	398,188	454,000	375,000	529,800
Payroll Taxes	7,876	9,550	8,275	19,200
Retirement	82,937	99,000	69,650	113,900
Medical and Dental	222,781	237,100	202,375	268,300
Other Post Employment Benefits (OPEB)	84,759	87,370	87,420	101,000
Workers Comp Insurance	1,018	2,030	1,365	2,335
Bank Charges and Credit Card Fees	8,943	10,300	10,000	10,200
Computer Expense	78,544	121,000	144,500	150,900
Dues and Subscriptions	19,832	19,865	18,100	20,150
Education and Training	7,937	16,000	7,000	17,000
Elections	0	10,000	560	0
Insurance - Liability	84,486	85,000	99,700	110,000
LAFCO Funding	26,642	28,000	49,751	50,000
Landscape and Janitorial	14,495	15,000	14,950	15,000
Legal - General and Special Counsel	126,592	127,500	91,000	101,500
Legal - Water Counsel	92,181	75,000	60,000	75,000
Professional Services	164,981	234,050	173,100	192,900
Miscellaneous	3,134	7,000	3,650	8,800
Newsletter and Mailers	7,380	10,000	2,200	5,800
Office Supplies	13,619	17,000	15,400	17,000
Outside Services	12,224	17,575	9,750	12,000
Postage	22,530	25,700	18,600	21,200
Public Notices	9,525	8,300	6,000	8,300
Repairs and Maintenance - Office Equip/Bldg	29,049	28,550	21,400	28,550
Property Taxes	1,347	1,400	1,429	1,500
Telephone	8,107	8,500	8,300	8,500
Travel and Mileage	6,276	13,500	9,000	12,500
Utilities-Gas, Electric, Trash	16,024	19,500	18,000	19,500
Oper Transfer Out - Funded Administration	445,439	482,760	433,211	557,685
TOTAL GENERAL & ADMINISTRATIVE (C)	1,996,846	2,270,550	1,959,686	2,478,520
TOTAL OPERATING EXPENSES (B)+(C) = (D)	7,335,852	8,067,700	7,202,516	8,348,596
NET OPERATING REVENUES/(DEFICIT) (A)-(D)=(E)	2,099,041	1,956,990	2,544,775	1,950,819
NON-OPERATING REVENUES AND (EXPENDITURES)				
Interest Income	178,037	202,385	296,200	343,650
Blacklake Water & Sewer Loan Surcharge	49,803	46,134	0	0
Interest Income/(Expense) - Debt Service	(358,407)	(352,801)	(352,449)	(345,849)
Principal Portion - Debt Service	(191,428)	(185,024)	(165,000)	(175,000)
Transfers In and Out	0	0	0	0
Fixed Assets (1)	(184,700)	(314,000)	(223,300)	(440,000)
TOTAL NON-OPERATING REVENUES/(DEFICIT) (F)	(506,695)	(603,306)	(542,149)	(617,199)
NET RESULTS FROM OPERATING AND NON-OPERATING REVENUES/(DEFICIT) (E)+(F)	1,592,346	1,353,684	2,002,626	1,333,620

(1) See Page 23

Budgets by Fund can be found on Pages 37-64

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**NIPOMO COMMUNITY SERVICES DISTRICT
PROPOSED OPERATING BUDGET - TOTALS FOR EACH FUND
2019-20**

OPERATING REVENUES

	#110 ADMIN BUDGET	#125 WATER BUDGET	#128 WATER RATE STABILIZATION BUDGET	#130 TOWN SEWER BUDGET	#135 TOWN SEWER RATE STABILIZATION BUDGET	#150 BLACKLAKE SEWER BUDGET	#155 BLACKLAKE SEWER RATE STABILIZATION BUDGET	#200 BL STREET LIGHTING BUDGET	#250 ST LANDSCAPE MAINT DIST BUDGET	#300 SOLID WASTE BUDGET	#400 DRAINAGE BUDGET	#605 FUND REP-WATER BUDGET	#610 FUND REP-SEWER BUDGET	#630 FUND BUDGET	TOTAL
Water - Availability Charges	0	1,273,000	0	0	0	0	0	0	0	0	0	0	0	0	1,273,000
Water - Usage Charges	0	4,170,000	0	0	0	0	0	0	0	0	0	0	0	0	4,170,000
Sewer Revenues	0	0	0	2,198,000	0	576,000	0	0	0	0	0	0	0	0	2,774,000
Fees and Penalties	0	145,000	0	0	0	0	0	0	0	0	0	0	0	0	145,000
Meter and Connection Fees	0	20,000	0	0	0	0	0	0	0	0	0	0	0	0	20,000
Plan Check and Inspection Fees	0	5,000	0	0	0	0	0	0	0	0	0	0	0	0	5,000
Miscellaneous Income	15,000	40,000	0	0	0	0	0	0	0	0	19,700	0	0	0	74,700
Street Lighting/Landscape Maint Charges	0	0	0	0	0	0	0	27,850	12,180	0	0	0	0	0	40,030
Franchise Fee - Solid Waste	0	0	0	0	0	0	0	0	0	62,000	0	0	0	0	62,000
Oper Transfers In-Funded Admin	557,685	0	0	0	0	0	0	0	0	0	0	0	0	0	557,685
Oper Transfers In-Funded Replacement	0	0	0	0	0	0	0	0	0	0	0	610,000	395,000	0	1,005,000
	572,685	5,653,000	0	2,198,000	0	576,000	0	27,850	12,180	62,000	19,700	610,000	395,000	173,000	10,299,415

**OPERATING EXPENDITURES
OPERATIONS & MAINTENANCE**

Wages	0	585,000	0	353,000	0	72,400	0	0	0	0	0	0	0	0	1,010,400
Wages - Overtime	0	50,000	0	42,000	0	6,300	0	0	0	0	0	0	0	0	98,300
Payroll Taxes	0	12,000	0	7,500	0	1,500	0	0	0	0	0	0	0	0	21,000
Retirement	0	143,000	0	84,200	0	17,000	0	0	0	0	0	0	0	0	244,200
Medical and Dental	0	200,000	0	132,000	0	25,000	0	0	0	0	0	0	0	0	357,000
Workers Comp Insurance	0	17,000	0	17,000	0	3,000	0	0	0	0	0	0	0	0	37,000
Wholesale Water Purchased	0	963,526	0	0	0	0	0	0	0	0	0	0	0	0	963,526
Supplemental Water O & M and Overhead	0	260,000	0	0	0	0	0	28,500	150	0	0	0	0	0	260,000
Electricity	0	371,000	0	165,000	0	43,500	0	0	0	0	0	0	0	0	608,150
Water	0	0	0	1,000	0	4,000	0	0	0	0	0	0	0	0	5,000
Chemicals	0	42,000	0	16,000	0	18,000	0	0	0	0	0	0	0	0	76,000
Lab Tests and Sampling	0	50,000	0	30,000	0	27,000	0	0	0	0	0	0	0	0	107,000
Operating Supplies	0	155,000	0	50,000	0	5,000	0	0	0	0	0	0	0	0	210,000
Outside Services	0	120,000	0	120,000	0	7,500	0	0	0	0	0	0	0	0	247,500
Permits and Operating Fees	0	27,500	0	13,000	0	9,500	0	0	0	0	0	0	0	0	50,000
Repairs & Maintenance	0	94,000	0	105,000	0	13,500	0	0	0	0	0	0	0	0	212,500
Engineering	0	10,000	0	5,000	0	3,000	0	0	0	0	0	0	0	0	18,000
Fuel	0	26,400	0	8,800	0	4,800	0	0	0	0	0	0	0	0	40,000
Meters	0	50,000	0	0	0	0	0	0	0	0	0	0	0	0	50,000
Safety Program	0	3,300	0	1,100	0	600	0	0	0	0	0	0	0	0	5,000
Uniforms	0	13,200	0	4,400	0	2,400	0	0	0	0	0	0	0	0	20,000
Landscape Maintenance and Water	0	0	0	0	0	0	0	0	13,500	0	0	0	0	0	13,500
Solid Waste Program	0	0	0	0	0	0	0	0	0	8,000	0	0	0	0	8,000
Water Conservation Program	0	30,000	0	0	0	0	0	0	0	0	0	0	0	0	30,000
Oper Transfer Out - Funded Replacement	0	610,000	0	395,000	0	173,000	0	0	0	0	0	0	0	0	1,178,000
TOTAL OPERATIONS & MAINTENANCE	0	3,832,926	0	1,550,000	0	437,000	0	28,500	13,650	8,000	0	0	0	0	5,870,076

GENERAL & ADMINISTRATIVE

Wages	94,000	392,000	0	38,200	0	5,600	0	0	0	0	0	0	0	0	529,800
Payroll Taxes	2,800	14,600	0	1,600	0	200	0	0	0	0	0	0	0	0	19,200
Retirement	20,000	84,500	0	8,200	0	1,200	0	0	0	0	0	0	0	0	113,900
Medical and Dental	140,000	113,000	0	13,800	0	1,500	0	0	0	0	0	0	0	0	268,300
Other Post Employment Benefits (OPEB)	20,200	60,600	0	17,170	0	3,030	0	0	0	0	0	0	0	0	101,000
Workers Comp Insurance	525	1,625	0	160	0	25	0	0	0	0	0	0	0	0	2,335
Bank Charges and Credit Card Fees	19,600	93,500	0	30,500	0	7,300	0	0	0	0	0	0	0	0	150,900
Computer Expense	2,800	11,000	0	5,600	0	750	0	0	0	0	0	0	0	0	20,150
Dues and Subscriptions	7,000	5,000	0	5,000	0	0	0	0	0	0	0	0	0	0	17,000
Education and Training	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Elections	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

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**NIPOMO COMMUNITY SERVICES DISTRICT
PROPOSED OPERATING BUDGET - TOTALS FOR EACH FUND
2019-20**

	#110 ADMIN	#125 WATER	#128 WATER RATE STABILIZATION	#130 TOWN SEWER RATE STABILIZATION	#135 TOWN SEWER RATE STABILIZATION	#150 BLACKLAKE SEWER STABILIZATION	#155 BLACKLAKE SEWER RATE STABILIZATION	#200 BL STREET LIGHTING	#250 ST LANDSCAPE MAINT DIST	#300 SOLID WASTE DRAINAGE	#400 REP-WATER	#805 FUND REP-SEWER	#810 FUND REP-SEWER	#830 FUND REP-SEWER	TOTAL
	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
Insurance - Liability	21,500	64,500	0	18,275	0	3,225	0	500	0	2,000	0	0	0	0	110,000
LAFCO Funding	50,000	0	0	0	0	0	0	0	0	0	0	0	0	0	50,000
Landscape and Janitorial	3,000	9,000	0	2,550	0	450	0	0	0	0	0	0	0	0	15,000
Legal - General and Special Counsel	75,000	15,000	0	5,000	0	5,000	0	0	0	1,500	0	0	0	0	101,500
Legal - Water Counsel	0	75,000	0	0	0	0	0	0	0	0	0	0	0	0	75,000
Professional Services	6,400	110,000	0	25,500	0	51,000	0	0	0	0	0	0	0	0	192,900
Miscellaneous	6,000	1,000	0	500	0	1,300	0	0	0	0	0	0	0	0	8,800
Newsletter and Mailers	1,000	2,000	0	2,380	0	420	0	0	0	0	0	0	0	0	5,800
Office Supplies	3,400	10,200	0	2,800	0	500	0	0	0	0	0	0	0	0	17,000
Outside Services	1,000	4,800	0	5,525	0	675	0	0	0	0	0	0	0	0	12,000
Postage	1,000	12,650	0	5,700	0	1,850	0	0	0	0	0	0	0	0	21,200
Public Notices	7,000	0	0	0	0	0	0	500	500	300	0	0	0	0	8,300
Repairs and Maintenance - Office/Bldgs	21,700	5,100	0	1,500	0	250	0	0	0	0	0	0	0	0	28,550
Property Taxes	0	1,500	0	0	0	0	0	0	0	0	0	0	0	0	1,500
Telephone	1,560	4,680	0	1,325	0	935	0	0	0	0	0	0	0	0	8,500
Travel and Mileage	7,500	3,000	0	2,000	0	0	0	0	0	0	0	0	0	0	12,500
Utilities - Gas, Electric and Trash	19,500	0	0	0	0	0	0	0	0	0	0	0	0	0	19,500
Oper Transfer Out - Funded Administration	0	415,253	0	114,741	0	16,392	0	500	1,500	9,300	0	0	0	0	557,885
TOTAL GENERAL & ADMINISTRATIVE	537,685	1,514,508	0	308,126	0	101,602	0	1,500	2,000	13,100	0	0	0	0	2,478,520
TOTAL OPERATING EXPENSES	537,685	5,347,434	0	1,858,126	0	538,602	0	30,000	15,650	21,100	0	0	0	0	8,348,596

NET OPERATING REVENUES/(DEFICIT)	35,000	305,566	0	339,874	0	37,398	0	(2,150)	(3,470)	40,900	19,700	610,000	395,000	173,000	1,950,819
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NON-OPERATING REVENUES AND (EXPENDITURES)

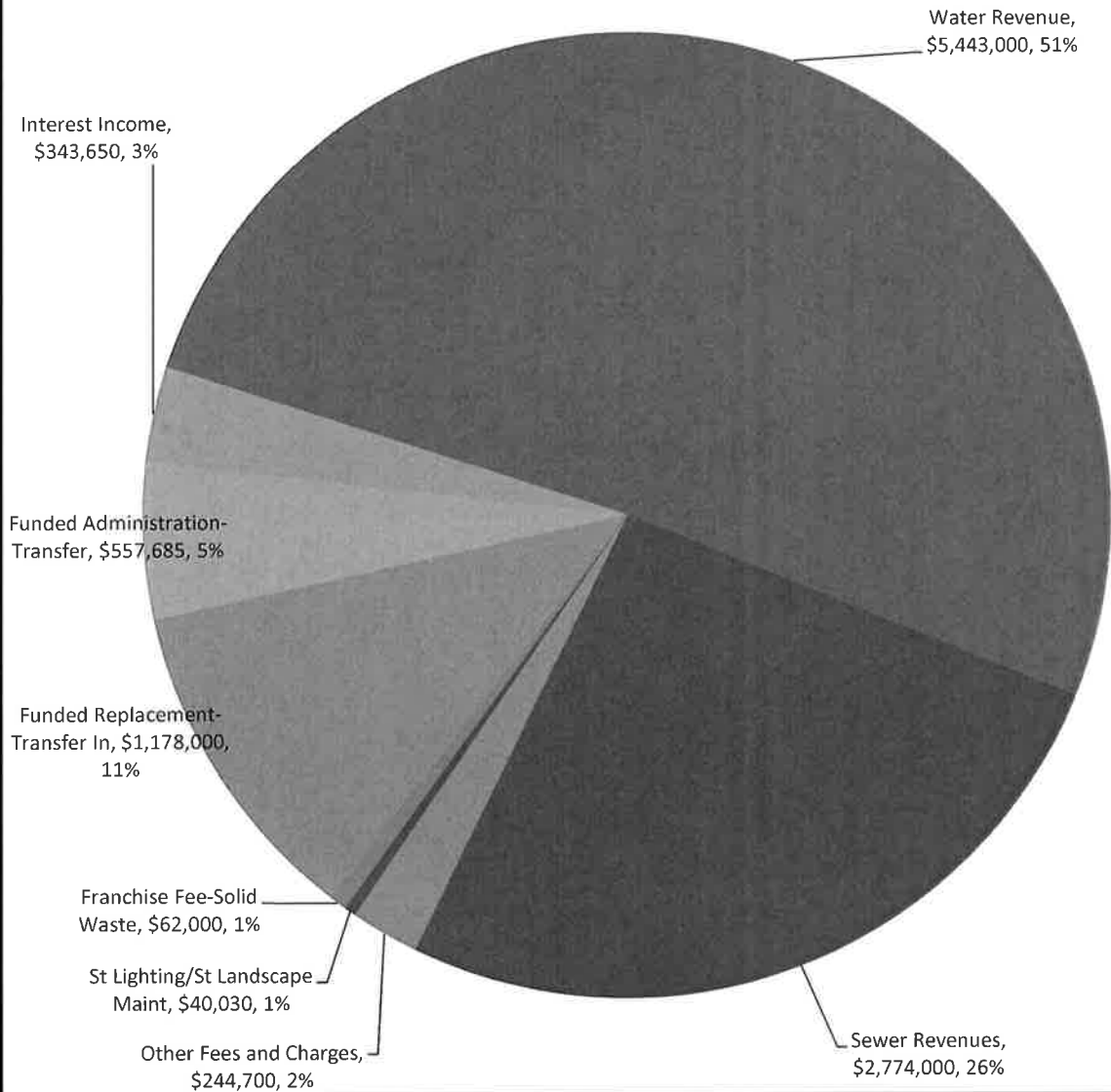
Interest Income	0	55,600	10,450	10,050	7,875	4,275	1,325	500	375	7,375	1,275	105,500	107,500	25,000	337,100
Blacklake Water & Sewer Loan Surcharge	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest Income/(Expense) - Debt Service	0	0	0	(345,849)	0	0	0	0	0	0	0	0	0	0	(345,849)
Principal Portion - Debt Service	0	0	0	(175,000)	0	0	0	0	0	0	0	0	0	0	(175,000)
Transfers In and out	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fixed Assets	(35,000)	(355,700)	0	(31,900)	0	(17,400)	0	0	0	0	0	0	0	0	(440,000)
TOTAL NON-OPERATING REVENUES/(DEFICIT)	(35,000)	(300,100)	10,450	(542,699)	7,875	(13,125)	1,325	500	375	7,375	1,275	105,500	107,500	25,000	(623,749)

NET RESULTS FROM OPERATING AND NON-OPERATING REVENUES/(DEFICIT)	0	5,466	10,450	(202,825)	7,875	24,273	1,325	(1,650)	(3,095)	48,275	20,975	715,500	502,500	198,000	1,327,070
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ESTIMATED FUNDS AVAILABLE

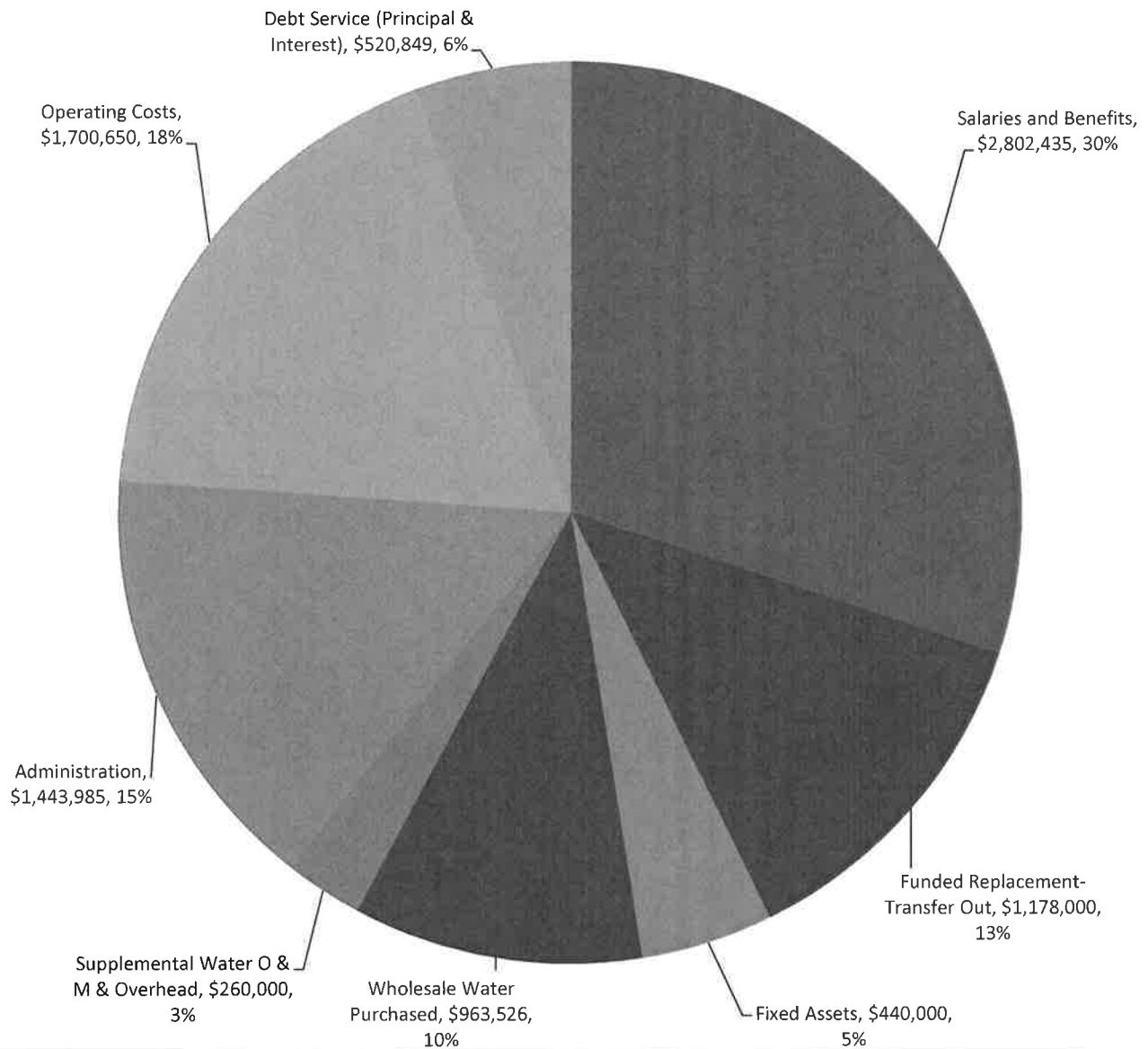
Estimated Account Balance 7/1/19	0	2,224,000	418,000	402,000	315,000	171,000	53,000	20,000	15,000	295,000	51,000	4,220,000	4,300,000	1,000,000	13,484,000
Net Results from Operations	0	5,466	10,450	(202,825)	7,875	24,273	1,325	(1,650)	(3,095)	48,275	20,975	715,500	502,500	198,000	1,327,070
Funded Replacement Projects	0	0	0	0	0	0	0	0	0	0	0	(1,780,000)	(1,890,000)	(972,600)	(4,652,600)
Estimated Account Balance 6/30/20	0	2,229,466	428,450	199,175	322,875	195,273	54,325	18,350	11,905	343,275	71,975	3,145,500	2,912,500	225,400	10,158,470

NIPOMO COMMUNITY SERVICES DISTRICT COMBINED REVENUE OF ALL FUNDS 2019-2020



TOTAL REVENUES \$10,643,065

NIPOMO COMMUNITY SERVICES DISTRICT COMBINES EXPENDITURES OF ALL FUNDS 2019-2020



TOTAL EXPENDITURES \$9,309,445

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FIXED ASSETS

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NIPOMO COMMUNITY SERVICES DISTRICT
FIXED ASSET PURCHASES
2019-2020

<u>BUDGET ITEMS FOR 2019-2020</u>	<u>#110 ADMIN</u>	<u>#125 WATER</u>	<u>#130 TOWN SEWER</u>	<u>#150 BL SEWER</u>	<u>TOTAL</u>
Office Furniture for cubicle	5,000	0	0	0	5,000
Surveillance Camera Video Retention Equipment	10,000	0	0	0	10,000
Two Office Air Conditioning Unit Replacements	20,000	0	0	0	20,000
Replacement Truck	0	29,700	9,900	5,400	45,000
SCADA Radio Replacement	0	66,000	22,000	12,000	100,000
Water Laboratory Management Software (carryover)	0	25,000	0	0	25,000
Sensus FlexNet Leak Detection System	0	115,000	0	0	115,000
Four Well Operator Interface Panels	0	60,000	0	0	60,000
Replacement Tractor	0	60,000	0	0	60,000
	35,000	355,700	31,900	17,400	440,000

Fixed assets will be purchased from the Enterprise Funds

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FUNDED REPLACEMENT PROJECTS

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NIPOMO COMMUNITY SERVICES DISTRICT
FUNDED REPLACEMENT PROJECTS
2019-2020

BUDGET ITEMS FOR 2019-2020	#805 FUNDED REPLACEMENT WATER	#810 FUNDED REPLACEMENT TOWN SEWER	#830 FUNDED REPLACEMENT BLACKLAKE SEWER	TOTAL
Branch Street Waterline Replacement (1)	650,000	0	0	650,000
Eureka Well Replacement (2)	1,000,000	0	0	1,000,000
Blow-Off Repair (3)	20,000	0	0	20,000
Air Vac Replacement (3)	20,000	0	0	20,000
Fire Hydrant Replacement (3)	50,000	0	0	50,000
Valve Replacement (3)	50,000	0	0	50,000
Manhole Rehabilitation (3)	0	150,000	0	150,000
Southland WWTF Biosolids Dewatering (4)	0	920,000	0	920,000
Lift Station Rehabilitation (5)	0	820,000	683,000	1,503,000
Blacklake Sludge Removal (6)	0	0	289,600	289,600
TOTAL	1,790,000	1,890,000	972,600	4,652,600

(1) Existing 6 inch diameter water line is failing

(2) Redrill and equip replacement well

(3) Water and Town Sewer Master Plan Projects

(4) Screw press for biosolids dewatering during wet weather

(5) Nipomo Palms Lift Station and Woodgreen Lift Station complete replacement

(6) Removal, dewatering and disposal of accumulated sludge

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NIPOMO COMMUNITY SERVICES DISTRICT
CAPITAL FUNDING PLAN
FUNDED REPLACEMENT-WATER
FUND #805

