

OCEANO COMMUNITY SERVICES DISTRICT

PROPOSED FINAL BUDGET
FISCAL YEAR 2014-2015



Matthew Guerrero, President

Mary Lucey, Vice President

Karen White

Lori Angello

Jennifer Blackburn

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INTRODUCTION

INTRODUCTION

Oceano Community Services District is a multi-service special district formed on January 1, 1981, under the Community Services District Law, Section 61000 et. seq. of the California Government Code. Oceano Community Services District serves the residents and business people within the limits of its 1.7 square mile service area with fire protection, sewer and water services, street lighting, parks & recreation and refuse collection.

The executive head of the District is a Board of Directors composed of five members. Each member serves a four-year term, and elections are held every two years. The Board's regular monthly meetings are held at the District Chambers, 1655 Front Street, Oceano, California, at 6:30 p.m. on the second and fourth Wednesdays of each month. The District business office is located at the same address.

The District's staff consists of seven employees: A General Manager; an Office Manager; 2 account clerks; Utility Systems Supervisor; and 2 Utility Systems Operators. The District approved a Joint Exercise of Powers Agreement with the Cities of Arroyo Grande and Grover Beach to form the Five Cities Fire Authority (JPA). District engineering services are contracted with Diversified Project Services International, Inc. Adamski, Moroski, Madden, Cumberland & Green LLP is District general legal counsel.

Office hours are from 8:00 a.m. to 5:00 p.m., Monday through Friday, except during holidays. In addition, the District has a 24-hour telephone number, 481-6730. This number is answered by an answering service during non-business hours; emergency utility-related calls are forwarded to standby personnel. The Fire Department is manned 24 hours per day, seven days a week. All emergency fire and/or medical requests are handled through the 9-1-1 system via Grover Beach dispatch.

OCSD RESOLUTION NO. 2014 - 09

ADOPTING THE

BUDGET

FOR THE

2014-2015 FISCAL YEAR

and

OCSD RESOLUTION NO. 2014 - 10

DETERMINING THE

APPROPRIATION LIMITATION

FOR THE

2014-2015 FISCAL YEAR

**OCEANO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2014 - 09**

A RESOLUTION ADOPTING THE 2014-2015 FISCAL YEAR BUDGET

WHEREAS, the District is required, pursuant to State codes, to designate a custodian for its money; and,

WHEREAS, such custodianship requires that proper methods be used for the acquisition and disbursements of District monies; and,

WHEREAS, the District desires to make known its planned activities and associated costs for the 2014-2015 fiscal year.

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

1. That the proposed budget entitled, "**Oceano Community Services District Proposed Budget 2014-2015,**" be adopted as follows.

General Fund Appropriations	\$ 27,300
Street Lighting Fund Appropriations	43,264
Fire Department Fund Appropriations	788,935
Parks and Rec Fund Appropriations	0,000
Water Fund Appropriations	2,190,224
Sewer Fund Appropriations	944,564
Garbage Fund Appropriations	55,733
Rental Property Fund Appropriations	39,898

2. That the proposed budget be administered as established by past policies and practices.

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

AYES:
NOES:
ABSENT:
ABSTAINING:

the foregoing Resolution is hereby adopted this ___th day of _____, 2014

Matthew Guerrero, President

ATTEST:

Paavo Ogren

**OCEANO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2014- 10**

**DETERMINATION OF APPROPRIATION LIMITATION
FOR THE 2014-2015 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 change in U.S. Consumer Price Index or California per-capita income, whichever is less; 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 0.9977% and the percent change in the population of the unincorporated area of San Luis Obispo County is .051%. (Population converted to a ratio is computed as follows: $\{0.51 + 100\} / 100 = 1.0051$).

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

1. That the ratio of change is and is determined as follows:

$$1.0051 \times 0.9977 = 1.0028$$

2. That the 2014-2015 appropriation limit is and is determined as follows:

2013-2014 Limitation	\$ 7,175,049
2013-2014 Ratio of Change	1.0028
2014-2015 Appropriation Limitation	\$ 7,195,139
2014-2015 Appropriations Subject to Limitation	\$ (832,199)
2014-2015 Appropriations Under Limit	<u>\$ 6,362,940</u>

3. No further adjustment to the 2014-2015 appropriation limitation has been made for mandated costs. However, any new mandated costs or increases in existing mandated costs would increase the limitation by the amount of "Proceed of Taxes" used to finance mandates in fiscal year 2014-2015.

**OCEANO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2014- 10
DETERMINATION OF APPROPRIATION LIMITATION
FOR THE 2014-2015 FISCAL YEAR**

(Continued)

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

AYES:

NOES:

ABSENT:

ABSTAINING:

the foregoing Resolution is hereby adopted this ___th day of _____, 2014.

Matthew Guerrero, President

ATTEST:

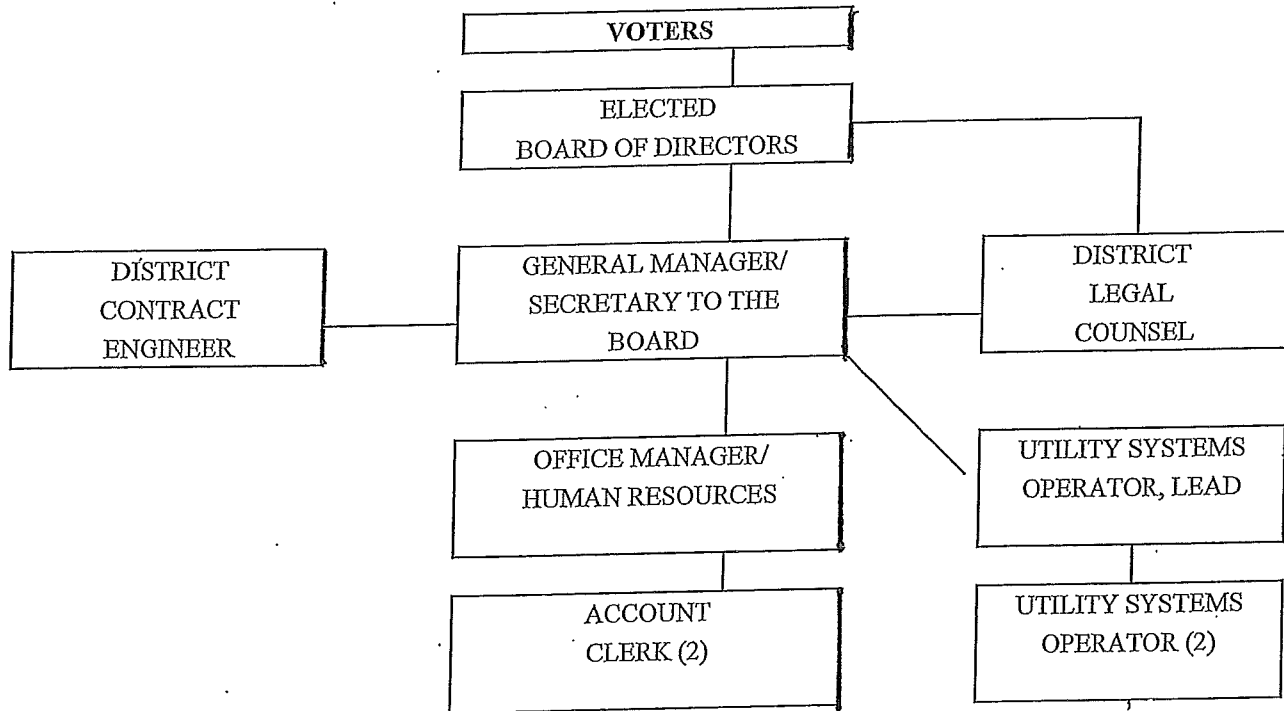
Paavo Ogren

COMPENSATION PLAN

AND

PERSONNEL

Oceano Community Services District
Organizational Chart
Fiscal Year 2014 - 2015



OCEANO COMMUNITY SERVICES DISTRICT
DISTRICT PERSONNEL: POSITION ROSTER
FISCAL YEAR 2014-2015

<u>FULL-TIME POSITIONS at June 30, 2014</u>	<u>2013-2014</u> <u>Current</u>	<u>2014-2015</u> <u>Requested</u>	<u>2014-2015</u> <u>Approved</u>
General Manager	1.000	1.000	1.000
District Accountant (30hrs)	1.000	0.000	0.000
Office Manager	1.000	1.000	1.000
Account Clerk	2.000	2.000	2.000
Utility Systems Supervisor	1.000	1.000	1.000
Utility Systems Operator	2.000	2.000	2.000
Total Full-Time Positions	<u>8.000</u>	<u>7.000</u>	<u>7.000</u>

**OCEANO COMMUNITY SERVICES DISTRICT
COMPENSATION PLAN
FISCAL YEAR 2014-2015**

I. Cost of Living Adjustment

This budget does not include a Cost-of-Living Adjustment (COLA) for any District employee. The last COLA was YE 2009. The Board will revisit a COLA during the year concurrent with union negotiations.

II. California Public Employee's Retirement System (PERS)

All District employees, as required by law, are enrolled in CalPERS. All District employees hired on or prior to December 31, 2012, are enrolled at the PERS contract rate of 2% at 55. These members are considered "Classic" members by Cal PERS. The District currently contributes the employee and the employer portion of the PERS required contribution rates, 7.000% and 10.711% respectively.

All District employees hired on or after January 1, 2013, are enrolled at the PERS PEPRA contract rate of 2% at 62. These members are considered "New" members by Cal PERS. Contribution rates, 6.25% and 6.25% respectively are shared equally by employee and employer.

If there is reciprocity between agencies the District does allow for "Classic" member transfers per Cal PERS and District guidelines.

III. Health Insurance

On July 1, 2012, the maximum health insurance and Flexible Spending Account contribution was increased to \$800 per month. That amount remains unchanged.

Any insurance premiums in excess of the \$800 maximum contribution are at the cost of the employee.

IV. Summary

The salary ranges of classified employees have been arranged into a "tiered" system to allow these employees to progress commensurate with their ability and performance while keeping entry level compensation in line with the labor market.

Internal Revenue Service requirements stipulate all public sector employees be covered by a recognized retirement system effective July 1, 1992, or must participate in Social Security in lieu thereof. The 2014-2015 Budget reflects minimal Social Security, as only "temporary" employees (usually first 90 days of employment) participate in Social Security. All other employees are Permanent and participate in PERS. The 2014-2015 Budget reflects required Medicare benefits (1.45% x gross wages).

