TO: FACILITIES/WATER RESOURCES COMMITTEE

FROM: MARIO IGLESIAS
GENERAL MANAGER

DATE: March 4, 2021

AGENDA ITEM
2
MARCH 8, 2021

PRESENTATION ON TRANSITIONING FROM BI-MONTHLY TO MONTHLY BILLING CYCLE

ITEM

Consider the advantages and disadvantages of transitioning from a bi-monthly to a monthly billing cycle. [RECOMMEND RECEIVE AND DISCUSS PRESENTATION ON MOVING FROM A BI-MONTHLY TO A MONTHLY BILLING CYCLE AND DIRECT STAFF]

BACKGROUND

Nipomo Community Services District ("District") provides water and wastewater services to the community of Nipomo. The District bills customers for these services on a bi-monthly billing cycle. District staff is evaluating the benefit of shifting away from the current bi-monthly billing cycle to a monthly billing cycle. The advantages and disadvantages for making such a shift are discussed below and are viewed with the customer's best interest as the objective.

ADVANTAGES:

- Better Alignment with Customer's Financial Cycle
- Cost Spread over 12 Payments versus 6 Payments
- Earlier Detection of Abnormal Consumption
- Normalizes Cashflow

DISADVANTAGES:

- Cost

Overcoming this disadvantage is evaluated by examining the cost impacts on the process elements that make up the workflow involved in billing customers for services. There are three process elements in customer billing to review:

- Data Collection (Reading Meters)
- Data Processing (Calculating Bill)
- Data Delivery (Disseminating Bill)

Each element is evaluated by looking at current costs versus the cost impact monthly billing would have over time. Each process element must be fully developed and vetted prior to executing a shift in the billing cycle. Furthermore, each process element has its own timeline and the initial evaluation of these elements has led to the decision to shift some of them, regardless of the billing cycle. As the evaluation has shown a cost reduction in a process element, staff is electing to incorporate the changes associated with it.

DATA COLLECTION

Data collection (meter reading) is currently completed on each District water meter bi-monthly, with the exception of approximately 100 commercial accounts that are read and billed monthly. The annual cost of reading all water meters is approximately $40,000. The District has a contractor collect the meter reads and provide them to the District in an electronic format. By shifting to monthly reading of all water meters under the current model, costs would be expected to double to $80,000 annually. To overcome this cost increase, the District is installing Automated Metering Infrastructure ("AMI") as part of its ongoing meter replacement program.

There are many advantages to installing AMI, notably the ability to read water meters remotely and on-demand at no cost. Additionally, AMI equipped water meters that malfunction will trigger alarms as meters fail or show usage anomalies such as leaks. This reduces the cost of reading meters, eventually, to only costs associated internally to District staff to address water meter malfunctions. Time and effort spent in this regard are not factored into the cost equation, as they are ongoing costs built into this process element under current conditions. It is anticipated that the workflow for addressing failed meters will not double the work as a result of having each meter read twice as often. It is further anticipated that the work will be more manageable as it will be addressed in an on-going manner, not just after meters are read and problems discovered.

Table 1. Cost Impact of Converting Meters to AMI Equipped Water Meters

Year	Number of Meters	Monthly Manual	AMI Savings	AMI Cost	Adj AMI Cost
2022	4,500	$ 80,000	$ -	$ 144,000	$ 144,000
2023	3,000	$ 53,333	$ 26,666	$ 144,000	$ 117,333
2024	2,600	$ 46,222	$ 33,777	$ 144,000	$ 110,222
2025	2,200	$ 39,111	$ 40,888	$ 144,000	$ 103,111
2026	1,800	$ 32,000	$ 48,000	$ 144,000	$ 96,000
2027	1,400	$ 24,889	$ 55,111	$ 144,000	$ 88,889
2028	1,000	$ 17,778	$ 62,222	$ 144,000	$ 81,778
2029	600	$ 10,667	$ 69,333	$ 144,000	$ 74,667
2030	200	$ 3,556	$ 76,444	$ 144,000	$ 67,556
9 Yr Period		$ 307,555	$412,444	$ 1,296,000	$ 883,556

Table 1 looks at the cost impact of converting the District's 4,500 current water meters to AMI equipped remote read water meters. Inflation is not included in the estimates cited in the table for either the manual cost of reading meters or the cost to convert to AMI. The adjusted AMI Cost over the 9-year period does not take in to account the District's existing budget of $50,000 annually for the meter replacement program. Including these costs, $450,000 total for this period, the total AMI Adjusted Cost impact of $884,000 would be further adjusted down to $435,000 overall. Much of the impact will manifest in fiscal years 2021-2022 and 2022-2023. An additional

$60,000 will need to be dedicated in these two fiscal years to convert 300 meters above the 800 included in the routine change-out program for those years to achieve the necessary 1,500 AMI-ready meters.

Fiscal Year	Meters to be Converted	Estimated Budget
2020-2021	400	$130,000
2021-2022	600	$200,000
2022-2023	500	$200,000*

*Additional Contract Services Cost (6 months to change 500 meters)

Table 2 demonstrates the cost difference between continued contract services over 9 years of a monthly billing cycle versus a gradual AMI replacement program implementation. As with Table 1, inflation over this period of time was not calculated into the equation. With this in mind, Table 2 shows an additional cost of $164,000 over a 9-year period. The Adjusted AMI Cost is the difference between the Manual Reading cost and the cost of AMI hardware. As in Table 1., the $50,000 annual budget variable is left out of the calculation. It is reasonable to consider the $163,556 difference between Contract Cost and Adj AMI Cost identified in Table 2, would be somewhat less when taking into account the impact on each year's budget for meter replacement.

For example: FY Budget 2022 line item for meter replacement of $144,000 minus the $50,000 that is traditionally included in the budget, leaves a $94,000 additional impact.

