



Notice of Regular Meeting
Oceano Community Services District - Board of Directors Agenda
WEDNESDAY, JUNE 14, 2023 – 6:00 P.M.
Oceano Community Services District Board Room
1655 Front Street Oceano, CA

All items on the agenda including information items, may be deliberated. Any member of the public with an interest in one of these items should review the background material and request information on the possible action that could be taken.

All persons desiring to speak during any Public Comment period are asked to fill out a "Board Appearance Form" to submit to the Board Secretary prior to the start of the meeting. Each individual speaker is limited to a presentation time of THREE (3) minutes per item. Persons wishing to speak on more than one item shall limit their remarks to a total of SIX (6) minutes. This time may be allowed between items in one-minute increments up to three minutes. Time limits may not be yielded to or shared with other speakers.

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. FLAG SALUTE**
- 4. AGENDA REVIEW**
- 5. PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA**

This public comment period provides an opportunity for members of the public to address the Board on matters of interest within the jurisdiction of the District that are not listed on the agenda. If a member of the public wishes to speak at this time, Public comment is limited to three (3) minutes.

6. SPECIAL PRESENTATIONS & REPORTS:

A. Presentation and Update on the Central Coast Blue Project

B. STAFF REPORTS:

- i. Sheriff's South Station - Commander Keith Scott
- ii. FCFA Operations - Chief Steve Lieberman
- iii. Operations – Utility System Manager Tony Marraccino
- iv. OCSD General Manager – Will Clemens

C. BOARD OF DIRECTORS AND OUTSIDE COMMITTEE REPORTS:

- i. President Villa
- ii. Vice President Gibson
- iii. Director Austin
- iv. Director Joyce-Suneson
- v. Director Varni

D. PUBLIC COMMENT ON SPECIAL PRESENTATIONS AND REPORTS:

This public comment period provides an opportunity for members of the public to address the Board on matters discussed during Special Presentations and Reports. If a member of the public wishes to speak at this time, Public comment is limited to three (3) minutes.

7. CONSENT AGENDA ITEMS:

Public comment Members of the public wishing to speak on consent agenda items may do so when recognized by the Presiding Officer. If a member of the public wishes to speak at this time, Public comment is limited to three (3) minutes.

- A. Review the of Minutes for the Regular Meeting held on May 24, 2023
- B. Review of Cash Disbursements
- C. Approval of a Letter of Thanks to Congressman Salud Carbajal

8. BUSINESS ITEMS:

Public comment Members of the public wishing to speak on business items may do so when recognized by the Presiding Officer. If a member of the public wishes to speak at this time, Public comment is limited to three (3) minutes.

- A. Consideration of Approval of a Contract with Five Cities Fire Authority for Interim Fire Protection Services and an Agreement Outlining ongoing District Obligations Following Withdrawal from the Joint Powers Agreement
- B. Adoption of a Water Shortage Contingency Plan
- C. Consideration of Recommendations to Approve a Memorandum of Understanding with the Service Employees International Union Local 620
- D. Workshop on the 2023-24 Budget with Board direction as deemed appropriate

9. HEARING ITEMS:

Public comment Members of the public wishing to speak on hearing items may do so when recognized by the Presiding Officer. If a member of the public wishes to speak at this time, Public comment is limited to three (3) minutes.

10. RECEIVED WRITTEN COMMUNICATIONS:

11. LATE RECEIVED WRITTEN COMMUNICATIONS:

12. FUTURE AGENDA ITEMS:

13. FUTURE HEARING ITEMS: FY 2023-24 Preliminary Budget Hearing – June 28, 2023, Delinquent Water, Wastewater and Solid Waste Charges on the FY 2023-24 Property Tax Bills Hearing – July 12, 2023

14. CLOSED SESSION:

15. ADJOURNMENT:

This agenda was prepared and posted pursuant to Government Code Section 54954.2. Agenda is posted at the Oceano Community Services District, 1655 Front Street, Oceano, CA. Agenda and reports can be accessed and downloaded from the Oceano Community Services District website at www.oceanocsd.org

ASSISTANCE FOR THE DISABLED If you are disabled in any way and need accommodation to participate in the Board meeting, please call the Clerk of the Board at (805) 481-6730 for assistance at least three (3) working days prior to the meeting so necessary arrangements can be made.



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

Date: June 14, 2023

To: Board of Directors

From: Will Clemens, General Manager

Subject: Agenda Item #6(A): Receive an update presentation on the Central Coast Blue Project

Recommendation

It is recommended that your Board receive and file an updated presentation on the Central Coast Blue project.

Discussion

Central Coast Blue is the proposed recycled water project involving the communities of Arroyo Grande, Grover Beach, and Pismo Beach. The Oceano Community Services District (OCSD) is currently not participating in Phase 1 of the project but could possibly participate in a future Phase 2. Your Board adopted an Advocacy Platform on January 11, 2017, and again on February 13, 2019, which includes a position in support of Central Coast Blue. The project is currently in the design and permitting phase. An [addendum](#) to the Environmental Impact Report is currently circulating and can also be accessed through a link in the attached Notice. The project team will be giving an update presentation and will be available for questions.

Other Agency Involvement

The cities of Arroyo Grande, Grover Beach and Pismo Beach are municipal water purveyors that together with OCSD would benefit from Central Coast Blue. Pismo Beach has provided significant leadership even though project benefits will be regional. Arroyo Grande and Grover Beach have provided financial contributions. The South San Luis Obispo County Sanitation District is the regional wastewater entity treating and disposing of wastewater (except for Pismo Beach). The Regional Water Board, California Coastal Commission and other resource agencies will be involved in project permitting. State and Federal agencies may also provide grants and other funding opportunities.



Oceano Community Services District

Board of Directors Meeting

Financial Considerations

N/A

Results

Cooperation with other local agencies promotes a well governed community.

Attachment: Notice of Intent to Adopt an Addendum



760 Mattie Road, Pismo Beach, CA 93449
(805) 773-4658 | PismoBeach.org

NOTICE OF INTENT TO ADOPT AN ADDENDUM TO THE CENTRAL COAST BLUE PROJECT FINAL ENVIRONMENTAL IMPACT REPORT

TO: Responsible Agencies & Interested Parties

SUBJECT: NOTICE OF INTENT TO ADOPT A DRAFT ADDENDUM TO THE FINAL ENVIRONMENTAL IMPACT REPORT FOR THE CENTRAL COAST BLUE PROJECT

NOTICE IS HEREBY GIVEN that the City of Pismo Beach, as lead agency, has prepared an Addendum to the Final Environmental Impact Report (EIR) for the project listed above pursuant to the California Environmental Quality Act (CEQA). As stated in CEQA Guidelines Section 15164(c), an addendum does not need to be circulated for public review. However, pursuant to the requirements of the State Water Resources Control Board's Clean Water State Revolving Fund program from which the project may seek funding, this Addendum is being circulated for public review. Anyone desiring to comment on the Addendum to the Final EIR may do so in writing within the 30-day public review period from June 7, 2023, through 5:00 p.m. on July 7, 2023. Any person wishing to comment on this matter must submit such comments, in writing, to the City of Pismo Beach, Attn: Matt Downing, 760 Mattie Road, Pismo Beach, California 93449 or to mdowning@pismo-beach.org prior to the end of the review period.

Project Title: Central Coast Blue Project

State Clearinghouse #: 2019120560

Project Location:

The project area is located in the city of Grover Beach and portions of unincorporated San Luis Obispo County, including the community of Oceano, which is a census-designated place. The project area would remain largely the same as that analyzed in the Final EIR with the exception of an additional approximately 0.5-acre area immediately adjacent to the southwestern boundary of the original project area, which would be added as a potential monitoring well location. Refer to Figure 1 and Figure 2 for a map of the project area.