FUNDED REPLACEMENT PLAN

Line #	WATER - FUND #805	FY 19-20
1	Branch Street Waterline Replacement	\$ 650,000
2	Eureka Well Replacement	\$ 1,000,000
3	Blow-Off Replacement	\$ 20,000
4	Air Vac Replacement	\$ 20,000
5	Fire Hydrant Replacement	\$ 50,000
6	Valve Replacement	\$ 50,000
7	Well Refurbishment	\$ -
8	Quad Tank Disinfection System	\$ -
		1,790,000

CASH FLOW PROJECTION

Sources of Funds		FY 19-20
9	Funds on Hand at Beginning of Year-projected	4,220,000
10	Interest Income (1)	105,500
11	Transfer from Water for funded replacement	610,000
12	Total Sources of Funds	4,935,500
Uses of Funds		
13	Funded Replacement Projects	1,790,000
14	Transfer to Supplemental Water Project Fund #500	0
15	Total Uses of Funds	1,790,000
16	Funds on Hand at End of Year-projected	3,145,500

(1) Assumes interest rate of 2.5%

<u>FOR PLANNING PURPOSES ONLY</u>					
FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	
0	0	0	0	0	
0	0	0	0	0	
20,600	21,218	21,855	22,510	23,185	
20,600	21,218	21,855	22,510	23,185	
51,500	53,045	54,636	56,275	57,964	
103,000	106,090	109,273	112,551	115,927	
103,000	106,090	109,273	112,551	115,927	
0	0	0	300,000	0	
298,700	307,661	316,891	626,398	336,189	
FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	
3,145,500	3,549,105	3,916,539	4,338,562	3,161,628	
77,305	87,395	97,913	108,464	79,041	
625,000	641,000	641,000	641,000	641,000	
3,847,805	4,277,500	4,655,453	5,088,026	3,881,669	
298,700	307,661	316,891	626,398	336,189	
0	0	0	1,400,000	0	
298,700	307,661	316,891	2,026,398	336,189	
3,549,105	3,916,539	4,338,562	3,161,628	3,545,479	

NIPOMO COMMUNITY SERVICES DISTRICT
CAPITAL FUNDING PLAN
FUNDED REPLACEMENT-WATER
FUND #805

PROPOSED BOARD ACTION ON MAY 8, 2019

FUNDED REPLACEMENT PLAN

Line #	WATER - FUND #805	FY 19-20
1	Branch Street Waterline Replacement	\$ 650,000
2	Eureka Well Replacement	\$ 1,000,000
3	Blow-Off Replacement	\$ 20,000
4	Air Vac Replacement	\$ 20,000
5	Fire Hydrant Replacement	\$ 50,000
6	Valve Replacement	\$ 50,000
7	Well Refurbishment	\$ -
8	Quad Tank Disinfection System	\$ -
		1,790,000

CASH FLOW PROJECTION

	FY 19-20
Sources of Funds	
9 Funds on Hand at Beginning of Year-projected	4,220,000
10 Interest Income (1)	105,500
11 Transfer from Water for funded replacement	610,000
12 Total Sources of Funds	4,935,500

Uses of Funds

13 Funded Replacement Projects	1,790,000
14 Transfer to Supplemental Water Project Fund #500	1,400,000
15 Total Uses of Funds	3,190,000
16 Funds on Hand at End of Year-projected	1,745,500

(1) Assumes interest rate of 2.5%

FOR PLANNING PURPOSES ONLY

	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25
	0	0	0	0	0
	0	0	0	0	0
	20,600	21,218	21,855	22,510	23,185
	20,600	21,218	21,855	22,510	23,185
	51,500	53,045	54,636	56,275	57,964
	103,000	106,090	109,273	112,551	115,927
	103,000	106,090	109,273	112,551	115,927
	0	0	0	300,000	0
	298,700	307,661	316,891	626,398	336,189

	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25
	1,745,500	2,149,105	3,916,539	4,338,562	3,161,628
	77,305	87,395	97,913	108,464	79,041
	625,000	641,000	641,000	641,000	641,000
	2,447,805	2,877,500	4,655,453	5,088,026	3,881,669

	298,700	307,661	316,891	626,398	336,189
	0	0	0	210,000	0
	298,700	307,661	316,891	836,398	336,189
	2,149,105	3,916,539	4,338,562	3,161,628	3,545,479

NIPOMO COMMUNITY SERVICES DISTRICT
CAPITAL FUNDING PLAN
FUNDED REPLACEMENT-TOWN SEWER
FUND #810

TOWN SEWER
FUNDED REPLACEMENT PLAN

Line #	TOWN SEWER - FUND #810	FY 19-20
1	Southland WWTF Biosolids Dewatering	920,000
2	Manhole Rehabilitation	150,000
3	Lift Station Rehabilitation	820,000
	1,890,000	

CASH FLOW PROJECTION

Sources of Funds

	FY 19-20
4	Funds on Hand at Beginning of Year-projected
5	Interest Income (1)
6	Transfer from Town Sewer for funded replacement
7	Total Sources of Funds

Uses of Funds

	FY 19-20
8	Funded Replacement Projects
9	Total Uses of Funds
10	Funds on Hand at End of Year-projected

(1) Assumes interest rate of 2.5%

FOR PLANNING PURPOSES ONLY					
FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	
0	0	0	0	0	
154,500	159,135	163,909	168,826	173,891	
0	869,938	0	922,917	0	
154,500	1,029,073	163,909	1,091,744	173,891	
FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	
2,912,500	3,225,044	2,670,828	2,967,921	2,344,607	
72,044	79,857	66,002	73,429	57,846	
395,000	395,000	395,000	395,000	395,000	
3,379,544	3,699,901	3,131,830	3,436,350	2,797,453	
154,500	1,029,073	163,909	1,091,744	173,891	
154,500	1,029,073	163,909	1,091,744	173,891	
3,225,044	2,670,828	2,967,921	2,344,607	2,623,562	

NIPOMO COMMUNITY SERVICES DISTRICT
CAPITAL FUNDING PLAN
FUNDED REPLACEMENT-TOWN SEWER
FUND #830

**BLACKLAKE SEWER
FUNDED REPLACEMENT PLAN**

Line #	Project Identification (1)	BLACKLAKE FUNDED REPLACEMENT - FUND #830	FY 19-20
1	CS-CIP-1	Lift Station Rehabilitation - Woodgreen	683,000
2	WRF-CIP-2	Blacklake Sludge Removal	289,600
3	CS-CIP-4	Golf Course Trunk Main Replacement	0
4	CS-CIP-5	Tourney Hill Sewer Main Replacement	0
5	WRF-CIP-1	WRF Treatment Plant Pond Rehabilitation - Pond 1	0
6	CS-CIP-2	Lift Station Rehabilitation - The Oaks	0
7	WRF-CIP-3	WRF Chlorine Contact Chamber Rehabilitation	0
8	CS-CIP-6	Oakmont Sewer Main Replacement	0
9	WRF-CIP-4	WRF Site Improvements	0
10	CS-CIP-5	Lift Station Rehabilitation - Misty Glen	0
11	CS-CIP-3	Augusta Sewer Main Replacement	0
12	CS-CIP-7	WRF Electrical Improvements	0
13	WRF-CIP-5	Repair Off-set Joints - Sewer Main	0
14	CS-CIP-8	Repair Off-set Joints - Sewer Main	0
			972,600

CASH FLOW PROJECTION

Sources of Funds		FY 19-20
15	Funds on Hand at Beginning of Year-projected	1,000,000
16	Interest Income (2)	25,000
17	Transfer from BL Sewer for funded replacement	173,000
18	Proceeds from new debt issuance (3)	1,800,000
19	Total Sources of Funds	2,998,000

Uses of Funds

20	Funded Replacement Projects	972,600
21	Debt service payments from new debt issuance (3)	0
22	Total Uses of Funds	972,600
23	Funds on Hand at End of Year-projected	2,025,400

- (1) Project identification reference found in Blacklake Sewer Master Plan
(2) Assumes interest rate of 2.5%
(3) Blacklake Sewer Rate Study dated November 14, 2018 (Section 3.1.3, Page 10)
anticipates borrowing \$1.8 M to fund capital replacement projects.

FOR PLANNING PURPOSES ONLY					
FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	
0	0	0	0	0	0
179,000	0	0	0	0	0
560,700	0	0	0	0	0
319,700	0	0	0	0	0
0	384,600	0	0	0	0
0	0	102,500	0	0	0
0	0	392,400	0	0	0
0	0	196,200	0	0	0
0	0	0	258,100	0	0
0	0	0	97,800	0	0
0	0	0	0	61,442	0
0	0	0	0	499,647	0
0	0	0	0	30,141	0
0	0	0	0	0	0
1,059,400	384,600	691,100	355,900	591,230	

FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	
2,025,400	1,050,635	731,301	102,483	(206,855)	
50,635	26,266	18,283	2,562	0	
178,000	183,000	188,000	188,000	188,000	
0	0	0	0	0	
2,254,035	1,259,901	937,583	293,045	(18,855)	

1,059,400	384,600	691,100	355,900	591,230	
144,000	144,000	144,000	144,000	144,000	
1,203,400	528,600	835,100	499,900	735,230	
1,050,635	731,301	102,483	(206,855)	(754,084)	

CAPITAL PROJECTS

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NIPOMO COMMUNITY SERVICES DISTRICT
CAPITAL IMPROVEMENTS
PROJECT COST SUMMARY
2019-2020

<u>BUDGET ITEMS FOR 2019-2020</u>	<u>#500 SUPPLEMENTAL WATER CHARGES</u>	<u>#700 WATER CAPACITY CHARGES</u>	<u>#710 TOWN SEWER CAPACITY CHARGES</u>	<u>TOTAL</u>
Supplemental Water Project Interconnects	650,000	0	0	650,000
Supplemental Water Project Pump Station	300,000	0	0	300,000
Tract 2650 Connection to Blacklake Pressure Zone	0	180,000	0	180,000
Water Master Plan	0	220,000	0	220,000
	950,000	400,000	0	1,550,000

Supplemental Water Projects (Fund #500)

Supplemental Water Project Interconnects - Bid, award contract, and construct GSWC Primavera, WMWC Via Concha and GSWC Lyn interconnects.

Supplemental Water Project Pump Station - Construct new pump at Joshua Road Pump Station.

Water Projects (Fund #700)

Tract 2650 connection to Blacklake Pressure Zone - Bid, award contract, and construct connection.

Water Master Plan - Bid, award and commission Water Master Plan.

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NIPOMO COMMUNITY SERVICES DISTRICT
CAPITAL IMPROVEMENTS
PROJECT COST SUMMARY
2019-2020

PROPOSED BOARD ACTION ON MAY 8, 2019

<u>BUDGET ITEMS FOR 2019-2020</u>	<u>#500 SUPPLEMENTAL WATER CHARGES</u>	<u>#700 WATER CAPACITY CHARGES</u>	<u>#710 TOWN SEWER CAPACITY CHARGES</u>	<u>TOTAL</u>
Supplemental Water Project Interconnects	650,000	0	0	650,000
Supplemental Water Project Pump Station	300,000	0	0	300,000
Supplemental Water Project Orchard/Southland to Tefft/Oakglen Water Line- Carryover from Budget Amendment May 8, 2019	3,700,000			
Tract 2650 Connection to Blacklake Pressure Zone	0	180,000	0	180,000
Water Master Plan	0	220,000	0	220,000
	<u>4,650,000</u>	<u>400,000</u>	<u>200,000</u>	<u>1,550,000</u>

Supplemental Water Projects (Fund #500)

Supplemental Water Project Interconnects - Bid, award contract, and construct GSWC Primavera, WMWC Via Concha and GSWC Lyn interconnects.

Supplemental Water Project Pump Station - Construct new pump at Joshua Road Pump Station.

Supplemental Water Project Orchard/Southland to Tefft/Oakglen Water Line - Construct water line

Water Projects (Fund #700)

Tract 2650 connection to Blacklake Pressure Zone - Bid, award contract, and construct connection.

Water Master Plan - Bid, award and commission Water Master Plan.

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NIPOMO COMMUNITY SERVICES DISTRICT
CAPITAL FUNDING PLAN
SUPPLEMENTAL WATER
FUND #500

CAPITAL IMPROVEMENT PLAN

Line #	SUPPLEMENTAL WATER - FUND #500	FY 19-20
1	Interconnects (1)	650,000
2	Pump Station Improvements (2)	300,000
3	Orchard/Southland to Tefft/Oakglan Water Line (3)	0
4	Pomeroy Water Line from Augusta to Aden Way (4)	0
TOTAL		950,000

- (1) Golden State interconnect at Orchard and Primavera; Woodlands interconnect at Camino Caballo and Via Concha; Golden State interconnect on Lyn Road
(2) Includes 1 new 800 gpm pump/VFD at Joshua Road Pump Station in FY 18-19 and 2 replacement 800 gpm pumps/removal of 2@400 gpm pumps in FY 23-24.
(3) 12,000 linear feet of 12 inch diameter waterline. Design in FY 22-23 and construct in FY 23-24.
(4) 4600 linear feet of 12 inch diameter waterline. Design in FY 22-23 and construct in FY 23-24.

CASH FLOW PROJECTION

Sources of Funds		FY 19-20
5	Funds on Hand at Beginning of Year-projected	2,785,000
6	Interest Income (5)	69,625
7	Principal and Interest Payments from WMW & GSW	525,359
8	Capacity Charges (6)	0
9	Transfer in from Prop Tax Fund #600 for Debt Service	435,200
10	Transfer in from Water Funded Replacement #805	0
11	Total Sources of Funds	3,815,184
Uses of Funds		
12	Capital Project	950,000
13	Debt Service Payments 2013 COP	531,288
14	Bond Administration	4,000
15	Total Uses of Funds	1,485,288
16	Funds on Hand at End of Year-projected	2,329,896

- (5) Assumes an interest rate of 2.5%
(6) Assumes no new connections (worst case scenario)
Schedule may be impacted by Court Action

FOR PLANNING PURPOSES ONLY					
FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	
0	0	0	0	0	0
0	0	0	450,204	0	0
0	0	450,000	3,150,000	0	0
0	0	196,691	1,429,396	0	0
0	0	646,691	5,029,600	0	0
FY 20-21 FY 21-22 FY 22-23 FY 23-24 FY 24-25					
2,329,896	2,819,994	3,329,754	3,213,829	21,076	
58,247	70,500	83,244	80,346	527	
525,359	525,359	525,359	525,359	525,359	
0	0	0	0	0	
442,905	450,926	459,263	463,042	467,390	
0	0	0	1,300,000	0	
3,356,407	3,866,779	4,397,620	5,582,576	1,014,352	
FY 20-21 FY 21-22 FY 22-23 FY 23-24 FY 24-25					
0	0	646,691	5,029,600	0	
532,413	533,025	533,100	527,900	527,000	
4,000	4,000	4,000	4,000	4,000	
536,413	537,025	1,183,791	5,561,500	531,000	
2,819,994	3,329,754	3,213,829	21,076	483,352	

NIPOMO COMMUNITY SERVICES DISTRICT
CAPITAL FUNDING PLAN
SUPPLEMENTAL WATER
FUND #500

PROPOSED BOARD ACTION ON MAY 8, 2019

CAPITAL IMPROVEMENT PLAN

SUPPLEMENTAL WATER - FUND #500		FY 19-20
Line #		
1	Interconnects (1)	650,000
2	Pump Station Improvements (2)	300,000
3	Orchard/Southland to Tefft/Oakglan Water Line (3)	3,700,000
4	Pomeroy Water Line from Augusta to Aden Way (4)	0
TOTAL		4,650,000

- (1) Golden State interconnect at Orchard and Primavera; Woodlands interconnect at Camino Caballo and Via Concha; Golden State interconnect on Lyn Road
(2) Includes 1 new 800 gpm pump/VFD at Joshua Road Pump Station in FY 19-20 and 2 replacement 800 gpm pumps/removal of 2@400 gpm pumps in FY 23-24.
(3) 12,000 linear feet of 12 inch diameter waterline. Construct FY 19-20
(4) 4600 linear feet of 12 inch diameter waterline. Design in FY 22-23 and construct in FY 23-24.

FOR PLANNING PURPOSES ONLY

FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25
0	0	0	0	0
0	0	0	450,204	0
0	0	0	0	0
0	0	196,691	1,429,396	0
0	0	196,691	1,879,600	0

CASH FLOW PROJECTION

Sources of Funds

Sources of Funds		
5	Funds on Hand at Beginning of Year-projected	2,785,000
6	Interest Income (5)	69,625
7	Principal and Interest Payments from WMW & GSW	525,359
8	Capacity Charges (6)	0
9	Transfer in from Prop Tax Fund #600 for Debt Service	435,200
10	Transfer in from Water Funded Replacement #805	1,400,000
11	Total Sources of Funds	5,215,184

Uses of Funds

12	Capital Project	4,650,000
13	Debt Service Payments 2013 COP	531,288
14	Bond Administration	4,000
15	Total Uses of Funds	5,185,288
16	Funds on Hand at End of Year-projected	29,896

FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25
29,896	462,494	913,317	1,186,981	3,556
747	11,562	22,833	29,675	89
525,359	525,359	525,359	525,359	525,359
0	0	0	0	0
442,905	450,926	459,263	463,042	467,390
0	0	0	210,000	0
998,907	1,450,342	1,920,772	2,415,056	996,394
0	0	196,691	1,879,600	0
532,413	533,025	533,100	527,900	527,000
4,000	4,000	4,000	4,000	4,000
536,413	537,025	733,791	2,411,500	531,000
462,494	913,317	1,186,981	3,556	465,394

- (5) Assumes an interest rate of 2.5%
(6) Assumes no new connections (worst case scenario)
Schedule may be impacted by Court Action

NIPOMO COMMUNITY SERVICES DISTRICT
CAPITAL FUNDING PLAN
WATER DIVISION
FUND #700

CAPITAL IMPROVEMENT PLAN

Line #	WATER CAPACITY - FUND #700	FY 19-20
1	Tract 2650 Connection to Blacklake Pressure Zone	180,000
2	Water Master Plan	220,000
3	New Water Storage Tank (3)	0
		400,000

CASH FLOW PROJECTION

Sources of Funds		FY 19-20
4	Funds on Hand at Beginning of Year-projected	1,851,000
5	Interest Income (1)	46,275
6	Capacity Charges (2)	0
7	Total Sources of Funds	1,897,275

Uses of Funds		
8	Capital Project	400,000
9	Total Uses of Funds	400,000
10	Funds on Hand at End of Year-projected	1,497,275

- (1) Assumes an interest rate of 2.5%
(2) Assumes no new connections (worst case scenario)
(3) Tank not needed if no new connections are added

FOR PLANNING PURPOSES ONLY

FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25
0	0	0	0	0
0	0	0	0	0
0	0	327,818	2,588,670	0
0	0	327,818	2,588,670	0

FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25
1,497,275	1,534,707	1,573,075	1,284,583	(1,271,972)
37,432	38,368	39,327	32,115	0
0	0	0	0	0
1,534,707	1,573,075	1,612,401	1,316,698	(1,271,972)

0	0	327,818	2,588,670	0
0	0	327,818	2,588,670	0
1,534,707	1,573,075	1,284,583	(1,271,972)	(1,271,972)

NIPOMO COMMUNITY SERVICES DISTRICT
CAPITAL FUNDING PLAN
SEWER - TOWN DIVISION
FUND #710

CAPITAL IMPROVEMENT PLAN

Line #	TOWN SEWER CAPACITY - FUND #710	FY 19-20
1	Sewer Collection System Master Plan	0
2	Sewer Treatment Plant Improvements	0
		0

CASH FLOW PROJECTION

Sources of Funds

	FY 19-20
4	Funds on Hand at Beginning of Year-projected
5	Interest Income (1)
6	Capacity Charges (2)
7	Total Sources of Funds

Uses of Funds

8	Debt Service Payment
9	Capital Project
10	Total Uses of Funds
11	Funds on Hand at End of Year-projected

- (1) Assumes an interest rate of 2.5%
(2) Assumes no new connections (worst case scenario)
(3) Aeration basin not needed if no new connections are added

<u>FOR PLANNING PURPOSES ONLY</u>					
FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	
155,000	0	0	0	0	
0	0	3,000,000	0	0	
155,000	0	3,000,000	0	0	
FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	
726,570	589,734	604,478	(2,380,410)	(2,380,410)	
18,164	14,743	15,112	0	0	
0	0	0	0	0	
744,734	604,478	619,590	(2,380,410)	(2,380,410)	
0	0	0	0	0	
155,000	0	3,000,000	0	0	
155,000	0	3,000,000	0	0	
589,734	604,478	(2,380,410)	(2,380,410)	(2,380,410)	

NIPOMO COMMUNITY SERVICES DISTRICT
PROPERTY TAX
FUND #600

Line # PROPERTY TAX - FUND #600		FY 19-20
1	None	0
		0

CASH FLOW PROJECTION

Sources of Funds		FY 19-20
2	Funds on Hand at Beginning of Year-projected	450,000
3	Interest Income (1)	11,250
4	Property Taxes(2)	699,000
5	Transfer in from Fund #400	22,000
6	Total Sources of Funds	1,182,250

Uses of Funds

7	Capital Project	0
8	Debt Service-Revenue Bonds Series 2013A Refunding (3)	222,800
9	Transfer to Supplemental Water Fund #500 for Debt Service - Certificate of Participation 2013 B (4)	476,200
10	Bond Administration	4,000
11	Total Uses of Funds	703,000
12	Funds on Hand at End of Year-projected	479,250

- (1) Assumes interest rate of 2.5%
 (2) Assume 1% growth in Property Tax Revenue - Pledged to debt service payments
 (3) Debt service on Revenue Bonds secured by ad valorem property taxes (Per Bond Indenture, irrevocably pledged as first source of payment)
 (4) Debt service on Certificates of Participation 2013B secured first by ad valorem property taxes and then by water revenues
 (Difference between Property Tax Collections and debt service for Revenue Bonds Series 2013 A Refunding)

FOR PLANNING PURPOSES ONLY						
FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25		
0	0	0	0	0	0	0
0	0	0	0	0	0	0
FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25		
479,250	487,231	495,412	503,797	512,392		
11,981	12,181	12,385	12,595	12,810		
705,990	713,050	720,180	727,382	734,656		
0	0	0	0	0		
1,197,221	1,212,462	1,227,978	1,243,774	1,259,858		
0	0	0	0	0		
221,675	220,300	218,675	221,675	224,175		
484,315	492,750	501,505	505,707	467,390		
4,000	4,000	4,000	4,000	4,000		
709,990	717,050	724,180	731,382	695,565		
487,231	495,412	503,797	512,392	564,293		

APPENDICES

APPENDIX A

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**NIPOMO COMMUNITY SERVICES DISTRICT
PROPOSED BUDGET
2019-2020**

ADMINISTRATION FUND #110	2017-18 ACTUAL	2018-19 BUDGET	2018-19 EST ACTUAL	2019-20 PROPOSED
OPERATING REVENUES				
Water - Availability Charges	0	0	0	0
Water - Usage Charges	0	0	0	0
Sewer Revenues	0	0	0	0
Fees and Penalties	0	0	0	0
Meter and Connection Fees	0	0	0	0
Plan Check and Inspection Fees	0	0	0	0
Miscellaneous Income	19,526	14,000	17,000	15,000
Street Lighting/Landscape Maint Charges	0	0	0	0
Franchise Fee - Solid Waste	0	0	0	0
Oper Transfers In-Funded Admin	445,940	482,760	433,211	557,685
Oper Transfers In-Funded Replacement	0	0	0	0
TOTAL OPERATING REVENUES (A)	465,466	496,760	450,211	572,685

OPERATING EXPENDITURES OPERATIONS & MAINTENANCE	2017-18 ACTUAL	2018-19 BUDGET	2018-19 EST ACTUAL	2019-20 PROPOSED
Wages	0	0	0	0
Wages - Overtime	0	0	0	0
Payroll Taxes	0	0	0	0
Retirement	0	0	0	0
Medical and Dental	0	0	0	0
Workers Comp Insurance	0	0	0	0
Wholesale Water Purchased	0	0	0	0
Supplemental Water O & M and Overhead	0	0	0	0
Electricity-pumping	0	0	0	0
Water	0	0	0	0
Chemicals	0	0	0	0
Lab Tests and Sampling	0	0	0	0
Operating Supplies	0	0	0	0
Outside Services	0	0	0	0
Permits and Operating Fees	0	0	0	0
Repairs & Maintenance	0	0	0	0
Engineering	0	0	0	0
Fuel	0	0	0	0
Meters	0	0	0	0
Safety Program	0	0	0	0
Uniforms	0	0	0	0
Landscape Maintenance and Water	0	0	0	0
Solid Waste Program	0	0	0	0
Water Conservation Program	0	0	0	0
Oper Transfer Out - Funded Replacement	0	0	0	0
TOTAL OPERATIONS & MAINTENANCE (B)	0	0	0	0