Table 2. Cost Difference between Continued Contract Services vs Gradual AMI Implementation

Year	Number of Meters	Contract Cost	Adj AMI Cost	
2022	4500	$ 80,000	$ 144,000	
2023	4500	$ 80,000	$ 117,333	
2024	4500	$ 80,000	$ 110,222	
2025	4500	$ 80,000	$ 103,111	
2026	4500	$ 80,000	$ 96,000	
2027	4500	$ 80,000	$ 88,889	
2028	4500	$ 80,000	$ 81,778	
2029	4500	$ 80,000	$ 74,667	
2030	4500	$ 80,000	$ 67,556	
9 Yr Period		$ 720,000	$ 883,556	$ 163,556

In conclusion, while this process element has a measurable financial impact on the District's budget, its benefits exceed the boundaries of simply saving money on meter reading. Providing leak detection to alert customers within 24 hours that there is a potential leak on their property, supporting billing clerks in their efforts to explain water consumption to customers concerned with their water bill, and executing a plan to reduce water loss as required by the State Water Board, all these are benefits are derived from AMI.

DATA PROCESSING

Data processing picks up after data collection (meter reading). The electronic files are imported from the contract meter reading service into the District's Customer Service Information ("CSI") system, and under the control and supervision of District staff, the CSI software conditions the data. Conditioning data includes generating exception reports, calculating usage, and assigning fees and charges to customer accounts. In general, data processing includes all activities necessary to prepare bills for printing, excluding the act of printing.

The CSI software provider will need to make changes in the software, to accommodate the shift in all aspects from a bi-monthly to a monthly billing cycle. It is estimated that it will take 9 months of software transition work to reach a point where staff is confident that all necessary changes have been made. A one-time cost of $25,000 is estimated to make the conversion, but a formal process and cost structure have yet to be confirmed.

With regards to demands on staff time, it is anticipated that additional staff time will be needed to manage the influx of customer care engagements. District management has taken this into account and has plans to adjust staffing levels as needed. Staffing options range from adding a part-time temporary team member during the high-volume call period to adding a permanent full-time team member. The District's rate structure is constructed to accommodate the wide range of staffing solutions between these two options.

DATA DELIVERY (MAILING BILL)

The last step in the billing transaction process is delivering the collected data in the form of a utility bill to the customer. While not an extraordinary cost, all costs associated with customer billing are being evaluated in search of greater efficiencies that equate to cost savings without service reductions. Staff is entering into a contract that will cut the current cost of this last step.

Currently, once the data is processed the bills are printed, boxed-up for handling, picked up by a mailing service, leaving the mailing service to stuff and post envelopes, and deliver the bills to the post office. It costs the District approximately $1,500 per month for this process, not including staff time to print, box, and alert the mailing service the bills are ready. Staff has received three bids for services that eliminate the printing and boxing of bills. The new service provider will take the electronic file that is generated during the data processing step, and will print and mail the bills. This service provider has proposed a cost of $1,120 per month, saving the community $380 per month plus staff time.

FISCAL IMPACT

The fiscal impact on the District is looked at over a 9-year period, as the full shift from bi-monthly to monthly billing is tied to the cost of AMI implementation. Each of the three process elements – Data Collection, Data Processing, and Data Delivery – has its own impact on the District's finances.

Data Collection: $94,000 additional cost per year to the meter replacement program with an additional $60,000 for Fiscal Years 2021-22 and 2022-23 to have 1,500 AMI meters.

Data Processing: $25,000 one-time cost for CSI adjustment – Additional staff time cost ranging from $25,000 to $70,000 per year on-going.

Data Delivery: $4,000 per year cost savings on-going.

STRATEGIC PLAN

Goal 5. OPERATIONS. Maintain a proactive program to ensure readiness of systems and cost-effectiveness of operations.

A.1 Ensure efficiency and effectiveness in operations, including evaluating Automated Meter Reading.

Goal 6 – GOVERNANCE AND ADMINISTRATION – Conduct District activities in an efficient, equitable and cost-effective manner.

B.1 Utilize technology to maximize productivity and communications.
B.2 Provide excellent customer service.

RECOMMENDATION

It is recommended that the Facilities and Water Resources Committee discuss the proposal to move towards monthly billing and direct staff.

ATTACHMENT

A. Moving to Monthly Billing Cycle Presentation

MARCH 8, 2021

ITEM 2

ATTACHMENT A

EXAMINE TRANSITIONING TO A MONTHLY BILLING CYCLE

SERVICE/COST ASSOCIATION

Premise

Shifting from a Bi-monthly billing cycle to a monthly billing cycle will provide measurable benefits to District customers.

In Support of the Premise:

- The majority of wage earners are paid once a month or twice a month.
- With few exceptions, utility providers bill users for services in the arears on a monthly billing cycle. By billing every other month, a utility user has to adjust their bill paying practice beyond a traditional one month period.
- By aligning with the billing cycle better paired with user pay cycles, those user's can better manage there financials.
- Reading meters and bills monthly provides a greater opportunity to discover customer leaks leading to a reduction in non-revenue water.

Why Now?

Improved Technology - Process Efficiencies Achievable

Meeting Customer Expectations (w/Cost Savings)

Addresses Emerging Regulatory Compliance Statutes

Three Process Elements

Data Collection Meter Reading	Data Processing Bill Calculating	Data Delivery Bill Dissemination

Cost Impacts on future budgets

Calendar Year	2021				2022				2023			
Quarter	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Data Collection	Step 1		Step 2				Step 3		Step 4		Step 5	
Data Processing												
Data Dissemination												
Billing Cycle	Bi-Monthly								Monthly			

Fiscal Year Budget Plan	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
AMI Meter Conversion	$130,000	$200,000	$200,000	$144,000
One-time Setup	$30,000			
Meters Converted	400	600	500	400
CSI Conversion		$15,000	$10,000	
Staffing Adjustment			$25,000	$25,000
Bill Delivery Conversion	No cost	$4,000 Savings	$4,000 Savings	$4,000 Savings

TO: FINANCE AND AUDIT COMMITTEE

REVIEWED: MARIO IGLESIAS
GENERAL MANAGER

FROM: LISA BOGNUDA
FINANCE DIRECTOR

DATE: MARCH 5, 2021

AGENDA ITEM
3
MARCH 8, 2021

REVIEW INFORMATION FOR INCLUSION IN THE 2021-2022 FISCAL YEAR BUDGET

ITEM

Review various schedules and financial information in the 2021-2022 fiscal year budget.