Brief Project Description:

This Addendum describes the details of several modifications to the layout of project facilities that have occurred during evolution of the design process, which have resulted in new project impact areas beyond those identified and evaluated in the certified Final EIR for the Original Project. This modified layout is referred to herein as the Modified Project and involves modified locations for five injection wells, four monitoring wells, one production well, and several pipeline alignments as well as an expanded site for the advanced treatment facility (ATF) complex, two new monitoring well locations, and multiple alternate locations for injection/monitoring wells and pipelines. The overall purpose, objectives, and nature of the Original Project would remain the same under the Modified Project. As with the Original Project, the Modified Project would consist of a regional indirect potable use project that would involve injection of advanced purified water into the Santa Maria Groundwater Basin via a series of injection wells installed at various locations to enhance supply reliability by reducing the Santa Maria Groundwater Basin's vulnerability to drought and seawater intrusion. Water for the project would be sourced from two of the region's wastewater treatment facilities - the Pismo Beach Wastewater Treatment Plant (WWTP) and the South San Luis Obispo County Sanitation District (SSLOCSD) WWTP. Prior to injection to the Santa Maria Groundwater Basin, water would undergo full advanced treatment at a proposed ATF complex constructed at Assessor's Parcel Numbers 060-543-016 and 060-543-007 in Grover Beach. The proposed ATF complex would treat a combination of flows from the Pismo Beach WWTP and flows from the SSLOCSD WWTP for injection in the Santa Maria Groundwater Basin. Similar to the Original Project, the Modified Project would include a series of pipelines, injection wells, monitoring wells, one new production well, and a pump station in addition to the ATF complex. As with the Original Project, the Modified Project would alter the pumping regime of existing, operational production wells in the project area and would include construction of one new production well to optimize groundwater production in the area. Groundwater extraction from the underlying basin would continue to be governed by the existing Santa Maria Groundwater Basin Adjudication Agreement (i.e., the Superior Court of California's 2005 Stipulation and 2008 final order). As with the Original Project, the



Modified Project would in no way change existing entitlements or limit pumping rights established by the Adjudication Agreement. A detailed description of the Modified Project in comparison to the Original Project is available as part of the Draft Addendum.

Significant Environmental Effects:

Similar to the certified Final EIR, the Draft Addendum identified significant and unavoidable impacts associated with nighttime construction noise and land use conflicts. The Draft Addendum also identified significant impacts to air quality, biological resources, cultural resources, energy, environmental justice, greenhouse gas emissions, hazards and hazardous materials, hydrology and water quality, operational noise, vibration, and transportation; however, these impacts would be reduced to less-than-significant levels through the incorporation of the mitigation measures adopted in the certified Final EIR. All other environmental impacts would be less than significant. Potential impacts associated with the Modified Central Coast Blue Project are consistent with potential impacts characterized and mitigated for in the certified Final EIR for the Original Central Coast Blue Project. The Draft Addendum did not identify new significant impacts or impacts of substantially greater severity for the Modified Project than previously described in the certified Final EIR for the Original Project.

Hazardous Waste Sites:

No hazardous waste sites identified on lists compiled pursuant to Government Code Section 65962.5 are present in the project area.

30-Day Document Review:

The public review and comment period for the Addendum to the Final EIR begins June 7, 2023, and ends July 7, 2023, at 5:00 p.m. Any person wishing to comment on this matter must submit such comments, in writing, to the contact person listed below prior to the end of the review period.

Public Meeting:

A public meeting to receive verbal comments on the Addendum to the Final EIR will be held by the Central Coast Blue Regional Recycled Water Authority during the public review period on June 19, 2023, at 5:15 p.m. at Pismo Beach City Hall at 760 Mattie Road, Pismo Beach, California 93449.

Document Availability:

The Draft Addendum to the Final EIR may be viewed on the project’s website at: <https://www.centralcoastblue.com/news>.

Lead Agency Contact Person: City of Pismo Beach
Attn: Matt Downing
760 Mattie Road
Pismo Beach, California 93449

Date: June 5, 2023
Signature: Matthew Downing
Title: Matt Downing, Community Development Director
Phone: (805) 773-4658



Figure 1 Modified Project Components – Full Extent



Imagery provided by Microsoft Bing and its licensors © 2022.

Fig. 1 Modified Project Components



Figure 2 Modified Project Components – Focused Extent



Imagery provided by Microsoft Bing and its licensors © 2022.

Fig 6 Modified Project Components Focused Extent



Oceano Community Services District

Summary Minutes

Regular Meeting Wednesday, May 24, 2023 – 6:00 P.M.

Location: OCSD BOARD ROOM

1. **CALL TO ORDER:** Called at approximately 6:00 p.m. by President Villa
2. **ROLL CALL:** Board members present: President Villa, Vice President Gibson, Director Austin, Director Varni and Director Joyce-Suneson.
Staff present: Will Clemens, General Manager, Carey Casciola, Business & Accounting Manager and Chase Martin, Legal Counsel
3. **FLAG SALUTE:** Led by President Villa
4. **AGENDA REVIEW:** Agenda accepted as presented with a motion by Director Austin and a second from President Villa and a 5-0 roll call.
5. **PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA:**

Jennifer Rokes	Provided comments on trash and receptacles on Pier Ave.
Joe Schacherer	Provided comments regarding annexation.
Nickolas Presher	Provided comments on Roberts Rules of Order.
Christina Casillas	In Support of building of senior and low-income housing in Oceano.
April Paz	Provided comments regarding events occurring after the last board meeting.
Sonny Paz	In support of providing translation for Spanish speakers at Board Meetings.

6. SPECIAL PRESENTATIONS & REPORTS

A. STAFF REPORTS:

- i. **Sheriff's South Station** – Commander Keith Scott – Absent
- ii. **Five Cities Fire Authority** – Steve Lieberman, Fire Chief – Absent
- iii. **Operations** - Utility Systems Manager - Tony Marraccino
Lopez is 100.1% full
Weekly and monthly samples.
6 work orders / 24 USAs / 8 Customer Service Calls / 2 After Hours Call Outs (one was for a fire on Front Street).
Sewer jetting / hydrant maintenance / trash pick up
Meter reading / leak notifications / comment codes / meter replacements and raised meter boxes.
OCSD rear parking lot – lights repaired / service trucks detailed for SLO Farmer's Market for Public Works Week.
- iv. **OCSD General Manager** – Will Clemens
Agendas are posted in Spanish and the OCSD website has a button to translate it into Spanish. The Department of Water Resources (DWR) approved a \$600,000 grant for our water line projects – this can be used as the match for the \$3M grant recommended by Congressman Carbajal. Staff attended the Solid Waste Orientation by IWMA (Countywide event). Met with AG Creek MOU agencies. Attended a California Uniform Construction Cost Accounting Commission (CUCCAC) meeting.

B. BOARD OF DIRECTORS AND OUTSIDE COMMITTEE REPORTS:

- i. **President Villa** – None
- ii. **Vice President Gibson** – None
- iii. **Director Austin** – None
- iv. **Director Joyce-Suneson** – None
- v. **Director Varni** – Reported on the 5/24/2023 Five Cities Fire Authority meeting.
- vi. **Director Varni** – Presented the 2022 Oceano Land Use Preference Survey Results

C. PUBLIC COMMENT ON SPECIAL PRESENTATIONS AND REPORTS:

Nickolas Presher	Provided comments and questions regarding the survey presentation.
Kerry Langford	Provided comments and questions regarding the survey presentation.
Gina McMahon	In opposition of the survey being presented at a District meeting.
Randall Sumabat	Provided comments and questions regarding the survey presentation.
Joe Schacherer	In opposition of the survey and provided comments and questions regarding the survey presentation.