**OCEANO COMMUNITY SERVICES DISTRICT
COMPENSATION PLAN
SALARY SCHEDULE**
For the Fiscal Year Ending June 30, 2015

STEP Differential:	2.5%		2.5%		5.0%		5.0%		5.0%	
	a	b	c	d	e	f	g	h		
STEPS:	<u>Hire</u>	<u>6 months</u>	<u>1 Year</u>	<u>2 Years</u>	<u>3 Years</u>	<u>4 Years</u>	<u>5 Years</u>	<u>10 Years</u>		
<u>Office Manager/Human Resources</u>										
Hourly	22.95	23.52	24.11	25.32	26.58	27.91	29.31	30.77		
Annual	47,736	48,929	50,153	52,660	55,293	58,058	60,961	64,009		
<u>Account Clerk</u>										
Hourly	15.81	16.21	16.61	17.44	18.31	19.23	20.19	21.20		
Annual	32,885	33,707	34,550	36,277	38,091	39,995	41,995	44,095		
<u>Utility Systems Supervisor</u>										
Hourly	22.66	23.23	23.81	25.00	26.25	27.56	28.94	30.38		
Annual	47,133	48,311	49,519	51,995	54,595	57,324	60,191	63,200		
<u>Utility Systems Operator</u>										
Hourly	16.70	17.12	17.55	18.42	19.34	20.31	21.33	22.39		
Annual	34,736	35,604	36,495	38,319	40,235	42,247	44,359	46,577		

BUDGET SUMMARIES

OCEANO COMMUNITY SERVICES DISTRICT
 PROPOSED FINAL BUDGET REVENUE SUMMARY
 FISCAL YEAR 2014-2015

Acct No	Description	General Fund: 01										Total			
		Admin- stration	Street Lighting	Fire Protection	Parks & Recreation	Water Fund	Sewer Fund	Garbage Fund	Rental Property Fund	10					
3100	Prop Tax: Current Secured	\$	\$ 43,050	\$ 719,421	\$	\$	-	-	-	-	-	-	-	\$	762,471
3101	Prop Tax: Current Unsecured	-	-	19,670	-	-	-	-	-	-	-	-	-	-	19,670
3102	Prop Tax: Prior Secured	-	-	(3,637)	-	-	-	-	-	-	-	-	-	-	(3,637)
3103	Prop Tax: Prior Unsecured	-	-	1,032	-	-	-	-	-	-	-	-	-	-	1,032
3105	Penalties and Interest	-	-	(355)	-	-	-	-	-	-	-	-	-	-	(355)
3106	Delinquent Chgs Prop Tax Roli: Garbage	3,000	-	-	-	-	-	-	-	-	-	-	-	-	3,000
3120	Homeowners' Prop Tax Relief	-	-	6,386	-	-	-	-	-	-	-	-	-	-	6,386
3213	Will Serve Letter Fee	600	-	-	-	-	-	-	-	-	-	-	-	-	600
3200	Water Sales	-	-	-	-	1,424,379	-	-	-	-	-	-	-	-	1,424,379
3204	Lopez Remediation: Sales	-	-	-	-	370,570	-	-	-	-	-	-	-	-	370,570
3205	Water Connection Fees	-	-	-	-	14,500	-	-	-	-	-	-	-	-	14,500
3206	Water Front Footage Fees	-	-	-	-	16,320	-	-	-	-	-	-	-	-	16,320
3207	UB Courtesy Notice Fees	-	-	-	-	4,700	-	-	-	-	-	-	-	-	4,700
3208	UB Sec Notc/Door Hgr. Fees	-	-	-	-	27,000	-	-	-	-	-	-	-	-	27,000
3209	SWP Capacity Charges	-	-	-	-	18,738	-	-	-	-	-	-	-	-	18,738
3210	Meter Fees	-	-	-	-	8,100	-	-	-	-	-	-	-	-	8,100
3210	Sewer Sales	-	-	-	-	-	382,033	-	-	-	-	-	-	-	382,033
3211	Lopez / Sewer Connection Fees	-	-	-	-	4,000	2,000	-	-	-	-	-	-	-	6,000
3212	New UB A/C Setup	-	-	-	-	3,400	-	-	-	-	-	-	-	-	3,400
3215	Sanitation District Fees	-	-	-	-	-	500,000	-	-	-	-	-	-	-	500,000
3217	CYN Crest /Christie/ AG Wheeling	-	-	-	-	17,400	-	-	-	-	-	-	-	-	17,400
3220	Fire: Weed Abatement	-	-	4,537	-	-	-	-	-	-	-	-	-	-	4,537
3230	Miscellaneous Income	100	-	-	-	-	-	-	-	-	-	-	-	-	100
3235	Public Facility Fees	-	-	15,000	-	-	-	-	-	-	-	-	-	-	15,000
3238	Firework Permit Fees	-	-	1,500	-	-	-	-	-	-	-	-	-	-	1,500
3239	Rent: Village Group	-	-	10,800	-	-	-	-	-	-	-	-	-	-	10,800
3245	SSLOCSD Reimbursement	22,000	-	-	-	-	-	-	-	-	-	-	-	-	22,000
3255	Inspection Fees	-	-	-	-	200	200	-	-	-	-	-	-	-	400
3259	New Fire Building Rent (JPA)	-	-	15,000	-	-	-	-	-	-	-	-	-	-	15,000
3260	Sheriff Substation Rent	-	-	-	-	-	-	-	-	-	-	-	113,940	-	113,940
	Rental Income Transfer W/S 30%/70%	-	-	-	-	22,213	51,829	-	-	-	-	-	(74,042)	-	-
3300	Interest	1,600	-	-	-	130	-	-	-	-	20	-	-	-	1,750
3308	Interest: Facility Fees Restricted	-	-	30	-	-	-	-	-	-	-	-	-	-	30
3501	Garbage Franchise Fees	-	-	-	-	-	-	-	-	-	74,500	-	-	-	74,500
3557	CO Collection Chg: SB2557	-	-	(18,332)	-	-	-	-	-	-	-	-	-	-	(18,332)
	Transfer (to) from other fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GRAND TOTAL: ALL REVENUE		\$ 27,300	\$ 43,050	\$ 771,052	\$	\$ 1,931,650	\$ 936,062	\$ 74,520	\$ 39,898	\$	\$ 3,823,532	\$	\$	\$	\$

OCEANO COMMUNITY SERVICES DISTRICT
 PROPOSED FINAL BUDGET EXPENDITURE SUMMARY
 FISCAL YEAR 2014-2015

Acct No	Description	General Fund: 01										Total
		Admini- stration	Street Lighting	Fire Department	Parks & Recreation	Water Fund	Sewer Fund	Garbage Fund	Sheriff Prop. Fund			
		01-4100	01-4195	01-4200	01-4850	02-4400	03-4500	06-4900	10-4300			
010	Wages and Salaries	\$ 333,509	\$ 600	\$ 900	\$ -	\$ 100,648	\$ 27,574	\$ 6,894	\$ 2,758	\$ -	\$ -	\$ 472,883
020	Overtime	828	400	500	-	22,866	6,265	1,566	626	-	-	33,051
061	PERS	55,108	100	4,099	-	13,530	3,707	927	371	-	-	77,842
070	SUI (Unemp Ins)	1,736	-	-	-	1,105	303	76	30	-	-	3,250
071	Medicare Employer Portion	4,848	20	25	-	1,791	491	123	49	-	-	7,347
072	FICA	-	-	-	-	700	200	100	100	-	-	1,100
075	State Compensation Ins	7,695	-	-	-	11,457	1,214	-	-	-	-	20,366
080	Boot Allowance	-	-	-	-	167	45	14	-	-	-	226
090	Employee Insurances	38,400	200	225	-	21,024	5,760	1,440	576	-	-	67,625
097	Cell Phone Allowance	900	-	-	-	-	-	-	-	-	-	900
098	Moving Expense	-	-	-	-	-	-	-	-	-	-	-
099	Auto Allowance	-	-	-	-	-	-	-	-	-	-	-
	Total Personnel	443,024	1,320	5,749	-	173,288	45,559	11,140	4,510	-	-	684,590
	Service and Supply											
077	JPA Quarterly Pmts	-	-	723,710	-	-	-	-	-	-	-	723,710
100	Clothing	-	-	-	-	2,498	675	203	-	-	-	3,376
110	Communications & Dispatch	3,500	-	18,816	-	5,079	1,373	412	-	-	-	29,180
150	Insurance	17,100	-	-	-	2,960	800	240	-	-	-	21,100
163	Maint: Wtr/Swr Struct	-	-	-	-	5,000	49,718	-	-	-	-	54,718
170	Maint: Equipment	2,344	-	-	-	4,000	3,000	300	-	-	-	9,644
171	Maint: Vehicles	-	-	-	-	3,034	4,000	246	-	-	-	7,280
172	Fuel	-	-	-	-	6,726	1,872	562	-	-	-	9,160
173	Maint: Structures	10,300	-	5,000	-	500	500	-	9,500	-	-	25,800
175	Sys Parts/Oper Supp	-	1,000	-	-	15,721	10,000	1,100	-	-	-	27,821
176	Water Meters	-	-	-	-	7,000	-	-	-	-	-	7,000
177	Safety Expense	-	-	-	-	400	-	-	-	-	-	400
179	Fire District Residual Costs	-	-	-	-	-	-	-	-	-	-	-
180	Memberships	5,400	-	-	-	2,000	-	-	-	-	-	7,400
191	Over and Short	50	-	-	-	-	-	-	-	-	-	50
193	Bank Fees	1,900	-	-	-	-	-	-	-	-	-	1,900
200	Office Expense	6,000	-	-	-	1,000	1,000	-	-	-	-	8,000
205	Outside UB Mailing Expense	5,000	-	-	-	5,000	5,000	-	-	-	-	15,000
210	Postage	450	-	-	-	-	-	-	-	-	-	450
217	Contract Accounting	500	-	-	-	-	-	-	-	-	-	500
218	Audit - Estimate (not in contract)	23,000	-	-	-	-	-	-	-	-	-	23,000
220	Professional Services	17,195	-	-	-	40,000	20,000	1,300	-	-	-	78,495
221	Information Technology	4,700	-	-	-	5,000	10,000	-	-	-	-	19,700
222	Contract Engineering	5,000	-	-	-	-	-	-	-	-	-	5,000
223	Legal Services	51,200	-	-	-	-	-	-	-	-	-	51,200
224	Annual Software Maint.	-	-	-	-	9,000	2,700	-	-	-	-	11,700
225	Board Member Stipends	18,000	-	-	-	-	-	-	-	-	-	18,000
230	Legal Notices	3,500	-	300	-	150	-	250	-	-	-	4,200