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**ADMINISTRATION FUND #110
CONTINUED
GENERAL & ADMINISTRATIVE**

	2017-18 ACTUAL	2018-19 BUDGET	2018-19 EST ACTUAL	2019-20 PROPOSED
Wages	76,451	90,000	70,000	94,000
Payroll Taxes	1,480	1,900	1,500	2,800
Retirement	17,959	18,000	15,000	20,000
Medical and Dental	128,665	137,000	118,000	140,000
Other Post Employment Benefits (OPEB)	18,578	17,450	17,500	20,200
Workers Comp Insurance	319	500	250	525
Bank Charges and Fees	4,339	5,000	5,000	5,200
Computer Expense	13,686	17,000	16,000	19,600
Dues and Subscriptions	3,418	2,550	3,000	2,800
Education and Training	5,139	6,000	3,000	7,000
Elections	0	2,000	110	0
Insurance - Liability	16,175	16,500	19,000	21,500
LAFCO Funding	26,642	28,000	49,751	50,000
Landscape and Janitorial	3,779	3,000	3,000	3,000
Legal - General and Special Counsel	73,454	73,000	70,000	75,000
Legal - Water Counsel	0	0	0	0
Professional Services	14,187	8,000	6,000	6,400
Miscellaneous	2,612	5,000	2,500	6,000
Newsletter and Mailers	871	1,800	0	1,000
Office Supplies	2,393	3,400	2,500	3,400
Outside Services	1,925	5,500	1,000	1,000
Postage	1,301	1,900	1,000	1,000
Public Notices	5,989	3,000	4,500	7,000
Repairs and Maintenance - Office Equip/Bldg	24,772	21,700	16,000	21,700
Property Taxes	0	0	0	0
Telephone	1,505	1,560	1,600	1,560
Travel and Mileage	6,102	7,500	6,000	7,500
Utilities - Gas, Electric and Trash	16,024	19,500	18,000	19,500
Oper Transfer Out - Funded Administration	0	0	0	0
TOTAL GENERAL & ADMINISTRATIVE (C)	467,765	496,760	450,211	537,685
TOTAL OPERATING EXPENSES (B)+(C) = (D)	467,765	496,760	450,211	537,685
NET OPERATING REVENUES/(DEFICIT) (A)-(D)=(E)	(2,299)	0	0	35,000
NON-OPERATING REVENUES AND (EXPENDITURES)				
Interest Income	0	0	0	0
Blacklake Water & Sewer Loan Surcharge	0	0	0	0
Interest Income/(Expense) - Debt Service	0	0	0	0
Principal Portion - Debt Service	0	0	0	0
Transfers In and Out	0	0	0	0
Fixed Assets (1)	0	0	0	(35,000)
TOTAL NON-OPERATING REVENUES/(DEFICIT) (F)	0	0	0	(35,000)
NET RESULTS FROM OPERATING AND NON-OPERATING REVENUES/(DEFICIT) (E)+(F)	(2,299)	0	0	0

(1) See Page 23

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**NIPOMO COMMUNITY SERVICES DISTRICT
PROPOSED BUDGET
2019-2020**

WATER FUND #125	2017-18 ACTUAL	2018-19 BUDGET	2018-19 EST ACTUAL	2019-20 PROPOSED
OPERATING REVENUES				
Water - (Fixed) Availability Charges	1,423,083	1,162,000	1,150,000	1,273,000
Water - (Variable) Usage Charges	3,533,852	4,380,000	4,120,000	4,170,000
Sewer Revenues	0	0	0	0
Fees and Penalties	119,723	125,000	130,000	145,000
Meter and Connection Fees	0	1,000	12,000	20,000
Plan Check and Inspection Fees	0	500	700	5,000
Miscellaneous Income	98,768	35,000	40,000	40,000
Street Lighting/Landscape Maint Charges	0	0	0	0
Franchise Fee - Solid Waste	0	0	0	0
Oper Transfers In-Funded Admin	0	0	0	0
Oper Transfers In-Funded Replacement	0	0	0	0
TOTAL OPERATING REVENUES (A)	5,175,426	5,703,500	5,452,700	5,653,000

OPERATING EXPENDITURES OPERATIONS & MAINTENANCE	2017-18 ACTUAL	2018-19 BUDGET	2018-19 EST ACTUAL	2019-20 PROPOSED
Wages	402,837	550,000	450,000	585,000
Wages - Overtime	42,333	50,000	44,000	50,000
Payroll Taxes	8,942	11,000	10,000	12,000
Retirement	120,430	125,000	120,000	143,000
Medical and Dental	143,553	206,000	160,000	200,000
Workers Comp Insurance	9,109	18,000	12,000	17,000
Wholesale Water Purchased (See Page 66)	1,039,190	961,000	907,700	963,526
Supplemental Water O & M/Overhead/Funded Replacement (See Page 66)	250,703	262,000	245,000	260,000
Electricity-pumping and pumping credit	326,475	398,500	360,000	371,000
Water	0	0	0	0
Chemicals	34,109	42,000	38,000	42,000
Lab Tests and Sampling	39,270	50,000	48,000	50,000
Operating Supplies	149,610	155,000	150,000	155,000
Outside Services	76,248	97,000	95,000	120,000
Permits and Operating Fees	22,860	27,500	20,000	27,500
Repairs & Maintenance	50,053	120,500	80,000	94,000
Engineering	558	10,000	12,000	10,000
Fuel	22,833	22,000	26,000	26,400
Meters	0	50,000	50,000	50,000
Safety Program	990	5,200	1,500	3,300
Uniforms	9,469	11,900	12,500	13,200
Landscape Maintenance and Water	0	0	0	0
Solid Waste Program	0	0	0	0
Water Conservation Program	31,378	50,000	20,000	30,000
Oper Transfer Out - Funded Replacement	580,000	595,000	595,000	610,000
TOTAL OPERATIONS & MAINTENANCE (B)	3,360,950	3,817,600	3,456,700	3,832,926

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**WATER FUND #125
CONTINUED
GENERAL & ADMINISTRATIVE**

	2017-18 ACTUAL	2018-19 BUDGET	2018-19 EST ACTUAL	2019-20 PROPOSED
Wages	291,333	330,000	275,000	392,000
Payroll Taxes	5,641	6,700	6,000	14,600
Retirement	60,632	73,000	50,000	84,500
Medical and Dental	83,900	90,000	75,000	113,000
Other Post Employment Benefits (OPEB)	52,422	52,400	52,400	60,600
Workers Comp Insurance	577	1,400	1,000	1,625
Bank Charges and Credit Card Fees	4,604	5,300	5,000	5,000
Computer Expense	47,807	75,000	90,000	93,500
Dues and Subscriptions	10,514	10,540	10,000	11,000
Education and Training	1,065	5,000	2,000	5,000
Elections	0	6,000	330	0
Insurance - Liability	48,907	49,500	58,500	64,500
LAFCO Funding	0	0	0	0
Landscape and Janitorial	8,037	9,000	9,000	9,000
Legal - General and Special Counsel	39,593	50,000	12,000	15,000
Legal - Water Counsel	92,181	75,000	60,000	75,000
Professional Services	128,167	125,000	115,000	110,000
Miscellaneous	450	1,000	500	1,000
Newsletter and Mailers	5,533	5,400	2,000	2,000
Office Supplies	8,833	10,200	10,000	10,200
Outside Services	3,922	6,000	4,000	4,800
Postage	14,943	15,700	11,000	12,650
Public Notices	2,912	2,000	0	0
Repairs and Maintenance - Office Equip/Bldg	3,208	5,100	4,000	5,100
Property Taxes	1,347	1,400	1,429	1,500
Telephone	4,515	4,680	4,500	4,680
Travel and Mileage	174	4,000	2,500	3,000
Utilities - Gas, Electric and Trash	0	0	0	0
Oper Transfer Out - Funded Administration	324,001	353,595	320,652	415,253
TOTAL GENERAL & ADMINISTRATIVE (C)	1,245,218	1,372,915	1,181,811	1,514,508
TOTAL OPERATING EXPENSES (B)+(C) = (D)	4,606,168	5,190,515	4,638,511	5,347,434
NET OPERATING REVENUES/(DEFICIT) (A)-(D)=(E)	569,258	512,985	814,189	305,566
NON-OPERATING REVENUES AND (EXPENDITURES)				
Interest Income	23,778	40,500	45,600	55,600
Blacklake Water & Sewer Loan Surcharge	25,236	25,758	0	0
Interest Income/(Expense) - Debt Service	(1,192)	(445)	0	0
Principal Portion - Debt Service	(26,428)	(25,313)	0	0
Transfers In and Out	0	0	0	0
Fixed Assets (1)	(122,000)	(225,600)	(157,000)	(355,700)
TOTAL NON-OPERATING REVENUES/(DEFICIT) (F)	(100,606)	(185,100)	(111,400)	(300,100)
NET RESULTS FROM OPERATING AND NON-OPERATING REVENUES/(DEFICIT) (E)+(F)	468,652	327,885	702,789	5,466

(1) See Page 23

Estimated Cash Balance 7/1/19	2,224,000
Net Results from Operations	5,466

Estimated Cash Balance 6/30/20	<u>2,229,466</u>
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Cash Reserve Goal at 6/30/20	<u>4,737,434</u>
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**NIPOMO COMMUNITY SERVICES DISTRICT
PROPOSED BUDGET
2019-2020**

**WATER RATE
STABILIZATION FUND #128**

2017-18
ACTUAL

2018-19
BUDGET

2018-19
EST ACTUAL

2019-20
PROPOSED

OPERATING REVENUES

Water - Availability Charges	0	0	0	0
Water - Usage Charges	0	0	0	0
Sewer Revenues	0	0	0	0
Fees and Penalties	0	0	0	0
Meter and Connection Fees	0	0	0	0
Plan Check and Inspection Fees	0	0	0	0
Miscellaneous Income	0	0	0	0
Street Lighting/Landscape Maint Charges	0	0	0	0
Franchise Fee - Solid Waste	0	0	0	0
Oper Transfers In-Funded Admin	0	0	0	0
Oper Transfers In-Funded Replacement	0	0	0	0
TOTAL OPERATING REVENUES (A)	0	0	0	0

**OPERATING EXPENDITURES
OPERATIONS & MAINTENANCE**

2017-18
ACTUAL

2018-19
BUDGET

2018-19
EST ACTUAL

2019-20
PROPOSED

Wages	0	0	0	0
Wages - Overtime	0	0	0	0
Payroll Taxes	0	0	0	0
Retirement	0	0	0	0
Medical and Dental	0	0	0	0
Workers Comp Insurance	0	0	0	0
Wholesale Water Purchased	0	0	0	0
Supplemental Water O & M and Overhead	0	0	0	0
Electricity-Pumps and blowers	0	0	0	0
Water	0	0	0	0
Chemicals	0	0	0	0
Lab Tests and Sampling	0	0	0	0
Operating Supplies	0	0	0	0
Outside Services	0	0	0	0
Permits and Operating Fees	0	0	0	0
Repairs & Maintenance	0	0	0	0
Engineering	0	0	0	0
Fuel	0	0	0	0
Meters	0	0	0	0
Safety Program	0	0	0	0
Uniforms	0	0	0	0
Landscape Maintenance and Water	0	0	0	0
Solid Waste Program	0	0	0	0
Water Conservation Program	0	0	0	0
Oper Transfer Out - Funded Replacement	0	0	0	0
TOTAL OPERATIONS & MAINTENANCE (B)	0	0	0	0

**WATER RATE STABILIZATION FUND #128
CONTINUED**

GENERAL & ADMINISTRATIVE	2017-18 ACTUAL	2018-19 BUDGET	2018-19 EST ACTUAL	2019-20 PROPOSED
Wages	0	0	0	0
Payroll Taxes	0	0	0	0
Retirement	0	0	0	0
Medical and Dental	0	0	0	0
Other Post Employment Benefits (OPEB)	0	0	0	0
Workers Comp Insurance	0	0	0	0
Bank Charges and Fees	0	0	0	0
Computer Expense	0	0	0	0
Dues and Subscriptions	0	0	0	0
Education and Training	0	0	0	0
Elections	0	0	0	0
Insurance - Liability	0	0	0	0
LAFCO Funding	0	0	0	0
Landscape and Janitorial	0	0	0	0
Legal - General and Special Counsel	0	0	0	0
Legal - Water Counsel	0	0	0	0
Professional Services	0	0	0	0
Miscellaneous	0	0	0	0
Newsletter and Mailers	0	0	0	0
Office Supplies	0	0	0	0
Outside Services	0	0	0	0
Postage	0	0	0	0
Public Notices	0	0	0	0
Repairs and Maintenance - Office Equip/Bldg	0	0	0	0
Property Taxes	0	0	0	0
Telephone	0	0	0	0
Travel and Mileage	0	0	0	0
Utilities - Gas, Electric and Trash	0	0	0	0
Oper Transfer Out - Funded Administration	0	0	0	0
TOTAL GENERAL & ADMINISTRATIVE (C)	0	0	0	0
TOTAL OPERATING EXPENSES (B)+(C) = (D)	0	0	0	0
NET OPERATING REVENUES/(DEFICIT) (A)-(D)=(E)	0	0	0	0
NON-OPERATING REVENUES AND (EXPENDITURES)				
Interest Income	5,567	6,000	9,000	10,450
Blacklake Water & Sewer Loan Surcharge	0	0	0	0
Interest Income/(Expense) - Debt Service	0	0	0	0
Principal Portion - Debt Service	0	0	0	0
Transfers In and Out	0	0	0	0
Fixed Assets (1)	0	0	0	0
TOTAL NON-OPERATING REVENUES/(DEFICIT) (F)	5,567	6,000	9,000	10,450
NET RESULTS FROM OPERATING AND NON-OPERATING REVENUES/(DEFICIT) (E)+(F)	5,567	6,000	9,000	10,450

Estimated Cash Balance 7/1/19 418,000
Net Results from Operations 10,450

Estimated Cash Balance 6/30/20 428,450

Cash Reserve Goal at 6/30/20 400,000

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**NIPOMO COMMUNITY SERVICES DISTRICT
PROPOSED BUDGET
2019-2020**

TOWN SEWER FUND #130

2017-18
ACTUAL

2018-19
BUDGET

2018-19
EST ACTUAL

2019-20
PROPOSED

OPERATING REVENUES

Water - Availability Charges	0	0	0	0
Water - Usage Charges	0	0	0	0
Sewer Revenues	2,031,534	2,074,000	2,091,500	2,198,000
Fees and Penalties	0	0	0	0
Meter and Connection Fees	0	0	0	0
Plan Check and Inspection Fees	0	0	0	0
Miscellaneous Income	17,940	0	0	0
Street Lighting/Landscape Maint Charges	0	0	0	0
Franchise Fee - Solid Waste	0	0	0	0
Oper Transfers In-Funded Admin	0	0	0	0
Oper Transfers In-Funded Replacement	0	0	0	0
TOTAL OPERATING REVENUES (A)	2,049,474	2,074,000	2,091,500	2,198,000

**OPERATING EXPENDITURES
OPERATIONS & MAINTENANCE**

2017-18
ACTUAL

2018-19
BUDGET

2018-19
EST ACTUAL

2019-20
PROPOSED

Wages	279,106	328,500	255,000	353,000
Wages - Overtime	27,223	34,000	34,000	42,000
Payroll Taxes	5,459	6,500	6,000	7,500
Retirement	68,322	58,500	49,000	84,200
Medical and Dental	106,819	126,000	102,000	132,000
Workers Comp Insurance	8,919	17,000	11,000	17,000
Wholesale Water Purchased		0	0	0
Supplemental Water O & M and Overhead	0	0	0	0
Electricity-Pumps and blowers	143,444	148,000	160,000	165,000
Water	1,017	2,300	700	1,000
Chemicals	13,790	20,000	13,000	16,000
Lab Tests and Sampling	25,594	28,000	28,000	30,000
Operating Supplies	51,823	50,000	45,000	50,000
Outside Services	109,214	145,000	115,000	120,000
Permits and Operating Fees	11,630	13,000	12,000	13,000
Repairs & Maintenance	114,077	115,000	100,000	105,000
Engineering	12,304	15,000	0	5,000
Fuel	9,011	7,000	8,500	8,800
Meters	0	0	0	0
Safety Program	330	1,800	500	1,100
Uniforms	3,156	4,000	4,200	4,400
Landscape Maintenance and Water	0	0	0	0
Solid Waste Program	0	0	0	0
Water Conservation Program	0	0	0	0
Oper Transfer Out - Funded Replacement	395,000	395,000	395,000	395,000
TOTAL OPERATIONS & MAINTENANCE (B)	1,386,238	1,514,600	1,338,900	1,550,000

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**TOWN SEWER FUND #130
CONTINUED
GENERAL & ADMINISTRATIVE**

	2017-18 ACTUAL	2018-19 BUDGET	2018-19 EST ACTUAL	2019-20 PROPOSED
Wages	26,182	29,000	26,000	38,200
Payroll Taxes	650	800	650	1,600
Retirement	3,748	7,000	4,000	8,200
Medical and Dental	9,147	9,000	8,500	13,800
Other Post Employment Benefits (OPEB)	11,139	14,900	14,900	17,170
Workers Comp Insurance	105	110	100	160
Bank Charges and Fees	0	0	0	0
Computer Expense	14,058	24,000	29,000	30,500
Dues and Subscriptions	5,353	5,820	4,500	5,600
Education and Training	1,733	5,000	2,000	5,000
Elections	0	1,700	100	0
Insurance - Liability	14,418	14,025	17,000	18,275
LAFCO Funding	0	0	0	0
Landscape and Janitorial	2,277	2,550	2,500	2,550
Legal - General and Special Counsel	5,586	1,000	0	5,000
Legal - Water Counsel	0	0	0	0
Professional Services (Includes Rate Study)	18,123	2,600	2,100	25,500
Miscellaneous	21	500	0	500
Newsletter and Mailers	740	1,530	0	2,380
Office Supplies	2,034	2,900	2,500	2,900
Outside Services	6,109	5,700	4,500	5,525
Postage	5,514	5,800	5,500	5,700
Public Notices	115	0	200	0
Repairs and Maintenance - Office Equip/Bldg	909	1,500	1,200	1,500
Property Taxes	0	0	0	0
Telephone	1,279	1,325	1,300	1,325
Travel and Mileage	0	2,000	500	2,000
Utilities - Gas, Electric and Trash	0	0	0	0
Oper Transfer Out - Funded Administration	91,800	100,185	88,601	114,741
TOTAL GENERAL & ADMINISTRATIVE (C)	221,040	238,945	215,651	308,126

TOTAL OPERATING EXPENSES (B)+(C) = (D)	1,607,278	1,753,545	1,554,551	1,858,126
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NET OPERATING REVENUES/(DEFICIT) (A)-(D)=(E)	442,196	320,455	536,949	339,874
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NON-OPERATING REVENUES AND (EXPENDITURES)

Interest Income	17,756	15,000	18,000	10,050
Blacklake Water & Sewer Loan Surcharge	0	0	0	0
Interest Income/(Expense) - Debt Service	(357,215)	(352,449)	(352,449)	(345,849)
Principal Portion - Debt Service	(165,000)	(165,000)	(165,000)	(175,000)
Transfers In and Out	0	0	0	0
Fixed Assets (1)	(40,700)	(57,200)	(42,900)	(31,900)
TOTAL NON-OPERATING REVENUES/(DEFICIT) (F)	(545,159)	(559,649)	(542,349)	(542,699)

NET RESULTS FROM OPERATING AND NON-OPERATING REVENUES/(DEFICIT) (E)+(F)	(102,963)	(239,194)	(5,400)	(202,825)
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Estimated Cash Balance 7/1/19	402,000
Net Results from Operations	(202,825)

(1) See Page 23

Estimated Cash Balance 6/30/20	<u>199,175</u>
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Cash Reserve Goal at 6/30/20	<u>731,563</u>
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**NIPOMO COMMUNITY SERVICES DISTRICT
PROPOSED BUDGET
2019-2020**

**TOWN SEWER RATE
STABILIZATION FUND #135**

2017-18 ACTUAL	2018-19 BUDGET	2018-19 EST ACTUAL	2019-20 PROPOSED
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OPERATING REVENUES

Water - Availability Charges	0	0	0	0
Water - Usage Charges	0	0	0	0
Sewer Revenues	0	0	0	0
Fees and Penalties	0	0	0	0
Meter and Connection Fees	0	0	0	0
Plan Check and Inspection Fees	0	0	0	0
Miscellaneous Income	0	0	0	0
Street Lighting/Landscape Maint Charges	0	0	0	0
Franchise Fee - Solid Waste	0	0	0	0
Oper Transfers In-Funded Admin	0	0	0	0
Oper Transfers In-Funded Replacement	0	0	0	0
TOTAL OPERATING REVENUES (A)	0	0	0	0

**OPERATING EXPENDITURES
OPERATIONS & MAINTENANCE**

2017-18 ACTUAL	2018-19 BUDGET	2018-19 EST ACTUAL	2019-20 PROPOSED
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Wages	0	0	0	0
Wages - Overtime	0	0	0	0
Payroll Taxes	0	0	0	0
Retirement	0	0	0	0
Medical and Dental	0	0	0	0
Workers Comp Insurance	0	0	0	0
Wholesale Water Purchased	0	0	0	0
Supplemental Water O & M and Overhead	0	0	0	0
Electricity-Pumps and blowers	0	0	0	0
Water	0	0	0	0
Chemicals	0	0	0	0
Lab Tests and Sampling	0	0	0	0
Operating Supplies	0	0	0	0
Outside Services	0	0	0	0
Permits and Operating Fees	0	0	0	0
Repairs & Maintenance	0	0	0	0
Engineering	0	0	0	0
Fuel	0	0	0	0
Meters	0	0	0	0
Safety Program	0	0	0	0
Uniforms	0	0	0	0
Landscape Maintenance and Water	0	0	0	0
Solid Waste Program	0	0	0	0
Water Conservation Program	0	0	0	0
Oper Transfer Out - Funded Replacement	0	0	0	0
TOTAL OPERATIONS & MAINTENANCE(B)	0	0	0	0

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TOWN SEWER RATE STABILIZATION #135

CONTINUED

GENERAL & ADMINISTRATIVE	2017-18 ACTUAL	2018-19 BUDGET	2018-19 EST ACTUAL	2019-20 PROPOSED
Wages	0	0	0	0
Payroll Taxes	0	0	0	0
Retirement	0	0	0	0
Medical and Dental	0	0	0	0
Other Post Employment Benefits (OPEB)	0	0	0	0
Workers Comp Insurance	0	0	0	0
Bank Charges and Fees	0	0	0	0
Computer Expense	0	0	0	0
Dues and Subscriptions	0	0	0	0
Education and Training	0	0	0	0
Elections	0	0	0	0
Insurance - Liability	0	0	0	0
LAFCO Funding	0	0	0	0
Landscape and Janitorial	0	0	0	0
Legal - General and Special Counsel	0	0	0	0
Legal - Water Counsel	0	0	0	0
Professional Services	0	0	0	0
Miscellaneous	0	0	0	0
Newsletter and Mailers	0	0	0	0
Office Supplies	0	0	0	0
Outside Services	0	0	0	0
Postage	0	0	0	0
Public Notices	0	0	0	0
Repairs and Maintenance - Office Equip/Bldg	0	0	0	0
Property Taxes	0	0	0	0
Telephone	0	0	0	0
Travel and Mileage	0	0	0	0
Utilities - Gas, Electric and Trash	0	0	0	0
Oper Transfer Out - Funded Administration	0	0	0	0
TOTAL GENERAL & ADMINISTRATIVE (C)	0	0	0	0
TOTAL OPERATING EXPENSES (B)+(C) = (D)	0	0	0	0
NET OPERATING REVENUES/(DEFICIT) (A)-(D)=(E)	0	0	0	0
NON-OPERATING REVENUES AND (EXPENDITURES)				
Interest Income	4,186	4,600	6,700	7,875
Blacklake Water & Sewer Loan Surcharge	0	0	0	0
Interest Income/(Expense) - Debt Service	0	0	0	0
Principal Portion - Debt Service	0	0	0	0
Transfers In and Out	0	0	0	0
Fixed Assets (1)	0	0	0	0
TOTAL NON-OPERATING REVENUES/(DEFICIT) (F)	4,186	4,600	6,700	7,875
NET RESULTS FROM OPERATING AND NON-OPERATING REVENUES/(DEFICIT) (E)+(F)	4,186	4,600	6,700	7,875

Estimated Cash Balance 7/1/19	315,000
Net Results from Operations	7,875

Estimated Cash Balance 6/30/20	<u>322,875</u>
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Cash Reserve Goal at 6/30/20	<u>300,000</u>
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**NIPOMO COMMUNITY SERVICES DISTRICT
PROPOSED BUDGET
2019-2020**

BLACKLAKE SEWER FUND #150	2017-18 ACTUAL	2018-19 BUDGET	2018-19 EST ACTUAL	2019-20 PROPOSED
OPERATING REVENUES				
Water - Availability Charges	0	0	0	0
Water - Usage Charges	0	0	0	0
Sewer Revenues	475,507	473,000	474,000	576,000
Fees and Penalties	0	0	0	0
Meter and Connection Fees	0	0	0	0
Plan Check and Inspection Fees	0	0	0	0
Miscellaneous Income	0	0	0	0
Street Lighting/Landscape Maint Charges	0	0	0	0
Franchise Fee - Solid Waste	0	0	0	0
Oper Transfers In-Funded Admin	0	0	0	0
Oper Transfers In-Funded Replacement	0	0	0	0
TOTAL OPERATING REVENUES (A)	475,507	473,000	474,000	576,000

OPERATING EXPENDITURES OPERATIONS & MAINTENANCE	2017-18 ACTUAL	2018-19 BUDGET	2018-19 EST ACTUAL	2019-20 PROPOSED
Wages	69,071	68,000	66,000	72,400
Wages - Overtime	6,806	6,200	6,200	6,300
Payroll Taxes	1,357	1,400	1,400	1,500
Retirement	14,688	12,000	12,000	17,000
Medical and Dental	26,772	25,000	25,000	25,000
Workers Comp Insurance	2,665	3,000	2,700	3,000
Wholesale Water Purchased	0	0	0	0
Supplemental Water O & M and Overhead	0	0	0	0
Electricity-Pumps and blowers	37,513	43,500	42,000	43,500
Water	2,161	2,500	3,500	4,000
Chemicals	15,980	19,000	15,000	18,000
Lab Tests and Sampling	25,853	27,500	24,000	27,000
Operating Supplies	2,410	5,000	4,000	5,000
Outside Services	3,962	7,500	7,000	7,500
Permits and Operating Fees	8,363	9,000	8,000	9,500
Repairs & Maintenance	19,898	13,000	15,000	13,500
Engineering	1,046	3,000	0	3,000
Fuel	4,152	4,000	4,500	4,800
Meters	0	0	0	0
Safety Program	180	900	200	600
Uniforms	1,722	2,100	2,300	2,400
Landscape Maintenance and Water	0	0	0	0
Solid Waste Program	0	0	0	0
Water Conservation Program	0	0	0	0
Oper Transfer Out - Funded Replacement	168,000	168,000	168,000	173,000
TOTAL OPERATIONS & MAINTENANCE (B)	412,599	420,600	406,800	437,000