7. CONSENT AGENDA:	ACTION:
<ul style="list-style-type: none"> a) Review the of Minutes for the Regular Meeting held on April 26, 2023 b) Review the of Minutes for Items 14a & 15 Continued from the Regular Meeting held on April 26, 2023, to the Regular Meeting held on May 10, 2023 c) Review the of Minutes for the Regular Meeting held on May 10, 2023 d) Review of Cash Disbursements e) Consideration of a recommendation to receive and file a report on charges and delinquencies and to set a public hearing for July 12, 2023 to authorize collection on 2023-24 property tax bills 	<p>After an opportunity for public comment, Board and staff discussion, Vice President Gibson made a motion to approve the consent agenda with a second from President Villa a 5-0 roll call vote.</p> <p>Public Comment : None</p>

8A. BUSINESS ITEMS:	ACTION:
Workshop on the 2023-24 Budget with Board direction as deemed appropriate.	<p>After an opportunity for public comment, Board and staff discussion, President Villa made a motion to add a budget line item for hearing impairment equipment and bring back the updated budget to the next meeting with a second from Director Austin a 5-0 roll call vote.</p> <p>Public Comment :</p> <p>Nickolas Presher – In opposition of using District funds for parks and recreation.</p> <p>Pam Spicer – In support of seeking grant funding for parks and recreation.</p> <p>Randall Sumabat – In support of public comment for budget review. In opposition of using District funds for parks and recreation at this time.</p> <p>Gina McMahon – In opposition of funding parks and recreation at this time.</p>

8B. BUSINESS ITEMS:	ACTION:
Consideration of Progress on a Contract with Five Cities Fire Authority for Interim Fire Protection Services and Divestiture Proceedings.	<p>After an opportunity for public comment, Board, and staff discussion no action was taken.</p> <p>Public Comment:</p> <p>Nickolas Presher – In support of the Board adhering to Roberts Rules.</p> <p>Clark D’Souza – Noted a garden event at the Oceano Depot on Sunday.</p>

8C. BUSINESS ITEMS:	ACTION:
Consideration of the District By-Laws and Determination of Potential Violation.	<p>After an opportunity for public comment, Board, and staff discussion no action was taken.</p> <p>Public Comment :</p> <p>Randall Sumabat – In support of each board member adhering to the bylaws.</p> <p>Nickolas Presher – In support of each board member adhering to the bylaws.</p> <p>Kerry Langford - In support of each board member adhering to the bylaws.</p> <p>Gina McMahon - In support of each board member adhering to the bylaws.</p>

- 9. **HEARING ITEMS:** None
- 10. **RECEIVED WRITTEN COMMUNICATIONS:** None
- 11. **LATE RECEIVED WRITTEN COMMUNICATIONS:** None
- 12. **FUTURE AGENDA ITEMS:**

- Director Varni requested a letter to thank Congressmen Carbajal for recommending the community project funding grant.
- Director Varni made a motion to schedule a performance review of the General Manager with a second from President Villa and a 3-2 vote. Vice President Gibson and Director Austin dissented.

- 13. **FUTURE HEARING ITEMS:** None
- 14. **CLOSED SESSION ITEMS:** None
- 15. **ADJOURNMENT:** Approximately at 9:00 p.m.



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

PHONE(805) 481-6730 FAX (805) 481-6836

Date: June 14, 2023

To: Board of Directors

From: Carey Casciola, Business and Accounting Manager

Subject: **Agenda Item #7(B): Recommendation to Review Cash Disbursements**

Recommendation

It is recommended that your board review the attached cash disbursements:

Discussion

The following is a summary of the attached cash disbursements:

Description	Check Sequence	Amounts
	* 60246 - 60285	
Disbursements:		
Regular Payable Register - paid 06/08/2023	60257 - 60281	\$ 48,755.18
Utility Billing Account Refunds - paid 6/08/2023	60282 - 60285	\$ 349.98
Subtotal:		\$ 49,105.16
Reoccurring Payments for Board Review (authorized by Resolution 2020-06):		
Payroll Disbursements - PPE 05/20/2023	N/A	\$ 31,745.60
Board Member Stipends - December 2022 - May 2023	N/A	\$ 1,991.53
Five Star Bank Mastercard Online Payment - paid 6/08/2023	N/A	\$ 2,390.97
Reoccurring Health Disbursements - paid 05/24/2023	60246 - 60248	\$ 11,031.50
* Reoccurring Utility Disbursements - paid 06/07/2023	60249 - 60256	\$ 7,252.11
Subtotal:		\$ 54,411.71
Grand Total:		\$ 103,516.87

* Two voided checks - #60249, #60250

Other Agency Involvement

N/A

Other Financial Considerations

Amounts are within the authorized Fund level budgets.

Results

The Board's review of cash disbursements is an integral component of the District's system of internal controls and promotes a well governed community.

COMPANY: 99 - POOLED CASH FUND
 ACCOUNT: 1-1001-000 POOLED CASH OPERATING
 TYPE: All
 STATUS: All
 FOLIO: All

CHECK DATE: 0/00/0000 THRU 99/99/9999
 CLEAR DATE: 0/00/0000 THRU 99/99/9999
 STATEMENT: 0/00/0000 THRU 99/99/9999
 VOIDED DATE: 0/00/0000 THRU 99/99/9999
 AMOUNT: 0.00 THRU 999,999,999.99
 CHECK NUMBER: 060257 THRU 060281

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT----	STATUS	FOLIO	CLEAR DATE	
CHECK:				-----					
1-1001-000	6/08/2023	CHECK	060257	ARAMARK	307.56CR	OUTSTND	A	0/00/0000	UNIFORMS
1-1001-000	6/08/2023	CHECK	060258	ADVANTAGE TECHNICAL SERVICES,	28,665.00CR	OUTSTND	A	0/00/0000	CIP - WATER TANK REHAB
1-1001-000	6/08/2023	CHECK	060259	BRISCO'S	255.03CR	OUTSTND	A	0/00/0000	IMPROVEMENT MAINTENANCE
1-1001-000	6/08/2023	CHECK	060260	BRENT SARKISON DBA CALTEC COMP	30.00CR	OUTSTND	A	0/00/0000	MONTHLY STD BKUP
1-1001-000	6/08/2023	CHECK	060261	CARQUEST AUTO PARTS	12.38CR	OUTSTND	A	0/00/0000	SYSTEM SUPPLIES
1-1001-000	6/08/2023	CHECK	060262	CITY OF ARROYO GRANDE	3,231.26CR	OUTSTND	A	0/00/0000	WHEELING SVCS
1-1001-000	6/08/2023	CHECK	060263	CLINICAL LAB OF SAN BERNARDINO	660.00CR	OUTSTND	A	0/00/0000	WATER SAMPLES
1-1001-000	6/08/2023	CHECK	060264	CONTRACTOR'S MAINTENANCE SERVI	170.74CR	OUTSTND	A	0/00/0000	OPERATING PARTS
1-1001-000	6/08/2023	CHECK	060265	DIVERSIFIED PROJECT SERVICES I	820.00CR	OUTSTND	A	0/00/0000	REIMBURSABLE ENGR SVCS
1-1001-000	6/08/2023	CHECK	060266	FAMCON PIPE & SUPPLY, INC.	69.71CR	OUTSTND	A	0/00/0000	SYSTEM PARTS
1-1001-000	6/08/2023	CHECK	060267	J.B. DEWAR, INC.	272.80CR	OUTSTND	A	0/00/0000	FUEL
1-1001-000	6/08/2023	CHECK	060268	MCCLATCHY COMPANY LLC	84.64CR	OUTSTND	A	0/00/0000	PUBLIC HEARING NOTICE
1-1001-000	6/08/2023	CHECK	060269	MENDEZ, ANDRES MENDOZA	174.23CR	OUTSTND	A	0/00/0000	REIM TRAVEL EXPENSE
1-1001-000	6/08/2023	CHECK	060270	MIER BROS.	700.38CR	OUTSTND	A	0/00/0000	STRUCTURE MAINTENANCE
1-1001-000	6/08/2023	CHECK	060271	MINER'S ACE HARDWARE, INC.	30.41CR	OUTSTND	A	0/00/0000	SYSTEM AND OFFICE SUPPLIES
1-1001-000	6/08/2023	CHECK	060272	MNS ENGINEERS, INC.	2,092.50CR	OUTSTND	A	0/00/0000	PROFESSIONAL SERVICES - GRANT WRITING
1-1001-000	6/08/2023	CHECK	060273	ONE COOL EARTH	2,500.00CR	OUTSTND	A	0/00/0000	EARTH GENIUS STD PGM @ OCEANO ELEM
1-1001-000	6/08/2023	CHECK	060274	QUILL CORPORATION	155.33CR	OUTSTND	A	0/00/0000	OFFICE SUPPLIES
1-1001-000	6/08/2023	CHECK	060275	RINCON CONSULTANTS, INC.	4,666.75CR	OUTSTND	A	0/00/0000	WATERLINE IMP PROJ USDA NEPA
1-1001-000	6/08/2023	CHECK	060276	SLO CO PUBLIC HEALTH DEPT.	678.10CR	OUTSTND	A	0/00/0000	BACKFLOW SERVICES
1-1001-000	6/08/2023	CHECK	060277	STREATOR PIPE & SUPPLY	159.17CR	OUTSTND	A	0/00/0000	SYSTEM PARTS
1-1001-000	6/08/2023	CHECK	060278	SWRCB/ DRINKING WATER OP CERT	70.00CR	OUTSTND	A	0/00/0000	CERTIFICATION FEE