**OCEANO COMMUNITY SERVICES DISTRICT
PROPOSED FINAL BUDGET EXPENDITURE SUMMARY
FISCAL YEAR 2014-2015**

Acct No	Description	General Fund: 01										Total			
		Admini- stration	Street Lighting	Fire Department	Parks & Recreation	Water Fund	Sewer Fund	Garbage Fund	Sheriff Prop. Fund	02	03		06	10	
231	Bad Debt	-	-	-	-	250	-	-	-	250	-	-	-	-	500
235	Books/Journals/Subsc	3,600	-	-	-	-	-	-	-	50	-	-	-	-	3,650
241	Rents/Leases: Equip	2,628	-	5,772	-	2,000	-	-	-	24,000	-	-	-	-	34,400
247	LAFCO	-	130	500	-	6,125	-	-	800	5,000	-	-	-	-	12,555
248	Air Pollution Control District	100	-	-	-	1,254	-	-	-	2,000	-	-	100	-	3,454
250	Small Tools	-	-	-	-	-	-	-	-	-	-	-	-	-	-
260	Special Dept Exp	5,200	-	-	-	432,520	-	-	-	-	-	-	-	-	437,720
280	Private Vehicle Mileage	1,600	-	-	-	-	-	-	-	-	-	-	-	-	1,600
285	Classes/Seminars	2,000	-	-	-	2,000	-	-	-	500	-	-	-	-	4,500
286	Board Member Travel/Expense	1,500	-	-	-	-	-	-	-	-	-	-	-	-	1,500
290	Utilities	8,200	-	4,300	-	46,000	-	-	300	1,000	-	-	-	-	59,800
295	Lighting	-	34,617	-	-	-	-	-	-	-	-	-	-	-	34,617
	Total Service & Supply	199,967	35,747	758,398	-	605,217	-	-	5,713	143,438	-	-	9,600	-	1,758,080
297	Pass-Through Rev	3,000	-	-	-	17,400	-	-	-	500,000	-	-	-	-	520,400
320	Fixed Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
351	Cap: Equipment/Vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-	-
353	Alley Maintenance	-	-	-	-	-	-	-	700	-	-	-	-	-	700
362	Litigation: SMVWCD	-	-	-	-	7,000	-	-	-	-	-	-	-	-	7,000
376	Allocation/Adm Exp	(619,691)	6,197	24,788	-	278,862	-	-	37,180	247,876	-	-	24,788	-	-
380	NCMA Expense	-	-	-	-	50,400	-	-	-	-	-	-	-	-	50,400
382	Contingency	1,000	-	-	-	5,000	-	-	1,000	1,000	-	-	1,000	-	9,000
390	General Fund Loan Payment	-	-	-	-	42,426	-	-	-	-	-	-	-	-	42,426
391	Garbage Fund Loan Payment	-	-	-	-	13,444	-	-	-	-	-	-	-	-	13,444
393	1979 Revenue Bond Pmts	-	-	-	-	19,425	-	-	-	-	-	-	-	-	19,425
394	Software Lease Pmts	-	-	-	-	26,762	-	-	-	6,691	-	-	-	-	33,453
395	State Water Rources Control	-	-	-	-	4,000	-	-	-	-	-	-	-	-	4,000
397	SWP Multi Year Water Pool Prog	-	-	-	-	60,000	-	-	-	-	-	-	-	-	60,000
398	State Water Project Pmts	-	-	-	-	887,000	-	-	-	-	-	-	-	-	887,000
	Sub-Total	(615,691)	6,197	24,788	-	1,411,719	-	-	38,880	755,567	-	-	25,788	-	1,647,248
	TOTAL: ALL EXPENDITURES	27,300	43,264	788,935	-	2,190,224	-	-	55,733	944,564	-	-	39,898	-	4,089,918
TOTAL NET RESERVES AND DESIGNATION															
	Payment on General Fund Loan	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Restricted Reserve Contribution (Facilities)	-	-	15,030	-	-	-	-	-	-	-	-	-	-	15,030
	Sub-Total	-	-	15,030	-	-	-	-	-	-	-	-	-	-	15,030
	TOTAL EXPENDITURES & RESERVE DESIG.	\$ 27,300	\$ 43,264	\$ 803,965	\$ -	\$ 2,190,224	\$ -	\$ -	\$ 55,733	\$ 944,564	\$ -	\$ -	\$ 39,898	\$ -	\$ 4,104,948
	GRAND TOTAL: ALL REVENUE	\$ 27,300	\$ 43,050	\$ 771,052		\$ 1,931,650		\$ 74,520	\$ 936,062	\$ 39,898	\$ 3,823,532				
	TOTAL EXPENDITURES & RESERVE DESIG.	\$ 27,300	\$ 43,264	\$ 803,965	\$ -	\$ 2,190,224	\$ -	\$ 55,733	\$ 944,564	\$ 39,898	\$ 4,104,948				
	Unrestricted Reserve Contribution (use)	\$ -	\$ (214)	\$ (32,913)	\$ -	\$ (258,574)	\$ -	\$ 18,787	\$ (8,502)	\$ -	\$ (281,416)				

OCEANO COMMUNITY SERVICES DISTRICT
 PROPOSED FINAL BUDGET SUMMARY OF RESERVES
 FISCAL YEAR 2014-15

	Governmental Fund: 01						Total		
	Admi- stration 01-4100	Street Lighting 01-4195	Fire Department 01-4200	Parks & Recreation 01-4850	Governmental Fund Total	02 Water Fund 02-4400		03 Sewer Fund 03-4500	06 Garbage Fund 06-4900
Beginning Fund Balance									
June 30, 2014 (unaudited)									
Restricted					\$ 127,542	\$ 199,870	\$ -	\$ -	\$ -
Unrestricted					\$ 1,116,569	\$ 678,353	\$ 918,705	\$ 245,497	\$ -
Total Beginning (unaudited)					\$ 1,244,111	\$ 878,223	\$ 918,705	\$ 245,497	\$ -
2014-15 Additions / (Uses)									
Restricted	\$ -	\$ -	\$ 15,030	\$ -	\$ 15,030				\$ -
Unrestricted	\$ -	\$ (214)	\$ (32,913)	\$ -	\$ (33,127)	\$ (258,574)	\$ (8,502)	\$ 18,787	\$ -
	\$ -	\$ (214)	\$ (17,883)	\$ -	\$ (18,097)	\$ (258,574)	\$ (8,502)	\$ 18,787	\$ -
Estimated Ending Fund									
Balance June 30, 2015									
Restricted					\$ 142,572	\$ 199,870	\$ -	\$ -	\$ -
Unrestricted					\$ 1,083,442	\$ 419,779	\$ 910,203	\$ 264,284	\$ -
Total Estimated Ending					\$ 1,226,014	\$ 619,649	\$ 910,203	\$ 264,284	\$ -

ADMINISTRATION

01-4100

**OCEANO COMMUNITY SERVICES DISTRICT
ADMINISTRATION
FISCAL YEAR 2014-2015**

PURPOSE

This Budget Unit funds the operation of the District Office; it contains all costs of Board Member services, management, administration, and support functions of the District. It contains the costs that apply, across the board, to all the functions of OCSD. It does not contain costs that are specific to the individual functions of Street Lighting, Fire, Water, Sewer, and Garbage Franchise.

The employees who work in the District Office, e.g., the "Administration," all spend 100% of their time performing the functions of the District. In an effort to properly allocate the administrative expenses all funds with current year activity should be included. The following table illustrates the allocation of administrative expenses for the 2014-2015 Budget.

WATER	45%
SEWER	40%
RENTAL PROPERTY	4%
FIRE	4%
STREET LIGHTING	1%
GARBAGE FRANCHISE	6%
PARKS AND RECREATION.	0%

Administration receives very little revenue directly. The revenue includes Sanitation District reimbursements for billing services, delinquent taxes and fees for processing "Will Serve" letters. The costs of Administration, then, must be distributed to the OCSD functions in the percentages that they are actually served, as described above. The total amount of the Administration expenditures is paid by the Water, Sewer, Rental Property, Fire, Street Lighting and Garbage Franchise Departments based on the percentages described above, as the line item, "Allocation of Administrative Expenses," in each Department's list of expenditures.

Revenues equal expenditures for the Administration Fund.

\$606,496 in expenditures have been allocated to other funds (account 376). Revenues include \$27,300 in estimated revenue.

**OCEANO COMMUNITY SERVICES DISTRICT
ADMINISTRATION
FISCAL YEAR 2014-2015**

PERSONNEL

<u>Description</u>	<u>Current</u>	<u>Requested</u>	<u>Approved</u>
General Manager	1	1	1
District Accountant (30 hrs/week)	1	0	0
Office Manager/HR	1	1	1
Account Clerk	<u>2</u>	<u>2</u>	<u>2</u>
Total Administrative Personnel	5	4	4

PROGRAMS

District Legal Counsel:

The District is represented by the firm of Adamski, Moroski, Madden, Cumberland & Green LLP.

In the Santa Maria Valley Groundwater lawsuit, the District is jointly represented with the city of Arroyo Grande, by Henry Weinstock of the firm of Nossaman, LLP. The District portion of the joint defense costs are 27.3%. Pismo Beach withdrew previously from the joint defense agreement for the Northern Cities Management Area. Grover Beach recently approved new legal counsel. As a result, the existing cost sharing arrangement will change and the District will re-evaluate legal services.

Engineering Services: The firm of Diversified Project Services International, Inc. performs contract engineering services for the District on a time and material basis. The District Engineer reviews subdivision plans, required system improvements, and development requiring services from OCSD on an as-needed basis.

Administration: This includes general ledger maintenance, personnel management, business services, general management, and administrative oversight such as: accounts payable, accounts receivable, research, agenda preparation, utility billing, annual budget, audit, report preparation, customer service, and cash payments. It also includes all General Manager activity.

GOALS

The Board has directed staff to complete a Pro Forma. With the finished product the District will set about defining short term and long term goals. The process will include the financial implementation of those goals. The District Mission Statement, which was last modified in April, 2001 is

TO PROVIDE THE CITIZENS OF THE DISTRICT WITH QUALITY, INNOVATIVE, AND COST-EFFECTIVE SERVICES, INCLUDING WATER, SEWER, FIRE PROTECTION, STREET LIGHTING SERVICES, PARKS AND RECREATION, TRASH COLLECTION, AND OTHER MISCELLANEOUS ITEMS, THROUGH RESPONSIVE AND RESPONSIBLE LOCAL GOVERNMENT, TO MEET THE CHANGING NEEDS OF THE COMMUNITY.