BACKGROUND

The following information is provided for the Committee's review:

- Attachment A TIME LINE
- Attachment B PROPOSED CAPITAL IMPROVEMENT PLAN AND CASH FLOW PROJECTIONS
- Attachment C PROPOSED FUNDED REPLACEMENT IMPROVEMENT PLAN AND CASH FLOW PROJECTIONS
- Attachment D PROPOSED FIXED ASSET PURCHASES AND OTHER ITEMS TO BE INCLUDED IN THE OPERATIONS BUDGET
- Attachment E PROPOSED DISTRICT PERSONNEL
- Attachment F PROPOSED FLEET SCHEDULE

RECOMMENDATION

It is recommended that the Committee provide direction to Staff. Staff will incorporate the Committee's comments and recommendations into the draft 2021-2022 budget.

ATTACHMENTS

- See above

ATTACHMENT A

NIPOMO COMMUNITY SERVICES DISTRICT
TIME LINE FOR
2021-2022 FISCAL YEAR BUDGET

March 8	Kick off meeting with Finance Committee to hear input, review COLA
Week of April 20	Staff meets with Finance Committee and receives recommendations/changes/deletions on draft Budget
Week of May 18	Staff prepares public notice of adoption for newspaper (publish on May 26 and June 2)
May 26	Review of draft Budget by Board of Directors at Regular Board Meeting
June 9	Public Hearing and adoption of 2021-2022 Budget

ATTACHMENT B

NIPOMO COMMUNITY SERVICES DISTRICT
CAPITAL IMPROVEMENTS
PROJECT COST SUMMARY
2021-2022

BUDGET ITEMS FOR 2021-2022	#500 SUPPLEMENTAL WATER CHARGES	#700 WATER CAPACITY CHARGES	#710 TOWN SEWER CAPACITY CHARGES	TOTAL
Supplemental Water Project Interconnects-carryover	1,000,000	0	0	1,000,000
Supplemental Water Project Pump Station Improvements-carryover	600,000	0	0	600,000
Office Building security fencing back entrance/patio	0	0	0	0
Operations Building Roof Replacement	0	0	0	100,000
Third connection to Blacklake Pressure Zone-carryover	0	190,000	0	190,000
Southland WWTF Blower	0	0	300,000	300,000
	1,600,000	190,000	300,000	2,190,000

Supplemental Water Projects (Fund #500)

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

Supplemental Water Project Pump Station - Construct 4 new 800 gpm pumps at Joshua Road Pump Station.

Water Projects (Fund #700)

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

Town Sewer Projects (Fund #710)

Southland WWTF Blower - Bid, award contract and purchase additional blower and VFD.

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

CAPITAL IMPROVEMENT PLAN

Line #	SUPPLEMENTAL WATER - FUND #500	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 26-27	FY 26-27
			FOR PLANNING PURPOSES ONLY				
1	Interconnects (1)	1,000,000	0	0	0	0	0
2	Pump Station Improvements (2)	600,000	0	0	0	0	0
3	Pomeroy Water Line from Augusta to Aden Way (3)	0	250,000	1,500,000	0	0	0
	TOTAL	**1,600,000**	**250,000**	**1,500,000**	**0**	**0**	**0**

(1) Golden State interconnect at Orchard and Primavera; Woodlands interconnect at Camino Caballo and Via Concha; Golden State interconnect on Lyn Road
(2) Includes 4 new 800 gpm pumps at Joshua Road Pump Station
(3) 4,600 linear feet of 12 inch diameter waterline. Design in FY 22-23 and construct in FY 23-24

	CASH FLOW PROJECTION	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
	Sources of Funds						
4	Funds on Hand at Beginning of Year-projected	1,900,000	727,300	921,173	(119,120)	336,415	798,509
5	Interest Income (5)	19,000	7,273	9,212	0	5,046	7,985
6	Principal and Interest Payments from WMW & GSW	487,000	487,000	487,000	487,000	487,000	487,000
7	Capacity Charges (6)	0	0	0	0	0	0
8	Transfer in from Prop Tax Fund #600 for Debt Service	478,325	486,700	495,395	499,536	504,248	514,407
9	**Total Sources of Funds**	2,884,325	1,708,273	1,912,780	867,415	1,332,709	1,807,902
	Uses of Funds						
10	Capital Project	1,600,000	250,000	1,500,000	0	0	0
11	Debt Service Payments 2013 COP	553,025	533,100	527,900	527,000	530,200	528,100
12	Bond Administration	4,000	4,000	4,000	4,000	4,000	4,000
13	**Total Uses of Funds**	2,157,025	787,100	2,031,900	531,000	534,200	532,100
14	**Funds on Hand at End of Year-projected**	727,300	921,173	(119,120)	336,415	798,509	1,275,802

(5) Assumes an interest rate of 1.0%
(6) Assumes no new connections

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

CAPITAL IMPROVEMENT PLAN

Line #	WATER CAPACITY - FUND #700	FY 21-22	FOR PLANNING PURPOSES ONLY FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
1	Third Connection to Blacklake Pressure Zone-carryover	190,000	0	0	0	0	0
2	Water Master Plan	0	220,000	0	0	0	0
3	New Water Storage Tank	0	0	330,000	2,600,000	0	0
		190,000	**220,000**	**330,000**	**2,600,000**	**0**	**0**

	CASH FLOW PROJECTION	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
	Sources of Funds						
4	Funds on Hand at Beginning of Year-projected	1,965,000	1,794,650	1,812,597	1,500,722	(1,084,270)	(1,084,270)
5	Interest Income (1)	19,650	17,947	18,126	15,007	0	0
6	Capacity Charges (2)	0	0	0	0	0	0
7	**Total Sources of Funds**	1,984,650	1,812,597	1,830,722	1,515,730	(1,084,270)	(1,084,270)
	Uses of Funds						
8	Capital Project	190,000	0	330,000	2,600,000	0	0
9	**Total Uses of Funds**	190,000	0	330,000	2,600,000	0	0
10	**Funds on Hand at End of Year-projected**	1,794,650	1,812,597	1,500,722	(1,084,270)	(1,084,270)	(1,084,270)