COMPANY: 99 - POOLED CASH FUND
 ACCOUNT: 1-1001-000 POOLED CASH OPERATING
 TYPE: All
 STATUS: All
 FOLIO: All

CHECK DATE: 0/00/0000 THRU 99/99/9999
 CLEAR DATE: 0/00/0000 THRU 99/99/9999
 STATEMENT: 0/00/0000 THRU 99/99/9999
 VOIDED DATE: 0/00/0000 THRU 99/99/9999
 AMOUNT: 0.00 THRU 999,999,999.99
 CHECK NUMBER: 060257 THRU 060281

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
CHECK:								
1-1001-000	6/08/2023	CHECK	060279	TAMIYASU, SMITH, HORN & BRAUN	305.00CR	OUTSTND	A	0/00/0000 PROFESSIONAL SVCS
1-1001-000	6/08/2023	CHECK	060280	WATER SYSTEMS CONSULTING, INC.	933.19CR	OUTSTND	A	0/00/0000 NCMA STAFF EXTN SVCS FY 22-23
1-1001-000	6/08/2023	CHECK	060281	ZENITH INSURANCE COMPANY	1,711.00CR	OUTSTND	A	0/00/0000 WORKERS COMP INSURANCE
TOTALS FOR ACCOUNT 1-1001-0				CHECK	TOTAL:	48,755.18CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		
TOTALS FOR POOLED CASH FUND				CHECK	TOTAL:	48,755.18CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		

COMPANY: 99 - POOLED CASH FUND
 ACCOUNT: 1-1001-000 POOLED CASH OPERATING
 TYPE: All
 STATUS: All
 FOLIO: All

CHECK DATE: 0/00/0000 THRU 99/99/9999
 CLEAR DATE: 0/00/0000 THRU 99/99/9999
 STATEMENT: 0/00/0000 THRU 99/99/9999
 VOIDED DATE: 0/00/0000 THRU 99/99/9999
 AMOUNT: 0.00 THRU 999,999,999.99
 CHECK NUMBER: 060282 THRU 060285

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE	
CHECK:									
1-1001-000	6/08/2023	CHECK	060282	CORNEJO, STEPHANIE	120.00CR	OUTSTND	A	0/00/0000	UB FINAL BILL CR BAL - REFUND DUE
1-1001-000	6/08/2023	CHECK	060283	GALVEZ, IGNACIO	88.78CR	OUTSTND	A	0/00/0000	UB FINAL BILL CR BAL - REFUND DUE
1-1001-000	6/08/2023	CHECK	060284	GOMEZ, RICHARD	44.06CR	OUTSTND	A	0/00/0000	UB FINAL BILL CR BAL - REFUND DUE
1-1001-000	6/08/2023	CHECK	060285	TENCKHOFF, JAMIE	97.14CR	OUTSTND	A	0/00/0000	UB FINAL BILL CR BAL - REFUND DUE
TOTALS FOR ACCOUNT 1-1001-0				CHECK	TOTAL:	349.98CR			
				DEPOSIT	TOTAL:	0.00			
				INTEREST	TOTAL:	0.00			
				MISCELLANEOUS	TOTAL:	0.00			
				SERVICE CHARGE	TOTAL:	0.00			
				EFT	TOTAL:	0.00			
				BANK-DRAFT	TOTAL:	0.00			
TOTALS FOR POOLED CASH FUND				CHECK	TOTAL:	349.98CR			
				DEPOSIT	TOTAL:	0.00			
				INTEREST	TOTAL:	0.00			
				MISCELLANEOUS	TOTAL:	0.00			
				SERVICE CHARGE	TOTAL:	0.00			
				EFT	TOTAL:	0.00			
				BANK-DRAFT	TOTAL:	0.00			

Payroll Summary Report
Board of Directors - Agenda Date June 14, 2023

	(*)	
Gross Wages	5/6/2023	5/20/2023
Regular	\$27,816.38	\$27,801.30
Overtime Wages	\$894.44	\$470.79
Stand By	\$700.00	\$450.00
	<u>\$29,410.82</u>	<u>\$28,722.09</u>
Cell Phone Allowance	\$75.00	\$0.00
Total Wages	<u>\$29,485.82</u>	<u>\$28,722.09</u>
Disbursements		
Net Wages	\$22,880.71	\$22,012.19
State and Federal Agencies	\$5,229.96	\$5,324.78
CalPERS - Normal	\$4,299.93	\$4,299.93
SEIU - Union Fees	\$108.70	\$108.70
Total Disbursements processed with Payroll	<u>\$32,519.30</u>	<u>\$31,745.60</u>
Health (Disbursed with reoccurring bills)	\$6,162.55	\$6,162.55
Total District Payroll Related Costs	<u>\$38,681.85</u>	<u>\$37,908.15</u>

(*) Previously reported in prior Board Meeting packet - provided for comparison.

**Board Member Stipend Summary Report
Board of Directors - Agenda Date June 14, 2023**

	(*)	
Gross Stipends	3/31/2023	5/31/2023
Board Member Stipends	<u>\$1,050.00</u>	<u>\$1,850.00</u>
Gross Stipends	<u><u>\$1,050.00</u></u>	<u><u>\$1,850.00</u></u>
Disbursements		
Net Stipends	\$969.67	\$1,708.47
State and Federal Agencies	\$160.66	\$283.06
Total Disbursements processed with Stipends	<u><u>\$1,130.33</u></u>	<u><u>\$1,991.53</u></u>

(*) Previously reported in prior Board Meeting packet - provided for comparison.