Oceano Community Services District
 PROPOSED FINAL FY 2014-2015 Budget

Administration 01-4100		REVENUES		FY 2014-2015	
Account No	Description	2012-13 ACTUAL	2013-14 BUDGET	2014-15 PROPOSED	2014-15 APPROVED
3106	Delinquent Chgs/Tax Roll/Garbage	\$ 3,250	\$ 3,000	\$ 3,000	
3107	Delinquent Utility Charges	2,036	100	-	
3213	Will Serve Letter Fee	1,020	600	600	
3230	Miscellaneous Income	477	95	100	
3245	SSLOCSD Billing Fees	4,930	22,000	22,000	
3300	Interest: Undistributed	3,619	2,000	1,600	
	TOTAL	\$ 15,332	\$ 27,795	\$ 27,300	

Oceano Community Services District
 PROPOSED FINAL 2014-2015 Budget

Administration 01-4100 EXPENDITURES		FY 2014-2015			
Account No	Description	2012-13 ACTUAL	2013-14 BUDGET	2014-15 PROPOSED	2014-15 APPROVED
	Personnel:				
010	Wages and Salaries	\$ 270,484	\$ 303,642	\$ 333,509	
020	Overtime	5,717	4,400	828	
061	PERS	34,591	30,100	55,108	
070	SUI	3,964	2,454	1,736	
071	Medicare	3,270	4,467	4,848	
072	FICA	1,105	3,800	-	
075	State Compensation Insurance	2,650	6,760	7,695	
090	Employee Insurances	31,608	40,800	38,400	
097	Cell Phone Allowance	-	600	900	
098	Moving Expense	-	3,000	-	
099	Auto Allowance	-	2,400	-	
	Total Personnel	\$ 353,389	\$ 402,423	\$ 443,024	
	Service and Supply				
110	Communication	\$ 2,423	\$ 1,250	\$ 3,500	
111	Telephone	2,073	3,600	-	
150	Insurance	18,249	24,765	17,100	
170	Maintenance: Equipment	815	950	2,344	
173	Maintenance: Shared Structures	7,640	10,863	10,300	
180	Memberships: CSDA/Domain	4,576	5,600	5,400	
191	Over and Short	53	50	50	
193	Bank Fees	165	1,900	1,900	
200	Office Expense	7,475	7,669	6,000	
205	Outside UB Mailing Expense	4,754	5,333	5,000	
210	Postage	418	410	450	
217	Contract Accounting/Consulting	64,280	855	500	
218	Audit	33,000	22,825	23,000	
220	Professional Services: AGP, Consulting	31,160	17,195	17,195	
221	Information Technology	2,471	5,000	4,700	
222	Contracted Engineering Serv	-	7,700	5,000	
223	Legal Services	83,503	60,000	51,200	
225	Board Stipends	13,900	18,000	18,000	
230	Legal Notices: Recruitments / Bids	2,966	3,500	3,500	
235	Books/Journals/Subscriptions/software	461	3,800	3,600	
241	Rents/Leases Equipment	4,069	4,864	2,628	
248	APCD	98	98	100	
260	Special Departmental Expense (election)	4,952	-	5,200	
280	Private Vehicle Mileage Expense	308	550	1,600	
285	Classes and Seminars	1,881	2,000	2,000	
286	Board Member Expense	945	1,500	1,500	
290	Utilities	6,135	8,200	8,200	
	Total Service and Supply	\$ 298,770	\$ 218,477	\$ 199,967	
297	Pass-Thru: Delinq Garbage Chgs/Tax Roll	\$ 3,250	\$ 3,000	\$ 3,000	
320	Fixed Assets Equipment	-	3,831	-	
382	Contingency	-	-	1,000	
376	Allocation of Admin Expenses	(645,363)	(599,936)	(619,691)	
	Sub-Total	\$ (642,113)	\$ (593,105)	\$ (615,691)	
	TOTAL	\$ 10,046	\$ 27,795	\$ 27,300	

**OCEANO COMMUNITY SERVICES DISTRICT
ACCOUNT JUSTIFICATION
ADMINISTRATION: 01-4100
FISCAL YEAR 2014-2015**

<u>Account No</u>	<u>Title</u>	<u>Description</u>
010	Wages and Salaries	Wages and salaries for administrative personnel
020	Overtime Wages	Compensate Admin staff for occasional overtime work
061	PERS	Provides for District contribution of Public Employees' Retirement System
070	SUI (Unemployment Insurance)	Provides for State Unemployment Insurance at 6.2% of gross salaries not to exceed a maximum salary of \$7,000/year/employee
071	Medicare	Provides Medicare contributions at a rate of 1.45% of gross for employees
072	FICA	Provides for District portion of FICA payments at 6.2% for those employees required to contribute.
075	State Compensation Insurance	Provides for District contribution to State Compensation insurance
090	Employee Insurances	Provides for District portion of health, dental, vision, and life insurance premiums per Board-adopted policies
110	Communication	Provides the internet, phones, and security system for the District.
150	Insurance	Provides for fire and general liability insurance, errors and omissions coverage, and employee honesty bond
170	Maintenance: Equipment	Provides for maintenance on phone systems, typewriters, copier, office computers, FAX, and calculators
173	Maintenance: Shared Structures	Provides for facility maintenance and landscape maintenance
180	Memberships	Provides for memberships in CSDA, employee professional memberships
191	Over and Short	Accounts for the occasional shortages or overages of cash transactions
193	Bank Fees	Fees incurred on pooled cash account.

**OCEANO COMMUNITY SERVICES DISTRICT
ACCOUNT JUSTIFICATION
ADMINISTRATION: 01-4100**

Account No	Title	Description
200	Office Expense	Provides for general office supplies and materials for all District activities
205	Outside UB mailing	Sanit. Dist. portion of outside Utility Billing expense.
210	Postage	Provides postage for general office mailings and newsletters
217	Contract Accounting	Provides for accounting consults
218	Audit	Provides for the annual audit
220	Professional Services	Provides for miscellaneous professional service expenses not otherwise categorized
221	Information Technology	Provides for information technology technician and website
222	Contracted Engineering	Provides for contracted engineering Services
223	Legal Services	Provides for routine and additional legal services
225	Board Stipends	Remunerates Board members for District Board meetings, committee meetings, and other time spent in Board-approved attendance
230	Legal Notices	Provides for occasional legal notices necessary for recruitments, hearings, and other activities as prescribed by State law
235	Books/Journals/Subscriptions	Provides for occasional reports, codes, or books, including West's Public Contract and Public Utility Codes, and periodical subscriptions
241	Rents/Leases Equipment	Provides for copier equipment lease
248	APCD	Provides for the admin portion of the Air Pollution Control District fees for back generator.
260	Special Departmental Expense	Provides for District election expenses and various other administrative expenses

**OCEANO COMMUNITY SERVICES DISTRICT
ACCOUNT JUSTIFICATION
ADMINISTRATION: 01-4100**

<u>Account No</u>	<u>Title</u>	<u>Description</u>
280	Private Vehicle Mileage Exp	Reimburses office staff at the I.R.S. mileage reimbursement rate (\$.56/mile) for personal vehicles on District business
285	Classes and Seminars	Provides for registration, travel, lodging and meal expenses for administrative staff to attend various classes, seminars, and meetings.
286	Board Member Expense	Provides for Board member registration travel, lodging and meal expenses when attending classes, seminars, or meetings
290	Utilities	Provides for PG&E, Southern Cal Gas, trash, water, and sewer services to the District Administrative offices
297	Pass Thru: Delinq Garbage	Disburses Garbage property tax income collected for the South County Sanitation District
320	Fixed Assets	Provides for purchase of fixed assets
376	Allocation of Admin Exp	Provides the method to bill all other departments for the costs included in the Admin Dept to effectively and efficiently manage and operate the District
382	Contingency	Provides for unforeseen expenditures, not otherwise budgeted

STREET LIGHTING

01-4195

OCEANO COMMUNITY SERVICES DISTRICT
STREET LIGHTING
FISCAL YEAR 2014-2015

PURPOSE AND PROGRAMS

The operation and maintenance of 211 existing street lights is funded through this Budget Unit. Maintenance on all streetlights, except for the antique lights, is maintained by PGE. The antique lights are maintained by the District.

OVERVIEW

The source of revenues for this fund is general property taxes. For the current year only enough property tax revenue is allocated to cover the total budgeted expenditures for this activity. All remaining property taxes are allocated to our District Fire Protection activity.

UTILITIES

The 2014-2015 Budget continues to include increases for Clean-Energy Programs, Enhanced Safety and Reliability.

Oceano Community Services District
 PROPOSED FINAL 2014-2015 Budget

Street Lighting 01-4195 REVENUES FY 2014-2015					
Account No	Description	2012-13 ACTUAL	2013-14 BUDGET	2014-15 PROPOSED	2014-15 APPROVED
3100	Prop Tax: Current Secured	\$ 38,684	\$ 35,404	\$ 43,050	
3101	Prop Tax: Current Unsecured	-	1,107	-	
3102	Prop Tax: Prior Secured	-	(174)	-	
3103	Prop Tax: Prior Unsecured	-	49	-	
3105	Penalties and Interest	-	(16)	-	
3120	Homeowners' Prop Tax Relief	-	380	-	
3557	Co Collection Chg: SB2557	-	(1,100)	-	
	TOTAL	\$ 38,684	\$ 35,649	\$ 43,050	
Street Lighting 01-4195 EXPENDITURES FY 2014-2015					
Account No	Description	2012-13 ACTUAL	2013-14 BUDGET	2014-15 PROPOSED	2014-15 APPROVED
	Personnel:				
010	Wages and Salaries	\$ -	\$ 600	\$ 600	
020	Overtime	-	400	400	
061	PERS	-	100	100	
071	Medicare	-	20	20	
090	Employee Insurances	-	200	200	
	Total Personnel	\$ -	\$ 1,320	\$ 1,320	
	Service & Supply				
175	Operating Supplies	\$ 792	\$ 1,000	\$ 1,000	
247	LAFCO	111	122	130	
295	Utilities	31,327	33,000	34,617	
	Total Service & Supply	\$ 32,230	\$ 34,122	\$ 35,747	
376	Allocation of Admin Expense	\$ 6,454	\$ 6,000	\$ 6,197	
382	Contingency	-	71		
	Sub-Total	\$ 6,454	\$ 6,071	\$ 6,197	
	TOTAL	\$ 38,684	\$ 41,513	\$ 43,264	

OCEANO COMMUNITY SERVICES DISTRICT
ACCOUNT JUSTIFICATION
STREET LIGHTING: 01-4195
FISCAL YEAR 2014-2015

Account No	Title	Description
010	Wages and Salaries	Wages and salaries for personnel
020	Overtime Wages	Compensate staff for occasional overtime work
061	PERS	Provides for District contribution of Public Employees' Retirement System
071	Medicare	Provides Medicare contributions at a rate of 1.45% of gross for employees
090	Employee Insurances	Provides for District portion of health, dental, vision, and life insurance premiums per Board-adopted policies
175	Operating Supplies	Provides for materials and supplies used to repair and maintain the District's antique streetlights
247	Allocation of LAFCO Exp	Provides for department share of Local Agency Formation Commission
295	Utilities	Provides the contracted payments to PG&E for the existing street lights
376	Allocation of Admin Exp	Provides the method of repayment for the costs included in the Admin Dept to effectively and efficiently manage and operate the District

FIRE

01-4200

**OCEANO COMMUNITY SERVICES DISTRICT
FIRE PROTECTION FUND
FISCAL YEAR 2014-2015**

PURPOSE

The Oceano Community Services District approved a Joint Exercise of Powers Agreement with the cities of Arroyo Grande and Grover Beach to form a Five Cities Fire Joint Powers Authority (JPA).

Under the Agreement, buildings will continue to be owned and maintained by the respective jurisdictions. Equipment, vehicles and apparatus will all become property of the JPA. Any existing vehicles and apparatus would be returned to its original owner if the JPA were to be dissolved. Items purchased in the future will be joint property of the JPA and distribution of the value would be negotiated at the time it was dissolved or an agency withdraws.

Items voted on by the JPA Board of Directors will require a majority vote except for decisions relating to the budget, labor relations agreements, and any unbudgeted non-emergency contract for services that exceed \$75,000, which shall require a unanimous vote by the Board for approval. This will help ensure that no jurisdiction will be required to commit to expenditures that are infeasible for them to fund.

All employees are technically employees of the City of Arroyo Grande primarily for the purposes of PERS retirement benefits. However, the City of Arroyo Grande will delegate all personnel decision making authority to the JPA. The City of Arroyo Grande will also provide payroll, finance and IT services to the JPA.

The Oceano Community Services District portion of the JPA budgeted costs are 20%, based on the following: population, service calls, assessed value, and number of stations and staffing.