(1) Assumes an interest rate of 1.0%
(2) Assumes no new connections

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

CAPITAL IMPROVEMENT PLAN

Line #	TOWN SEWER CAPACITY - FUND #710	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
			FOR PLANNING PURPOSES ONLY				
1	Southland WWTF Blower	300,000	0	0	0	0	0
2	Sewer Collection Master Plan	0	160,000	0	0	0	0
3	Southland WWTF Improvements	0	0	0	0	300,000	2,700,000
		300,000	**160,000**	**0**	**0**	**300,000**	**2,700,000**

CASH FLOW PROJECTION

		FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
	Sources of Funds						
4	Funds on Hand at Beginning of Year-projected	535,000	240,350	82,754	83,581	84,417	(214,739)
5	Interest Income (1)	5,350	2,404	828	836	844	0
6	Capacity Charges (2)	0	0	0	0	0	0
7	**Total Sources of Funds**	540,350	242,754	83,581	84,417	85,261	(214,739)
	Uses of Funds						
8	Capital Project	300,000	160,000	0	0	300,000	2,700,000
9	**Total Uses of Funds**	300,000	160,000	0	0	300,000	2,700,000
10	**Funds on Hand at End of Year-projected**	240,350	82,754	83,581	84,417	(214,739)	(2,914,739)

(1) Assumes an interest rate of 1.0%
(2) Assumes no new connections

NIPOMO COMMUNITY SERVICES DISTRICT
PROPERTY TAX
FUND #600

Line #	PROPERTY TAX - FUND #600	FY 21-22	FOR PLANNING PURPOSES ONLY FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
1	Office Building security fencing back entrance/patio	12,000	0	0	0	0	0
2	Operations Building roof replacement	100,000	0	0	0	0	0
		112,000	**0**	**0**	**0**	**0**	**0**

	CASH FLOW PROJECTION	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
	Sources of Funds						
3	Funds on Hand at Beginning of Year-projected	604,000	514,040	515,180	516,332	517,496	518,670
4	Interest Income (1)	6,040	5,140	5,152	5,163	5,175	5,187
5	Property Taxes(2)	703,000	710,030	717,130	724,302	731,545	738,860
6	Transfer in from Fund #400	20,000	0	0	0	0	0
7	**Total Sources of Funds**	1,333,040	1,229,210	1,237,463	1,245,797	1,254,215	1,262,717
	Uses of Funds						
8	Capital Project	112,000	0	0	0	0	0
9	Debt Service-Revenue Bonds Series 2013A Refunding (3)	220,300	218,675	221,675	224,175	221,300	223,050
10	Transfer to Supplemental Water Fund #500 for Debt Service - Certificate of Participation 2013 B (4)	482,700	491,355	495,455	500,127	510,245	515,810
11	Bond Administration	4,000	4,000	4,000	4,000	4,000	4,000
12	**Total Uses of Funds**	819,000	714,030	721,130	728,302	735,545	742,860
13	**Funds on Hand at End of Year-projected**	514,040	515,180	516,332	517,496	518,670	519,857

(1) Assumes interest rate of 1.0%
(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)

ATTACHMENT C

NIPOMO COMMUNITY SERVICES DISTRICT
FUNDED REPLACEMENT PROJECTS
2021-2022

BUDGET ITEMS FOR 2021-2022	#805 FUNDED REPLACEMENT WATER	#810 FUNDED REPLACEMENT TOWN SEWER	TOTAL
Branch Street Waterline Replacement (1)	850,000	0	850,000
Eureka Well Replacement (2)	600,000	0	600,000
Chlorine Analyzer Replacement (3)	100,000	0	100,000
Red Oak water line (4)	100,000	0	100,000
Blow-Off Repair (5)	20,000	0	20,000
Air Vac Replacements (5)	20,000	0	20,000
Fire Hydrant Replacements (5)	50,000	0	50,000
Valve Replacements (5)	50,000	0	50,000
Well Refurbishment (5)	100,000	0	100,000
Southland WWTF Biosolids Dewatering (6)	0	1,251,000	1,251,000
Southland Sewer Collection System Pipeline Replacement (7)	0	200,000	200,000
SWTF Influent Pump Station (8)	0	150,000	150,000
Manhole Rehabilitation (5)	0	150,000	150,000
Lift Station Replacement Pumps (9)	0	40,000	40,000
Lift Station Rehabilitation (10)	0	1,250,000	1,250,000
TOTAL	1,890,000	3,041,000	4,931,000

(1) Existing 6 inch diamter water line is failing

(2) Redrill and equip replacement well

(3)

(4)

(5) Water and Town Sewer Master Plan Projects

(6) Screw press for biosolids dewatering during wet weather

(7)

(8)

(9) Replacement pumps for lift stations

(10) Nipomo Palms lift station complete replacement

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

FUNDED REPLACEMENT PLAN

Line #	WATER - FUND #805	FY 21-22	FOR PLANNING PURPOSES ONLY FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
1	Branch Street Waterline Replacement	$ 850,000	0	0	0	0	0
2	Eureka Well Replacement	$ 600,000	0	0	0	0	0
3	Chlorine Analyzer Replacement	$ 100,000	0	0	0	0	0
4	Red Oak water line	$ 100,000	0	0	0	0	0
5	Blow-Off Replacement	$ 20,000	20,600	21,218	21,855	22,510	23,185
6	Air Vac Replacement	$ 20,000	20,600	21,218	21,855	22,510	23,185
7	Fire Hydrant Replacement	$ 50,000	51,500	53,045	54,636	56,275	57,964
8	Valve Replacement	$ 50,000	103,000	106,090	109,273	112,551	115,927
9	Well Refurbishment	$ 100,000	103,000	106,090	109,273	112,551	115,927
		1,890,000	**298,700**	**307,661**	**316,891**	**326,398**	**336,189**