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

RECEIVED

APR 26 2023

DIRECTOR'S MONTHLY REQUEST FOR COMPENSATION FOR MEETING ATTENDANCE

NAME: Linda Austin

DATE: 4-25-23

FOR THE MONTH OF: Dec 14, 2022 thru Mar 22, 2023

- 8.1 Each Director is authorized to receive one hundred dollars (\$100.00) as compensation for each regular or special meeting of the Board and fifty dollars (\$50.00) for each committee meeting attended by him or her.
- 8.2 In no event shall Director compensation exceed one hundred dollars (\$100.00) per day.
- 8.3 Director compensation shall not exceed six hundred (\$600.00) in any one (1) calendar month.

MEETING DATES: 12/14/2022, 01/11/2023, 01/25/2023, 02/08/2023, 02/22/2023, 03/08/2023, 03/22/2023

No. of Meetings 7 x \$100.00 = \$ 700.00

COMMITTEE MEETING(S) OR OTHER REIMBURSEMENT(S)

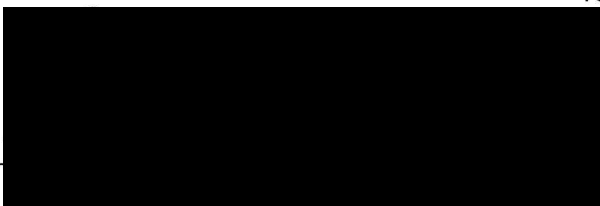
DATE: _____ MEETING: _____ AMOUNT: \$ _____

DATE: _____ MEETING: _____ AMOUNT: \$ _____

DATE: _____ MEETING: _____ AMOUNT: \$ _____

DATE: _____ MEETING: _____ AMOUNT: \$ _____

TOTAL COMPENSATION: \$ 700⁰⁰

SIGNATURE: 



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

RECEIVED

MAY 25 2023

DIRECTOR'S MONTHLY REQUEST FOR COMPENSATION FOR MEETING ATTENDANCE

NAME: Beverly Joyce-Suneson DATE: 5-24-2023

FOR THE MONTH OF: May, April

8.1 Each Director is authorized to receive one hundred dollars (\$100.00) as compensation for each regular or special meeting of the Board and fifty dollars (\$50.00) for each committee meeting attended by him or her.

8.2 In no event shall Director compensation exceed one hundred dollars (\$100.00) per day.

8.3 Director compensation shall not exceed six hundred (\$600.00) in any one (1) calendar month.

MEETING DATES: 5/24/2023 and 4/26/2023

No. of Meetings 2 x \$100.00 = \$ 200.00

COMMITTEE MEETING(S) OR OTHER REIMBURSEMENT(S)

DATE: _____ MEETING: _____ AMOUNT: \$ _____

DATE: _____ MEETING: _____ AMOUNT: \$ _____

DATE: _____ MEETING: _____ AMOUNT: \$ _____

DATE: _____ MEETING: _____ AMOUNT: \$ _____

TOTAL COMPENSATION: \$ 200.00
~~100.00~~

SIGNATURE: 



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

RECEIVED

MAY 11 2023

DIRECTOR'S MONTHLY REQUEST FOR COMPENSATION FOR MEETING ATTENDANCE

NAME: Charles Varri

DATE: May 11, 2023

FOR THE MONTH OF: ~~April 12, 26~~ May 10

8.1 Each Director is authorized to receive one hundred dollars (\$100.00) as compensation for each regular or special meeting of the Board and fifty dollars (\$50.00) for each committee meeting attended by him or her.

8.2 In no event shall Director compensation exceed one hundred dollars (\$100.00) per day.

8.3 Director compensation shall not exceed six hundred (\$600.00) in any one (1) calendar month.

MEETING DATES: ~~April 12, April 26~~ and ~~May 10~~

No. of Meetings ~~3~~ 2 x \$100.00 = \$ ~~300~~ 200

COMMITTEE MEETING(S) OR OTHER REIMBURSEMENT(S)


DATE: April 3 MEETING: FCFA AMOUNT: \$ 50

DATE: _____ MEETING: _____ AMOUNT: \$ _____

DATE: _____ MEETING: _____ AMOUNT: \$ _____

DATE: _____ MEETING: _____ AMOUNT: \$ _____

TOTAL COMPENSATION: \$ 250
350

SIGNATURE: 

Subject: April 3 FCFA Meeting Report

FCFA April 3, 2023 Meeting Report

On April 3, 2023 the FCFA had a special meeting and conducted two pieces of business. Following is a summary report of those actions.

- a. Consideration of Urgent Need Budget Adjustment for Fiscal Year 2022-23. Chief Lieberman presented a staff report to the Board regarding an urgent repair needed for Engine 6691 in the amount of \$50,000.00. No public comment was received. Action: Board Member Barneich moved, and Board Member Rushing seconded the motion to approve an adjustment in the of \$50,000 to the amended budget of Fiscal Year 2022-23 for the repair of Engine 6691. The motion passed.

- b. Satisfaction of FCFA Lien on APN # 060-543-007 (Calvin Court). Chief Lieberman presented the staff report regarding weed abatement on the Calvin Court property. This property went through Five Cities Fire Authority's weed abatement process in 2021. The City of Grover Beach would like to purchase the property for the Central Coast Blue project, however a lien for weed abatement in the amount of \$11,884.00, is still outstanding. The City of Grover would like to pay Five Cities Fire Authority for the lien amount so the sale of the property can move forward. No public comment was received. Action: Board Member Barneich moved, and Board Member Rushing seconded the motion to authorize the Fire Chief to clear and release fire abatement lien in the amount of \$11,884.00 on parcel No. 060-543-007 upon payment of the lien amount by the City of Grover Beach. The motion passed.

Charles Varni

OCSD Director; Chair FCFA



Oceano Community Services District

MAY 16 2023

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

DIRECTOR'S MONTHLY REQUEST FOR COMPENSATION FOR MEETING ATTENDANCE

NAME: Allene Villa

DATE: May 16, 2023

FOR THE MONTH OF: Jan - April

- 8.1 Each Director is authorized to receive one hundred dollars (\$100.00) as compensation for each regular or special meeting of the Board and fifty dollars (\$50.00) for each committee meeting attended by him or her.
- 8.2 In no event shall Director compensation exceed one hundred dollars (\$100.00) per day.
- 8.3 Director compensation shall not exceed six hundred (\$600.00) in any one (1) calendar month.

MEETING DATES: 1/11, 1/25, 2/8, 2/18, 2/22 and 3/8, 3/22, 4/26
 No. of Meetings 7 x \$100.00 = \$ 700.00

COMMITTEE MEETING(S) OR OTHER REIMBURSEMENT(S)

DATE: _____ MEETING: _____ AMOUNT: \$ _____
 DATE: _____ MEETING: _____ AMOUNT: \$ _____
 DATE: _____ MEETING: _____ AMOUNT: \$ _____
 DATE: _____ MEETING: _____ AMOUNT: \$ _____

TOTAL COMPENSATION: \$ 700.00

SIGNATURE 

Oceano Community Services District
Five Star Bank Mastercard

A/P Mastercard Credit Card Disbursement

Date	Name	Amount	Description	GL Account #
05/26/2023	SQ *BURGERS & MORE CO. OCEANO CA	\$1,500.00	PUBLIC WORKS WEEK BBQ	01-5-4100-200
05/17/2023	INTUIT *QBOOKS ONLINE CL.INTUIT.COMCA	\$55.00	PERMITS, FEES LICENSES	01-5-4100-248
05/17/2023	THE BLIND LADY LOS OSOS CA	\$544.00	FACILITIES	10-5-4300-163
05/16/2023	EXTENDEDSTAY 8574 DUBLIN CA	\$244.38	CLASSES/SEMINARS/TRAINING FEES	02-5-4400-285
05/02/2023	ZOOM.US 888-799-9666 SAN JOSE CA	\$47.59	OFFICE EXPENSE	01-5-4100-200