OVERVIEW

Budgeted revenues are \$771,052 of which \$15,030 is restricted for facility use, leaving \$756,052 in unrestricted revenues. As proposed, budgeted unrestricted revenues fall below the budget expenditures in the 2014-2015 budget.

Oceano Community Services District
PROPOSED FINAL 2014-2015 Budget

Fire Protection 01-4200 REVENUES FY 2014-15					
Account No	Description	2012-13 ACTUAL	2013-14 BUDGET	2014-15 PROPOSED	2014-15 APPROVED
3100	Prop Tax: Current Secured	\$ 697,681	\$ 713,607	\$ 719,421	
3101	Prop Tax: Current Unsecured	18,700	18,441	19,670	
3102	Prop Tax: Prior Secured	(3,637)	(3,024)	(3,637)	
3103	Prop Tax: Prior Unsecured	1,032	765	1,032	
3105	Penalties and Interest	(355)	(260)	(355)	
3120	Homeowners' Prop Tax Relief	6,447	6,031	6,386	
3220	Weed Abatement	6,592	4,537	4,537	
3235	Public Facilities Fees			15,000	
3238	Fireworks Permit Fees	1,540	-	1,500	
3239	Village Group Rent	9,900	10,800	10,800	
3259	New Fire Rent	15,000	15,000	15,000	
3557	Co Collection Chg: SB2557	(18,332)	(17,955)	(18,332)	
3262	Village Group Utility Reimbursement	-	1,020	-	
	TOTAL UNRESTRICTED REVENUE	\$ 734,568	\$ 748,962	\$ 771,022	
Fire Protection 01-4200 EXPENDITURES FY 2014-15					
Account No	Description	2012-13 ACTUAL	2013-14 BUDGET	2014-15 PROPOSED	2014-15 APPROVED
	Personnel:				
010	Wages and Salaries	\$ 185	\$ 876	\$ 900	
020	Overtime	-	500	500	
061	PERS	25	3,914	4,099	
071	Medicare	3	21	25	
090	Employee Insurances	68	210	225	
	Total Personnel	\$ 281	\$ 5,521	\$ 5,749	
	Service & Supply:				
077	JPA Quarterly Pmts	\$ 709,520	\$ 709,520	\$ 723,710	
110	Communications & Dispatch	42	550	18,816	
173	Maint. Structures (rentals)	4,499	10,500	5,000	
179	Fire District Residual Expense	492	-		
230	Legal Notices (weed abatement)	274	274	300	
241	Fire Truck Lease	5,772	5,772	5,772	
247	LAFCO	111	488	500	
248	APCD	-	98	-	
290	Utilities	626	4,100	4,300	
	Total Service & Supply	\$ 721,336	\$ 731,302	\$ 758,398	
376	Allocation of Admin Expense	\$ 25,815	\$ 23,997	\$ 24,788	
	TOTAL EXPENDITURES	\$ 747,432	\$ 760,820	\$ 788,935	
Fire Protection 01-4200 RESTRICTED REVENUES/RESERVE CONTRIBUTION FY 14-15					
Account No	Description	2012-13 ACTUAL	2013-14 BUDGET	2014-15 PROPOSED	2014-15 APPROVED
3235	Public Facility Fees (restricted)	\$ 30,241	\$ 15,000	\$ 15,000	
3308	Interest Facility Fees (restricted)	85	30	30	
	Reserve Contributions (restricted)	(30,326)	(15,030)	(15,030)	
		\$ -	\$ -	\$ -	

**OCEANO COMMUNITY SERVICES DISTRICT
ACCOUNT JUSTIFICATION
FIRE: 01-4200**

<u>Account No</u>	<u>Title</u>	<u>Description</u>
077	JPA Quarterly Payments	Provides for District portion of the JPA costs
179	Fire District Misc	Provides for occasional expense not included in Budget
241	Fire Truck Lease	Provides District portion of the lease payment
247	Allocation of LAFCO Exp	Provides for Local Agency formation Commission (LAFCO)
173	Maintenance: Structures	Provides materials and services for repair and maintenance of the Old Fire Station, including landscaping
230	Legal Notices	Provides notices for public hearings, advertisements, etc, in connection with weed abatement and other activities requiring notification
376	Allocation of Admin Exp	Provides the method of repayment for the costs included in the Admin Dept to effectively and efficiently manage and operate the District

PARKS & RECREATION

01-4850

OCEANO COMMUNITY SERVICES DISTRICT
PARKS & RECREATION FUND
FISCAL YEAR 2014-2015

PURPOSE

This budget unit provides for funding of the District's parks and recreation power.

OVERVIEW

This fund has no activity for the current year, as no revenues are allocated in this fiscal year budget.

Oceano Community Services District
 PROPOSED FINAL 2014-2015 Budget

Parks & Rec 01-4850 REVENUES FY 2014-2015					
Account No	Description	2012-13 ACTUAL	2013-14 BUDGET	2014-15 PROPOSED	2014-15 APPROVED
3100	Prop Tax: Current Secured	\$ 3,101	\$ -	\$ -	
3200	Farmers Market and Events Revenue	293	-	-	
	TOTAL	\$ 3,394	\$ -	\$ -	

Parks & Rec 01-4850 EXPENDITURES FY 2014-15					
Account No	Description	2012-13 ACTUAL	2013-14 BUDGET	2014-15 PROPOSED	2014-15 APPROVED
	Personnel:				
010	Wages	\$ 77	\$ -	\$ -	
020	Overtime	497	-	-	
061	PERS	75	-	-	
071	Medicare	9	-	-	
090	Employee Insurances	85	-	-	
	Total Personnel	\$ 743	\$ -	\$ -	
	Service and Supply				
223	Legal	\$ 1,035	\$ -	\$ -	
300	Cinco De Mayo Event (plus insurance)	1,616	-	-	
150	Insurance (FM annual)	-	-	-	
	Total Service and Supply	\$ 2,651	\$ -	\$ -	
	TOTAL	\$ 3,394	\$ -	\$ -	

WATER FUND

02-4400

**OCEANO COMMUNITY SERVICES DISTRICT
WATER FUND
FISCAL YEAR 2014-2015**

PURPOSE

This Budget Unit provides for the operation and maintenance of, and improvements to, the OCSD water system. OCSD is responsible for approximately twenty miles of water lines, three usable wells, two storage tanks with a combined capacity of 1.3 million gallons, and five booster pumps, all of which serve about 2,100 water connections and approximately 7,600 customers. The Water Fund receives revenues from user fees, connection fees, interest from cash flow accumulations and reserves.

OVERVIEW

The proposed budget includes \$1,931,650 in estimated revenues, and \$2,190,224 in estimated expenses. Income and expenses have been reduced by approximately 10% in answer to the Governor's request for a 20% reduction for drought conservation measures. The residents of Oceano are already conservation conscious. Of these estimated expenses \$1,379,841 are fixed water payments (about 63% of budgeted expenses). The proposed budget accounts for very basic and essential expenditures.

Our water system is very antiquated and will need major improvements resulting in large expenditures to the District. Until a more detailed cost analysis is performed and funding is secured, any major improvements to our water system have been deferred.

Also, due to the age of the water infrastructure it is anticipated there will be large repairs and maintenance for water pipes, and well equipment in the near future. These costs are not included in the current budget as current revenues would not allow for these expenditures.

OCSD field and administrative staff will work with the Board of Directors Water and Sewer Committee to determine the best approach in quantifying the needed maintenance projects in dollars. Once the projects are determined, the funding for these projects will need to be discussed. The current revenues will not support all necessary maintenance programs. For example, OCSD has about 600 valves, and staff estimates around 40 will need to be replaced. The backup generator for Well 8 does not work. It has been determined the generator should be replaced rather than repaired. The replacement cost will be substantial. Once the cost is determined, we will need to determine the funding for this replacement.

**OCEANO COMMUNITY SERVICES DISTRICT
WATER FUND
FISCAL YEAR 2014-2015**

PERSONNEL

<u>Description</u>	<u>Current</u>	<u>Requested</u>	<u>Approved</u>
Utility Systems Supervisor	1	1	-
Utility Systems Operator	2	2	-
Total Water Dept Personnel	<u>3</u>	<u>3</u>	-

In conjunction with implementation of "Allocation of Utility Expenses," the 2014-2015 Fiscal Year Budget will distribute the personnel costs of the employees listed above directly to the unit of benefit. In order to ensure an equitable distribution of personnel costs the following table was used to estimate the costs for budgeting purposes:

WATER	74%
SEWER	20%
GARBAGE FRANCHISE	6%

In addition to personnel costs, service and supply costs that could not be directly distributed to a particular department were also spread based on the above percentage. These line items included: Clothing; Communications; Fuel Maintenance/Vehicle.

PROGRAMS

Operation and Maintenance: Routine water system operation and maintenance includes repair of minor line breaks and the installation of new services; water quality testing; valve exercising; monitor and record: tank levels, line pressures, daily water production; maintain and service: natural gas and diesel engines, electric motors, four vehicles, one backhoe, pumps, and various other equipment and machinery; flush lines; read meters; respond to requests from the public; and inspect new installations and construction projects. In addition, the Water Fund finances:

1. The purchase of water from Lake Lopez--the contractual agreement being 303 acre feet per year.
2. The retirement of 1979 and 1986 Revenue Bonds.
3. State Water Project
4. Software Lease payments (ends May 2015)

**OCEANO COMMUNITY SERVICES DISTRICT
WATER FUND
FISCAL YEAR 2014-2015**

2013-2014 Accomplishments and 2014-2015 projects:

The Water Department started a water meter replacement program and installed all the water meters that were in inventory from a prior year. Old water meters under register the water consumed by the customer. Replacing old water meters will accurately register water consumption by the customer and will increase revenues. The water department recycles old meters by returning them to the vendor for credit towards the next purchase of meters.

For the 2014-2015 year, the District has very little money to start any projects. Staff will determine a list of needed projects and prioritize. Funding for these projects will determine project implementation dates. If funding for maintenance projects is determined then a budget adjustment will be needed for any related expenditures.

The field staff is in the process of implementing a preventative maintenance program for sewer cleaning and valve turning. Throughout that process the water and sewer atlases will be up-dated. Staff is also in the process of up-dating the Sewer System Management Program. Other efforts, such as the District wide Pro-Forma, will be reviewed with the Board of Directors and prioritized along with other District needs.