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BLACKLAKE SEWER FUND #150

CONTINUED

GENERAL & ADMINISTRATIVE	2017-18 ACTUAL	2018-19 BUDGET	2018-19 EST ACTUAL	2019-20 PROPOSED
Wages	4,222	5,000	4,000	5,600
Payroll Taxes	105	150	125	200
Retirement	598	1,000	650	1,200
Medical and Dental	1,069	1,100	875	1,500
Other Post Employment Benefits (OPEB)	2,620	2,620	2,620	3,030
Workers Comp Insurance	17	20	15	25
Bank Charges and Fees	0	0	0	0
Computer Expense	2,993	5,000	9,500	7,300
Dues and Subscriptions	547	955	600	750
Education and Training	0	0	0	0
Elections	0	300	20	0
Insurance - Liability	2,486	2,475	2,700	3,225
LAFCO Funding	0	0	0	0
Landscape and Janitorial	402	450	450	450
Legal - General and Special Counsel	4,242	1,000	4,000	5,000
Legal - Water Counsel	0	0	0	0
Professional Services	4,504	98,450	50,000	51,000
Miscellaneous	51	500	650	1,300
Newsletter and Mailers	131	770	200	420
Office Supplies	359	500	400	500
Outside Services	268	375	250	675
Postage	772	2,000	1,100	1,850
Public Notices	0	2,000	0	0
Repairs and Maintenance - Office Equip/Bldg	160	250	200	250
Property Taxes	0	0	0	0
Telephone	808	935	900	935
Travel and Mileage	0	0	0	0
Utilities - Gas, Electric and Trash	0	0	0	0
Oper Transfer Out - Funded Administration	16,200	17,680	12,657	16,392
TOTAL GENERAL & ADMINISTRATIVE (C)	42,554	143,530	91,912	101,602
TOTAL OPERATING EXPENSES (B)+(C) = (D)	455,153	564,130	498,712	538,602
NET OPERATING REVENUES/(DEFICIT) (A)-(D)=(E)	20,354	(91,130)	(24,712)	37,398
NON-OPERATING REVENUES AND (EXPENDITURES)				
Interest Income	2,919	3,000	4,700	4,275
Blacklake Water & Sewer Loan Surcharge	24,567	20,376	0	0
Interest Income/(Expense) - Debt Service	0	(352)	0	0
Principal Portion - Debt Service	0	(20,024)	0	0
Transfers In and Out	0	0	0	0
Fixed Assets (1)	(22,000)	(31,200)	(23,400)	(17,400)
TOTAL NON-OPERATING REVENUES/(DEFICIT) (F)	5,486	(28,200)	(18,700)	(13,125)
NET RESULTS FROM OPERATING AND NON-OPERATING REVENUES/(DEFICIT) (E)+(F)	25,840	(119,330)	(43,412)	24,273

Estimated Cash Balance 7/1/19 171,000
Net Results from Operations 24,273

(1) See Page 23

Estimated Cash Balance 6/30/20 195,273

Cash Reserve Goal at 6/30/20 182,801

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**NIPOMO COMMUNITY SERVICES DISTRICT
PROPOSED BUDGET
2019-2020**

**BLACKLAKE SEWER RATE
STABILIZATION FUND #155**

2017-18
ACTUAL

2018-19
BUDGET

2018-19
EST ACTUAL

2019-20
PROPOSED

OPERATING REVENUES

Water - Availability Charges	0	0	0	0
Water - Usage Charges	0	0	0	0
Sewer Revenues	0	0	0	0
Fees and Penalties	0	0	0	0
Meter and Connection Fees	0	0	0	0
Plan Check and Inspection Fees	0	0	0	0
Miscellaneous Income	0	0	0	0
Street Lighting/Landscape Maint Charges	0	0	0	0
Franchise Fee - Solid Waste	0	0	0	0
Oper Transfers In-Funded Admin	0	0	0	0
Oper Transfers In-Funded Replacement	0	0	0	0
TOTAL OPERATING REVENUES (A)	0	0	0	0

**OPERATING EXPENDITURES
OPERATIONS & MAINTENANCE**

2017-18
ACTUAL

2018-19
BUDGET

2018-19
EST ACTUAL

2019-20
PROPOSED

Wages	0	0	0	0
Wages - Overtime	0	0	0	0
Payroll Taxes	0	0	0	0
Retirement	0	0	0	0
Medical and Dental	0	0	0	0
Workers Comp Insurance	0	0	0	0
Wholesale Water Purchased	0	0	0	0
Supplemental Water O & M and Overhead	0	0	0	0
Electricity-Pumps and blowers	0	0	0	0
Water	0	0	0	0
Chemicals	0	0	0	0
Lab Tests and Sampling	0	0	0	0
Operating Supplies	0	0	0	0
Outside Services	0	0	0	0
Permits and Operating Fees	0	0	0	0
Repairs & Maintenance	0	0	0	0
Engineering	0	0	0	0
Fuel	0	0	0	0
Meters	0	0	0	0
Safety Program	0	0	0	0
Uniforms	0	0	0	0
Landscape Maintenance and Water	0	0	0	0
Solid Waste Program	0	0	0	0
Water Conservation Program	0	0	0	0
Oper Transfer Out - Funded Replacement	0	0	0	0
TOTAL OPERATIONS & MAINTENANCE (B)	0	0	0	0

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BLACKLAKE SEWER RATE STABILIZATION #155

CONTINUED

GENERAL & ADMINISTRATIVE	2017-18 ACTUAL	2018-19 BUDGET	2018-19 EST ACTUAL	2019-20 PROPOSED
Wages	0	0	0	0
Payroll Taxes	0	0	0	0
Retirement	0	0	0	0
Medical and Dental	0	0	0	0
Other Post Employment Benefits (OPEB)	0	0	0	0
Workers Comp Insurance	0	0	0	0
Bank Charges and Fees	0	0	0	0
Computer Expense	0	0	0	0
Dues and Subscriptions	0	0	0	0
Education and Training	0	0	0	0
Elections	0	0	0	0
Insurance - Liability	0	0	0	0
LAFCO Funding	0	0	0	0
Landscape and Janitorial	0	0	0	0
Legal - General and Special Counsel	0	0	0	0
Legal - Water Counsel	0	0	0	0
Professional Services	0	0	0	0
Miscellaneous	0	0	0	0
Newsletter and Mailers	0	0	0	0
Office Supplies	0	0	0	0
Outside Services	0	0	0	0
Postage	0	0	0	0
Public Notices	0	0	0	0
Repairs and Maintenance - Office Equip/Bldg	0	0	0	0
Property Taxes	0	0	0	0
Telephone	0	0	0	0
Travel and Mileage	0	0	0	0
Utilities - Gas, Electric and Trash	0	0	0	0
Oper Transfer Out - Funded Administration	0	0	0	0
TOTAL GENERAL & ADMINISTRATIVE (C)	0	0	0	0
TOTAL OPERATING EXPENSES (B)+(C) = (D)	0	0	0	0
NET OPERATING REVENUES/(DEFICIT) (A)-(D)=(E)	0	0	0	0
NON-OPERATING REVENUES AND (EXPENDITURES)				
Interest Income	696	750	1,100	1,325
Blacklake Water & Sewer Loan Surcharge		0	0	0
Interest Income/(Expense) - Debt Service	0	0	0	0
Principal Portion - Debt Service	0	0	0	0
Transfers In and Out	0	0	0	0
Fixed Assets (1)	0	0	0	0
TOTAL NON-OPERATING REVENUES/(DEFICIT) (F)	696	750	1,100	1,325
NET RESULTS FROM OPERATING AND NON-OPERATING REVENUES/(DEFICIT) (E)+(F)	696	750	1,100	1,325

Estimated Cash Balance 7/1/19 53,000
Net Results from Operations 1,325

Estimated Cash Balance 6/30/20 54,325

Cash Reserve Goal at 6/30/20 50,000

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**NIPOMO COMMUNITY SERVICES DISTRICT
PROPOSED BUDGET
2019-2020**

STREET LIGHTING FUND #200

2017-18
ACTUAL

2018-19
BUDGET

2018-19
EST ACTUAL

2019-20
PROPOSED

OPERATING REVENUES

Water - Availability Charges	0	0	0	0
Water - Usage Charges	0	0	0	0
Sewer Revenues	0	0	0	0
Fees and Penalties	0	0	0	0
Meter and Connection Fees	0	0	0	0
Plan Check and Inspection Fees	0	0	0	0
Miscellaneous Income	0	0	0	0
Street Lighting/Landscape Maint Charges	24,508	27,850	27,850	27,850
Franchise Fee - Solid Waste	0	0	0	0
Oper Transfers In-Funded Admin	0	0	0	0
Oper Transfers In-Funded Replacement	0	0	0	0
TOTAL OPERATING REVENUES (A)	24,508	27,850	27,850	27,850

**OPERATING EXPENDITURES
OPERATIONS & MAINTENANCE**

2017-18
ACTUAL

2018-19
BUDGET

2018-19
EST ACTUAL

2019-20
PROPOSED

Wages	0	0	0	0
Wages - Overtime	0	0	0	0
Payroll Taxes	0	0	0	0
Retirement	0	0	0	0
Medical and Dental	0	0	0	0
Workers Comp Insurance	0	0	0	0
Wholesale Water Purchased	0	0	0	0
Supplemental Water O & M and Overhead	0	0	0	0
Electricity-Streetlights	27,974	28,700	28,300	28,500
Water	0	0	0	0
Chemicals	0	0	0	0
Lab Tests and Sampling	0	0	0	0
Operating Supplies	0	0	0	0
Outside Services	0	0	0	0
Permits and Operating Fees	0	0	0	0
Repairs & Maintenance	0	0	0	0
Engineering	0	0	0	0
Fuel	0	0	0	0
Meters	0	0	0	0
Safety Program	0	0	0	0
Uniforms	0	0	0	0
Landscape Maintenance and Water	0	0	0	0
Solid Waste Program	0	0	0	0
Water Conservation Program	0	0	0	0
Oper Transfer Out - Funded Replacement	0	0	0	0
TOTAL OPERATIONS & MAINTENANCE (B)	27,974	28,700	28,300	28,500

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STREET LIGHTING FUND #200
CONTINUED
GENERAL & ADMINISTRATIVE

	2017-18 ACTUAL	2018-19 BUDGET	2018-19 EST ACTUAL	2019-20 PROPOSED
Wages	0	0	0	0
Payroll Taxes	0	0	0	0
Retirement	0	0	0	0
Medical and Dental	0	0	0	0
Other Post Employment Benefits (OPEB)	0	0	0	0
Workers Comp Insurance	0	0	0	0
Bank Charges and Fees	0	0	0	0
Computer Expense	0	0	0	0
Dues and Subscriptions	0	0	0	0
Education and Training	0	0	0	0
Elections	0	0	0	0
Insurance - Liability	500	500	500	500
LAFCO Funding	0	0	0	0
Landscape and Janitorial	0	0	0	0
Legal - General and Special Counsel	0	1,000	0	0
Legal - Water Counsel	0	0	0	0
Professional Services	0	0	0	0
Miscellaneous	0	0	0	0
Newsletter and Mailers	105	500	0	0
Office Supplies	0	0	0	0
Outside Services	0	0	0	0
Postage	0	300	0	0
Public Notices	0	500	500	500
Repairs and Maintenance - Office Equip/Bldg	0	0	0	0
Property Taxes	0	0	0	0
Telephone	0	0	0	0
Travel and Mileage	0	0	0	0
Utilities - Gas, Electric and Trash	0	0	0	0
Oper Transfer Out - Funded Administration	0	500	500	500
TOTAL GENERAL & ADMINISTRATIVE (C)	605	3,300	1,500	1,500

TOTAL OPERATING EXPENSES (B)+(C) = (D)	28,579	32,000	29,800	30,000
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NET OPERATING REVENUES/(DEFICIT) (A)-(D)=(E)	(4,071)	(4,150)	(1,950)	(2,150)
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NON-OPERATING REVENUES AND (EXPENDITURES)

Interest Income	284	300	350	500
Blacklake Water & Sewer Loan Surcharge	0	0	0	0
Interest Income/(Expense) - Debt Service	0	0	0	0
Principal Portion - Debt Service	0	0	0	0
Transfers In and Out	0	0	0	0
Fixed Assets (1)	0	0	0	0
TOTAL NON-OPERATING REVENUES/(DEFICIT) (F)	284	300	350	500

NET RESULTS FROM OPERATING AND NON-OPERATING REVENUES/(DEFICIT) (E)+(F)	(3,787)	(3,850)	(1,600)	(1,650)
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Estimated Cash Balance 7/1/19 20,000
Net Results from Operations (1,650)

Estimated Cash Balance 6/30/20 18,350

Cash Reserve Goal at 6/30/20 30,000

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**NIPOMO COMMUNITY SERVICES DISTRICT
PROPOSED BUDGET
2019-2020**

STREET LANDSCAPE MAINT DISTRICT FUND #250 OPERATING REVENUES	2017-18 ACTUAL	2018-19 BUDGET	2018-19 EST ACTUAL	2019-20 PROPOSED
Water - Availability Charges	0	0	0	0
Water - Usage Charges	0	0	0	0
Sewer Revenues	0	0	0	0
Fees and Penalties	0	0	0	0
Meter and Connection Fees	0	0	0	0
Plan Check and Inspection Fees	0	0	0	0
Miscellaneous Income	627	0	0	0
Street Lighting/Landscape Maint Charges	10,640	12,180	12,180	12,180
Franchise Fee - Solid Waste	0	0	0	0
Oper Transfers In-Funded Admin	0	0	0	0
Oper Transfers In-Funded Replacement	0	0	0	0
TOTAL OPERATING REVENUES (A)	11,267	12,180	12,180	12,180

OPERATING EXPENDITURES OPERATIONS & MAINTENANCE	2017-18 ACTUAL	2018-19 BUDGET	2018-19 EST ACTUAL	2019-20 PROPOSED
Wages	0	0	0	0
Wages - Overtime	0	0	0	0
Payroll Taxes	0	0	0	0
Retirement	0	0	0	0
Medical and Dental	0	0	0	0
Workers Comp Insurance	0	0	0	0
Wholesale Water Purchased	0	0	0	0
Supplemental Water O & M and Overhead	0	0	0	0
Water	0	0	0	0
Electricity	120	150	130	150
Chemicals	0	0	0	0
Lab Tests and Sampling	0	0	0	0
Operating Supplies	0	0	0	0
Outside Services	0	0	0	0
Permits and Operating Fees	0	0	0	0
Repairs & Maintenance	0	0	0	0
Engineering	0	0	0	0
Fuel	0	0	0	0
Meters	0	0	0	0
Safety Program	0	0	0	0
Uniforms	0	0	0	0
Landscape Maintenance and Water	17,785	8,000	8,000	13,500
Solid Waste Program	0	0	0	0
Water Conservation Program	0	0	0	0
Oper Transfer Out - Funded Replacement	0	0	0	0
TOTAL OPERATIONS & MAINTENANCE (B)	17,905	8,150	8,130	13,650

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**STREET LANDSCAPE MAINT DISTRICT
FUND #250 CONTINUED
GENERAL & ADMINISTRATIVE**

	2017-18 ACTUAL	2018-19 BUDGET	2018-19 EST ACTUAL	2019-20 PROPOSED
Wages	0	0	0	0
Payroll Taxes	0	0	0	0
Retirement	0	0	0	0
Medical and Dental	0	0	0	0
Other Post Employment Benefits (OPEB)	0	0	0	0
Workers Comp Insurance	0	0	0	0
Bank Charges and Fees	0	0	0	0
Computer Expense	0	0	0	0
Dues and Subscriptions	0	0	0	0
Education and Training	0	0	0	0
Elections	0	0	0	0
Insurance - Liability	0	0	0	0
LAFCO Funding	0	0	0	0
Landscape and Janitorial	0	0	0	0
Legal - General and Special Counsel	1,512	0	0	0
Legal - Water Counsel	0	0	0	0
Professional Services	0	0	0	0
Miscellaneous	0	0	0	0
Newsletter and Mailers	0	0	0	0
Office Supplies	0	0	0	0
Outside Services	0	0	0	0
Postage	0	0	0	0
Public Notices	325	500	500	500
Repairs and Maintenance - Office Equip/Bldg	0	0	0	0
Property Taxes	0	0	0	0
Telephone	0	0	0	0
Travel and Mileage	0	0	0	0
Utilities - Gas, Electric and Trash	0	0	0	0
Oper Transfer Out - Funded Administration	1,500	1,500	1,500	1,500
TOTAL GENERAL & ADMINISTRATIVE (C)	3,337	2,000	2,000	2,000

TOTAL OPERATING EXPENSES (B)+(C) = (D)	21,242	10,150	10,130	15,650
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NET OPERATING REVENUES/(DEFICIT) (A)-(D)=(E)	(9,975)	2,030	2,050	(3,470)
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NON-OPERATING REVENUES AND (EXPENDITURES)

Interest Income	202	180	250	375
Blacklake Water & Sewer Loan Surcharge	0	0	0	0
Interest Income/(Expense) - Debt Service	0	0	0	0
Principal Portion - Debt Service	0	0	0	0
Transfers In and Out	0	0	0	0
Fixed Assets (1)	0	0	0	0
TOTAL NON-OPERATING REVENUES/(DEFICIT) (F)	202	180	250	375

NET RESULTS FROM OPERATING AND NON-OPERATING REVENUES/(DEFICIT) (E)+(F)	(9,773)	2,210	2,300	(3,095)
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Estimated Cash Balance 7/1/19	15,000
Net Results from Operations	(3,095)

Estimated Cash Balance 6/30/20	<u>11,905</u>
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Cash Reserve Goal at 6/30/20	<u>20,000</u>
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**NIPOMO COMMUNITY SERVICES DISTRICT
PROPOSED BUDGET
2019-2020**

SOLID WASTE FUND #300

2017-18
ACTUAL

2018-19
BUDGET

2018-19
EST ACTUAL

2019-20
PROPOSED

OPERATING REVENUES

Water - Availability Charges	0	0	0	0
Water - Usage Charges	0	0	0	0
Sewer Revenues	0	0	0	0
Fees and Penalties	0	0	0	0
Meter and Connection Fees	0	0	0	0
Plan Check and Inspection Fees	0	0	0	0
Miscellaneous Income	0	0	0	0
Street Lighting/Landscape Maint Charges	0	0	0	0
Franchise Fee - Solid Waste (1)	72,224	62,000	62,000	62,000
Oper Transfers In-Funded Admin	0	0	0	0
Oper Transfers In-Funded Replacement	0	0	0	0
TOTAL OPERATING REVENUES (A)	72,224	62,000	62,000	62,000

(1) Pursuant to Resolution 2015-1393, Franchise Fee reduced effective January 1, 2016 to offset Customer Fee Increase.

**OPERATING EXPENDITURES
OPERATIONS & MAINTENANCE**

2017-18
ACTUAL

2018-19
BUDGET

2018-19
EST ACTUAL

2019-20
PROPOSED

Wages	0	0	0	0
Wages - Overtime	0	0	0	0
Payroll Taxes	0	0	0	0
Retirement	0	0	0	0
Medical and Dental	0	0	0	0
Workers Comp Insurance	0	0	0	0
Wholesale Water Purchased	0	0	0	0
Supplemental Water O & M and Overhead	0	0	0	0
Electricity-pumping	0	0	0	0
Water	0	0	0	0
Chemicals	0	0	0	0
Lab Tests and Sampling	0	0	0	0
Operating Supplies	0	0	0	0
Outside Services	0	0	0	0
Permits and Operating Fees	0	0	0	0
Repairs & Maintenance	0	0	0	0
Engineering	0	0	0	0
Fuel	0	0	0	0
Meters	0	0	0	0
Safety Program	0	0	0	0
Uniforms	0	0	0	0
Landscape Maintenance and Water	0	0	0	0
Solid Waste Program-incl Rate Holiday	133,340	7,500	4,000	8,000
Water Conservation Program	0	0	0	0
Oper Transfer Out - Funded Replacement	0	0	0	0
TOTAL OPERATIONS & MAINTENANCE (B)	133,340	7,500	4,000	8,000

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SOLID WASTE FUND #300 CONTINUED				
GENERAL & ADMINISTRATIVE	2017-18 ACTUAL	2018-19 BUDGET	2018-19 EST ACTUAL	2019-20 PROPOSED
Wages	0	0	0	0
Payroll Taxes	0	0	0	0
Retirement	0	0	0	0
Medical and Dental	0	0	0	0
Other Post Employment Benefits (OPEB)	0	0	0	0
Workers Comp Insurance	0	0	0	0
Bank Charges and Fees	0	0	0	0
Computer Expense	0	0	0	0
Dues and Subscriptions	0	0	0	0
Education and Training	0	0	0	0
Elections	0	0	0	0
Insurance - Liability	2,000	2,000	2,000	2,000
LAFCO Funding	0	0	0	0
Landscape and Janitorial	0	0	0	0
Legal - General and Special Counsel	2,205	1,500	5,000	1,500
Legal - Water Counsel	0	0	0	0
Professional Services	0	0	0	0
Miscellaneous	0	0	0	0
Newsletter and Mailers	0	0	0	0
Office Supplies	0	0	0	0
Outside Services	0	0	0	0
Postage	0	0	0	0
Public Notices	184	300	300	300
Repairs and Maintenance - Office Equip/Bldg	0	0	0	0
Property Taxes	0	0	0	0
Telephone	0	0	0	0
Travel and Mileage	0	0	0	0
Utilities -Trash	0	0	0	0
Oper Transfer Out - Funded Administration	11,938	9,300	9,300	9,300
TOTAL GENERAL & ADMINISTRATIVE (C)	16,327	13,100	16,600	13,100
TOTAL OPERATING EXPENSES (B)+(C) = (D)	149,667	20,600	20,600	21,100
NET OPERATING REVENUES/(DEFICIT) (A)-(D)=(E)	(77,443)	41,400	41,400	40,900
NON-OPERATING REVENUES AND (EXPENDITURES)				
Interest Income	4,028	3,600	5,700	7,375
Blacklake Water & Sewer Loan Surcharge	0	0	0	0
Interest Income/(Expense) - Debt Service	0	0	0	0
Principal Portion - Debt Service	0	0	0	0
Transfers In and Out	0	0	0	0
Fixed Assets (1)	0	0	0	0
TOTAL NON-OPERATING REVENUES/(DEFICIT) (F)	4,028	3,600	5,700	7,375
NET RESULTS FROM OPERATING AND NON-OPERATING REVENUES/(DEFICIT) (E)+(F)	(73,415)	45,000	47,100	48,275

Estimated Cash Balance 7/1/19 295,000
Net Results from Operations 48,275

Estimated Cash Balance 6/30/20 343,275

Cash Reserve Goal at 6/30/20 150,000

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**NIPOMO COMMUNITY SERVICES DISTRICT
PROPOSED BUDGET
2019-2020**

DRAINAGE FUND #400	2017-18 ACTUAL	2018-19 BUDGET	2018-19 EST ACTUAL	2019-20 PROPOSED
OPERATING REVENUES				
Water - Availability Charges	0	0	0	0
Water - Usage Charges	0	0	0	0
Sewer Revenues	0	0	0	0
Fees and Penalties	0	0	0	0
Meter and Connection Fees	0	0	0	0
Plan Check and Inspection Fees	0	0	0	0
Miscellaneous Income	18,021	17,400	18,850	19,700
Street Lighting/Landscape Maint Charges	0	0	0	0
Franchise Fee - Solid Waste	0	0	0	0
Oper Transfers In-Funded Admin	0	0	0	0
Oper Transfers In-Funded Replacement	0	0	0	0
TOTAL OPERATING REVENUES (A)	18,021	17,400	18,850	19,700

OPERATING EXPENDITURES OPERATIONS & MAINTENANCE	2017-18 ACTUAL	2018-19 BUDGET	2018-19 EST ACTUAL	2019-20 PROPOSED
Wages	0	0	0	0
Wages - Overtime	0	0	0	0
Payroll Taxes	0	0	0	0
Retirement	0	0	0	0
Medical and Dental	0	0	0	0
Workers Comp Insurance	0	0	0	0
Wholesale Water Purchased	0	0	0	0
Supplemental Water O & M and Overhead	0	0	0	0
Electricity-pumping	0	0	0	0
Water	0	0	0	0
Chemicals	0	0	0	0
Lab Tests and Sampling	0	0	0	0
Operating Supplies	0	0	0	0
Outside Services	0	0	0	0
Permits and Operating Fees	0	0	0	0
Repairs & Maintenance	0	0	0	0
Engineering	0	0	0	0
Fuel	0	0	0	0
Meters	0	0	0	0
Safety Program	0	0	0	0
Uniforms	0	0	0	0
Landscape Maintenance and Water	0	0	0	0
Solid Waste Program	0	0	0	0
Water Conservation Program	0	0	0	0
Oper Transfer Out - Funded Replacement	0	0	0	0
TOTAL OPERATIONS & MAINTENANCE (B)	0	0	0	0