Total ACH - 06/08/2023 \$2,390.97

06/14/2023 Board Meeting - Five Star Bank Mastercard Online Payment - paid 06/08/2023	\$2,390.97
--	-------------------

COMPANY: 99 - POOLED CASH FUND
 ACCOUNT: 1-1001-000 POOLED CASH OPERATING
 TYPE: All
 STATUS: All
 FOLIO: All

CHECK DATE: 0/00/0000 THRU 99/99/9999
 CLEAR DATE: 0/00/0000 THRU 99/99/9999
 STATEMENT: 0/00/0000 THRU 99/99/9999
 VOIDED DATE: 0/00/0000 THRU 99/99/9999
 AMOUNT: 0.00 THRU 999,999,999.99
 CHECK NUMBER: 060246 THRU 060248

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE	
CHECK:									
1-1001-000	5/24/2023	CHECK	060246	ANTHEM BLUE CROSS	9,519.58CR	OUTSTND	A	0/00/0000	EMPLOYEE INSURANCE
1-1001-000	5/24/2023	CHECK	060247	COLONIAL LIFE AND ACCIDENT	333.94CR	OUTSTND	A	0/00/0000	EMPLOYEE INSURANCE
1-1001-000	5/24/2023	CHECK	060248	PRINCIPAL LIFE INSURANCE COMPA	1,177.98CR	OUTSTND	A	0/00/0000	EMPLOYEE INSURANCE
TOTALS FOR ACCOUNT 1-1001-0				CHECK	TOTAL:	11,031.50CR			
				DEPOSIT	TOTAL:	0.00			
				INTEREST	TOTAL:	0.00			
				MISCELLANEOUS	TOTAL:	0.00			
				SERVICE CHARGE	TOTAL:	0.00			
				EFT	TOTAL:	0.00			
				BANK-DRAFT	TOTAL:	0.00			
TOTALS FOR POOLED CASH FUND				CHECK	TOTAL:	11,031.50CR			
				DEPOSIT	TOTAL:	0.00			
				INTEREST	TOTAL:	0.00			
				MISCELLANEOUS	TOTAL:	0.00			
				SERVICE CHARGE	TOTAL:	0.00			
				EFT	TOTAL:	0.00			
				BANK-DRAFT	TOTAL:	0.00			

COMPANY: 99 - POOLED CASH FUND
 ACCOUNT: 1-1001-000 POOLED CASH OPERATING
 TYPE: All
 STATUS: All
 FOLIO: All

CHECK DATE: 0/00/0000 THRU 99/99/9999
 CLEAR DATE: 0/00/0000 THRU 99/99/9999
 STATEMENT: 0/00/0000 THRU 99/99/9999
 VOIDED DATE: 0/00/0000 THRU 99/99/9999
 AMOUNT: 0.00 THRU 999,999,999.99
 CHECK NUMBER: 060249 THRU 060256

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
CHECK:	-----							
1-1001-000	6/08/2023	CHECK	060249	VOID CHECK	0.00	OUTSTND	A	0/00/0000 VOID
1-1001-000	6/08/2023	CHECK	060250	VOID CHECK	0.00	OUTSTND	A	0/00/0000 VOID
1-1001-000	6/08/2023	CHECK	060251	MAP COMMUNICATIONS, INC. DBA A	201.01CR	OUTSTND	A	0/00/0000 ANSWERING SVC
1-1001-000	6/08/2023	CHECK	060252	COASTAL COPY, INC.	295.97CR	OUTSTND	A	0/00/0000 COPIES/MAINTENANCE
1-1001-000	6/08/2023	CHECK	060253	DIGITAL WEST NETWORKS, INC.	415.08CR	OUTSTND	A	0/00/0000 PHONES
1-1001-000	6/08/2023	CHECK	060254	PACIFIC GAS & ELECTRIC	5,986.07CR	OUTSTND	A	0/00/0000 UTILITY
1-1001-000	6/08/2023	CHECK	060255	SO CAL GAS	118.98CR	OUTSTND	A	0/00/0000 UTILITY
1-1001-000	6/08/2023	CHECK	060256	VERIZON WIRELESS	235.00CR	OUTSTND	A	0/00/0000 FIELD CELL SVC

TOTALS FOR ACCOUNT 1-1001-0

CHECK	TOTAL:	7,252.11CR
DEPOSIT	TOTAL:	0.00
INTEREST	TOTAL:	0.00
MISCELLANEOUS	TOTAL:	0.00
SERVICE CHARGE	TOTAL:	0.00
EFT	TOTAL:	0.00
BANK-DRAFT	TOTAL:	0.00

TOTALS FOR POOLED CASH FUND

CHECK	TOTAL:	7,252.11CR
DEPOSIT	TOTAL:	0.00
INTEREST	TOTAL:	0.00
MISCELLANEOUS	TOTAL:	0.00
SERVICE CHARGE	TOTAL:	0.00
EFT	TOTAL:	0.00
BANK-DRAFT	TOTAL:	0.00



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

Date: June 14, 2023

To: Board of Directors

From: Will Clemens, General Manager

Subject: **Agenda Item #7(C):** Approval of a Letter of Thanks to Congressman Salud Carbajal

Recommendation

It is recommended that your Board approve the attached Letter to Congressman Salud Carbajal and authorize the President to sign.

Discussion

In March 2023 the District submitted a \$3 million Community Project Funding request to the office of Congressman Salud Carbajal to help fund the Water Resource Reliability Program – Waterline Replacement Project. Congressman Carbajal is recommending this request be funded by Congress as one of the [fifteen projects](#) that he can submit for FY 2024. The attached letter expresses thanks to Congressman Carbajal for his support.

Other Agency Involvement

The United States Department of Agriculture.

Other Financial Considerations

The \$3 million grant will come through the United State Department of Agriculture Rural Utility Service. The 25% local match requirement will be satisfied by the \$600,000 Prop 1 grant recently awarded to the District by the State Department of Water Resources.

Results

Approval of the letter promotes a safe, livable, prosperous, and well-governed community.

Attachment:

- Letter



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

June 14, 2023

Congressman Salud Carbajal
1411 Marsh St., Suite 205
San Luis Obispo, California 93401

SUBJECT: OCEANO COMMUNITY SERVICES DISTRICT COMMUNITY PROJECT FUNDING RECOMMENDATION

Dear Congressman Carbajal,

On behalf of the Oceano Community Services District (OCSD), I would like to thank you for your support and recommendation of our Community Project Funding request for \$3,000,000 to complete the Water Resource Reliability Plan – Waterline Projects (Project).

The OCSD represents the Disadvantaged Community (DAC) of Oceano where DAC representation and involvement has been essential in the process of development, identification, and selection of the proposed Project. The Project aims to improve groundwater resource reliability (drinking water supply) by lowering water losses of the system and protecting groundwater supply through decreased needs for pumping. The Project will also increase system flows which brings related improvements to water quality. The Project will benefit this DAC community by lowering water bills through grant funding and benefits the OCSD financially to implement overall system improvements.

The awarding of the requested funding will ensure prior grant funding is leveraged to see the Project through to completion and that both Federal and State resources are used efficiently and effectively to address the intended water issues. Thank you again for your hard work on behalf of the citizens of California's 24th District, and for the small and disadvantaged communities this Community Project Funding aims to assist.