Oceano Community Services District
 PROPOSED FINAL 2014-2015 Budget

Water 02-4400 REVENUES FY 2014-2015					
Account No	Description	2012-13 ACTUAL	2013-14 BUDGET	2014-15 PROPOSED	2014-15 APPROVED
3200	Water Sales	\$ 1,442,101	\$ 1,474,669	\$ 1,424,379	
3204	Lopez Remediation Sales	390,887	416,777	370,570	
3205	Connection Fees (labor, materials)	17,925	3,545	14,500	
3206	Front Footage	9,676	24,480	16,320	
3207	UB Courtesy Notice Chg	4,658	4,658	4,700	
3208	Delinq U/B Acct Fees	28,745	26,985	27,000	
3209	SWP Capacity Charges	4,800	26,176	18,738	
3210	Meter Fees	-	8,775	8,100	
3211	Lopez Dam/SWP Connection Fees	25,703	6,000	4,000	
3212	New UB acct set-up	3,450	3,450	3,400	
3217	CYN Crest/Christie/AG Wheeling	17,326	17,326	17,400	
3230	Miscellaneous Income	469	-	-	
3251	AG Temp Water Sale	158,025	152,355	-	
3255	Inspection Fees	50	200	200	
3300	Interest (CD)	1,153	500	130	
3900	Other Income	9,565	-	-	
	Rental Income	23,788	21,447	22,213	
	Use of Prior Year Funds	-	-	-	
	Transfer from other fund	-	60,149		
	TOTAL	\$ 2,138,321	\$ 2,247,492	\$ 1,931,650	

Oceano Community Services District
 PROPOSED FINAL 2014-2015 Budget

Water 02-4400 EXPENDITURES FY 2014-2015					
Account No	Description	2012-13 ACTUAL	2013-14 BUDGET	2014-15 PROPOSED	2014-15 APPROVED
Personnel					
010	Wages and Salaries	\$ 111,951	\$ 116,448	\$ 100,648	
020	Overtime	29,169	34,898	22,866	
061	PERS	18,816	18,259	13,530	
070	SUI	393	1,205	1,105	
071	Medicare	2,097	2,195	1,791	
072	FICA	1,777	-	700	
075	State Compensation Ins	5,869	6,679	11,457	
080	Boot Allowance	180	240	167	
090	Employee Insurances	18,273	22,962	21,024	
	Total Personnel	\$ 188,525	\$ 202,886	\$ 173,288	
Service and Supply					
100	Clothing	\$ 3,412	\$ 4,800	\$ 2,498	
110	Communications	7,036	3,301	5,079	
111	Telephone	2,125	5,832	-	
150	Insurance	6,922	12,084	2,960	
163	Maint: Water Struc/Imprv	20,108	27,298	5,000	
170	Maint: Equipment	26,883	21,606	4,000	
171	Maint: Vehicles	4,225	5,342	3,034	
172	Fuel	7,955	7,491	6,726	
173	Maint: Shared Struct	1,974	1,000	500	
175	System Parts/Oper Supp	42,543	26,000	15,721	
176	Water Meters	16,906	12,600	7,000	
177	Safety Expense	1,638	1,800	400	
180	Memberships	2,203	2,580	2,000	
200	Office Expense	2,362	1,500	1,000	
205	Outside UB Mailing Expense	4,754	5,333	5,000	
210	Postage	910	-	-	
220	Professional Services	51,814	33,532	40,000	
222	Contract Engineering	16,716	10,000	5,000	
223	Legal Services	1,935	-	-	
224	Annual Software Maint.	10,115	8,998	9,000	
230	Legal Notices	148	100	150	
231	Bad Debt	-	900	250	
235	Books/Journals/Subsc	1,451	2,100	-	
241	Rents/Leases: Equip	1,581	2,000	2,000	
247	LAFCO	5,224	5,847	6,125	
248	APCD	1,254	1,254	1,254	
250	Small Tools	5,306	898	-	
260	Special Dept Exp: Lopez/Zone 3	423,321	446,076	432,520	
285	Classes and Seminars	7,200	4,000	2,000	
290	Utilities	15,241	32,400	46,000	
	Total Service and Supply	\$ 693,262	\$ 686,672	\$ 605,217	

Oceano Community Services District
 PROPOSED FINAL 2014-2015 Budget

Water 02-4400 EXPENDITURES FY 2014-2015					
Account No	Description	2012-13 ACTUAL	2013-14 BUDGET	2014-15 PROPOSED	2014-15 APPROVED
297	Pass Thru: Crest/Christie/AG	\$ 17,791	\$ 17,791	\$ 17,400	
320	Fixed Assets Equipment	8,350	-	-	
350	CAP: Building	50,946	-	-	
351	Cap: Equipment/Vehicles/Machine	43,146	8,806	Generator ?	
362	SMVWCD Litigation	26,800	7,000	7,000	
376	Allocation of Admin Expense	297,801	287,970	278,862	
380	NCMA Tec Expense	40,295	47,003	50,400	
382	Contingency	-	5,000	5,000	
390	General Fund Loan Payments	-	-	42,426	
391	Garbage Fund Loan Payments	-	-	13,444	
392	1993 Revenue Bond Pmts	62,578	-	-	
393	1979 Revenue Bond Pmts	18,000	18,000	19,425	
394	Software Lease Pmts	29,195	29,195	26,762	
395	State Water Rources Control	3,948	4,000	4,000	
397	SWP Multi Year Water Pool Prog	-	41,669	60,000	
398	State Water Project Pmts	838,369	890,000	887,000	
	Sub-Total	\$ 1,437,219	\$ 1,356,434	\$ 1,411,719	
	TOTAL	\$ 2,319,006	\$ 2,245,992	\$ 2,190,224	

INSERT WATER EXPENDITURES SPREADSHEET (TWO PAGES!) (2/2)
 OCEANO COMMUNITY SERVICES DISTRICT
 ACCOUNT JUSTIFICATION
 WATER: 02-4400
 FISCAL YEAR 2014-2015

Account No	Title	Description
010	Wages and Salaries	Wages and salaries for the Utility Operations Supervisor and the Utility Systems Operators
020	Overtime	Compensates Utility Systems Operators for occasional overtime work as authorized by the Utility Operations Supervisor
061	PERS	Provides for District contribution of Public Employees' Retirement System
070	SUI (Unemployment Ins)	Provides for State Unemployment Insurance at 6.2% of gross salaries not to exceed a maximum salary of \$7,000 per year per employee
071	Medicare	Provides for the District portion of Medicare payments at a rate of 1.45%
072	FICA	Provides for District portion of FICA payments at 6.2% for those employees required to contribute.
075	State Compensation Ins	Provides for District contribution to State Compensation Insurance
080	Boot Allowance	Provides annual employee boot allowance
090	Employee Insurances	Provides for District portion of health, dental, vision, and life insurance premiums per Board-adopted policies
100	Clothing	Provides of the expense for shirts, pants, and shop towels and their cleaning
110	Communications	Provides for alarm services, after hours answering services, phone, and internet.
150	Insurance	Provides for Water Fund share of the auto insurance.
163	Maintenance: Water Struc.	Provides for the maintenance of wells, motors, pumps, their accessories, generators, chlorinators, etc., which are directly related to the water system

**OCEANO COMMUNITY SERVICES DISTRICT
ACCOUNT JUSTIFICATION
WATER: 02-4400**

Account No	Title	Description
170	Maintenance: Equipment	Provides for the maintenance of various other types of small equipment (hand-held or mobile) related to the water system including computer equipment/peripherals
171	Maintenance: Vehicles	Provides maintenance of District vehicles and one backhoe.
172	Fuel	Provides for fuel expense for District vehicles
173	Maintenance: Shared Struc	Provides shared expense for various maintenance activities at the Wilmar Yard which are non-water specific (building, fences, storage, etc.)
175	System Parts/Oper Supp	Provides for pipe, fittings, couplings, etc, for water system maintenance and its repairs
176	Water Meter Purchases	Provides for the purchase of water meters, hydrant meters, and related repair parts for new installations and/or replacements
177	Safety Expense	Provides for safety upgrades (OSHA)
180	Memberships	Provides for certificate renewals, memberships in AWWA, CRWA, etc.
200	Office Expense	Provides for general office supplies and materials for water-related activities only
205	Outside UB Mailing	Provides for water portion of outside Utility Billing mailing expense.
210	Postage	Provides postage for required notifications
220	Professional Services	Provides for all contracted services where the contractor provides both equipment and labor, such as: Cross connection and lab services, including Lopez-related testing, inspection of aboveground fuel tank, large meter testing, and pre-employment physicals, permits, Haz-Mat inspections

**OCEANO COMMUNITY SERVICES DISTRICT
ACCOUNT JUSTIFICATION
WATER: 02-4400**

Account No	Title	Description
222	Contract Engineering	Provides for water related engineering projects, outside engineering and non-contract review, and assistance with the water rate study
223	Legal Services	Provides for occasional water-related District Legal Counsel services
224	Annual Software Maint.	Provides for water portion of accounting software annual maintenance.
230	Legal Notices	Provides for legal notices for water-related activities only
231	Bad debt	Provides uncollectible accounts receivables
235	Books/Journals/Subs	Provides for various codes, reports, periodicals, etc, that are used to keep personnel current on water operation and maintenance techniques and regulatory changes
241	Rents/Leases: Equipment	Provides for rental of equipment, e.g. jackhammer, dump trucks, etc., which will be used only by District personnel
247	Allocation of LAFCO Exp	Provides for Local Agency Formation Commission (LAFCO)
248	APCD	Provides for the water portion of the Air Pollution Control District fees
250	Small Tools	Provides for the occasional purchase of small tools necessary to repair or maintain the water system, vehicles, and/or equipment
260	Special Departmental Exp	Provides for the purchase of allotment Lake Lopez Water and SWP Wheeling charges
285	Classes and Seminars	Provides for registration, travel, lodging, and meal expenses for water personnel to attend training classes, seminars, meetings, and certification expenses
290	Utilities	Provides for PG&E, and Southern Cal Gas, for the water yards

**OCEANO COMMUNITY SERVICES DISTRICT
ACCOUNT JUSTIFICATION
WATER: 02-4400**

Account No	Title	Description
297	Canyon Crest/Christie	Provides for the wheeled water fees collected from AG based on water consumption
320	Fixed Assets	Provides for purchase of fixed assets
350	Capital/Buildings	Provides for new capital/plant improvements/additions
351	Capital/Equip. & Vehicles	Provides for capitalized equipment and vehicles.
362	Litigation: SMVWCD	Provides for legal costs related to Santa Maria Valley Water Conservation District
376	Allocation of Admin Exp	Provides the method of repayment for the costs incurred in the Admin Dept to effectively and efficiently manage and operate the District
380	NCMA Tec	Provides for professional services related to NCMA, Groundwater monitoring/annual report
382	Contingency	Provides for unforeseen expenditures, not otherwise budgeted
393	Rev Bond Payments: Water	Provides for the semi-annual principal payments toward 1979 water Revenue Bond
394	Software Lease Payment	Provides for the software that is leased
395	State Water Control	Provides for State Water Control Resources Permit Fees
397	SWP Multi-year Project	Provides for purchase of drought buffer
398	State Water Project	Provides for SWP principal and interest Payments, includes DWR, SLOCFC & WCD charges

SEWER FUND

03-4500

**OCEANO COMMUNITY SERVICES DISTRICT
SEWER FUND
FISCAL YEAR 2014-2015**

PURPOSE

The Sewer Fund provides for the operation and maintenance of, and improvements to, the OCSD sanitary sewer collection system. The system includes one lift station, approximately 1,817 active service laterals, 16+/- miles of line, and serves approximately 7,600 people. The district also provides services to 2,146 active accounts. Of these, 2,005 are residential, 116 are commercial, 9 are industrial and 16 serve local Public Agencies. This Fund receives revenues from user fees, connection fees, and interest from cash flow accumulations and reserves.