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**DRAINAGE FUND #400
CONTINUED
GENERAL & ADMINISTRATIVE**

	2017-18 ACTUAL	2018-19 BUDGET	2018-19 EST ACTUAL	2019-20 PROPOSED
Wages	0	0	0	0
Payroll Taxes	0	0	0	0
Retirement	0	0	0	0
Medical and Dental	0	0	0	0
Other Post Employment Benefits (OPEB)	0	0	0	0
Workers Comp Insurance	0	0	0	0
Bank Charges and Fees	0	0	0	0
Computer Expense	0	0	0	0
Dues and Subscriptions	0	0	0	0
Education and Training	0	0	0	0
Elections	0	0	0	0
Insurance - Liability	0	0	0	0
LAFCO Funding	0	0	0	0
Landscape and Janitorial	0	0	0	0
Legal - General and Special Counsel	0	0	0	0
Legal - Water Counsel	0	0	0	0
Professional Services	0	0	0	0
Miscellaneous	0	0	0	0
Newsletter and Mailers	0	0	0	0
Office Supplies	0	0	0	0
Outside Services	0	0	0	0
Postage	0	0	0	0
Public Notices	0	0	0	0
Repairs and Maintenance - Office Equip/Bldg	0	0	0	0
Property Taxes	0	0	0	0
Telephone	0	0	0	0
Travel and Mileage	0	0	0	0
Utilities - Gas, Electric and Trash	0	0	0	0
Oper Transfer Out - Funded Administration	0	0	0	0
TOTAL GENERAL & ADMINISTRATIVE (C)	0	0	0	0

TOTAL OPERATING EXPENSES (B)+(C) = (D)	0	0	0	0
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NET OPERATING REVENUES/(DEFICIT) (A)-(D)=(E)	18,021	17,400	18,850	19,700
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NON-OPERATING REVENUES AND (EXPENDITURES)

Interest Income	1,015	1,200	1,200	1,275
Blacklake Water & Sewer Loan Surcharge	0	0	0	0
Interest Income/(Expense) - Debt Service	0	0	0	0
Principal Portion - Debt Service	0	0	0	0
Transfers In and Out	0	0	0	0
Fixed Assets (1)	0	0	0	0
TOTAL NON-OPERATING REVENUES/(DEFICIT) (F)	1,015	1,200	1,200	1,275

NET RESULTS FROM OPERATING AND NON-OPERATING REVENUES/(DEFICIT) (E)+(F)	19,036	18,600	20,050	20,975
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Estimated Cash Balance 7/1/19	51,000
Net Results from Operations	20,975
Transfer to Fund #600	(21,000)

Estimated Cash Balance 6/30/20	<u>50,975</u>
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Cash Reserve Goal at 6/30/19	<u>50,000</u>
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**NIPOMO COMMUNITY SERVICES DISTRICT
PROPOSED BUDGET
2019-2020**

FUNDED REPLACEMENT - WATER FUND #805 OPERATING REVENUES	2017-18 ACTUAL	2018-19 BUDGET	2018-19 EST ACTUAL	2019-20 PROPOSED
Water - Availability Charges	0	0	0	0
Water - Usage Charges	0	0	0	0
Sewer Revenues	0	0	0	0
Fees and Penalties	0	0	0	0
Meter and Connection Fees	0	0	0	0
Plan Check and Inspection Fees	0	0	0	0
Miscellaneous Income	0	0	0	0
Street Lighting/Landscape Maint Charges	0	0	0	0
Franchise Fee - Solid Waste	0	0	0	0
Oper Transfers In-Funded Admin	0	0	0	0
Oper Transfers In-Funded Replacement	580,000	595,000	595,000	610,000
TOTAL OPERATING REVENUES (A)	580,000	595,000	595,000	610,000

OPERATING EXPENDITURES OPERATIONS & MAINTENANCE	2017-18 ACTUAL	2018-19 BUDGET	2018-19 EST ACTUAL	2019-20 PROPOSED
Wages	0	0	0	0
Wages - Overtime	0	0	0	0
Payroll Taxes	0	0	0	0
Retirement	0	0	0	0
Medical and Dental	0	0	0	0
Workers Comp Insurance	0	0	0	0
Wholesale Water Purchased	0	0	0	0
Supplemental Water O & M and Overhead	0	0	0	0
Electricity-pumping	0	0	0	0
Water	0	0	0	0
Chemicals	0	0	0	0
Lab Tests and Sampling	0	0	0	0
Operating Supplies	0	0	0	0
Outside Services	0	0	0	0
Permits and Operating Fees	0	0	0	0
Repairs & Maintenance	0	0	0	0
Engineering	0	0	0	0
Fuel	0	0	0	0
Meters	0	0	0	0
Safety Program	0	0	0	0
Uniforms	0	0	0	0
Landscape Maintenance and Water	0	0	0	0
Solid Waste Program	0	0	0	0
Water Conservation Program	0	0	0	0
Oper Transfer Out - Funded Replacement	0	0	0	0
TOTAL OPERATIONS & MAINTENANCE (B)	0	0	0	0

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**FUNDED REPLACEMENT -
WATER FUND #805 CONTINUED
GENERAL & ADMINISTRATIVE**

	2017-18 ACTUAL	2018-19 BUDGET	2018-19 EST ACTUAL	2019-20 PROPOSED
Wages	0	0	0	0
Payroll Taxes	0	0	0	0
Retirement	0	0	0	0
Medical and Dental	0	0	0	0
Other Post Employment Benefits (OPEB)	0	0	0	0
Workers Comp Insurance	0	0	0	0
Bank Charges and Fees	0	0	0	0
Computer Expense	0	0	0	0
Dues and Subscriptions	0	0	0	0
Education and Training	0	0	0	0
Elections	0	0	0	0
Insurance - Liability	0	0	0	0
LAFCO Funding	0	0	0	0
Landscape and Janitorial	0	0	0	0
Legal - General and Special Counsel	0	0	0	0
Legal - Water Counsel	0	0	0	0
Professional Services	0	0	0	0
Miscellaneous	0	0	0	0
Newsletter and Mailers	0	0	0	0
Office Supplies	0	0	0	0
Outside Services	0	0	0	0
Postage	0	0	0	0
Public Notices	0	0	0	0
Repairs and Maintenance - Office Equip/Bldg	0	0	0	0
Property Taxes	0	0	0	0
Telephone	0	0	0	0
Travel and Mileage	0	0	0	0
Utilities - Gas, Electric and Trash	0	0	0	0
Oper Transfer Out - Funded Administration	0	0	0	0
TOTAL GENERAL & ADMINISTRATIVE (C)	0	0	0	0

TOTAL OPERATING EXPENSES (B)+(C) = (D)	0	0	0	0
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NET OPERATING REVENUES/(DEFICIT) (A)-(D)=(E)	580,000	595,000	595,000	610,000
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NON-OPERATING REVENUES AND (EXPENDITURES)

Interest Income	50,048	53,400	86,000	105,500
Blacklake Water & Sewer Loan Surcharge	0	0	0	0
Interest Income/(Expense) - Debt Service	0	445	0	0
Principal Portion - Debt Service	0	25,313	0	0
Transfers In and Out	0	0	0	0
Fixed Assets (1)	0	0	0	0
TOTAL NON-OPERATING REVENUES/(DEFICIT) (F)	50,048	79,158	86,000	105,500

NET RESULTS FROM OPERATING AND NON-OPERATING REVENUES/(DEFICIT) (E)+(F)	630,048	674,158	681,000	715,500
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Estimated Cash Balance 7/1/19 4,220,000
Net Results from Operations 715,500

Funded Replacement Projects (1) (1,790,000)
Estimated Cash Balance 6/30/20 3,145,500

(1) See Page 25

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**NIPOMO COMMUNITY SERVICES DISTRICT
PROPOSED BUDGET
2019-2020**

FUNDED REPLACEMENT - TOWN SEWER FUND #810 OPERATING REVENUES	2017-18 ACTUAL	2018-19 BUDGET	2018-19 EST ACTUAL	2019-20 PROPOSED
Water - Availability Charges	0	0	0	0
Water - Usage Charges	0	0	0	0
Sewer Revenues	0	0	0	0
Fees and Penalties	0	0	0	0
Meter and Connection Fees	0	0	0	0
Plan Check and Inspection Fees	0	0	0	0
Miscellaneous Income	0	0	0	0
Street Lighting/Landscape Maint Charges	0	0	0	0
Franchise Fee - Solid Waste	0	0	0	0
Oper Transfers In-Funded Admin	0	0	0	0
Oper Transfers In-Funded Replacement	395,000	395,000	395,000	395,000
TOTAL OPERATING REVENUES (A)	395,000	395,000	395,000	395,000

OPERATING EXPENDITURES OPERATIONS & MAINTENANCE	2017-18 ACTUAL	2018-19 BUDGET	2018-19 EST ACTUAL	2019-20 PROPOSED
Wages	0	0	0	0
Wages - Overtime	0	0	0	0
Payroll Taxes	0	0	0	0
Retirement	0	0	0	0
Medical and Dental	0	0	0	0
Workers Comp Insurance	0	0	0	0
Wholesale Water Purchased	0	0	0	0
Supplemental Water O & M and Overhead	0	0	0	0
Electricity-pumping	0	0	0	0
Water	0	0	0	0
Chemicals	0	0	0	0
Lab Tests and Sampling	0	0	0	0
Operating Supplies	0	0	0	0
Outside Services	0	0	0	0
Permits and Operating Fees	0	0	0	0
Repairs & Maintenance	0	0	0	0
Engineering	0	0	0	0
Fuel	0	0	0	0
Meters	0	0	0	0
Safety Program	0	0	0	0
Uniforms	0	0	0	0
Landscape Maintenance and Water	0	0	0	0
Solid Waste Program	0	0	0	0
Water Conservation Program	0	0	0	0
Oper Transfer Out - Funded Replacement	0	0	0	0
TOTAL OPERATIONS & MAINTENANCE (B)	0	0	0	0

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FUNDED REPLACEMENT - TOWN SEWER FUND #810 CONTINUED				
GENERAL & ADMINISTRATIVE	2017-18 ACTUAL	2018-19 BUDGET	2018-19 EST ACTUAL	2019-20 PROPOSED
Wages	0	0	0	0
Payroll Taxes	0	0	0	0
Retirement	0	0	0	0
Medical and Dental	0	0	0	0
Other Post Employment Benefits (OPEB)	0	0	0	0
Workers Comp Insurance	0	0	0	0
Bank Charges and Fees	0	0	0	0
Computer Expense	0	0	0	0
Dues and Subscriptions	0	0	0	0
Education and Training	0	0	0	0
Elections	0	0	0	0
Insurance - Liability	0	0	0	0
LAFCO Funding	0	0	0	0
Landscape and Janitorial	0	0	0	0
Legal - General and Special Counsel	0	0	0	0
Legal - Water Counsel	0	0	0	0
Professional Services	0	0	0	0
Miscellaneous	0	0	0	0
Newsletter and Mailers	0	0	0	0
Office Supplies	0	0	0	0
Outside Services	0	0	0	0
Postage	0	0	0	0
Public Notices	0	0	0	0
Repairs and Maintenance - Office Equip/Bldg	0	0	0	0
Property Taxes	0	0	0	0
Telephone	0	0	0	0
Travel and Mileage	0	0	0	0
Utilities - Gas, Electric and Trash	0	0	0	0
Oper Transfer Out - Funded Administration	0	0	0	0
TOTAL GENERAL & ADMINISTRATIVE (C)	0	0	0	0
TOTAL OPERATING EXPENSES (B)+(C) = (D)	0	0	0	0
NET OPERATING REVENUES/(DEFICIT) (A)-(D)=(E)	395,000	395,000	395,000	395,000
NON-OPERATING REVENUES AND (EXPENDITURES)				
Interest Income	52,740	57,720	92,000	107,500
Blacklake Water & Sewer Loan Surcharge	0	0	0	0
Interest Income/(Expense) - Debt Service	0	0	0	0
Principal Portion - Debt Service	0	0	0	0
Transfers In and Out	0	0	0	0
Fixed Assets (1)	0	0	0	0
TOTAL NON-OPERATING REVENUES/(DEFICIT) (F)	52,740	57,720	92,000	107,500
NET RESULTS FROM OPERATING AND NON-OPERATING REVENUES/(DEFICIT) (E)+(F)	447,740	452,720	487,000	502,500

Estimated Cash Balance 7/1/19 4,300,000
Net Results from Operations 502,500

Funded Replacement Projects (1) (1,890,000)
Estimated Cash Balance 6/30/20 2,912,500

(1) See Page 25

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**NIPOMO COMMUNITY SERVICES DISTRICT
PROPOSED BUDGET
2019-2020**

FUNDED REPLACEMENT - BLACKLAKE SEWER FUND #830 OPERATING REVENUES	2017-18 ACTUAL	2018-19 BUDGET	2018-19 EST ACTUAL	2019-20 PROPOSED
Water - Availability Charges	0	0	0	0
Water - Usage Charges	0	0	0	0
Sewer Revenues	0	0	0	0
Fees and Penalties	0	0	0	0
Meter and Connection Fees	0	0	0	0
Plan Check and Inspection Fees	0	0	0	0
Miscellaneous Income	0	0	0	0
Street Lighting/Landscape Maint Charges	0	0	0	0
Franchise Fee - Solid Waste	0	0	0	0
Oper Transfers In-Funded Admin	0	0	0	0
Oper Transfers In-Funded Replacement	168,000	168,000	168,000	173,000
TOTAL OPERATING REVENUES (A)	168,000	168,000	168,000	173,000

OPERATING EXPENDITURES OPERATIONS & MAINTENANCE	2017-18 ACTUAL	2018-19 BUDGET	2018-19 EST ACTUAL	2019-20 PROPOSED
Wages	0	0	0	0
Wages - Overtime	0	0	0	0
Payroll Taxes	0	0	0	0
Retirement	0	0	0	0
Medical and Dental	0	0	0	0
Workers Comp Insurance	0	0	0	0
Wholesale Water Purchased	0	0	0	0
Supplemental Water O & M and Overhead	0	0	0	0
Electricity-pumping	0	0	0	0
Water	0	0	0	0
Chemicals	0	0	0	0
Lab Tests and Sampling	0	0	0	0
Operating Supplies	0	0	0	0
Outside Services	0	0	0	0
Permits and Operating Fees	0	0	0	0
Repairs & Maintenance	0	0	0	0
Engineering	0	0	0	0
Fuel	0	0	0	0
Meters	0	0	0	0
Safety Program	0	0	0	0
Uniforms	0	0	0	0
Landscape Maintenance and Water	0	0	0	0
Solid Waste Program	0	0	0	0
Water Conservation Program	0	0	0	0
Oper Transfer Out - Funded Replacement	0	0	0	0
TOTAL OPERATIONS & MAINTENANCE (B)	0	0	0	0

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**FUNDED REPLACEMENT -
BL SEWER FUND #830 CON'T
GENERAL & ADMINISTRATIVE**

	2017-18 ACTUAL	2018-19 BUDGET	2018-19 EST ACTUAL	2019-20 PROPOSED
Wages	0	0	0	0
Payroll Taxes	0	0	0	0
Retirement	0	0	0	0
Medical and Dental	0	0	0	0
Other Post Employment Benefits (OPEB)	0	0	0	0
Workers Comp Insurance	0	0	0	0
Bank Charges and Fees	0	0	0	0
Computer Expense	0	0	0	0
Dues and Subscriptions	0	0	0	0
Education and Training	0	0	0	0
Elections	0	0	0	0
Insurance - Liability	0	0	0	0
LAFCO Funding	0	0	0	0
Landscape and Janitorial	0	0	0	0
Legal - General and Special Counsel	0	0	0	0
Legal - Water Counsel	0	0	0	0
Professional Services	0	0	0	0
Miscellaneous	0	0	0	0
Newsletter and Mailers	0	0	0	0
Office Supplies	0	0	0	0
Outside Services	0	0	0	0
Postage	0	0	0	0
Public Notices	0	0	0	0
Repairs and Maintenance - Office Equip/Bldg	0	0	0	0
Property Taxes	0	0	0	0
Telephone	0	0	0	0
Travel and Mileage	0	0	0	0
Utilities - Gas, Electric and Trash	0	0	0	0
Oper Transfer Out - Funded Administration	0	0	0	0
TOTAL GENERAL & ADMINISTRATIVE (C)	0	0	0	0

TOTAL OPERATING EXPENSES (B)+(C) = (D)	0	0	0	0
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NET OPERATING REVENUES/(DEFICIT) (A)-(D)=(E)	168,000	168,000	168,000	173,000
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NON-OPERATING REVENUES AND (EXPENDITURES)

Interest Income	11,328	12,285	20,000	25,000
Blacklake Water & Sewer Loan Surcharge	0	0	0	0
Interest Income/(Expense) - Debt Service	0	0	0	0
Principal Portion - Debt Service	0	0	0	0
Transfers In and Out	0	0	0	0
Fixed Assets (1)	0	0	0	0
TOTAL NON-OPERATING REVENUES/(DEFICIT) (F)	11,328	12,285	20,000	25,000

NET RESULTS FROM OPERATING AND NON-OPERATING REVENUES/(DEFICIT) (E)+(F)	179,328	180,285	188,000	198,000
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Estimated Cash Balance 7/1/19	1,000,000
Net Results from Operations	198,000

Funded Replacement Projects (1)	(972,600)
Estimated Cash Balance 6/30/20	<u>225,400</u>

(1) See Page 25

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APPENDIX B

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**NIPOMO COMMUNITY SERVICES DISTRICT
NIPOMO SUPPLEMENTAL WATER PROJECT
BUDGET FOR FISCAL YEAR 2019-2020**

	(6) Acre Feet Purchase	Cost per Acre Foot (FY 19-20)	Total Cost	
Water Purchase Fiscal Year 2019-20	850	\$1,700.00	\$1,445,000.00	
NCSD Water O & M Cost per AF **	850	\$168.94	\$143,599.00	
NCSD Admin Fee per AF (15% of O & M per AF) **	850	\$25.34	\$21,539.00	
		<u>\$1,894.28</u>	<u>\$1,610,138.00</u>	
**To be adjusted annually based on actual costs				
	TOTAL	NCSD	WMWC	GSWC
1 Phase 1 Supplemental Water Annual Allocation (AF)	800	533.44	133.28	133.28
2 Phase 1 Supplemental Water Delivery Percentages	100.00%	66.68%	16.66%	16.66%
3 Pass-Through Supplemental Water Cost	\$1,445,000	<u>\$963,526</u>	\$240,737	\$240,737
4 Supplemental Water O & M Cost	\$143,599	(A) \$95,752	\$23,924	\$23,924
5 Supplemental Water NCSD Admin Fee	\$21,539	(B) \$14,362	\$3,588	\$3,588
6 Total Annual Supplemental Water Volume Cost	\$1,610,138	\$1,073,640	\$268,249	\$268,249
	TOTAL	NCSD	WMWC	GSWC
7 Allocated Project Capacity (AF)	3,000.00	2,167.00	416.50	416.50
8 Percentage of Fixed Capital Cost Allocation	100.00%	72.24%	13.88%	13.88%
9 Yearly Capital Recovery Charge-Principal (1)	\$83,783	\$0	\$37,237	\$46,546
10 Yearly Capital Recovery Charge-Interest (1)	\$345,164	\$0	\$194,150	\$151,014
11 Yearly Capital Recovery Charge-Principal (2)	\$6,481	\$0	\$2,875	\$3,606
12 Yearly Capital Recovery Charge-Interest (2)	\$26,691	\$0	\$14,992	\$11,699
13 Yearly Capital Recovery Charge-Principal (3)	\$11,555	\$0	\$5,117	\$6,438
14 Yearly Capital Recovery Charge-Interest (3)	\$47,565	\$0	\$26,677	\$20,888
15 Yearly Capital Recovery Charge-Principal (4)	\$806	\$0	\$356	\$450
16 Yearly Capital Recovery Charge-Interest (4)	\$3,316	\$0	\$1,857	\$1,459
17 Supplemental Water Project Yearly Replacement(5)	\$206,865	(C) \$149,439	\$28,713	\$28,713
18 Total Annual Fixed Supplemental Charges	\$732,226	\$149,439	\$311,974	\$270,813
Total Volume and Annual Fixed Charges for Fiscal Year 2019-2020				
19 (Line 6 + Line 18)	\$2,342,364	\$1,223,079	\$580,223	\$539,062
18 Electrical Pumping Credit (\$223.15 per acre foot-estimated)	(\$63,200)	\$0	(\$31,600)	(\$31,600)
19 SUPPLEMENTAL WATER BUDGET FISCAL YEAR 2019-2020	\$2,279,164	\$1,223,079	\$548,623	\$507,462

(1)	Per applicable amortization schedule as of June 30, 2015	
(2)	Per applicable amortization schedule as of June 30, 2016	(A)+(B)+(C) = <u>\$259,553</u>
(3)	Per applicable amortization schedule as of June 30, 2017	
(4)	Per applicable amortization schedule as of June 30, 2018	(6) 800 acre feet per contract plus 50 acre feet for operational buffer
(5)	Monthly replacement contribution of total Supplemental Water Project cost of \$20,686,509 assuming a 100 year project life = \$206,865 per year not to exceed \$3,000,000 adjusted annually for CPI per agreement	

NCSD - Nipomo Community Services District
WMWC = Woodlands Mutual Water Company
GSWC = Golden State Water Company

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APPENDIX C

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**NIPOMO COMMUNITY SERVICES DISTRICT
DEBT SERVICE SCHEDULE
2019-2020**

	<u>July 1, 2019</u> <u>Beginning Balance</u>	<u>Principal</u> <u>Pay Down</u>	<u>June 30, 2020</u> <u>Ending Balance</u>
The District entered into a loan contract for \$843,605 on February 24, 1999, with the State Water Resources Control Board for the construction of the Southland Wastewater Treatment Plan Expansion - Phase II. The loan was funded during the year ended June 30, 2000. The loan is zero interest, however, a loan fee of 16.667% was charged. The loan is payable over 20 years. It calls for annual payments of \$42,180.25 starting on May 1, 2001. (Fund #710)	\$42,181	(\$42,181)	\$0
The District refunded Revenue Bonds, Series 2013A on May 30, 2013 (original issue date was May 1, 2003). The proceeds of the original issue were used for pipeline and storage facility projects costs. The refunded Revenue Bonds bear interest ranging from 3.7% to 4.80% per annum. Principal is to be paid annually starting September 1, 2014 through September 2032. Annual principal payments range from \$100,000 to \$225,000. (Fund #600)	\$2,430,000	(\$120,000)	\$2,310,000
The District issued \$9,795,000 of Revenue Certificates of Participation (COP's) on June 21, 2012. The proceeds are to be used to upgrade the Southland Wastewater Treatment Facility. The COP's bear interest ranging from 2% to 4.125% per annum. Principal is to be paid annually starting December 1, 2012 through June 1, 2042. Annual principal payments range from \$145,000 to \$570,000. (Fund #130)	\$8,715,000	(\$175,000)	\$8,540,000
The District issued \$9,660,000 of Revenue Certificates of Participation (COP's) on June 21, 2013. The proceeds are to be used for the Supplemental Water Project Phase I. The COP's bear interest ranging from 1% to 4.625% per annum. Principal is to be paid annually starting September 1, 2014 through June 1, 2043. Annual principal payments range from \$135,000 to \$725,000. (Fund #500)	\$8,970,000	(\$150,000)	\$8,820,000
TOTAL PRINCIPAL BALANCES	<u>\$20,157,181</u>	<u>(\$487,181)</u>	<u>\$19,670,000</u>

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APPENDIX D

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NIPOMO COMMUNITY SERVICES DISTRICT
BI-MONTHLY WATER AVAILABILITY CHARGES
LAST 10 FISCAL YEARS

Meter Size	6/30/2010	6/30/2011	6/30/2012	6/30/2013	6/30/2014	6/30/2015	6/1/2016	6/30/2017 to 11/30/17	12/1/17 to 11/30/18	12/1/18 to 11/30/19
Less	\$30.84	\$30.84	\$33.17	\$35.72	\$38.51	\$41.57	\$44.92	\$44.92	\$42.51	\$46.52
1 ½ Inch	83.97	83.97	90.58	97.82	105.75	114.43	123.94	123.94	51.49	55.55
2 Inch	130.17	130.17	140.64	152.11	164.67	178.42	193.48	193.48	67.40	72.08
3 Inch	233.07	233.07	252.56	273.90	297.27	322.86	350.88	350.88	152.51	163.70
4 Inch	376.68	376.68	409.04	444.40	483.29	525.78	572.31	572.31	197.75	210.55
6 Inch	730.80	730.80	803.33	873.99	951.36	1,036.08	1,128.85	1,128.85	335.12	349.88

SUPPLEMENTAL WATER

Meter Size	6/30/2010	6/30/2011	6/30/2012	6/30/2013	6/30/2014	6/30/2015	6/1/2016	6/30/2017	12/1/17 to 11/30/18	12/1/18 to 11/30/19
1 Inch and Less	-	-	-	-	-	-	\$13.20	\$13.20	(1)	(1)
1 ½ Inch	-	-	-	-	-	-	39.60	39.60	(1)	(1)
2 Inch	-	-	-	-	-	-	63.36	63.36	(1)	(1)
3 Inch	-	-	-	-	-	-	118.80	118.80	(1)	(1)
4 Inch	-	-	-	-	-	-	198.00	198.00	(1)	(1)
6 Inch	-	-	-	-	-	-	396.00	396.00	(1)	(1)

(1) Combined into one fixed charge. Effective 12/1/2017

BI-MONTHLY WATER RATES
LAST 10 FISCAL YEARS

		6/30/2010	6/30/2011	6/30/2012	6/30/2013	6/30/2014	6/30/2015	6/30/2016	6/30/2017 to 11/30/17	12/1/17 to 11/30/18	12/1/18 to 11/30/19
Uniform Rate		\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$4.97	\$5.45
Single and Multi-Family	Tier I	1.64	1.64	1.64	1.80	1.97	2.16	2.37	2.37	-	-
	Tier II	2.80	2.80	2.05	2.25	2.46	2.69	2.95	2.95	-	-
	Tier III	-	-	2.88	3.15	3.45	3.78	4.14	4.14	-	-
	Tier IV	-	-	4.93	5.40	5.91	6.47	7.08	7.08	-	-
Commercial and Irrigation	Tier I	-	-	2.05	2.25	2.46	2.69	2.95	2.95	-	-
	Tier II	-	-	2.88	3.45	3.45	3.78	4.14	4.14	-	-
Agriculture and All Other		2.06	2.06	2.37	2.84	2.84	3.11	3.41	3.41	-	-
Supplemental Water		-	-	-	-	-	-	0.77	1.003	(1)	(1)