Sincerely,

Allene Villa

President



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

Date: June 14, 2023

To: Board of Directors

From: Will Clemens, General Manager

Subject: **Agenda Item #8(A):** Consideration of Approval of a Contract with Five Cities Fire Authority for Interim Fire Protection Services and an Agreement Outlining ongoing District Obligations Following Withdrawal from the Joint Powers Agreement

Recommendation

It is recommended that your Board:

1. Approve the attached contract with Five Cities Fire Authority (FCFA) for interim Fire Protection Services in the amount of \$1,150,000 for the term of July 1, 2023, through June 30, 2024, and authorize the President to sign.
2. Approve the attached agreement outlining ongoing District obligations following withdrawal from the Joint Powers Agreement and authorize the President to sign.
3. Authorize District Legal Counsel to make non-substantive revisions to both agreements if necessary.

Discussion

On July 1, 2023, the District will cease membership in the FCFA. The District has initiated proceedings through the Local Agency Formation Commission (LAFCO) to divest of its Fire Protection Services power and turn the responsibility over to the County of San Luis Obispo (County). LAFCO held a study session on the divestiture process at its meeting of May 18, 2023. Access the staff report [here](#). It is evident that the divestiture process will continue past July 1, 2023, and the District will have to provide Fire Protection Services until that process concludes.

The cities of Arroyo Grande (AG) and Grover Beach (GB) are working together to form a new FCFA joint powers agreement (JPA) which will provide the District with the ability to contract for services from the new JPA. The attached contract provides Fire Protection Services from FCFA through June 30, 2024.



The other attached agreement outlines the ongoing obligations of the District that pertain to its involvement in the previous FCFA JPA. The agreement provides the methodology for allocating the assets and liabilities of the FCFA as of June 30, 2023. District obligations will be based on a Final Actuary Report as of June 30, 2023, which will be similar to the Preliminary Actuary Report attached to the agreement. District liabilities will be partially offset by the District's share of assets including physical assets transferred to the FCFA and the FCFA fund balance as of June 30, 2023.

Other Agency Involvement

Cities of AG and GB, FCFA, LAFCO, and the County.

Other Financial Considerations

The contract conforms to the terms as directed by your Board at the May 10, 2023, meeting that offered \$1,150,000 for a one-year term beginning July 1, 2023. This amount aligns more closely with what the City of Arroyo Grande is paying next year on a per service call basis. The contract will allow the new FCFA to staff three companies 24 hours a day and 7 days a week. The contract allows for one company to be based at the Oceano station, or alternatively, two companies to be based in either the GB or AG station simultaneously, solely at the discretion of the FCFA.

The District's net obligations to the FCFA upon withdrawal are estimated to be in the \$1.5 million to \$2 million range depending on the results of CALPERS investment returns through June 30, 2023. This amount can be paid in a lump sum at any time or paid annually until paid in full.

Results

Approval of the contract for fire protection services will provide for these services through June 30, 2024, and promotes a safe and well-governed community.

Attachments:

- Contract for Fire Protection Services
- Agreement Related to Ongoing Obligations

**AGREEMENT TO PROVIDE FIRE SERVICES
BETWEEN THE FIVE CITIES FIRE AUTHORITY AND
OCEANO COMMUNITY SERVICES DISTRICT**

THIS AGREEMENT is made and entered into this ____ day of June 2023, (“Effective Date”) by and between the Five Cities Fire Authority ("FCFA"), a California Joint Powers Authority as authorized under Government Code Sections 6500 et. seq., and Oceano Community Services District ("Oceano"), a County of San Luis Obispo Community Services District (collectively referred to as "the Parties").

RECITALS

WHEREAS, the Parties are public entities organized and operating under the laws of the State of California; and

WHEREAS, the Parties have the authority to perform fire protection activities, certain emergency medical services and other related activities for their respective agencies, including those described within Exhibit “B” (collectively, “FCFA Services”); and

WHEREAS, since June 7, 2010, Oceano has been a member agency of the Five Cities Fire Authority along with the Cities of Grover Beach and Arroyo Grande; and

WHEREAS, FCFA’s Joint Exercise of Powers Agreement was amended by the Parties to terminate Oceano’s participation as a member agency in FCFA commencing July 1, 2023; and

WHEREAS, the Parties desire for FCFA to continue supplying fire and emergency medical services to Oceano for a temporary period of time consistent with the terms and conditions of this Agreement; and

WHEREAS, Oceano remains subject to all “Wind Down Period” obligations set forth within the Five Cities Fire Authority Amended and Restated Joint Powers Authority Agreement, and specifically Section 5 of the Third Amendment to the FCFA Joint Powers Agreement incorporated herein as Exhibit “C”, Oceano’s withdrawal from the FCFA shall not absolve Oceano from any Liabilities, defined to include but not limited to pension/CalPERS, accrued fringe benefits, and other liabilities incurred arising out of Oceano’s participation in the FCFA since the time the FCFA was created on June 7, 2010 through the date of Oceano’s withdrawal from the FCFA on June 30, 2023; and

WHEREAS, this agreement is entered into pursuant to Government Code § 54981 and § 55632.

AGREEMENT

NOW, THEREFORE, the above “WHEREAS” provisions are incorporated herein with the same force and effect as any other term and condition of this Agreement and for and in consideration of the mutual advantages to be derived therefrom, and in consideration of the mutual covenants herein contained, it is agreed by and between the Parties hereto as follows:

ARTICLE I PROVISION OF SERVICES

1.1 **Scope of Services.** FCFA shall provide Fire and Emergency Medical Services within the jurisdictional area of Oceano. See jurisdictional map entitled Exhibit “A” incorporated by reference herein as if set out in full. “Fire and Emergency Medical Services” shall mean those services identified in Exhibit “B”.

1.2 **Fire Chief.** FCFA's Fire Chief or his/her designee shall be immediately available for response and management of emergency incidents as necessary to provide incident command and coordination functions within the jurisdictional boundaries of Oceano over the term of this Agreement.

1.3 **Staffing.** FCFA shall provide, in its sole discretion, sufficient staffing personnel, meeting minimum federal and state-mandated training requirements for their respective classifications and responsibilities, to provide Fire Services, pursuant to this Agreement, to Oceano for the term of this Agreement. The staff shall consist of personnel assigned at the sole discretion of FCFA but at least one member of every shift shall be qualified as an Emergency Medical Technician.

ARTICLE II PAYMENT FOR SERVICES

2.1 **Compensation for Services.** Oceano shall compensate FCFA for all Fire and Emergency Medical Services performed under this Agreement in a fixed amount of One Million One Hundred Fifty Thousand Dollars (\$1,150,000.00). Oceano shall pay, on a quarterly basis (every three months from the effective date of this Agreement) the sum of Two Hundred Eighty-Seven Thousand Five Hundred Dollars and Zero Cents (\$287,500) for the Fire, Emergency Medical Services and any related FCFA Activities provided by FCFA. In the event the Fire, Emergency Medical Services and any related FCFA Activities are extended in accordance with Section 5.2, the compensation that FCFA will be willing to accept will be no less than the actual cost of service, in the amount or formula determined by FCFA that is presented to the County of San Luis Obispo for purposes of evidencing Oceano’s proportionate

share of the actual cost of service, which will be incorporated in this Agreement as a new Exhibit "D" during the sixty (60) day meet and confer period described in Section 5.2 below. FCFA shall submit quarterly invoices to Oceano for the quarterly payment amount. Payments are to be made within thirty (30) days of FCFA mailed invoice to Oceano, and any non-payment in excess of sixty (60) days from the date of FCFA's mailed invoice shall be considered a default under this Agreement and shall accrue an additional ten (10) percent charge as described herein.