OVERVIEW

Oceano Community Services District is using the new Jetter during the 2014-2015. The Jetter is being used to clean out the main sewer lines. This cleaning was deferred for many years. The District anticipates increased labor and expenses during the 2014-2015 year as a result.

PERSONNEL

In conjunction with implementation of "Allocation of Utility Expenses," the 2014-2015 Fiscal Year Budget will distribute the personnel costs of the employees listed above directly to the unit of benefit. In order to ensure an equitable distribution of personnel costs the following table was used to allocate the costs fairly:

WATER	74%
SEWER	20%
GARBAGE FRANCHISE	6%

In addition to personnel costs, service and supply costs that could not be directly distributed to a particular department were also spread based on the above percentage. These line items included: Clothing; Maintenance/Vehicles; Fuel; and Maintenance/Shared Structures.

**OCEANO COMMUNITY SERVICES DISTRICT
SEWER FUND
FISCAL YEAR 2014-2015**

PROGRAMS

Operation and Maintenance: The sewer system's daily operations are handled by District personnel and consist of daily lift station inspection and monitoring, the investigation of any problems or complaints, the installation of new sewer services, and maintenance of vehicles and/or equipment. District personnel now attempt to perform all routine sewer system cleaning as well as clearing the majority of emergency main line blockages. The majority of the emergency lateral blockages, after being investigated by District personnel, are cleared by field staff.

Capital Improvements: As mentioned previously, District personnel install new sewer laterals. All other capital improvements are installed on an as-needed basis when they become necessary to serve new development and are normally constructed at the developer's expense.

Just as our water system, the sewer system is also antiquated and will need major improvements resulting in large expenditures to the District. Until a more detailed cost analysis is performed and funding is secured any major improvements to our sewer system have been deferred.

District staff is planning an in-house rate study that will look at both sewer and water rates

**OCEANO COMMUNITY SERVICES DISTRICT
SEWER FUND
FISCAL YEAR 2014-2015**

Sewer: 2013-2014 Accomplishments and 2014-2015 Projects:

During the 2013-2014 year the District completed extensive Waste Water Collection System Maintenance such as emergency jetting, Vactor, District Plumbing, and WWCS Root control.

Cleaning sewer lines is a preventative maintenance practice. Identified areas of the waste water collection system should be cleaned as a routine preventative measure to reduce costs and potential sanitary system overflows. Cleaning these areas and existing mains should be conducted regularly. Cleaning the sewer lines was deferred in previous years due to the cost. During the second half of the 2013-2014 year field staff began using the new Jetter to clean all sewer main lines. Looking forward to the 2014-2015 year, the District plans to continue cleaning the sewer lines. All available staff time will be spent doing this until the entire system has been fully cleaned.

The field staff is in the process of implementing a preventative maintenance program for sewer cleaning and valve turning. Throughout that process the water and sewer atlases will be up-dated. Staff is also in the process of up-dating the Sewer System Management Program. Other efforts, such as the District wide Pro-Forma, will be reviewed with the Board of Directors and prioritized along with other District needs.

The Oceano Community Services District lift station is a confined space and is also quite antiquated. This needs replacement in the near future. This purchase is not included in the current budget as current revenues do not support this purchase.

Oceano Community Services District
 PROPOSED FINAL 2014-2015 Budget

Sewer 03-4500 REVENUES FY 2014-2015					
Account No	Description	2012-13 ACTUAL	2013-14 BUDGET	2014-15 PROPOSED	2014-15 APPROVED
3210	Sewer Sales	\$ 366,525	\$ 372,565	\$ 382,033	
3211	Connections	3,000	2,500	2,000	
3215	Sanitation District Fees	489,835	500,000	500,000	
3230	Miscellaneous	4,689	-	-	
3255	Inspection Fees	325	200	200	
	Rental Income	55,507	50,042	51,829	
	TOTAL	\$ 919,881	\$ 925,307	\$ 936,062	

Oceano Community Services District
PROPOSED FINAL 2014-2015 Budget

Sewer 03-4500 EXPENDITURES FY 2014-2015					
Account No	Description	2012-13 ACTUAL	2013-14 BUDGET	2014-15 PROPOSED	2014-15 APPROVED
	Personnel:				
010	Wages and Salaries	\$ 11,779	\$ 21,245	\$ 27,574	
020	Overtime	4,150	4,205	6,265	
061	PERS	2,133	3,450	3,707	
070	SUI	98	145	303	
071	Medicare	265	369	491	
072	FICA	146	-	200	
075	State Comp Insurance	623	1,419	1,214	
080	Boot Allowance	45	39	45	
090	Employee Insurances	2,906	7,985	5,760	
	Total Personnel	\$ 22,145	\$ 38,857	\$ 45,559	
	Service and Supply				
100	Clothing	\$ 635	\$ 780	\$ 675	
110	Communications	1,463	517	1,373	
111	Telephone	623	1,324	-	
150	Insurance	4,405	4,580	800	
163	Maint: Sewer Struct/Imprv	27,641	59,322	49,718	
170	Maintenance: Equipment	2,347	2,560	3,000	
171	Maintenance: Vehicles	748	5,706	4,000	
172	Fuel	1,414	1,217	1,872	
173	Maintenance: Structures	1,606	1,657	500	
175	System Parts/Operating Supp	21,452	18,558	10,000	
190	Customer Refund	1,095	-	-	
200	Office Expense	766	1,390	1,000	
205	Outside UB Mailing Expense	4,754	5,333	5,000	
210	Postage	441	-	-	
220	Professional Services	9,021	18,041	20,000	
222	Contract Engineering Serv	854	930	10,000	
224	Annual Software Maint	2,529	2,249	2,700	
231	Bad Debt	0	500	250	
235	Books/Jrnls/ Subs	12	50	50	
241	Rents & Leases Equipment	164	500	24,000	
247	LAFCO	4,002	4,507	5,000	
248	Air Pollution Control District	588	1,758	2,000	
285	Class and Seminars	488	5,000	500	
290	Utilities (Lift Station)	964	960	1,000	
	Total Service and Supply	\$ 88,012	\$ 137,439	\$ 143,438	
297	Sanitation Dist Pmnt	\$ 493,501	\$ 500,000	\$ 500,000	
350	Cap/Plant Imp	0	-	-	
351	Cap/Equipment Machinery	0	143,100	-	
376	Allocation of Admin Expense	238,784	221,976	247,876	
382	Contingency		1,000	1,000	
394	Software Lease Pmts	7,299	7,299	6,691	
	Sub-Total	\$ 739,584	\$ 873,375	\$ 755,567	
	TOTAL	\$ 739,584	\$ 1,049,671	\$ 944,564	

OCEANO COMMUNITY SERVICES DISTRICT
ACCOUNT JUSTIFICATION
SEWER: 03-4500
FISCAL YEAR 2014-2015

Account No	Title	Description
010	Wages and Salaries	Wages and salaries for the Utility Operations Supervisor and the Systems Operators
020	Overtime	Compensates Utility Systems Operator for occasional overtime work as authorized by the Utility Operations Supervisor
061	PERS	Provides for District contribution of Public Employees' Retirement System
070	SUI (Unemployment Ins)	Provides for State Unemployment Insurance at 6.2% of gross salary not to exceed a maximum gross annual salary of \$7,000/year/employee
071	Medicare	Provides for District portion of Medicare payments at a rate of 1.45%
075	State Compensation Ins	Provides for District contribution to State Compensation Insurance
080	Boot Allowance	Provides annual employee boot allowance
090	Employee Insurances	Provides for District portion of health, dental, vision, and life insurance premiums per Board-adopted policies
100	Clothing	Provides for the expense for shirts, pants, and shop towels
110	Communications	Provides for alarm service, after hours answering service, phone, and internet.
150	Insurance	Provides for the Sewer Fund portion of liability and fire insurance
163	Maintenance: Sewer	Provides for maintenance and structural improvement of lift station, collection system and accessories that are directly related to the sewer system

**OCEANO COMMUNITY SERVICES DISTRICT
ACCOUNT JUSTIFICATION
SEWER: 03-4500**

Account No	Title	Description
170	Maintenance: Equipment	Provides for the maintenance of various other types of small equipment (hand-held or mobile) related to the sewer system
171	Maintenance: Vehicles	Provides for the maintenance of 1 pickup and the Jetter, plus expense for the maintenance of District vehicles.
172	Fuel	Provides for fuel expense for District vehicles
173	Maint: Shared Struct	Provides for shared expense for various facilities maintenance activities at the Wilmar Yard
175	System Parts/Oper Supp	Provides for pipe, fittings, and other various sewer supplies
200	Office Expense	Provides for general office supplies and materials for sewer-related activities only
205	Outside UB Mailing	Provides for sewer portion of outside Utility Billing mailing expense.
220	Professional Services	Provides for all contracted services where the contractor provides both equipment and labor, also required employee vaccinations, etc.
222	Contract Engineering	Provides engineering services in connection with reviewing lift-station capacity and for occasional minor sewer-related engineering
224	Annual Software Maint.	Provides for sewer portion of accounting Software annual maint.
231	Bad debt	Provides uncollectible accounts receivables
235	Books/Journals/Subs	Provides for various codes, reports, periodicals, that are used to keep personnel current on sewer operation

**OCEANO COMMUNITY SERVICES DISTRICT
ACCOUNT JUSTIFICATION
SEWER: 03-4500**

<u>Account No</u>	<u>Title</u>	<u>Description</u>
241	Rents/Leases: Equipment	Provides for rental of equipment
247	Allocation of LAFCO Exp	Provides for Local Agency Formation Commission (LAFCO)
248	APCD	Provides for the sewer portion of the Air Pollution Control District fees
285	Classes and Seminars	Provides for registration, travel, lodging, and meal expenses for sewer personnel to attend training classes, seminars, and meetings
290	Utilities	PG&E costs incurred by the lift station
297	Sanitation District Pymt	Provides for the pass-through of funds collected by OCSD on behalf of SSLOCSD
350	Capital/Buildings	Provides for new capital/plant improvements/additions
351	Capital/Equip. & Vehicles	Provides for capitalized equipment and vehicles.
376	Allocation of Admin Exp	Provides the method of repayment for costs incurred in the Admin. Dept. to effectively and efficiently manage and operate the District
382	Contingency	Provides for unforeseen expenditures
394	Software Lease payments	Provides for software lease payments

GARBAGE FRANCHISE

06-4900

**OCEANO COMMUNITY SERVICES DISTRICT
GARBAGE FRANCHISE
FISCAL YEAR 2014-2015**

PURPOSE

The Garbage Franchise Fund provides for the administration of the Ordinance adopted by the Board of Directors during Fiscal Year 1998-1999 making garbage collection within the District mandatory.

OVERVIEW

The Garbage franchise is for a fifteen year lease expiring in July 2025. Revenues exceed expenditures.