Uniform Rate effective 12/1/17

(1) Combined into Uniform Rate. Effective 12/1/2017

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PRESENTED FOR INFORMATIONAL PURPOSES

**NIPOMO COMMUNITY SERVICES DISTRICT
SEWER RATES FOR SINGLE FAMILY AND MULTI-FAMILY
LAST 10 FISCAL YEARS**

Fiscal Year	TOWN	
	Single Family	Multi-Family
2019	\$97.74	\$81.53
2018	94.71	79.00
2017	91.77	76.55
2016	88.93	74.18
2015	88.32	67.33
2014	88.32	67.33
2013	88.32	67.33
2012	88.32	67.33
2011	88.32	67.33
2010	88.32	67.33

Fiscal Year	BLACKALKE	
	Single Family	Multi-Family
2019*	\$169.76	\$109.08
2018	145.51	95.08
2017	145.51	95.08
2016	145.51	95.08
2015	145.51	95.08
2014	145.51	95.08
2013	145.51	95.08
2012	138.58	90.55
2011	131.98	86.24
2010	118.90	77.69

*Effective April 1, 2019

**NIPOMO COMMUNITY SERVICES DISTRICT
COMMERCIAL SEWER RATES TOWN DIVISION
LAST 10 FISCAL YEARS**

Fiscal Year	BI-MONTHLY SERVICE CHARGE									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
1 Inch and Less	\$34.07	\$34.07	\$34.07	\$34.07	\$34.07	\$34.07	\$35.12	\$36.24	\$37.40	\$38.60
1 ½ Inch	98.59	98.59	98.59	98.59	98.59	98.59	101.94	105.20	108.57	112.04
2 Inch	156.66	156.66	156.66	156.66	156.66	156.66	162.08	167.26	172.62	178.14
3 Inch	292.16	292.16	292.16	292.16	292.16	292.16	302.40	312.08	322.07	332.37
4 Inch	485.72	485.72	485.72	485.72	485.72	485.72	502.87	518.96	535.57	552.70
6 Inch	969.64	969.64	969.64	969.64	969.64	969.64	1,004.03	1,036.16	1,069.31	1,103.53

Fiscal Year	BI-MONTHLY USAGE RATE									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Low	\$2.89	\$2.89	\$2.89	\$2.89	\$2.89	\$2.89	\$3.43	\$3.54	\$3.66	\$3.77
Medium	3.20	3.20	3.20	3.20	3.20	3.20	3.81	3.93	4.06	4.19
High	4.14	4.14	4.14	4.14	4.14	4.14	4.93	5.09	5.25	5.42

**NIPOMO COMMUNITY SERVICES DISTRICT
COMMERCIAL SEWER RATES BLACKLAKE DIVISION
LAST 10 FISCAL YEARS**

Fiscal Year	BI-MONTHLY SERVICE CHARGE									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019*
1 Inch and Less	\$38.33	\$59.43	\$62.40	\$65.52	\$65.52	\$65.52	\$65.52	\$65.52	\$65.52	\$88.35
1 ½ Inch	110.25	169.16	177.62	186.50	186.50	186.50	186.50	186.50	186.50	233.45
2 Inch	175.08	267.91	281.31	295.38	295.38	295.38	295.38	295.38	295.38	364.04
3 Inch	326.45	498.35	523.26	549.43	549.43	549.43	549.43	549.43	549.43	668.75
4 Inch	542.64	827.54	868.91	912.36	912.36	912.36	912.36	912.36	912.36	1,104.05
6 Inch	1,082.64	1,650.51	1,733.03	1,819.68	1,819.68	1,819.68	1,819.68	1,819.68	1,819.68	2,192.30

Fiscal Year	BI-MONTHLY USAGE RATE									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019*
Low	\$2.91	\$3.23	\$3.39	\$3.56	\$3.56	\$3.56	\$3.56	\$3.56	\$3.56	\$3.97
Medium	3.92	4.35	4.57	4.80	4.80	4.80	4.80	4.80	4.80	5.28
High	6.20	6.89	7.23	7.59	7.59	7.59	7.59	7.59	7.59	8.22

*Effective
April 1,
2019

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PRESENTED FOR INFORMATIONAL PURPOSES

**NIPOMO COMMUNITY SERVICES DISTRICT
WATER CAPACITY CHARGE
LAST 10 FISCAL YEARS**

Meter Size	FISCAL YEAR									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
1 Inch and Less	\$3,124	\$3,192	\$3,293	\$3,385	\$2,921	\$2,921	\$2,976	\$3,076	\$3,188	\$3,284
Supplemental Water	13,858	14,160	14,605	15,015	7,570	7,570	7,711	7,971	8,262	8,510
1 ½ Inch	9,372	9,577	9,877	10,155	8,764	8,764	8,928	9,228	9,566	9,853
Supplemental Water	41,573	42,479	43,814	45,045	22,710	22,710	23,134	23,913	24,787	25,531
2 Inch	14,994	15,321	15,802	16,247	14,022	14,022	14,284	14,765	15,305	15,764
Supplemental Water	66,516	67,966	70,101	72,072	36,336	36,336	37,015	38,261	39,660	40,850
3 Inch	28,115	28,728	29,630	30,463	26,291	26,291	26,782	27,684	28,696	29,557
Supplemental Water	124,719	127,436	131,440	135,135	68,130	68,130	69,403	71,740	74,827	76,594
4 Inch	46,858	47,879	49,384	50,772	43,819	43,819	44,638	46,141	47,827	49,263
Supplemental Water	207,866	212,393	219,067	225,225	113,550	113,550	115,671	119,566	123,936	127,657
6 Inch	93,717	95,758	98,767	101,544	87,638	87,638	89,275	92,281	95,654	98,526
Supplemental Water	415,731	424,787	438,134	450,450	227,100	227,100	231,342	239,132	247,872	255,314

**NIPOMO COMMUNITY SERVICES DISTRICT
SEWER CAPACITY CHARGE TOWN DIVISION
LAST 10 FISCAL YEARS**

Meter Size	FISCAL YEAR									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
1 Inch and Less	\$7,462	\$7,864	\$7,864	\$8,085	\$8,282	\$8,526	\$8,685	\$8,978	\$9,306	\$9,585
1 ½ Inch	22,387	23,593	23,593	24,256	24,846	25,577	26,055	26,933	27,917	28,755
2 Inch	35,819	37,749	37,749	38,810	39,755	40,924	41,689	43,093	44,668	46,009
3 Inch	67,160	70,779	70,779	72,769	74,539	76,732	78,166	80,798	83,751	86,265
4 Inch	111,934	117,965	117,965	121,281	124,232	127,887	130,276	134,663	139,584	143,775
6 Inch	223,867	235,931	235,931	242,562	248,463	255,774	260,552	269,325	279,169	287,550

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PRESENTED FOR INFORMATIONAL PURPOSES

**NIPOMO COMMUNITY SERVICES DISTRICT
ACTIVE WATER CONNECTIONS BY TYPE
LAST 10 FISCAL YEARS**

Fiscal Year	Single Family	%	Multi-Family	%	Commercial	%	Irrigation	%	Agriculture	%	Total	Total %
2018	3,685	85%	439	10%	103	2%	103	2%	1	>1%	4,331	100%
2017	3,669	86%	441	10%	101	2%	97	2%	1	>1%	4,309	100%
2016	3,603	84%	497	12%	102	2%	97	2%	1	>1%	4,300	100%
2015	3,592	84%	497	12%	99	2%	96	2%	1	>1%	4,285	100%
2014	3,580	84%	500	12%	97	2%	90	2%	1	>1%	4,268	100%
2013	3,556	84%	494	12%	94	2%	93	2%	1	>1%	4,238	100%
2012	3,504	84%	495	12%	95	2%	78	2%	1	>1%	4,173	100%
2011	3,492	84%	473	11%	95	2%	91	2%	2	>1%	4,153	100%
2010	3,484	84%	462	11%	97	2%	91	2%	2	>1%	4,136	100%
2009	3,479	85%	421	10%	100	2%	90	2%	2	>1%	4,092	100%

**NIPOMO COMMUNITY SERVICES DISTRICT
SEWER CONNECTIONS (TOWN DIVISION)
LAST 10 FISCAL YEARS**

Fiscal Year	Single Family		Single Family County		Multi-Family		Commercial		TOTAL	
	Accounts	DUE's	Accounts	DUE's	Accounts	DUE's	Accounts	DUE's	Accounts	DUE's
2018	2,174	2,322	473	473	375	634	76	76	3,098	3,508
2017	2,153	2,298	470	470	375	634	75	78	3,073	3,480
2016	2,109	2,109	469	469	374	816	110	110	3,062	3,504
2015	2,098	2,098	468	468	374	777	82	82	3,022	3,425
2014	2,096	2,096	463	463	375	766	80	80	3,014	3,407
2013	2,024	2,024	461	461	371	771	80	80	2,936	3,339
2012	2,008	2,008	460	460	367	766	79	82	2,914	3,316
2011	1,991	1,991	460	460	365	770	71	74	2,887	3,295
2010	1,995	1,995	460	460	349	764	71	65	2,875	3,284
2009	1,990	1,990	460	460	359	710	71	75	2,880	3,208

**NIPOMO COMMUNITY SERVICES DISTRICT
SEWER CONNECTIONS (BLACKLAKE DIVISION)
LAST 10 FISCAL YEARS**

Fiscal Year	Single Family		Multi-Family		Commercial		TOTAL	
	Accounts	DUE's	Accounts	DUE's	Accounts	DUE's	Accounts	DUE's
2018	487	487	68	68	4	4	559	559
2017	487	487	68	68	4	4	559	559
2016	487	487	68	68	4	4	559	559
2015	487	487	68	68	4	4	559	559
2014	487	487	68	68	4	4	559	559
2013	487	487	68	68	4	4	559	559
2012	485	485	67	67	3	3	555	555
2011	485	485	68	68	3	3	556	556
2010	484	484	69	69	4	4	557	557
2009	484	484	69	69	4	4	557	557

DUE=Dwelling Unit Equivalent

DRAFT

TO: BOARD OF DIRECTORS

REVIEWED: MARIO IGLESIAS
GENERAL MANAGER

FROM: LISA BOGNUDA
FINANCE DIRECTOR

DATE: MAY 3, 2019

AGENDA ITEM
E-2 (B)
MAY 8, 2019

REVIEW THE DRAFT BUDGET FOR FISCAL YEAR 2019-2020 FOR THE NIPOMO SUPPLEMENTAL WATER PROJECT (NSWP)

ITEM

Review the draft Budget for Fiscal Year 2019-2020 for Nipomo Supplemental Water Project (NSWP)
[RECOMMEND CONSIDER DRAFT BUDGET AND SCHEDULE FOR ADOPTION ON JUNE 12, 2019]

BACKGROUND

On April 19, 2019, the Finance and Audit Committee met and reviewed the draft Budget for Fiscal Year 2019-2020 for NSWP.

The Nipomo Community Services District (District), City of Santa Maria (City), Woodlands Mutual Water Company (WMWC), Golden State Water Company (GSWC), Rural Water Company (RWC), along with hundreds of other individuals and entities are parties to a certain groundwater adjudication commonly referred to as the Santa Maria Groundwater Litigation. The Judgment (through the Stipulation) requires the District to purchase and transmit to the Nipomo Mesa Management Area (NMMA) a minimum of 2,500 acre-feet of "Nipomo Supplemental Water" each year and to employ its best efforts to timely implement the Nipomo Supplemental Water Project (NSWP).

The Judgment further provides that once the Nipomo Supplemental Water is capable of being delivered, the Parties shall purchase the following portions of Nipomo Supplemental Water each year to offset groundwater pumping within the NMMA.

ENTITY	PERCENT ALLOCATION	ACRE FEET/YEAR (AFY)
NCSD	66.68	1,667.00
WMWC	16.66	416.50
GSWC/RWC	16.66	416.50
TOTAL	100.00	2,500.00

On May 3, 2013, the District entered into a Wholesale Water Supply Agreement with the City of Santa Maria to purchase supplemental water. Upon completion of the interconnection, the minimum quantity of purchase/delivery is as follows:

DELIVERY YEARS	FISCAL YEAR ENDING	MINIMUM DELIVERY VOLUME (AFY)
1	June 30, 2016	645
2-5	June 30, 2017 to June 30, 2020	800
6-10	June 30, 2021 to June 30, 2025	1,000
11- Term	June 30, 2026 to June 30, 2035	2,500

On July 2, 2015, supplemental water began flowing from the City of Santa Maria into the Nipomo Community Services District system.

On October 16, 2015, the Supplemental Water Management and Groundwater Replenishment Agreement (Agreement) was approved by the District, WMWC, GSWC and RWC. The agreement outlines all parties' responsibilities and obligations relating to the delivery and payment of supplemental water. Section VIII of the agreement states in part as follows (See Attachment B for complete agreement):

- A. District shall operate the NSWSP as an enterprise fund, separating all costs related to the NSWSP within and only to that NSWSP fund. Prudent Utility Practices shall apply to District's management of the NSWSP Enterprise Fund.
- B. Each Fiscal Year District shall prepare a NSWSP Enterprise Fund Budget (Budget) for all revenues and expenditures related to the NSWSP Enterprise Fund. The Budget shall include a summary of projected NSW deliveries and Costs associated with those deliveries. A draft of the Budget shall be available to each Water Company for review by May 1st of each year. District shall make every reasonable effort to adopt the final Budget during June of each year at a regularly scheduled District board meeting. The Advisory Committee shall determine the most effective content, format and reporting frequency for financial and budget reports for the NSWSP Enterprise Fund.
- C. The Budget shall provide the basis for and detail the cost allocations and quarterly billing described in Section IX.

The District receives and pays a quarterly invoice from the City for the cost of water. The District in turn invoices WMW and GSWC for their applicable percentages of the cost of water in addition to other applicable costs pursuant to the agreement. WMWC and GSWC are current on their quarterly payments.

Attached is the draft Budget based on purchase of 850 acre feet of supplemental water (800 acre feet per contract plus 50 acre feet operational buffer). The City has provided an estimate of the cost of water for FY 2019-2020; however, the Base Energy Cost CPI will be adjusted based on the July index. In addition, they do not anticipate a Tier 1 water rate increase next fiscal year. The Operations and Maintenance (O&M) Budget has been estimated based on current fiscal year expenditures plus 3% inflation. The administrative fee is set at 15% of O & M costs.

The draft NSWSP Budget was provided to WMWC and GSWC. The District has not received any comments.

RECOMMENDATION

It is recommended your Honorable Board provide direction to Staff and set Wednesday, June 12, 2019, 9:00 a.m. as the date and time for a Public Hearing to consider adoption of the NSWSP Budget for Fiscal Year 2019-2020.

ATTACHMENTS

- A. Draft Budget
- B. Supplemental Water Management and Groundwater Replenishment Agreement

MAY 8, 2019

ITEM E-2(B)

ATTACHMENT A

**NIPOMO COMMUNITY SERVICES DISTRICT
NIPOMO SUPPLEMENTAL WATER PROJECT (NSWP)
BUDGET FOR FISCAL YEAR 2019-20**

DRAFT

	Acre Feet Purchase	Cost per Acre Foot (AF)	Total Cost
Water Purchase Fiscal Year 2019-2020 (see page 2) (A)	850	\$1,700.00	\$1,445,000.00
NCSD Water O & M Cost per AF ** (see page 3)	850	\$168.94	\$143,599.00
NCSD Admin Fee per AF (15% of O & M per AF) ** (see page 3)	850	\$25.34	\$21,539.00
		<u>\$1,894.28</u>	<u>\$1,610,138.00</u>
**To be adjusted annually based on actual costs			

	TOTAL	NCSD	WMWC	GSWC
1 Phase 1 Supplemental Water Annual Allocation (AF)	800	533.44	133.28	133.28
2 Phase 1 Supplemental Water Delivery Percentages	100.00%	66.68%	16.66%	16.66%
3 Pass-Through Supplemental Water Cost	\$1,445,000	\$963,526	\$240,737	\$240,737
4 Supplemental Water O & M Cost	\$143,599	\$95,752	\$23,924	\$23,924
5 Supplemental Water NCSD Admin Fee	\$21,539	\$14,362	\$3,588	\$3,588
6 Total Annual Supplemental Water Volume Cost	\$1,610,138	\$1,073,640	\$268,249	\$268,249

	TOTAL	NCSD	WMWC	GSWC
7 Allocated Project Capacity (AF)	3,000.00	2,167.00	416.50	416.50
8 Percentage of Fixed Capital Cost Allocation	100.00%	72.24%	13.88%	13.88%
9 Yearly Capital Recovery Charge-Principal (1)	\$83,783	\$0	\$37,237	\$46,546
10 Yearly Capital Recovery Charge-Interest (1)	\$345,164	\$0	\$194,150	\$151,014
11 Yearly Capital Recovery Charge-Principal (2)	\$6,481	\$0	\$2,875	\$3,606
12 Yearly Capital Recovery Charge-Interest (2)	\$26,691	\$0	\$14,992	\$11,699
13 Yearly Capital Recovery Charge-Principal (3)	\$11,555	\$0	\$5,117	\$6,438
14 Yearly Capital Recovery Charge-Interest (3)	\$47,565	\$0	\$26,677	\$20,888
14 Yearly Capital Recovery Charge-Principal (4)	\$806	\$0	\$356	\$450
15 Yearly Capital Recovery Charge-Interest (4)	\$3,316	\$0	\$1,857	\$1,459
16 Supplemental Water Project Yearly Replacement(5)	\$206,865	\$149,439	\$28,713	\$28,713
17 Total Annual Fixed Supplemental Charges	<u>\$732,226</u>	<u>\$149,439</u>	<u>\$311,974</u>	<u>\$270,813</u>

Total Volume and Annual Fixed Charges for Fiscal Year 2019-2020				
18 (Line 6 + Line 18)	<u>\$2,342,364</u>	<u>\$1,223,079</u>	<u>\$580,223</u>	<u>\$539,062</u>

19 Electrical Pumping Credit (\$223.15 per acre foot-estimated)	(\$63,200)	\$0	(\$31,600)	(\$31,600)
20 SUPPLEMENTAL WATER BUDGET FISCAL YEAR 2019-2020	<u>\$2,279,164</u>	<u>\$1,223,079</u>	<u>\$548,623</u>	<u>\$507,462</u>

(1)	Per applicable amortization schedule as of June 30, 2015
(2)	Per applicable amortization schedule as of June 30, 2016
(3)	Per applicable amortization schedule as of June 30, 2017
(4)	Per applicable amortization schedule as of June 30, 2018
(5)	Monthly replacement contribution of total Supplemental Water Project cost of \$20,686,509 assuming a 100 year project life = \$206,865 per year not to exceed \$3,000,000 adjusted annually for CPI per agreement

(A) 800 ACRE FEET PER CONTRACT PLUS 50 ACRE FEET FOR OPERATIONAL BUFFER

NCSD = Nipomo Community Services District
WMWC = Woodlands Mutual Water Company
GSWC = Golden State Water Company

CITY OF SANTA MARIA & NIPOMO COMMUNITY SERVICES DISTRICT Calculations based on May 2013 Wholesale Supply Agreement

CITY OF SANTA MARIA & NIPOMO COMMUNITY SERVICES DISTRICT Calculations based on May 2013 Wholesale Supply Agreement

(a) Minimum Delivery in each Delivery Year during the Term of this Agreement. City shall deliver and NCSO shall purchase the following minimum quantity of Supplemental Water (Minimum Quantity):

Delivery Years	Minimum Delivery Volumes (AF)
1	645
2-5	800
6-10	1,000
11-Term	2,500

Assumptions:	
Year 1 Demand (AF)	645
Years 2-5 Demand (AF)	800
Base Costs of Delivery (AF)	\$206.85
CPI Escalator Energy	2.4%

CPI Index - Energy Services - Los Angeles-Riverside-Orange County, CA	
Current	276.771
Base	254.188 May 2013 Date of signed agreement

Year	Minimum Demand	Base Water Rate (Tier 1)	Base Energy Cost Adj by Energy CPI	Current Period Costs of Energy	Change in Costs of Energy	Net Water Rate	Minimum Invoice Amt
Year 1	2015/16	645	\$ 1,495	\$ 204.43	\$ 227.27	\$ 23	\$ 1,518.69 \$ 579,553
Year 2	2016/17	800	\$ 1,571	\$ 207.16	\$ 223.71	\$ 17	\$ 1,587.32 \$ 1,269,859
Year 3	2017/18	800	\$ 1,649	\$ 205.62	\$ 191.77	\$ -	\$ 1,649.18 \$ 1,319,345
Year 4	2018/19	800	\$ 1,649	\$ 213.59	\$ 265.90	\$ 52	\$ 1,701.49 \$ 1,361,194
Year 5	2019/20	800	\$ 1,649	\$ 211.76	\$ 262.54	\$ 51	\$ 1,699.76 \$ 1,359,811

FY 2015/16 Rate - Tier 1

\$ 3.434 SM Tier 1 Water Rate (Base) per HCF
435.60 100 CF units per Acre-Foot
\$ 1,495.85 Water Rate per AF
FY 2016/17 Rate - Tier 1
\$ 3.606 SM Tier 1 Water Rate (Base) per HCF
435.60 100 CF units per Acre-Foot
\$ 1,570.77 Water Rate per AF
FY 2017/18 - FY 2018/19 Rate - Tier 1
\$ 3.786 SM Tier 1 Water Rate (Base) per HCF
435.60 100 CF units per Acre-Foot
\$ 1,649.18 Water Rate per AF

Brad Whitty:
As of Feb-19 Energy CPI.
Subject to change in July-19

Brad Whitty:
Per COWA Draft Budget,
03/19

Per Brad Whitty, City of Santa Maria, base water rate will remain unchanged on July 1, 2019.

**NIPOMO COMMUNITY SERVICES DISTRICT
NIPOMO SUPPLEMENTAL WATER PROJECT (NSWP)
BUDGET FOR FISCAL YEAR 2019-2020**

OPERATIONS AND MAINTENANCE BUDGET

OPERATIONS AND MAINTENANCE	2017-18 ACTUAL	2018-19 BUDGET	2018-19 EST ACTUAL	2019-20 PROPOSED
Electricity	62,639	67,223	66,078	68,060
Labor (fully weighted)	37,183	30,900	39,042	40,213
Water	608	721	537	553
Chemicals	8,018	11,330	7,587	7,815
Lab Tests	0	258	0	0
Operating Supplies	721	5,150	1,000	1,030
Outside Services	5,275	5,459	1,480	1,524
Permits and Operating Fees	694	721	1,244	1,281
Insurance	4,123	4,247	4,247	4,374
Repairs and Maintenance	12,791	12,360	10,000	10,300
TOTAL OPERATIONS AND MAINTENANCE	132,052	138,368	131,215	135,151
Cost per acre foot @ 800 acre feet	165.07	172.96	164.02	168.94
Overhead allocation 15% of O and M	24.76	25.94	24.60	25.34

Estimate 3% increase in expenses FY 19-20

**NIPOMO COMMUNITY SERVICES DISTRICT
NIPOMO SUPPLEMENTAL WATER PROJECT (NSWP)
BUDGET FOR FISCAL YEAR 2019-2020**

FUNDED REPLACEMENT RESERVES

Beginning Balance, July 1, 2018		570,452
Collections FY 2018-19		
NCS	149,439	
WMWC	28,713	
GSWC	<u>28,713</u>	
		206,865
Estimated interest income FY 2018-19		<u>13,800</u>
Estimated Ending Balance, June 30, 2019		<u><u>791,117</u></u>
Collections FY 2019-20		
NCS	149,439	
WMWC	28,713	
GSWC	<u>28,713</u>	
		206,865
Estimated interest income FY 2019-20		<u>35,000</u>
Estimated Ending Balance, June 30, 2020		<u><u>1,032,982</u></u>

Funded Replacement Reserve Requirement - Pursuant to Section XVIII (J)

CPI Adjustment as of June 30, 2019		
CPI - 2018 Annual	265.962	
CPI - 2017 Annual	<u>(256.210)</u>	
	9.752	
Divide by previous period CPI ÷	<u>256.210</u>	
	0.0381	
	X <u>100.000</u>	
Percent Change	<u><u>3.81</u></u>	
Maximum Balance computed as of June 30, 2018		3,170,479
Adjusted by CPI June 30, 2019 (\$3,170,479 * 3.81%)		<u>120,478</u>
Maximum Balance adjusted as of June 30, 2020		<u><u>3,290,957</u></u>

Note: Funds held in separate savings account at Five Star Bank

	CPI INDEX	ADJ	RUNNING BALANCE
			3,000,000
6/30/2016	0.907	27,210	3,027,210
6/30/2017	1.89	57,214	3,084,424
6/30/2018	2.79	86,055	3,170,479
6/30/2019	3.81	120,478	3,290,957

MAY 8, 2019

ITEM E-2(B)

ATTACHMENT B

NIPOMO SUPPLEMENTAL WATER PROJECT
SUPPLEMENTAL WATER MANAGEMENT AND GROUNDWATER
REPLENISHMENT AGREEMENT

This Nipomo Supplemental Water Project Supplemental Water Management and Groundwater Replenishment Agreement ("Agreement") is made this 16th day of ~~September~~ ^{October}, 2015, between the Nipomo Community Services District, Rural Water Company, The Woodlands Mutual Water Company of San Luis Obispo County and Golden State Water Company with regards to the following facts:

I. RECITALS:

- A. The Nipomo Community Services District ("NCSD") is a public entity, independent special district organized and operated pursuant to Govt. Code section 61000 et seq. NCSD provides water and related services within the NCSD boundary located in the southern portion of San Luis Obispo County, within an area generally referred to as the Nipomo Mesa.
- B. Golden State Water Company ("GSWC") is a California corporation and a public utility water corporation as defined by Public Utilities Code §§ 216 and 241 providing water service to customers within the Nipomo Mesa subject to California Public Utilities Commission ("PUC") regulation.
- C. Rural Water Company ("RWC") is a California corporation and a public utility water corporation as defined by Public Utilities Code §§ 216 and 241 providing water service to customers within the Nipomo Mesa subject to PUC regulation.
- D. The Woodlands Mutual Water Company of San Luis Obispo County ("WMWC") is a California corporation and a mutual water company providing water service to its shareholder – customers within the Nipomo Mesa.
- E. Collectively, GSWC, RWC and WMWC, are referred to as the "Water Companies" and individually as a "Water Company". NCSD, GSWC, RWC and WMWC are collectively referred to as the "Parties" and individually as a "Party".
- F. The Parties, along with hundreds of other individuals and entities are parties to a certain legal proceedings entitled "*Santa Maria Valley Water Conservation District v. City of Santa Maria, et al.*", Superior Court of the State of California, County of Santa Clara, Consolidated Cases CV770214 ("Santa Maria Litigation"), regarding the respective rights of the litigants to groundwater resources in the Santa Maria Groundwater Basin ("Basin").
- G. After lengthy proceedings, the court entered an amended judgment

("Judgment") on April 17, 2014, which provides for the long-term management of the Basin water resources.