CASH FLOW PROJECTION

		FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
	Sources of Funds						
10	Funds on Hand at Beginning of Year-projected	3,195,000	1,977,950	2,356,030	2,744,929	3,145,487	3,540,545
11	Interest Income (1)	31,950	19,780	23,560	27,449	31,455	35,405
12	Transfer from Water for funded replacement	641,000	657,000	673,000	690,000	690,000	690,000
13	**Total Sources of Funds**	3,867,950	2,654,730	3,052,590	3,462,378	3,866,942	4,265,950
	Uses of Funds						
14	Funded Replacement Projects	1,890,000	298,700	307,661	316,891	326,398	336,189
15	**Total Uses of Funds**	1,890,000	298,700	307,661	316,891	326,398	336,189
16	**Funds on Hand at End of Year-projected**	1,977,950	2,356,030	2,744,929	3,145,487	3,540,545	3,929,761

(1) Assumes interest rate of 1.0%

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

TOWN SEWER
FUNDED REPLACEMENT PLAN

Line #	TOWN SEWER - FUND #810	FY 21-22	FOR PLANNING PURPOSES ONLY FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
1	Southland WWTF Biosolids Dewatering	1,251,000	0	0	0	0	0
2	Southland Sewer Collection System Pipeline Replacement	200,000	1,600,000	0	0	0	0
3	Southland WWTF Influent Pump Station	150,000	0	0	0	0	0
4	Manhole Rehabilitation	150,000	154,500	159,135	163,909	168,826	173,891
5	Lift Station Pump Replacements	40,000	41,200	42,436	43,709	45,020	46,371
6	Lift Station Rehabiliatation-Tejas	1,250,000	0	0	0	250,000	1,116,000
		3,041,000	**1,795,700**	**201,571**	**207,618**	**463,847**	**1,336,262**

	CASH FLOW PROJECTION	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
	Sources of Funds						
7	Funds on Hand at Beginning of Year-projected	4,520,000	1,919,200	537,692	736,498	931,245	871,711
8	Interest Income (1)	45,200	19,192	5,377	7,365	9,312	8,717
9	Transfer from Town Sewer for funded replacement	395,000	395,000	395,000	395,000	395,000	395,000
10	**Total Sources of Funds**	4,960,200	2,333,392	938,069	1,138,863	1,335,557	1,275,428
	Uses of Funds						
11	Funded Replacement Projects	3,041,000	1,795,700	201,571	207,618	463,847	1,336,262
12	**Total Uses of Funds**	3,041,000	1,795,700	201,571	207,618	463,847	1,336,262
13	**Funds on Hand at End of Year-projected**	1,919,200	537,692	736,498	931,245	871,711	(60,834)

(1) Assumes interest rate of 1.0%

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

BLACKLAKE SEWER
FUNDED REPLACEMENT PLAN

Line #	TOWN SEWER - FUND #830	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
			FOR PLANNING PURPOSES ONLY				
1	None	0	0	0	0	0	0
		0	0	0	0	0	0

	CASH FLOW PROJECTION	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
	Sources of Funds						
2	Funds on Hand at Beginning of Year-projected	42,000	225,420	415,674	607,831	0	0
3	Interest Income (1)	420	2,254	4,157	6,078	0	0
4	Transfer from BL Sewer for funded replacement	183,000	188,000	188,000	0	0	0
5	**Total Sources of Funds**	225,420	415,674	607,831	613,909	0	0
	Uses of Funds						
6	Projects	0	0	0	0	0	0
7	**Total Uses of Funds**	0	0	0	0	0	0
8	**Funds on Hand at End of Year-projected**	225,420	415,674	607,831	613,909	0	0

(1) Assumes interest rate of 1.0%
(2) Connection to Town Sewer complete

NIPOMO COMMUNITY SERVICES DISTRICT
CAPITAL FUNDING PLAN
BLACKLAKE ASSESSMENT DISTRICT 2020-1

BLACKLAKE ASSESSMENT DISTRICT 2020-1

Line #		FY 21-22	FOR PLANNING PURPOSES ONLY FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
1	Blacklake Sewer System Consolidation Project	988,040	7,555,100	1,743,600	0	0	0
2	Lift Station Rehabiliatation-Woodgreen	683,000	0	0	0	0	0
3	Lift Station Rehabilitation-The Oaks	0	0	0	102,500	0	0
4	Lift Station Rehabilitation-The Misty Glen	0	0	0	97,800	0	0
5	Golf Course Trunk Main Replacement	0	0	0	0	560,000	0
6	Tourney Hill Sewer Main Replacement	0	0	0	0	319,000	0
7	Oakmont Sewer Main Replacement	0	0	0	0	196,200	0
8	Augusta Sewer Main Replacement	0	0	0	0	61,442	0
9	Repair Off-set Joints-Sewer Main	0	0	0	0	30,141	0
		1,671,040	**7,555,100**	**1,743,600**	**200,300**	**1,166,783**	**0**

	CASH FLOW PROJECTION	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
	Sources of Funds						
7	Funds on Hand at Beginning of Year-projected	12,290,000	10,741,860	3,294,179	1,583,520	1,399,056	246,263
8	Interest Income (1)	122,900	107,419	32,942	15,835	13,991	2,463
9	**Total Sources of Funds**	12,412,900	10,849,279	3,327,120	1,599,356	1,413,046	248,726
	Uses of Funds						
10	Projects	1,671,040	7,555,100	1,743,600	200,300	1,166,783	0
11	**Total Uses of Funds**	1,671,040	7,555,100	1,743,600	200,300	1,166,783	0
12	**Funds on Hand at End of Year-projected**	10,741,860	3,294,179	1,583,520	1,399,056	246,263	248,726

(1) Assumes interest rate of 1.0%

ATTACHMENT D

NIPOMO COMMUNITY SERVICES DISTRICT
FIXED ASSET PURCHASES
2021-2022

BUDGET ITEMS FOR 2021-2022	#110 ADMIN	#125 WATER	#130 TOWN SEWER	#150 BL SEWER	TOTAL
Surveillance Camera Video Retention Equipment-carryover (waiting on State Legislation)	10,000	0	0	0	10,000
Phone System-carryover	17,000	0	0	0	17,000
SCADA/AMI Radio Tower	0	33,000	11,000	6,000	50,000
Replacement Truck - Operations	0	29,700	9,900	5,400	45,000
Utility Truck - Customer Service	0	60,000	0	0	60,000
	27,000	122,700	20,900	11,400	182,000