PERSONNEL

Administration and operations are performed by District personnel from other budget units. However, in conjunction with implementation of "Allocation of Administrative Expenses" in the 1991-92 Budget, the 2014-2015 Fiscal Year Budget will distribute personnel costs of the employees of the Water Department directly to the funds of benefit, and this practice will be continued in future fiscal years. In order to ensure an equitable distribution, it was determined that the average percentage of time spent on the garbage function was 6%. In addition to personnel, certain Service and Supply costs that could not be directly distributed to the Water Department were also spread, based on the above percentage. These line items included: Clothing; Maintenance/Vehicles; Fuel; and Maintenance/Structures.

PROGRAMS

Operation and Maintenance: The administration of the Garbage Ordinance is handled by District personnel. These efforts consist of serving as a liaison between citizens-customers and the franchisee and auditing the franchisee's records to ensure compliance operationally and fiscally with the tenants and specifications of the Ordinance and the Franchisee agreement. From time-to-time, District personnel coordinate the removal of abandoned furniture and appliances with the franchisee. Additionally, staff will ensure that specifications of the Ordinance are enforced within the guidelines of common sense and good community relations.

Capital Improvements: None are anticipated at this time.

Accomplishments and 2014-2015 Projects: Work continues to ensure that the South County Sanitary customer list matches that of the District's water customers. During the upcoming Fiscal Year, staff will audit the franchisee's records to ensure compliance with the fiscal aspects of the agreement, and continue to work with IWMA to educate the public on the value of AB939 compliance.

Oceano Community Services District
 PROPOSED FINAL 2014-2015 Budget

Garbage Franchise 06-4900 REVENUES FY 2014-2015					
Account No	Description	2012-13 ACTUAL	2013-14 BUDGET	2014-15 PROPOSED	2014-15 APPROVED
3302	Interest/CO	\$ 21	\$ 26	\$ 20	
3501	Franchise Fees	73,477	73,250	74,500	
	Sub-Total	\$ 73,498	\$ 73,276	\$ 74,520	
	Transfer to other fund (use of reserves)	-	(60,149)	-	
	TOTAL	\$ 73,498	\$ 13,127	\$ 74,520	
Garbage Franchise 06-4900 EXPENDITURES FY 2014-2015					
Account No	Description	2012-13 ACTUAL	2013-14 BUDGET	2014-15 PROPOSED	2014-15 APPROVED
	Personnel				
010	Wages and Salaries	\$ 342	\$ 6,360	\$ 6,894	
020	Overtime	15	601	1,566	
061	PERS	46	755	927	
070	SUI	-	73	76	
071	Medicare	5	101	123	
072	FICA	-	-	100	
075	State Comp Insurance	-	100	-	
080	Boot Allowance	-	18	14	
090	Employee Insurances	42	583	1,440	
	Total Personnel	\$ 450	\$ 8,591	\$ 11,140	
	Service and Supply				
100	Clothing	\$ 70	\$ 360	\$ 203	
110	Communication	15	237	412	
111	Telephone	47	437	-	
150	Insurance	1,258	2,748	240	
170	R&M Eq/Cans	-	150	300	
171	Maintenance: Vehicles	4	389	246	
172	Fuel	42	562	562	
175	Operating Supplies	118	1,035	1,100	
220	Professional Services	400	1,200	1,300	
230	Legal Notices	147	-	250	
247	LAFCO	667	731	800	
290	Utilities/Triangle Park	39	250	300	
	Total Svc and Supply	\$ 2,807	\$ 8,099	\$ 5,713	
353	Alley Maintenance	\$ -	\$ 687	\$ 700	
376	Allocation of Admin Expense	38,722	35,995	37,180	
382	Contingency	-	600	1,000	
	Sub-Total	\$ 38,722	\$ 37,282	\$ 38,880	
	TOTAL	\$ 41,979	\$ 53,972	\$ 55,733	

OCEANO COMMUNITY SERVICES DISTRICT
ACCOUNT JUSTIFICATION
GARBAGE: 06-4900
FISCAL YEAR 2014-2015

<u>Account No</u>	<u>Title</u>	<u>Description</u>
010	Wages and Salaries	Wages and salaries for the Utility Operations Supervisor and the Systems Operators
020	Overtime	Compensates Utility Systems Operator for occasional overtime work as authorized by the Utility Operations Supervisor
061	PERS	Provides for District contribution of Public Employees' Retirement System
070	SUI (Unemployment Ins)	Provides State Unemployment Insurance at 6.2% of first \$7000/employee/year
071	Medicare	Provides for District portion of Medicare payments at a rate of 1.45%
075	State Compensation Ins	Provides for District contribution to State Compensation Insurance
080	Boot Allowance	Provides annual employee boot allowance
090	Employee Insurances	Provides for District portion of health, dental, vision, and life insurance premiums per Board-adopted policies
100	Clothing	Provides 6% of the expense for shirts, pants, and shop towels and their cleaning, and annual employee boot allowance
110	Communication	Provides 6% of the expense for phone and internet

**OCEANO COMMUNITY SERVICES DISTRICT
ACCOUNT JUSTIFICATION
GARBAGE: 06-4900**

Account No	Title	Description
170	Maintenance: Equipment	Provides for the repairs & maintenance of trash cans
171	Maintenance: Vehicles	Provides for 6% of the expense for the maintenance of Water Department vehicles and backhoe
172	Fuel	Provides for fuel expense for District vehicles
173	Maintenance: Shared Struct	Provides 6% of the expense for various shared-facilities maintenance activities at the Wilmar Yard
175	System Parts/Oper Supp	Provides for misc supplies
190	Miscellaneous	Provides for occasional minor expenses
220	Professional Services	Provides for contracted services
247	Allocation of LAFCO Exp	Provides for Local Agency Formation Commission (LAFCO)
290	Utilities	Provides for Triangle Park
320	Fixed Assets	Provides for purchase of fixed assets for Triangle Park
353	Alley Maintenance	Provides for maintenance of Alleys
376	Allocation of Admin Exp	Provides the method of repayment for the costs incurred in the Admin. Dept. to effectively and efficiently manage and operate the District
382	Contingency	Provides for unforeseen expenditures not otherwise budgeted

SHERIFF RENTAL PROPERTY FUND
10-4300

**OCEANO COMMUNITY SERVICES DISTRICT
SHERIFF RENTAL PROPERTY FUND
FISCAL YEAR 2014-2015**

PURPOSE AND PROGRAMS

The District constructed a 6,200 square foot building on District-owned property that is leased to the County of San Luis Obispo as the Sheriff's South station. Through the utilization of its reserves, the Water and Sewer Fund invested in this structure and the District initially intended to build, over the course of the twenty-year lease, an endowment for it's water and sewer infrastructure. Due to budget constraints, the endowment has not been funded and lease revenues are directly supporting the water and sewer fund operating budgets.

In addition to the financial benefits derived from this lease, Oceano enjoys a police presence within its boundaries. The County of San Luis Obispo benefits from District participation in that the structure was built at a lower cost over a shorter period of time. The facility was completed on August 15, 2002.

All Sheriff Lease Revenue and all related landlord expenses are budgeted in this fund.

OVERVIEW

This fund is used only to track landlord rental income expenses separately from water and sewer operations. At the end of each financial period the net income is allocated to water and sewer, 30% and 70% respectively.

Oceano Community Services District
 PROPOSED FINAL 2014-2015 Budget

Sheriff Rental Property 10-4300 REVENUES FY 2013-2014					
Account No	Description	2012-13 ACTUAL	2013-14 BUDGET	2014-15 PROPOSED	2014-15 APPROVED
3260	Sheriff Rent	\$ 113,940	\$ 113,940	\$ 113,940	
	Transfer to Water	(23,788)	(21,447)	(22,213)	
	Transfer to Sewer	(55,507)	(50,042)	(51,829)	
	TOTAL	\$ 34,645	\$ 42,451	\$ 39,898	
Sheriff Rental Property 10-4300 EXPENDITURES FY 2013-2014					
Account No	Description	2012-13 ACTUAL	2013-14 BUDGET	2014-15 PROPOSED	2014-15 APPROVED
	Personnel:				
010	Wages and Salaries	\$ 286	\$ 2,806	\$ 2,758	
020	Overtime	55	841	626	
061	PERS	6	440	371	
070	SUI	-	29	30	
071	Medicare	5	53	49	
072	FICA	-	-	100	
075	State Compensation Insurance	-	100	-	
080	Boot Allowance	-	3	-	
090	Employee Insurances	-	553	576	
	Total Personnel	\$ 352	\$ 4,825	\$ 4,510	
	Service and Supply				
100	Clothing	\$ 3	\$ 60	\$ -	
110	Communications	984	600	-	
111	Telephone	-	600	-	
150	Insurance	629	2,280	-	
171	Maint: Vehicles	1	54	-	
172	Fuel	7	94	-	
173	Maint: Structures	4,117	5,000	9,500	
247	LAFCO	1,000	488	-	
248	APCD	196	98	100	
290	Utilities	1,541	3,313	-	
	Total Service and Supply	\$ 8,478	\$ 12,587	\$ 9,600	
376	Allocation of Admin Expense	\$ 25,815	\$ 23,998	\$ 24,788	
382	Contingency	-	1,041	1,000	
	Sub-Total	\$ 25,815	\$ 25,039	\$ 25,788	
	TOTAL	\$ 34,645	\$ 42,451	\$ 39,898	

OCEANO COMMUNITY SERVICES DISTRICT
ACCOUNT JUSTIFICATION
RENTAL PROPERTY FUND: 10-4300
FISCAL YEAR 2014-2015

Account No	Title	Description
010	Wages and Salaries	Wages and salaries for the Utility Operations Supervisor and the Systems Operators
020	Overtime	Compensates Utility Systems Operator for occasional overtime work as authorized by the Utility Operations Supervisor
061	PERS	Provides for District contribution of Public Employees' Retirement System
070	SUI (Unemployment Ins)	Provides State Unemployment Insurance at 6.2% of gross salary not to exceed a maximum gross annual salary of \$7,000/year/employee
071	Medicare	Provides District portion of Medicare payments at a rate of 1.45%
075	State Compensation Ins	Provides District contribution to State Compensation Insurance
080	Boot Allowance	Provides annual employee boot allowance
090	Employee Insurances	Provides District portion of health, dental, vision, and life insurance premiums per Board-adopted policies
100	Clothing	Provides employee expense for shirts, pants, and shop towels and their cleaning,
110	Communications	Provides for alarm services at fire station, after hours answering services, and internet.
150	Insurance	Provides for the Rental Fund portion of liability and fire insurance

OCEANO COMMUNITY SERVICES DISTRICT
ACCOUNT JUSTIFICATION
RENTAL PROPERTY FUND: 10-4300
FISCAL YEAR 2014-2015

<u>Account No</u>	<u>Title</u>	<u>Description</u>
173	Maintenance: Structures	Provides materials and services for repair and maintenance related to the rental properties.
247	Allocation of LAFCO Exp	Provides for Local Agency Formation Commission (LAFCO)
248	APCD	Provides for the water portion of the Air Pollution Control District fees
290	Utilities	Provides for utilities such as water, PG&E, and Gas for Fire Station.
376	Allocation of Admin Exp	Provides the method of repayment for the costs included in the Admin Dept to effectively and efficiently manage and operate the District

THIS IS END OF BUDGET