H. The court retained jurisdiction over the Judgment to ensure the parties manage the Basin water resources consistently with the Judgment.

I. Incorporated into and made a part of the Judgment is a Stipulation dated June 30, 2005 ("Stipulation"), which establishes a detailed management plan for three subareas within the Basin. The Nipomo Mesa is included in the subarea called the Nipomo Mesa Management Area ("NMMA").

J. The Judgment (through the Stipulation) requires NCSD to purchase and transmit to the NMMA a minimum of 2,500 acre-feet of "Nipomo Supplemental Water" each year. NCSD is further required to employ its best efforts to timely implement the Nipomo Supplemental Water Project (NSWP).

K. The Judgment further provides that once the Nipomo Supplemental Water is capable of being delivered, the Parties shall purchase the following portions of the Nipomo Supplemental Water each year to offset groundwater pumping within the NMMA.

Entity	Percent Allocation	AFY (2,500 AF NSWP Yield)
NCSD	66.68	1667.00
GSWC	8.33	208.25
RWC	8.33	208.25
WMWC	16.66	416.50
Total	100.00	2500.00

L. NCSD has entered into a Wholesale Water Supply Agreement with the City of Santa Maria (City), dated May 7, 2013, ("NCSD-City Agreement," attached and incorporated as Exhibit "A"). The NCSD-City Agreement provides a mechanism through which NCSD may purchase Nipomo Supplemental Water for sale and distribution in the NSWP, consistent with the obligations in the Judgment.

M. NCSD has completed construction of the first stage of the NSWP such that NCSD is taking delivery of Nipomo Supplemental Water as of July 1, 2015. The additional stages of the NSWP to allow increased water delivery of a minimum of 2,500 AFY, as required under the Judgment, are currently being planned.

N. On or about June 25, 2015, the PUC approved GSWC's acquisition of RWC. Upon completion of GSWC's acquisition of RWC, GSWC will assume the entirety of RWC's benefits and obligations under this Agreement.

O. NCSD has designed the NSWP to deliver 3,000 AFY. All costs associated with

NSWP Supplemental Water Management and Groundwater Replenishment Agreement

Page 2 of 20

the capacity in excess of 2,500 AFY are solely assigned to NCSD. Should the Parties, or any faction thereof, elect to expand NSWP facilities to deliver water in excess of 3,000 AFY, further negotiation and agreement among the participating Parties will be required.

P. The purpose of this Agreement is to implement the Parties' obligations with respect to the NSWP as provided in the Stipulation and the Judgment.

In consideration of the foregoing recitals that are incorporated herein by reference and the mutual terms and conditions set forth herein, the Parties agree as follows:

II. DEFINITIONS:

Terms used herein with initial capitalization, whether in singular or plural, shall have the following meanings:

A. "AFY" shall mean acre-feet per year.

B. "Costs" shall mean all the administrative, planning, design, permitting, capital, financing, construction, operation, maintenance, repair, replacement and overhead allocation costs associated with and arising out of the construction and ongoing operation of the NSWP, excluding costs of Points of Interconnection, which shall be funded as provided in Section VII. Costs shall include both actual expenses and reasonably anticipated NSWP related expenses expected to be incurred for the completion of the NSWP and for the ongoing operations of the NSWP. Costs include future financing of phases of the NSWP and future changes in water costs resulting from renegotiation of the NCSD-City Agreement.

C. "Effective Date" shall mean July 1, 2015.

D. "Fiscal Year" shall mean the twelve (12) month period commencing each July 1st during the term of this Agreement and ending the following June 30th.

E. "NSWP Enterprise Fund" shall mean the NSWP Enterprise Fund used by NCSD to account for, budget and track the Costs.

F. "Judgment" shall mean the amended judgment entered by the Court in that case entitled *Santa Maria Valley Water Conservation District v. City of Santa Maria, et al.*, Superior Court of the State of California, County of Santa Clara, consolidated cases CV770214.

G. "NCSD-City Agreement" shall mean the agreement between the City of Santa Maria and Nipomo Community Services District titled "Wholesale Water Supply Agreement," dated May 7, 2013.

H. "Nipomo Mesa Management Area" or "NMMA" shall mean the area so defined and described in the Judgment.

I. "Nipomo Supplemental Water" shall mean up to 2,500 AFY of water delivered within the NMMA to offset groundwater pumping.

J. "Nipomo Supplemental Water Project" or "NSWP" shall mean the facilities and appurtenances, including each Point of Interconnection, necessary to deliver Nipomo Supplemental Water as provided in Section VI.(A) of the Stipulation.

K. "NMMA Technical Group" is the group formed pursuant to the requirements of the Stipulation and Judgment.

L. "Point of Interconnection" shall mean those components of the NSWP extending from NCSD's water distribution system to each Water Company through which Nipomo Supplemental Water may be delivered to each Water Company.

M. "Prudent Utility Practice" shall mean the practices, methods, and acts which, in the exercise of reasonable judgment in light of the facts (including but not limited to the practices, methods, and acts engaged in or approved by a significant portion of the water utility industry prior thereto) known at the time the decision was made, would have been expected to accomplish the desired result at the lowest reasonable cost consistent with good business practices, reliability, safety, and expedition, taking into account the fact that Prudent Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be a spectrum of possible practices, methods, or acts which could have been expected to accomplish the desired result. Prudent Utility Practice includes due regard for manufacturers' warranties and requirements of agencies of competent jurisdiction.

N. "PUC" shall mean the California Public Utilities Commission, the entity with regulatory oversight responsibility for RWC and GSWC.

O. "PUC Application" shall mean those materials and testimony required so that GSWC and RWC may obtain PUC approval adequate to satisfy the conditions subsequent set forth in Section V below.

P. "Stipulation" shall mean the agreement dated June 30, 2005, by and between the majority of the litigants in the Santa Maria Litigation, settling their disputes and imposing a physical solution on the management of water resources in the Santa Maria Basin. The Stipulation is incorporated in and is a part of the Judgment.

Q. "Uncontrollable Force" shall mean any cause or event which is beyond the control of the Party affected, including, but not restricted to, failure of or threat of failure of facilities, flood, earthquake, storm, fire, lightning, epidemic, war, riot, civil disturbance or disobedience, labor dispute or strike, labor or material shortage, sabotage, restraint by court order or public authority and action or non-action by or

failure to obtain the necessary authorizations or approvals from any governmental agency or authority which by exercise of due diligence such party could not reasonably have been expected to avoid and which by exercise of due diligence it shall be unable to overcome.

III. PURPOSE:

A. The purpose of this Agreement is to enable the Parties to meet their respective obligations under the Judgment, based on the percentage allocations presented in Section I.K, regarding the NSWP. In particular, the Parties intend this Agreement to provide for: (1) payment to NCSD for each Party's allocation of Costs, and (2) distribution and use of Nipomo Supplemental Water.

B. The underlying premise of the NSWP is to use Nipomo Supplemental Water within the NMMA to offset 2,500 AFY of groundwater pumping in those areas within the NMMA where groundwater levels are most depressed and thus augment the replenishment of groundwater in those critical areas within the NMMA. As described herein, the Parties will use the Nipomo Supplemental Water to increase groundwater replenishment within the NMMA and improve the long-term reliability and integrity of groundwater availability within the NMMA. The Nipomo Supplemental Water delivered to the Parties pursuant to this Agreement shall be used exclusively for the benefit of properties within the existing jurisdictions and service areas of the Parties and in accordance with the Judgment and Stipulation.

IV. EFFECTIVE DATE AND TERM:

A. This Agreement shall be effective on July 1, 2015 and shall terminate on June 30, 2085 ("Term").

B. Notwithstanding the Term, the delivery of Nipomo Supplemental Water to the Parties subsequent to June 30, 2035, is subject to the renewal of the contract for state water between the City and the Central Coast Water Authority. The NCSD-City Agreement provides that it is subject to renegotiation in the event that the City's contract with the Central Coast Water Authority is not renewed as of June 30, 2035 or if the renewal terms would create a significant financial burden to the City or impair the ability of the City to provide Nipomo Supplemental Water in the quantities set forth in the NCSD-City Agreement.

C. Should renegotiation of the NCSD-City Agreement be required, NCSD and the City are required to negotiate and use their best efforts to equitably amend the terms of the NCSD-City Agreement to allow for the continued delivery of Nipomo Supplemental Water on terms mutually beneficial to both parties for the duration of the Term. NCSD will consult and confer with the Water Companies prior to entering into any material amendments to the NCSD-City Agreement.

D. Obligations incurred hereunder but not satisfied prior to termination of this Agreement shall survive such termination until fully discharged, including any payments due by one Party to another Party hereunder.

V. CONDITIONS SUBSEQUENT:

This Agreement shall terminate and shall be of no further force and effect as to either or both GSWC and RWC, subject to the following conditions.

A. As promptly as is reasonably practicable and in no event later than October 30, 2015, GSWC shall apply for PUC approval for imposition of the necessary rate adjustments so that GSWC may meet its financial obligations provided under this Agreement. GSWC shall provide NCSD with written notice of the satisfaction or waiver of this provision. If GSWC fails to obtain this PUC approval, through a PUC decision or order that is no longer subject to appeal, on or before December 31, 2017, either NCSD or GSWC may, each in its sole discretion, declare a failure to satisfy this condition and terminate this agreement as to GSWC. If either NCSD or GSWC exercises this termination right, the provisions of Article X(D)(1) of the Stipulation shall apply.

B. As promptly as is reasonably practicable and in no event later than October 30, 2015, RWC shall apply for PUC approval for imposition of the necessary rate adjustments so that RWC may meet its financial obligations provided under this Agreement. RWC shall provide NCSD with written notice of the satisfaction or waiver of this provision. If RWC fails to obtain this PUC approval, through a PUC decision or order that is no longer subject to appeal, on or before December 31, 2017, either NCSD or RWC may, each in its sole discretion, declare a failure to satisfy this condition and terminate this agreement as to RWC. If either NCSD or RWC exercises this termination right, the provisions of Article X(D)(1) of the Stipulation shall apply.

C. The Parties shall make every reasonable business effort to coordinate and cooperate in providing any necessary data, information and testimony to support the PUC approval processes contemplated in this Section.

D. GSWC and RWC shall each be responsible for its own PUC Application. However, each entity expects its PUC Application to be substantially the same in its content. Each PUC Application shall include a request for full financial participation in the NSWP as provided in this Agreement, as of the Effective Date. RWC and GSWC shall make their reasonable best efforts to obtain a prompt and reasonable response to the PUC Application from the PUC, including making every reasonable attempt to reach an acceptable settlement of the PUC Application in lieu of processing the PUC Application through a contested administrative hearing at the PUC. The Parties acknowledge that obtaining PUC approval of each PUC Application may take 12 months or more, following the date of submission of the PUC Application, and that neither GSWC nor RWC have control over the time it takes the PUC to process and

resolve each PUC Application. Notwithstanding the Effective Date, neither GSWC's, nor RWC's financial obligations provided in this Agreement accrue and are enforceable as to either entity, unless and until the PUC provides GSWC and RWC approval to make the necessary customer water rate adjustments equal to each entity's respective share of the Costs provided in this Agreement as of the Effective Date and otherwise consistent with Section IX.B.

E. Until the conditions subsequent in this section are satisfied with written notice, or waived, neither NCSD, RWC, nor GSWC waive their rights to exercise the provisions of Article X(D)(1) of the Stipulation.

VI. USE OF NIPOMO SUPPLEMENTAL WATER.

NCSD shall be responsible for the distribution and use of the Nipomo Supplemental Water between and among the Parties subject to the following:

A. Subject to the groundwater management and recharge protocols provided in this Agreement, the presumed quantity and rate of delivery of Nipomo Supplemental Water for each Party shall be as provided in the table below, based upon an assumed delivery of 2,500 AFY. To the extent Nipomo Supplemental Water is not available for delivery at the volumes or rates shown, each Party's deliveries shall be reduced on a proportional basis. To the extent the implementation of groundwater management and recharge protocols provide for alternative deliveries, each Party shall be responsible for its portion of the Costs as otherwise provided in this Agreement.

Entity	Annual (AF)	Quarterly (AF)	Maximum per Month (AF)
NCSD	1668	417	139
GSWC	208	52	17
RWC	208	52	17
WMWC	416	104	35

B. The highest priority use of Nipomo Supplemental Water shall be to offset groundwater pumping within those regions within the NMMA where depressed groundwater levels exist.

C. Provided that such reduction does not materially and adversely affect its ability to provide water for the reasonable and beneficial use of its customers, for each AF of the 2,500 AFY Nipomo Supplemental Water used within the NMMA, the user shall reduce its groundwater pumping by the same amount. The Parties shall develop a method of confirming this reduction in groundwater use.

D. Over the term of this Agreement, the Advisory Committee (as defined in XII.A) shall periodically meet and confer with the NMMA Technical Group regarding the distribution of the Nipomo Supplemental Water between the Parties, given the priority

specified in subsections VI.A and B, above. Based on the input from the Advisory Committee and the NMMA Technical Group, the status of Points of Interconnection as provided in the Section VII.A below and other relevant hydrologic conditions, NCSD shall determine the distribution of Nipomo Supplemental Water among the Parties. NCSD shall make its determination regarding the distribution of Nipomo Supplemental Water, following the consultation described in this subsection and based upon a reasonable, good faith interpretation of how best to manage the then existing hydrologic conditions within the NMMA, the availability of Nipomo Supplemental Water and the ability to rely on existing Points of Interconnection and establish a new Point of Interconnection with RWC, if one has not yet been established.

E. Pursuant to section VI(B)(3) of the Stipulation, provided WMWC is concurrently using or has made arrangements for other Parties to use within the NMMA the Nipomo Supplemental Water allocated to the WMWC under Section VI(A), above, WMWC shall not be subject to restriction in the reasonable and beneficial use of groundwater necessary for full development of its service area; provided however, nothing in this Agreement is intended to modify or amend the benefits and obligations provided in the Stipulation and the Judgment applicable to WMWC, or the court's retained jurisdiction pursuant to the Stipulation and the Judgment.

VII. POINTS OF INTERCONNECTION, CONTROL AND MEASUREMENT OF NIPOMO SUPPLEMENTAL WATER DELIVERIES.

A. Point(s) of Interconnection. As of the Effective Date, NCSD's water system is interconnected with GSWC and WMWC water systems. Each of these existing interconnections will require improvements, and possibly reconstruction, to be fully functional "Point(s) of Interconnection." No Point of Interconnection is in place between NCSD and RWC. If, pursuant to Section VI.D, the Parties determine each or all Points of Interconnection are necessary to make optimal use of Nipomo Supplemental Water, NCSD and each Water Company shall develop the most cost effective design and arrange for the construction of the Points of Interconnection as promptly as practical. The Cost of each Point of Interconnection, including the improvements required for existing Points of Interconnection with WMWC and GSWC, shall be incorporated into the NSWP Costs and NSWP Enterprise Fund as provided in this Agreement. The Parties acknowledge and agree that the Point of Interconnection with RWC, if and when established, will be included as a component of the NWSP. However, the Parties agree that allocation of Costs for the pipeline portion of the RWC Point of Interconnection may differ from the allocation set forth in Section I.K above, to be agreed upon by the Parties once those Costs are determined. The Costs for the RWC Point of Interconnection, excluding the Costs of the pipeline portion of the RWC Point of Interconnection, shall be shared consistent with the allocation set forth in Section I.K in a magnitude equivalent to that included in the Costs for the WMWC and GSWC Points of Interconnection.

B. Each Point of Interconnection shall include flow control and metering devices

used to control and measure the delivery of Nipomo Supplemental Water at the Point of Interconnection. Each Point of Interconnection and the appurtenant facilities shall be considered part of the NSWP and shall be owned, operated and maintained by NCSD.

C. NCSD shall arrange for the inspection and testing of the metering devices at least once per calendar year, unless more frequent testing and inspection is appropriate as a result of repairs to or replacements of a metering device. NCSD shall provide reasonable advance notice to and coordinate with each Water Company to accomplish required testing or inspection activities.

D. The operation and maintenance of any Point of Interconnection will be detailed in an Operation Memorandum of Understanding that will be approved by the NCSD and other affected parties prior to connection. If the Parties cannot agree on the terms of the Operations Memorandum of Understanding then the disputed terms will be subject to the dispute resolution procedures referenced in XII of this Agreement.

VIII. NSWP ENTERPRISE FUND BUDGET:

A. NCSD shall operate the NSWP as an enterprise fund ("NSWP Enterprise Fund"), separating all Costs related to the NSWP within and only to that NSWP Enterprise Fund. Prudent Utility Practices shall apply to NCSD's management of the NSWP Enterprise Fund and the NSWP.

B. Each Fiscal Year NCSD shall prepare a NSWP Enterprise Fund Budget ("Budget") for all revenues and expenditures related to the NSWP Enterprise Fund. The Budget shall include a summary of projected Nipomo Supplemental Water deliveries and the Costs associated with those deliveries. A draft of the Budget shall be available to each Water Company for review by May 1st of each year. NCSD shall make every reasonable effort to adopt the final Budget during June of each year at a regularly scheduled NCSD board meeting. The Advisory Committee shall determine the most effective content, format and reporting frequency for financial and budget reports for the NSWP Enterprise Fund.

C. The Budget shall provide the basis for and detail the cost allocations and quarterly billings described in Section IX.

D. Unless the Parties agree otherwise, every five years, a third party expert accounting firm shall perform an overhead allocation analysis for NCSD, including the NSWP Enterprise Fund. The overhead allocation recommendations of that study shall be applied in the next annual budgeting cycle for the NSWP Enterprise Fund. The cost of this study shall be included in the administrative overhead allocated to the NSWP Enterprise Fund. The Advisory Committee shall appoint the accounting firm to perform the overhead allocation analysis.

E. The Water Companies acknowledge and agree that NCSD has incurred

substantial Costs related to the completed portions of the NSWP as of the Effective Date and will incur additional Costs to complete the NSWP. These costs include, but are not limited to, planning, environmental reviews, legal fees, acquisition of easements, an assessment election, and the construction and financing of the primary distribution pipeline extending from the City to NCSD facilities and future stages of the NSWP project. These Costs have been funded by NCSD, with very limited contributions from the Water Companies.

F. The Budget shall include the amortized recovery of the NSWP capital costs (whether funded by NCSD with internal funds or borrowed funds) attributable to each Water Company, pursuant to Section I.K above, plus interest on the unamortized balance of such costs. The capital costs to be amortized in each Budget shall include amounts expended to date and the additional costs necessary to complete the NSWP. NCSD shall not recover interest on the capital portion of NSWP Costs that are funded through the use of NSWP Enterprise Fund assets or reserves.

G. The amortization period for capital costs shall be 30 years beginning July 1, 2015. Interest will be charged monthly on the remaining unamortized balance as of the prior month end.

H. Each Water Company may elect to make early payments of its amortized portion of the capital costs and such early payments shall be credited against the capital obligation of that Water Company.

I. The interest rates to be charged to each Water Company will be determined as follows:

1. For GSWC and RWC, the interest rate charged will be equal to the interest rate on amounts NSCD has borrowed to finance a portion of the project Costs plus one-half of one percent. In the event GSWC's credit rating drops materially below its current rating of A+, and such change would have a material impact on any expected borrowing or financial security related to the NSWP Enterprise Fund, the interest rate charged will be subject to renegotiation between GSWC, RWC and NCSD. The interest specified in this subsection applicable to RWC is predicated on expectation that GSWC will complete its acquisition of RWC prior to the PUC approval of this Agreement. The interest rate and security assurance applicable to RWC's capital obligation shall be subject to renegotiation should GSWC fail to complete its acquisition prior to the PUC's approval of this Agreement.

2. For WMWC, the interest rate charged will be equal to the interest rate on amounts NSCD has borrowed to finance a portion of the project Costs plus two percent. In the event there is a material change in WMWC's financial condition, the interest rate charged will be subject to renegotiation between NCSD and WMWC. WMWC acknowledges that its agreement to amend its bylaws to authorize recordation and enforcement of liens under Corporations

Code § 14304 ("Section 14304 Lien Rights") constitutes a material inducement to NCSD to forego other forms of security for repayment of WMWC's capital obligations, and agrees that it shall not subsequently revise its bylaws to relinquish its Section 14304 Lien Rights without having previously agreed to provide alternate security reasonably acceptable to NCSD.

3. In the event NCSD makes additional borrowings to finance subsequent stages of the NSWP, the interest rates charged GSWC, RWC and WMWC will be adjusted based on the weighted average of the interest rates attributable to unamortized balances of prior stages of the NSWP and the interest rate attributable to the capital costs of the new stage.

J. The NSWP Enterprise Fund shall include a funded replacement reserve ("NSWP Enterprise Fund Reserve") to accumulate funds for the future replacement of NSWP equipment and facilities. The initial NSWP Enterprise Fund Reserve amount shall be set at one percent of total project Costs. Thereafter, the NSWP Enterprise Fund Reserve shall be increased annually based upon the percentage increase in the Consumer Price Index (CPI) – All Urban Consumers (Los Angeles-Riverside-Orange Co., CA area) for the immediately preceding calendar year, subject to the following.

1. The maximum balance in the NSWP Enterprise Fund Reserve shall be \$3,000,000. The NSWP Enterprise Fund Reserve maximum shall be increased annually based upon the percentage increase in the Consumer Price Index (CPI) – All Urban Consumers (Los Angeles-Riverside-Orange Co., CA area) for the immediately preceding calendar year. Once the balance in the NSWP Enterprise Fund Reserve reaches the maximum then in effect, the annual reserve shall cease to be collected until such time as the NSWP Enterprise Fund Reserve balance drops below the maximum. Should required expenditures exceed the balance then in the NSWP Enterprise Fund Reserve, the Advisory Committee will establish a plan for funding the deficit in a timely manner. The maximum balance in the NSWP Enterprise Fund Reserve may be increased or decreased subject to unanimous approval by the Advisory Committee.

2. Subject to approval by the Advisory Committee, the balance in the NSWP Enterprise Fund Reserve can be used to fund extraordinary unbudgeted operations and maintenance expenses in those cases where the NSWP Enterprise Fund does not have sufficient operating funds to cover the expenditure.

3. Interest income earned on the NSWP Enterprise Fund Reserve shall remain in the NSWP Enterprise Fund.

IX. RATES AND CHARGES: Based on the Budget, NCSD shall allocate Costs to and invoice the Water Companies as follows:

A. Each Water Company shall be responsible for its share of the Costs of Nipomo Supplemental Water and the NSWP based on the pro-rata shares of the NSWP as provided in Section I.K and the Budget. The Cost allocations shall take into account all Costs for the NSWP. An energy (pumping) credit shall be provided to each Party for any portion of its Nipomo Supplemental Water not delivered directly to that Party, but instead used by another Party pursuant to Section VI.

B. During the term of this Agreement, and where applicable subject to the jurisdiction and approval by the PUC, each Water Company shall charge and collect rates and charges for the water services furnished in its service area which will yield gross revenues sufficient to pay all costs of operating and maintaining the water system within the designated area, including all payments due under this Agreement, as they become due and payable.

C. Following each calendar quarter, NCSD shall provide a written invoice to each Water Company for its share of the Costs during the prior quarter. All invoices will be payable within thirty (30) days of delivery of the invoice. NCSD shall have the right to charge late fees of up to five (5) percent of the overdue amount for any invoice that is not paid within such period.

D. Until such time as GSWC and RWC receive approval from the PUC as provided in Section V, NCSD will not charge late fees on outstanding GSWC and RWC invoices; however, interest will accrue on outstanding charges at the rate specified in Section VIII.

E. In the event a Party disputes any charges on an invoice, the undisputed amount shall be paid and no late fee will be assessed pending resolution of the disputed amount. Along with payment of the undisputed amount, the Party shall provide a detailed written description of the nature and amount in dispute. NCSD and the Party with the dispute shall make every reasonable business effort to resolve the dispute promptly.

F. Within 90 days after the end of each fiscal year, NCSD shall compare prior year actual Costs to the total amount billed to the Parties for that year. If actual Costs exceed the amount billed for that year, each Party will be billed for its allocated share of the excess costs. If actual Costs are less than the amount billed for that year, each party will have the option to have its allocated share of the difference be (1) credited against any unamortized capital costs then due NCSD or (2) be refunded.