Fixed assets will be purchased from the Enterprise Funds

NIPOMO COMMUNITY SERVICES DISTRICT
ITEMS TO BE INCLUDED IN THE OPERATIONS BUDGET

	Administration Fund #110	Water Fund #125
Office/Yard parking lot seal	5,000	
Office Landscape Improvements	7,000	
Strategic Plan Update	15,000	
Customer Satisfaction Survey	5,000	
GIS Support		25,000
Water Audit		10,000
Meter Replacement Program		200,000
Leak Detection Program		50,200
Water Tank inspections		50,000
Water Emergency Response Plan Update		50,000
Water System Seismic Assessment		25,000
	32,000	410,200

ATTACHMENT E

NIPOMO COMMUNITY SERVICES DISTRICT
DISTRICT PERSONNEL
2021-2022

ADMINISTRATION	MONTHLY SALARY STEP/RANGE (PAGE 11)	Budgeted FY 20-21	Additions 21-22	Budgeted 21-22
General Manager	Contract	1	0	1
Assist General Manager/Finance Director	44	1	0	1
Administrative Supervisor	31	1	0	1
Customer Service Specialist	17	1	0	1
Billing Clerk	17	2	0	2
Secretary/Clerk	5	1	0	1
ADMINISTRATION SUBTOTAL		7	0	7

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	0.5	0	0.5
OPERATIONS SUBTOTAL		**14.5**	**0**	**14.5**

TOTAL		**21.5**	0	**21.5**

ATTACHMENT F

NIPOMO COMMUNITY SERVICES DISTRICT
FLEET SCHEDULE
2021-2022

SCHEDULE 1 - VEHICLES USED ON A DAILY BASIS

	OPERATIONS VEHICLES	YEAR	DATE PURCHASED	FISCAL YEAR PURCHASED	MILEAGE (FEB 2021)
1	FORD F150	2009	1/6/09	2009	135,476
2	FORD ESCAPE	2007	12/1/06	2007	29,654
3	FORD F150	2013	1/23/13	2013	87,580
4	FORD F150	2013	9/26/13	2014	72,377
5	FORD F250	2015	11/7/14	2015	48,852
6	FORD F250	2016	4/5/16	2016	34,648
7	FORD F250	2017	4/13/18	2018	27,260
8	FORD F250	2017	4/13/18	2018	22,239
9	FORD F350	2019	6/24/19	2019	9,961
10	FORD F250	2019	7/25/19	2020	8,478
11	FORD F250	2020	11/5/20	2021	
112	FORD F250	2020	11/9/20	2021	

	ADMIN VEHICLES	YEAR	DATE PURCHASED	FISCAL YR PURCHASED	MILEAGE (FEB 2021)
1	FORD RANGER	2010	11/7/09	2010	30,876

SCHEDULE 2 - SPECIALIZED VEHICLES USED FOR SPECIFIC R&M DUTIES

	SPECIALIZED VEHICLES	YEAR	DATE PURCHASED	FISCAL YEAR PURCHASED	MILEAGE (FEB 2021)
1	FORD F350 DUMP TRUCK	2006	6/25/06	2006	35,013
2	INTERNATIONAL-VACON	2009	2/10/10	2010	21,613
3	FORD F550 WITH CRANE	2013	4/16/13	2013	13,002
4	INTERNATIONAL-WATER TRUCK	2021	1/26/21	2021	

SCHEDULE 3 - SPECIALIZED EQUIPMENT USED FOR SPECIFIC R&M DUTIES

	OTHER SPECIALIZED EQUIPMENT	YEAR	DATE PURCHASED	FISCAL YR PURCHASED	HOURS (FEB 2021)
1	JOHN DEERE BACKHOE JD310	2009	9/3/09	2008	537.2
2	JOHN DEERE GATOR CART	2014	4/18/14	2014	1,782.5
3	CAT 914 LOADER	2015	10/30/15	2015	685.9
4	CAT 279D SKID STEER	2017	8/9/17	2018	1091.7
5	JOHN DEERE TRACTOR 5075E	2020	8/19/19	2020	34.8

TO: FINANCE AND AUDIT COMMITTEE

REVIEWED: MARIO IGLESIAS
GENERAL MANAGER

FROM: LISA BOGNUDA
FINANCE DIRECTOR

DATE: MARCH 5, 2021

AGENDA ITEM 4

MARCH 8, 2021

REVIEW EMPLOYEE COST OF LIVING ADJUSTMENT (COLA)

ITEM

Review employee Cost of Living Adjustment (COLA)

BACKGROUND

The NCSD Employee Handbook, Section 3000(E) states the following:

> *Cost of Living Adjustments – Annually, the Board may consider a Cost of Living Adjustment (COLA). If the COLA is approved, District Salary Schedule will be adjusted accordingly, thus keeping the schedule current. Therefore, an employee may receive both a Cost of Living Adjustment and an increase in compensation pursuant to subdivision C above in any given year until the employee reaches Step 5. Upon reaching Step 5, the only salary adjustments an employee will receive will be Board-approved COLA, unless the employee is eligible for longevity pay.*

On April 12, 2017, the Board of Directors approved Resolution 2017-1440 which included:

> *Cost of Living Adjustments shall use the Consumer Price Index for the California Consumer Price Index All Items for Urban Wage Earners and Clerical Workers.*

Staff computed the Consumer Price Index for California All Items for Urban Wage Earners and Clerical Workers to be 1.75%. (Attachment D)

The six previous years COLA computation and Board approval has been as follows:

Fiscal year	Methodology Used	COLA Computation	Board Approved	Difference
7/1/20	California CPI	2.95%	2.95%	0.00%
7/1/19	California CPI	3.87%	3.87%	0.00%
71/1/8	California CPI	2.87%	2.87%	0.00%
7/1/17	California CPI	1.88%	1.88%	0.00%
7/1/16	Avg of LA/SF (1)	1.40%	1.40%	0.00%
7/1/15	Avg of LA/SF (1)	1.90%	1.90%	0.00%

(1) Average of Urban Wage Earners and Clerical Workers for the Los Angeles-Riverside-Orange County and San Francisco-Oakland-San Jose

RECOMMENDATION

It is recommended that the Committee review the COLA and direct Staff for budget preparation purposes.