X. CONTINUITY OF SERVICE:

A. NCSD reserves the right to temporarily interrupt or curtail delivery of Nipomo Supplemental Water to make repairs, replacements, modifications, or to perform maintenance work on the NSWP, or to respond to an existing or impending Uncontrollable Force, as determined in NCSD's sole judgment. NCSD shall use its

reasonable best business efforts to provide advance written notice to the Water Companies of any restriction or interruption in the use of the NSWP or planned deliveries of Nipomo Supplemental Water.

B. In addition to limitations specified in X.A. above, NCSD may interrupt or curtail the use of the NSWP to the extent that the continued use of the NSWP could: (i) materially and adversely affect the reliability of the NSWP; or (ii) cause NCSD to violate the terms of any rule, regulation, or binding obligation it may otherwise have with respect to the production, treatment or delivery of Nipomo Supplemental Water.

XI. DEVELOPMENT OF EXPANDED GROUNDWATER MANAGEMENT AND RECHARGE CAPABILITY:

The Parties acknowledge and agree that the availability of additional Nipomo Supplemental Water would be beneficial for use within the NMMA. The Parties agree to negotiate an amendment to this Agreement to include the expanded use of Nipomo Supplemental Water for the benefit of the groundwater resources water balance within the NMMA. The Parties shall use their reasonable best efforts to complete the negotiation as promptly as practical.

XII. RESOLUTION OF DISPUTES:

The Parties' shall attempt to amicably and promptly resolve any dispute arising between the Parties and under this Agreement. Nothing in this Agreement shall preclude any Party from taking any lawful action it deems appropriate to enforce its rights under this Agreement. The Parties shall initially attempt to resolve any dispute by the means set forth below:

A. Advisory Committee. The Parties shall exercise best efforts to resolve disputes through consensus. An Advisory Committee shall be established and be comprised of two representatives of each Party. The Advisory Committee shall be convened whenever necessary to ensure this Agreement is being administered and implemented consistent with the intentions of all the Parties. An NCSD representative shall chair the Advisory Committee. The Chair shall be responsible for scheduling all meetings under this section. Any Party may request a meeting of the Advisory Committee.

B. Annual Meeting. The Advisory Committee shall meet annually, or as often as necessary, to review the administration and implementation of this Agreement. The Advisory Committee shall use its best efforts to obtain consensus on the resolution of technical, administrative, financial, legal and operational issues that may arise from time to time with regard to this Agreement.

C. Dispute Resolution Procedure. The Parties shall submit any dispute related to or arising out of this Agreement to the Advisory Committee for consideration. The

Chair may request the Party or Parties to any dispute to submit a description of the dispute in writing prior to convening the Advisory Committee. As soon as practical, and within 14 days of the submission of a written description of a dispute, the Chair shall schedule a meeting of the Advisory Committee. The Advisory Committee shall convene within 30 days of the submission of a written description of a dispute and shall make every reasonable effort to resolve the dispute.

D. Failure of the Advisory Committee to Resolve the Dispute. If the Advisory Committee fails to resolve a dispute, the Parties may elect to refer the dispute to mediation. If the Parties are unable to agree promptly upon a mediator or a mediation process, each Party may freely pursue any equitable and legal remedy.

E. Emergencies. Where an unresolved dispute may pose an imminent danger to the public, health, safety or welfare, the Parties shall not be subject to the provisions of this Section.

XIII. LIABILITY AND INDEMNIFICATION:

A. Limitation of Liability: Except as to the negligent or willful misconduct of a Party, each Party shall release and hold harmless the other Parties from and against any and all liability, loss, damage and expense arising from, alleged to arise from, in connection with, or incident to the services rendered under this Agreement.

B. Indemnification and Defense: Each Party shall indemnify, defend and hold harmless the other Parties, its directors, members, officers, employees and agents from and against any and all third-party claims, suits or actions instituted on account of personal injuries or death of any person (including but not limited to workers and the public) or physical damage to property resulting from or arising out of the indemnitor's willful misconduct or negligent act or omission while engaged in the performance of obligations or exercise of rights under this Agreement.

C. Limitation on Damages: No Party shall be liable to any other Party for any consequential, incidental, punitive, special or exemplary damages or lost opportunity costs, lost profit or other business interruption damages, by statute or in tort or contract, under any provision of this Agreement.

D. Water Quality. NCSD shall be responsible for ensuring that the quality of the Nipomo Supplemental Water made available for delivery is of the same pressure and quality of water that NCSD delivers to its residential customers. The quality of water which is delivered by NCSD to its residents shall comply with all federal, state and local laws, regulations and permit requirements which are applicable to NCSD, including standards applicable to wastewater discharge, as amended from time to time and subject to any compliance waiver granted to NCSD ("Quality Standards"). NCSD shall provide GSWC, RWC and WMWC with a copy of the Quality Standards (and any change thereto) which are applicable to NCSD and GSWC, RWC and WMWC shall be solely responsible for ensuring that the Quality Standards meet the federal, state and local laws, regulations and

permit requirements for potable water delivery by GSWC, RWC and WMWC to its customers, including the discharge of such water. To the extent that the quality standards which are applicable to GSWC, RWC and WMWC exceed the Quality Standards, then GSWC, RWC and WMWC shall be responsible for any necessary additional treatment of the Nipomo Supplemental Water. NCSD agrees to indemnify and hold GSWC, RWC and WMWC harmless from any liability which arises as a result of the failure of the Nipomo Supplemental Water which is delivered to the GSWC, RWC and WMWC to meet the Quality Standards. GSWC, RWC and WMWC shall be solely responsible for any actual liability resulting from a change in water quality following the Point of Interconnection (including any additional treatment undertaken by GSWC, RWC and WMWC) and shall indemnify and hold NCSD harmless from any actual liability which arises from any such change. NCSD and GSWC, RWC and WMWC shall promptly notify the other in the event that either becomes aware of a material adverse change in the quality of the Nipomo Supplemental Water and shall cooperate to identify the cause of such change.

XIV RELATIONSHIP OF THE PARTIES:

The covenants, obligations and liabilities of the Parties are intended to be several and not joint or collective and nothing herein contained shall ever be construed to create an association, joint venture, trust or partnership, or to impose a trust or partnership covenant, obligation or liability on or with regard to any Party. Each Party shall be individually responsible for its own covenants, obligations and liabilities as herein provided. No Party shall be under the control of or shall be deemed to control another Party. No Party shall be the agent of or have a right or power to bind another Party without such other Party's express written consent, except as provided in this Agreement.

XV. UNCONTROLLABLE FORCES:

If the existence of an Uncontrollable Force, as defined in Section II.Q above, disables a Party from performing its obligations under this Agreement (except for such Party's obligations to make payments hereunder), such Party shall not be considered to be in default in the performance of any such obligations while such disability of performance exists. A Party rendered unable to fulfill any of its obligations under this Agreement by reason of an Uncontrollable Force shall exercise due diligence to remove such inability with all reasonable dispatch. Nothing contained herein shall be construed so as to require a Party to settle any strike or labor dispute in which it may be involved.

XVI. AUDITS:

Each Party shall have the right to audit any costs, payments, settlements or other supporting information pertaining to this Agreement, including the Costs and the Budget. Any such audit shall be undertaken by the requesting Party or its representative at reasonable times and in conformance with generally accepted auditing standards. The audited Party shall fully cooperate with any such audit, the cost of which shall be paid by the requesting Party. The right to audit a billing shall extend for a period of three (3) years

following the rendering of the bill. Each Party shall retain all necessary records or documentation for the entire length of such three (3) year period and shall, to the extent permitted by law, take all steps reasonably available to assure the confidentiality of the audited Party's accounting records and supporting documents.

XVII. THIRD PARTY BENEFICIARIES:

There are no third Party beneficiaries to this Agreement. This Agreement shall not confer any right or remedy upon any person or entity other than the Parties and their respective successors and assigns permitted under Section XVIII. This Agreement shall not release or discharge any obligation or liability of any third party to any Party or give any third party any right of subrogation or action over or against a Party.

XVIII. ASSIGNMENT OF INTERESTS:

A. No Party shall assign this Agreement without the prior written consent of the other Parties, which consent shall not be unreasonably withheld or delayed. Each Water Company expressly understands and agrees that it shall not be unreasonable for NCSD to withhold or delay its consent to any proposed or purported assignment to any person or entity ("Assignee") that has not demonstrated to NCSD's reasonable satisfaction that NCSD's interests as contemplated herein will not be adversely affected thereby.

B. Any assignment by a Party of its interest in this Agreement which is made without the prior written consent of the other Parties shall not relieve the assigning Party from primary liability for any of its duties and obligations under this Agreement, and in the event of any such assignment, the assigning Party shall continue to remain primarily liable for payment of any and all money due the other Parties as provided under this Agreement, and for the performance and observance of all covenants, duties and obligations to be performed and observed under this Agreement by the Party to the same extent as though no assignment had been made.

C. Whenever an assignment of a Party's interest in this Agreement is made with the written consent of the other Parties, the assigning Party's assignee shall expressly assume in writing the duties and obligations under this Agreement of the assigning party and, within thirty (30) days after any such assignment and assumption of duties and obligations, the assigning Party shall furnish, or cause to be furnished, to the other Party a true and correct copy of such assignment and assumption of duties and obligations. Upon the effective date of such assignment, the assigning Party shall be relieved of its obligations and duties under this Agreement.

D. Subject to the foregoing restrictions on assignment, this Agreement shall be binding upon, inure to the benefit of and be enforceable by the Parties and their respective successors and assigns.

XIX. NO DEDICATION OF FACILITIES:

Any undertaking by a Party to another Party under this Agreement shall not constitute the dedication of the system, or any portion thereof, of that Party to the public or to another Party, nor affect the status of that Party as an independent system.

XX. COMPLETE AGREEMENT:

This Agreement contains the entire agreement and understanding between the Parties as to the subject matter of this Agreement and supersedes all prior commitments, representations and discussions between the Parties.

XXI. CONSTRUCTION OF AGREEMENT:

Ambiguities or uncertainties in the wording of this Agreement shall not be construed for or against any Party, but shall be construed in a manner that most accurately reflects the intent of the Parties when this Agreement was executed and is consistent with the nature of the rights and obligations of the Parties with respect to the matter being construed.

XXII. NON-DISCRIMINATION:

During the performance of this Agreement, no Party shall deny the Agreement's benefits to any person, nor shall any Party discriminate unlawfully against any employee or applicant for employment, on the grounds of or because of race, color, creed, national origin, ancestry, age, sex, sexual orientation, marital status or disability, including the medical condition of Acquired Immune Deficiency Syndrome (AIDS) or any condition related thereto. Each party shall insure that the evaluation and treatment of employees and applicants for employment are free of such discrimination.

XXIII. EVENTS OF DEFAULT:

In the event that a Party shall materially default in the performance of its obligations under this Agreement, the Authorized Representatives of the non-defaulting Parties may give written notice of the default to the Authorized Representative of the defaulting Party. If within thirty (30) days after the non-defaulting Parties' Authorized Representative shall have given such written notice to the defaulting Party's Authorized Representative, the defaulting Party shall have failed to cure the default in its performance of this Agreement, or if such default requires more than thirty (30) days to cure and the defaulting Party fails to commence such cure and diligently prosecute such cure to completion, in addition to any other remedies provided by law, the non-defaulting Parties may terminate this Agreement by written notice of termination as provided for in Section XXVIII. In addition to any other cause of default arising hereunder, a Party shall be in a default if:

- A. It becomes insolvent; or

B. It makes a general assignment of substantially all of its assets for the benefit of its creditors, files a petition for bankruptcy or reorganization or seeks other relief under any applicable insolvency laws; or

C. It has filed against it a petition for bankruptcy, reorganization or other relief under any applicable insolvency laws and such petition is not dismissed within sixty (60) days after it is filed.

D. In the event of a default and termination of the Agreement as to the defaulting Party, the non-defaulting Parties shall use commercially reasonable best efforts to negotiate any revisions to this Agreement that are necessary or appropriate in light of such termination, which revisions shall be consistent with the purpose and intent of this Agreement and shall preserve, to the maximum extent possible, all material consideration to the remaining parties. Termination of this Agreement, either in its entirety or as to one or more Parties, shall not affect the validity or enforceability of the Stipulation and Judgment or the rights and obligations of any Party thereunder.

XXIV. AMENDMENTS:

This Agreement may be modified, supplemented or amended only by a writing duly executed by the Parties.

XXV. WAIVERS:

A. Any waiver at any time by any Party of its rights with respect to a default under this Agreement, or with respect to any other matter arising in connection with this Agreement, shall not be deemed a waiver with respect to any subsequent default or other matter arising in connection therewith. Any delay, short of the statutory period of limitation in asserting or enforcing any right, shall not be deemed a waiver of such right.

B. Nothing in this Agreement shall limit, nor act as a waiver, of any Party's rights or defenses in pursuing or defending against any legal or equitable claim or remedy that may be asserted regarding each Party's rights and obligations to participate in the NSWP and bear its percentage allocation of the Costs of the NSWP (as presented in Recital K).

XXVI. SECTION HEADINGS:

All captions and headings appearing in this Agreement are inserted to facilitate reference and shall not govern, except where logically necessary, the interpretations of the provisions hereof.

XXVII. GOVERNING LAW:

This Agreement shall be interpreted, governed by and construed under the laws of the State of California or the laws of the United States as applicable, as if executed and to be performed wholly within the State of California.

XXVIII. NOTICES:

A. Any notice, demand or request provided for in this Agreement, or served, given or made in connection with it, shall be in writing and shall be deemed properly served, given or made if delivered in person, by email or sent by United States mail, postage prepaid, to the persons specified below, unless otherwise provided for in this Agreement:

Nipomo Community Services District
Attention: General Manager
P.O. Box 326
Nipomo, California 93444-326
generalmanager@ncsd.ca.gov

Golden State Water Company
Attention: Senior Vice President of Regulated Utilities
630 East Foothill Blvd
San Dimas, CA 91773

Rural Water Company
c/o Frank B. & Associates
Attention: Frank Brommenschenkel
134 Davis Street
Santa Paula, CA 93060

Woodlands Mutual Water Company
c/o Wallace Group
Attention: Robert S. Miller
612 Clarion Ct.
San Luis Obispo, CA 93401

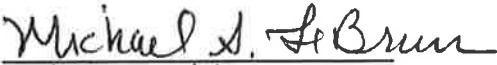
B. Any Party may at any time, by written notice to the other Parties, change the designation or address of the person so specified as the one to receive notices pursuant to this Agreement.

[signatures on following page]

XXIX. SIGNATURE CLAUSE:

The signatories hereto represent that they have been appropriately authorized to enter into this Agreement on behalf of the Party for whom they sign.

NIPOMO COMMUNITY SERVICES DISTRICT


Date: October 16, 2015
By: MICHAEL S. LEBRUN
GENERAL MANAGER

GOLDEN STATE WATER COMPANY

Date: _____, 2015
BY: _____

RURAL WATER COMPANY

Date: _____, 2015
BY: _____

WOODLANDS MUTUAL WATER COMPANY

Date: _____, 2015
BY: _____

XXIX. SIGNATURE CLAUSE:

The signatories hereto represent that they have been appropriately authorized to enter into this Agreement on behalf of the Party for whom they sign.

NIPOMO COMMUNITY SERVICES DISTRICT

Date: _____, 2015
By: MICHAEL S. LEBRUN
GENERAL MANAGER

GOLDEN STATE WATER COMPANY

Date: Robert J. Spronls
September 10, 2015
BY: Robert J. Spronls
President & CEO

RURAL WATER COMPANY

Date: _____, 2015
BY: _____

WOODLANDS MUTUAL WATER COMPANY

Date: _____, 2015
BY: _____

XXIX. SIGNATURE CLAUSE:

The signatories hereto represent that they have been appropriately authorized to enter into this Agreement on behalf of the Party for whom they sign.

NIPOMO COMMUNITY SERVICES DISTRICT

Date: _____, 2015
By: MICHAEL S. LEBRUN
GENERAL MANAGER

GOLDEN STATE WATER COMPANY

Date: _____, 2015
BY:

RURAL WATER COMPANY

Date: Charles M. Baker
Sept 9, 2015
BY: Chuck Baker

WOODLANDS MUTUAL WATER COMPANY

Date: _____, 2015
BY:

XXIX. SIGNATURE CLAUSE:

The signatories hereto represent that they have been appropriately authorized to enter into this Agreement on behalf of the Party for whom they sign.

NIPOMO COMMUNITY SERVICES DISTRICT

Date: _____, 2015
By: MICHAEL S. LEBRUN
GENERAL MANAGER

GOLDEN STATE WATER COMPANY

Date: _____, 2015
BY:

RURAL WATER COMPANY

Date: _____, 2015
BY:

WOODLANDS MUTUAL WATER COMPANY

Date: 10/15, 2015
BY: Dan R. Go Pam let

TO: BOARD OF DIRECTORS

FROM: MARIO IGLESIAS
GENERAL MANAGER

DATE: May 3, 2019

AGENDA ITEM

F

MAY 8, 2019

GENERAL MANAGER'S REPORT

ITEM

Standing report to your Honorable Board -- *Period covered by this report is April 21, 2019 through May 4, 2019.*

DISTRICT BUSINESS

Administrative

The District encourages residents to provide reports of any observed water waste. The District keeps an accounting of leak adjustments as a measure of non-revenue water lost to leaks. The table below provides the April data and the cumulative data for these activities.

Office Activities

	Apr-19	Jul-Apr 2019
Reports of water waste followed up on	0	4
Leak Adjustments	2	20
Leak Adjustment Amount	\$430	\$6,663

Water Resources

Table 1. Total Production Acre Feet (AF)

	Apr-19	Jul 18 - Apr 19
Groundwater Production	86.7	710.0
Supplemental Water Imported	<u>75.7</u>	<u>803.8</u>
Total Production	162.4	1,513.7

NCSD imported 75.7 AF of water over the 30 day period in April averaging 571 gallons per minute for a daily total of 822,231 gallons per day. For fiscal year 2018-19 [July-2018 through June-2019] the District must import 800 AF of supplemental water. However, at the current import level, the District could see up to 960 AF for this time period. The District's total production, including groundwater wells and imported water measured at the Joshua Road Pump Station, registered 1,513.7 AF of water for the current fiscal year.

On the following page, Table 2 compares the District's total water production for the month of April and the fiscal year (July 2018 through June 2019) year-end total against those same periods for 2013 (pre-drought production). 2013 is the year the Department of Water Resources ("DWR") designated as the pre-drought production year. The pre-drought production data is included in the monthly water production report and compared to current usage, all of which is submitted by water purveyors statewide to DWR. For April 2019, the community's water conservation effort reached approximately 27.5% compared to April 2013. The District's year-end conservation effort for fiscal year 2019 will continue to be monitored throughout the year.

Table 2. FY 2019 Total Demand To-date Compared to 2013

	Apr-19	Jul 18 - Apr 19
Total Production (AF) for FY 2018-19	162.4	1,513.7
Total Production (AF) for 2013	<u>224.0</u>	<u>1,991.6</u>
Reduction (AF)	<u>61.6</u>	<u>477.9</u>
Percentage Reduction	27.5%	24.0%

NCSD GW Reduction

The District's purveyor customers, Golden State Water Company and Woodlands Mutual Water Company, each claim 16.66% (cumulatively 33.33%) of the imported water NCSD brings onto the basin through the NSWP. Of the 800 AF minimum imported water from the City of Santa Maria, 266.6 AF will be credited to these two purveyor customers. The credited amount must be added to the District's groundwater pumping total every month to reflect the groundwater pumped by these customers in-lieu of taking imported water from the District. Table 3 below demonstrates the calculus for determining the District's groundwater pumping reduction.

Table 3. NCSD GW Production (NCSD GW Well Production plus Purveyor Credit)

	Apr-19	Jul 18 - Apr 19
NCSD GW Well Production	86.7	710.0
Purveyor Customer Credit (33.3% of Import Water)	<u>25.2</u>	<u>268.3</u>
NCSD Total Calculated GW Production	112.0	978.3
Average GW Production for 2009-2013	<u>199.0</u>	<u>2008.1</u>
NCSD Percentage of GW Reduction	44%	51%

Taking into consideration the above referenced purveyor customer credit, the District can claim a groundwater pumping reduction of 44% for the month of April compared to the 5-year average from 2009 to 2013 (NMMA-TG assigned comparator). For Fiscal Year 2019, the cumulative groundwater pumping reduction is 51%. At the current Stage IV level of NMMA's Water Shortage Condition and Response Plan, the District continues to achieve its targeted groundwater pumping reduction level of 50% for the year.

Table 4. 2019 Fiscal Year Forecasted Groundwater Pumping

	Apr-19	May-19	Jun-19	Jul 18-Jun 19	Target	Over_(Under)
NCSD GW Well Production	86.7	107.1	120.3	937.4		
Purveyor Customer Credit (33.3% of Import Water)	<u>25.2</u>	<u>25.9</u>	<u>25.3</u>	<u>319.5</u>		
NCSD Total Calculated GW Production	112.0	133.0	145.6	1256.9	1,266.7	10
Average GW Production for 2009-2013	<u>199.0</u>	<u>261.6</u>	<u>263.6</u>	<u>2533.4</u>	2,533.4	
NCSD Percentage of GW Reduction	44%	49%	45%	50.4%	50%	

AcFt

Table 4 is a forward looking view of the District's groundwater pumping reduction efforts for Fiscal Year 2019. The targeted groundwater pumping reduction is 50%. For future months, May 2019 through June 2019, Fiscal Year 2018 production values from the previous year are used as estimates future use. Looking at the 10 months of actual data, July 2018 through April 2019, and completing the year using last year's monthly data where necessary, the District can forecast an "Over_(Under)" value. By using this method to forecast groundwater pumping into fiscal year 2019, it can be estimated that the District will be 10 acre feet under the groundwater reduction target. Each year trends slightly different depending upon the weather, a major factor that drives consumer water demand. As actual data replaces projected data, the reliability of the table to provide year-end groundwater reduction becomes more reliable and aids staff in recognizing opportunities for shifting water production strategies.

Table 5. FY 2018 v. FY 2019 Groundwater Pumping

	Apr-19	Jul 18-Apr 19	Apr-18	Jul 17-Apr 18
NCSD GW Well Production	24.6	937.4	71.4	802.4
Purveyor Customer Credit (33.3% of Import Water)	25.9	319.5	25.4	274.0
NCSD Total Calculated GW Production	50.5	1,256.9	96.8	1,076.4
Average GW Production for 2009-2013	199.0	2,533.4	199.0	2,115.2
NCSD Percentage of GW Reduction	75%	50%	51%	49%

Table 5 compares the previous year's groundwater pumping with the current year groundwater pumping for the same time period (July through April). The comparison demonstrates a favorable consumption forecast emerging where demand on groundwater supplies diminished over time putting the District in a stronger position to sustain the target groundwater pumping reduction level of 50%.

Rainfall Gauge

(Reported in inches)	Nipomo East (Dana Hills Reservoirs)	Nipomo South (Southland Plant)
April 2019 Total	.87	.95
July-2018 through March-2019 (Seasonal Total)	17.65	15.48
Average Annual Year Rainfall	18.0	16.0
May 1, 2019 to May 3, 2019	0.00	0.00
Total to date	17.65	15.48

Safety Program

Quarterly Safety Meeting – May 10, 2019

Other Items and News of Interest

No Items

Supplemental Water Capacity Accounting

The District is not currently accepting applications for new water service.

Supplemental Water Available for Allocation	500 AFY
Supplemental Water Reserved (Will Serve Letter Issued)	-51.2 AFY
Subtotal Net Supplemental Water Available for Allocation	448.8 AFY
Supplemental Water Assigned (Intent-to-Serve Issued)	-45.8 AFY
Total Remaining Supplemental Water Available for Allocation	403.0 AFY

This information is accurate through March 2019.

Connection Report

Nipomo Community Services District

Water and Sewer Connections

	Jan-19	Feb-19	Mar-19	Apr-19
Water Connections (Total)	4434	4434	4437	4437
Sewer Connections (Total)	3197	3197	3199	3199
New Water Connections	0	0	3	0
New Sewer Connection	0	0	2	0
Galaxy & PSHH at Orchard and Division Sewer Connections billed to the County	475	475	475	475

The Connection Report is current through April 2019.

Meetings (April 21, through May 4)

Meetings Attended (telephonically or in person):

- Apr. 23, Eng/Admin Meeting
- Apr. 24, Rotary
- Apr. 24, Regular NCSD Board Meeting
- Apr. 24, Exec. Team After Board Meeting
- Apr. 25, Hazard Mitigation Plan Com. – SLO Cnty
- Apr. 25, NMMA Purveyor Managers
- Mar. 28, Eng/Admin Meeting
- Apr. 29, Board Officer Meeting
- Apr. 30, Hazard Mitigation Plan Com. – SLO Cnty
- May 1, Rotary
- May 1, Management Team Meeting
- May 1, Legal Team Meeting
- May 2, Interviews – Admin Staffing
- Apr. 3, Rotary Comm. Volunteer Work

Meetings Scheduled (May 5 through May 11):

Upcoming Meetings (telephonically or in person):

- May 6, Congressman Carbajal Comm. Meeting
- May 7, Eng/Admin Mtg.
- May 7, BLMA Monthly Meeting
- May 8, Rotary
- May 8, Regular NCSD Board Meeting
- May 8, Exec. Team After Board Meeting
- May 9, Blacklake/NCSD Oversight Comm.

Upcoming Water Resource and Other Meetings

Upcoming Standing Meetings:

- NMMA-TG: May 23rd (Friday) @ 10:00 AM, NCSD Board Room
- RWMG: June 5th @ 10:00 AM, SLO Library (Working Group)
- WRAC: June 5th @ 1:30 PM, SLO Library
- NMMA Purveyor Meeting: June 20th @ 11:00 AM, NCSD Admin Office

RECOMMENDATION

Staff seeks direction and input from your Honorable Board

ATTACHMENTS

NONE