ATTACHMENTS

A. Section 3000(D) from NCSD Employee Handbook
B. Resolution 2017-1440
C. Excerpt from Bureau of Labor Statistics on how to compute the CPI
D. Consumer Price Index information and computation

MARCH 8, 2021

ITEM 4

ATTACHMENT A

CHAPTER THREE – HOURS OF WORK AND COMPENSATION

3000 - COMPENSATION

A. **New Introductory Employees**: All newly appointed introductory employees shall be paid at the first step of the salary range for the position to which the introductory employee is appointed except as provided elsewhere herein.

B. **Advanced Step Hiring**: If the General Manager finds that qualified applicants have greater experience or competencies than required at the first step of the salary range, the General Manager can extend an offer higher than the first step.

C. **Increase in compensation other than Cost of Living Adjustments (Step-Merit Increase)**: After one year in a salary step (on the employee's Anniversary Date), employees may qualify for a step merit increase to the next step, provided the employee has performed satisfactorily, and provided management has determined that a step merit increase is appropriate. All decisions about step merit increases are subject to management's sole discretion; employees are not automatically entitled to or eligible for a step merit increase. A performance evaluation verifying satisfactory performance and a Personnel Action Form for each employee recommended for advancement shall be submitted to and approved by the General Manager prior to final action on such recommendation.

D. **Temporary Assignment**: A temporary assignment occurs when the following conditions are met: (1) an employee is assigned by the affected department directors to perform duties outside of their current job classification; (2) the assignment is for a defined period of ten (10) consecutive working days or more, with a specified end date; and (3) the employee is expected to return to their most recently-assigned position at the end of the temporary assignment. A temporary assignment may be made to the same, lower, or higher level of classification of work. When an employee has served more than ten (10) consecutive working days filling the role of a higher job classification, on the eleventh day and any consecutive days thereafter, the employee will be compensated 5% above their current wage. An employee temporarily assigned to fill the role of an equal or lower job classification, that employee will be compensated at their current wage.

E. **Cost of Living Adjustments**: Annually, the Board may consider a Cost of Living Adjustment (COLA). If the COLA is approved, the District Salary Schedule will be adjusted accordingly, thus keeping the schedule current. Therefore, an employee may receive both a Cost of Living Adjustment and an increase in compensation pursuant to subdivision C above in any given year until the employee reaches Step 5. Upon reaching Step 5, the only salary adjustments an employee will receive will be Board-approved COLA, unless the employee is eligible for longevity pay.

F. **Promotion**: Employees promoted to a position with a higher salary range shall be placed on the step of the range allocated to the new classification which would grant such employee an increase in pay no greater than five percent (5%). The increase may exceed five percent (5%) at the discretion of the General Manager, but shall not exceed the top step of the range allocated to the new classification. Employees who are promoted retain the same Hire Date for purposes of years of

MARCH 8, 2021

ITEM 4

ATTACHMENT B

NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2017-1440

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT ESTABLISHING THE METHODOLOGY FOR COMPUTING EMPLOYEE COST OF LIVING ADJUSTMENTS (COLA)

WHEREAS, the Nipomo Community Services District (herein "District") Board of Directors (herein "Board") is a local government agency formed and authorized to provide services within its jurisdiction, pursuant to Section 61000 et seq. of the California Government Code; and

WHEREAS, the Board annually reviews the employee Cost of Living Adjustment (COLA) based on the policy and procedures adopted in Resolution 2006-1000 and amended by Resolution 2017-1437, which repealed Section 3 of Resolution 2006-1000 that had approved the use of the Consumer Price Index-Urban Wage Earners and Clerical Workers using the average of annual increases for the Los Angeles-Riverside-Orange County and San Francisco-Oakland-San Jose; and

WHEREAS, the Board believes the California Consumer Price Index is more reflective of the economy of the Central Coast; and

WHEREAS, the Board wishes to establish that the employee COLA computation shall use the Consumer Price Index for the California Consumer Price Index All Items for Urban Wage Earners and Clerical Workers, and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Nipomo Community Services District:

Section 1. The above recitals are true and correct.

Section 2. All future Cost of Living Adjustments shall use the Consumer Price Index for the California Consumer Price Index All Items for Urban Wage Earners and Clerical Workers.

Section 3. This resolution shall take effect immediately.

Upon a motion by Director Armstrong, seconded by Director Eby, on the following roll call vote, to wit:

AYES: Directors Armstrong, Eby, Blair, Woodson, and Gaddis
NOES: None
ABSTAIN: None
ABSENT: None

NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2017-1440

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NIPOMO COMMUNITY SERVICES DISTRICT ESTABLISHING THE METHODOLOGY OF COMPUTING EMPLOYEE COST OF LIVING ADJUSTMENTS (COLA)

the foregoing resolution is hereby passed and adopted on this 12th day of April, 2017.

DAN A. GADDIS
President of the Board

ATTEST:

MARIO IGLESIAS
General Manager and Secretary to the Board

APPROVED AS TO FORM AND LEGAL EFFECT:

WHITNEY G. McDONALD
District Legal Counsel

MARCH 8, 2021

ITEM 4

ATTACHMENT C

How to Use the Consumer Price Index for Escalation

The Consumer Price Index (CPI) measures the average change in the prices paid for a market basket of goods and services. These items are purchased for consumption by the two groups covered by the index: All Urban Consumers (CPI-U) and Urban Wage Earners and Clerical Workers, (CPI-W).

Escalation agreements often use the CPI—the most widely used measure of price change—to adjust payments for changes in prices. The most frequently used escalation applications are in private sector collective bargaining agreements, rental contracts, insurance policies with automatic inflation protection, and alimony and child support payments.

The following are general guidelines to consider when developing an escalation agreement using the CPI:

Define the base payment

Define clearly the base payment (rent, wage rate, alimony, child support, or other value) that is subject to escalation.

Identify which CPI series will be used

Identify precisely which CPI index series will be used to escalate the base payment. This should include the population coverage (CPI-U or CPI-W), area coverage (U.S. City Average, West Region, Chicago, etc.), series title (all items, rent of primary residence, etc.), and index base period (1982-84=100).

Specify reference period

Specify a reference period from which changes in the CPI will be measured. This is usually a single month (the CPI does not correspond to a specific day or week of the month), or an annual average. There is about a two-week lag from the reference month to the date on which the index is released (that is, the CPI for May is released in mid-June). The CPIs for most metropolitan areas are not published as frequently as are the data for the U.S. City Average and the four regions. Indexes for the U.S. City Average, the four regions, nine divisions, two city-size classes, eight region-by-size classes, and three major metropolitan areas (Chicago, Los Angeles, and New York) are published monthly. Indexes for the remaining 20 published metropolitan areas are available only on a bimonthly basis. Contact BLS for information on the frequency of publication for the 23 metropolitan areas.

State frequency of adjustment

Adjustments are usually made at fixed intervals, such as quarterly, semiannually, or, most often, annually.

Determine adjustment formula

Determine the formula for the adjustment calculation. Usually the change in payments is directly proportional to the percent change in the CPI index between two specified periods. Consider whether to make an allowance for a "cap" that places an upper limit on the increase in wages, rents, etc., or a "floor" that promises a minimum increase regardless of the percent change (up or down) in the CPI.

Provide for revisions

Provide a built-in method for handling situations that may arise because of major CPI revisions or changes in the CPI index base period. The Bureau always provides timely notification of upcoming revisions or changes in the index base.

The CPI and escalation: Some points to consider

The CPI is calculated for two population groups: All Urban Consumers (CPI-U) and Urban Wage Earners and Clerical Workers (CPI-W). The CPI-U represents about 93 percent of the total U.S. population and is based on the expenditures of all families living in urban areas. The CPI-W is a subset of the CPI-U and is based on the expenditures of families living in urban areas who meet additional requirements related to employment: more than one-half of the family's income is earned from clerical or hourly-wage occupations. The CPI-W represents about 29 percent of the total U.S. population.

There can be small differences in movement of the two indexes over short periods of time because differences in the spending habits of the two population groups result in slightly different weighting. The long-term movements in the indexes are similar. CPI-U and CPI-W indexes are calculated using measurement of price changes of goods and services with the same specifications and from the same retail outlets. The CPI-W is used for escalation primarily in blue-collar cost-of-living adjustments (COLAs). Because the CPI-U population coverage is more comprehensive, it is used in most other escalation agreements.

The 23 metropolitan areas for which BLS publishes separate index series are by-products of the U.S. City Average index. Metropolitan area indexes have a relatively small sample size and, therefore, are subject to substantially larger sampling errors. Metropolitan area and other subcomponents of the national indexes (regions, size-classes) often exhibit greater volatility than the national index. BLS recommends that users adopt the U.S. City Average CPI for use in escalator clauses.

The U.S. City Average CPIs are published on a seasonally adjusted basis as well as on an unadjusted basis. The purpose of seasonal adjustment is to remove the estimated effect of price changes that normally occur at the same time and in about the same magnitude every year (e.g., price movements due to the change in weather patterns, holidays, model change-overs, end-of-season sales, etc.). The primary use of seasonally adjusted data is for current economic analysis. In addition, the factors that are used to seasonally adjust the data are updated annually and seasonally adjusted data are subject to revision for up to 5 years after their original release. For these reasons, the use of seasonally adjusted data in escalation agreements is inappropriate.

Escalation agreements using the CPI usually involve changing the base payment by the percent change in the level of the CPI between the reference period and a subsequent period. This is calculated by first determining the index point change between the two periods and then determining the percent change. The following example illustrates the computation of a percent change:

CPI for current period	232.945

Less CPI for previous period	229.815
Equals index point change	3.130
Divided by previous period CPI	229.815
Equals	0.0136
Result multiplied by 100	0.0136 x 100
Equals percent change	1.4%

The Bureau of Labor Statistics neither encourages nor discourages the use of price adjustment measures in contractual agreements. Also, while BLS can provide technical and statistical assistance to parties developing escalation agreements, we can neither develop specific wording for contracts nor mediate legal or interpretive disputes which might arise between the parties to the agreement.

Additional information may be obtained from the Consumer Price Index Information Office at cpi_info@bls.gov or 202-691-7000. Information on the CPI's overall methodology can be found in the BLS Handbook of Methods.

Last Modified Date: November 25, 2020

U.S. BUREAU OF LABOR STATISTICS Division of Consumer Prices and Price Indexes Suite 3130 2 Massachusetts Avenue NE Washington, DC 20212-0001

Telephone:1-202-691-7000_ www.bls.gov/CPI Contact CPI

MARCH 8, 2021

ITEM 4

ATTACHMENT D

State of California
Department of Industrial Relations
http://www.dir.ca.gov/OPRL

Office of the Director- Research Unit
P.O. Box 420603, San Francisco, California 94142

CALIFORNIA CONSUMER PRICE INDEX (1955-2020)

ALL ITEMS (1982 - 1984 = 100)

Year	Month	All Urban Consumers	Urban Wage Earners and Clerical Workers
2020	**Annual**	285.315	275.568
2020	December	287.367	277.885
2020	October	286.843	277.443
2020	August	286.388	276.751
2020	June	284.835	274.921
2020	April	283.006	273.050
2020	February	284.886	274.917
2019	**Annual**	280.638	270.813
2019	December	282.594	272.901
2019	October	283.901	274.640
2019	August	281.247	
2019	June	280.956	
2019	April	280.275	
2019	February	276.655	
2018	**Annual**	**272.510**	
2018	December	274.922	
2018	October	275.686	
2018	August	273.844	
2018	June	272.462	
2018	April	271.210	
2018	February	269.247	
2017	**Annual**	**262.802**	
2017	December	265.652	
2017	October	265.472	
2017	August	263.473	
2017	June	262.286	
2017	April	261.850	
2017	February	260.111	
2016	**Annual**	**255.303**	**246.184**
2016	December	256.953	247.411
2016	October	257.836	248.408
2016	August	R/256.097	R/246.735
2016	June	R/255.576	R/246.505
2016	April	254.134	245.321
2016	February	252.649	243.748
2015	**Annual**	**249.666**	**241.635**
2015	December	250.711	242.222
2015	October	251.255	242.884
2015	August	251.253	243.753