ARTICLE III PROPERTY USED FOR FIRE SERVICES

3.1 Fire Station. FCFA will utilize the Fire Stations number 1 and 2 located respectively at 140 Traffic Way, Arroyo Grande and 701 Rockaway Ave. Grover Beach, California, as its primary locations for the provision of Fire, Emergency Medical Services and FCFA Activities contemplated by this Agreement. Oceano retains fee title to the Fire Station number 3, but hereby grants FCFA an unrestricted license for full use of the apparatus bay at Station number 3, located at 1655 Front Street, Oceano for general storage purposes in furtherance of this Agreement. Oceano shall also make available for FCFA training and storage, the well site no. 8 property located on South 13th Street. FCFA's use of Station number 3 and well site no. 8 shall not be subject to any rental or other cost and shall be part of the consideration paid by Oceano for Fire, Emergency Medical Services and FCFA Activities rendered by FCFA to Oceano. Oceano agrees to maintain the Fire Station number 3 and well site no. 8, in a safe, habitable, and serviceable condition at all times.

(a) Nothing herein shall in any way limit Oceano's right to grant concurrent use of the Fire Station number 3 to any other party, that does not unreasonably interfere with FCFA's use of the apparatus bay for storage. FCFA shall not unreasonably interfere with the use of the Fire Station for any other purposes by Oceano.

(b) If Oceano grants rights to a third party for concurrent use of the Fire Station number 3, Oceano shall take all reasonable steps to ensure that the third party does not interfere with the use of the Fire Station for FCFA storage purposes and shall provide FCFA at least ten (10) days advanced notice of the use granted to a third party.

(c) In addition to the license granted in Section 3.1 above and subsections (a) and (b), Oceano shall further grant full operational use of Fire Station No. 3 for emergency medical services and fire suppression including all fire suppression equipment, fire engines, housing and administrative services necessary to operate the fire station from the Effective Date of this Agreement to June 30, 2023.

3.2 **Maintenance and Replacement.** FCFA, consistent with the Amended and Restated Joint Exercise of Powers Agreement, dated _____, 2023, shall bear all costs to maintain, repair and replace all facilities, vehicles, equipment and apparatus owned by FCFA and designated for use in the Fire, Emergency Medical Services and FCFA Activities.

ARTICLE IV RELATIONS OF PARTIES

4.1 **Special Relationship.** The Parties will agree this Agreement does not create a “special relationship” as the term is defined by Federal or California law, between Oceano or any other agency, or between the Parties’ officials, officers, employees, or successors or with any third party as a result of this Agreement. Oceano does not participate nor is a member of FCFA and retains no rights or title in the FCFA Joint Powers Authority after June 30, 2023. Notwithstanding the foregoing, nothing within this Agreement absolves Oceano from obligations and/or CalPERS pension liabilities incurred and owed to FCFA, under the Five Cities Fire Authority Joint Exercise of Powers Agreement, over the time period Oceano was a member agency.

ARTICLE V TERM OF AGREEMENT

5.1 **Term.** The term of this Agreement shall commence on the earlier of July 1, 2023 or the date on which both Parties have fully executed this Agreement, through June 30, 2024 (“Initial term”).

5.2 **Renewal or Extension of Agreement.** The Term of this Agreement may be extended upon mutual agreement of both Parties. Upon written notice of either Party, at ninety (90) days before the end of the Initial Term, the Parties shall meet and confer for a period of up to sixty (60) days regarding extending the term of the Agreement and the terms and conditions of the extension. If agreement cannot be reached regarding extension or renewal, the Agreement shall terminate with no further obligations of either Party at the end of the Initial Term. If the Agreement is extended by the Parties (the “Extended Term”), notwithstanding any other provisions of this Agreement, the Parties anticipate that the term for the Extended Term will be on a month-to-month basis commencing upon the end of the Initial Term.

5.3 **Termination.** During the initial term, if either Party seeks to terminate this Agreement, the notice to terminate shall be in writing and shall be at least one hundred twenty (120) days before the planned termination date. If Oceano is not current on all payments owed and is in default under this Agreement FCFA may terminate this

Agreement immediately. If during the initial term, LAFCO makes a final determination as to Oceano's application for divestiture of fire services, and the decision of LAFCO would by operation of law or by lawful conditions imposed by LAFCO as part of their decision, preclude Oceano from participating as a Party to this Agreement or restrict their ability to enforce this Agreement, this Agreement shall terminate. Nothing within this section shall absolve Oceano of the obligation to pay for any and all FCFA services rendered under this Agreement prior to termination resulting from LAFCO'S decision causing termination or a Party initiated termination.

ARTICLE VI INDEMNIFICATION AND INSURANCE

6.1 Mutual Indemnification.

(a) To the fullest extent permitted by law, each Party (the "Indemnifying Party") shall indemnify, defend and hold harmless the other party, in proportion to fault, against any and all liability for claims, demands, fines, penalties, expenses, losses, causes of action, costs or judgments (direct, indirect, incidental or consequential damages) involving bodily injury, personal injury, death, property damage or other costs and expenses (including reasonable attorneys' fees, court costs and expenses) arising or resulting from: 1) the acts or omissions of the Indemnifying Party's own officers, agents, employees or representatives carried out pursuant to the obligations of this Agreement; (b) any negligent, reckless or intentionally wrongful act or omission to act by the Indemnifying Party; and (c) violations of law by the Indemnifying Party.

(b) Notwithstanding the foregoing Sections 6.1 (a) Oceano shall remain liable for its own real and personal property damage (including, without limitation, autos, equipment, and apparatus), since it is retaining ownership of, insurable interests therein, and insurance on its real and personal property.

(c) Except for any duties either Party owes to the other pursuant to the provisions of this Agreement, nothing in this Agreement shall be construed to waive any legal protections or immunities available to the Parties under state or federal law.

(d) Accordingly, the Parties hereby expressly agree to waive the pro rata risk allocation contained in California Government Code Section 895.6.

6.2 Mutual Indemnification Obligations Survive Termination. As to activities occurring or being carried out in performance of this Agreement and during the term of this Agreement, the obligations created by Section 6.1 shall survive termination of this Agreement.

6.3 Immunity Preservation. Nothing in this Agreement shall be read as

waiving or limiting any defense to claims of liability otherwise available to fire personnel, and/or public employees, such as the defense of qualified immunity. Nothing in this Agreement shall be read as intending to create or creating a higher duty of care on the part of either Oceano or FCFA, or their officers, than would otherwise exist under existing law and the involved Party's own policies, practices, and procedures.

6.4 Public Liability and Property Insurance.

(a) Each Party shall maintain in effect, at its own cost and expense, the following insurance coverage provided either through a bona fide program of self-insurance, commercial insurance policies, or any combination thereof:

- i. Commercial general liability or public liability with minimum limits of \$1,000,000.00 per occurrence.
- ii. Auto liability including owned, leased, non-owned, and hired automobiles, with a combined single limit of not less than \$1,000,000.00 per occurrence.
- iii. If a Party employs others in the performance of this Agreement, that Party shall maintain Workers' Compensation in accordance with California Labor Code section 3700 with a minimum of \$1,000,000 per occurrence for employer's liability, for the duration of time that such workers are employed.

(b) All insurance required by this Agreement shall:

- i. Be placed (1) with companies admitted to transact insurance business in the State of California and with a current A.M. Best rating of no less than A:VI or with carriers with a current A.M. Best rating of no less than A:VII; or (2) disclosed self- insurance with limits acceptable to the other Party.
- ii. Provide that each Party's insurance is primary and non-contributing insurance to any insurance or self-insurance maintained by the other Party and that the insurance of the other Party shall not be called upon to contribute to a loss covered by a Party's insurance.

(c) Each Party shall file certificates of insurance with the other Party evidencing that the required insurance is in effect within thirty (30) days after the effective date of this Agreement.

6.5 Workers Compensation.

(a) FCFA shall provide Oceano an endorsement that its Workers Compensation insurer waives the right of subrogation against Oceano, its officers, officials, employees, and volunteers for all claims on or after the effective start date of this Agreement during the tenure of said Agreement.

ARTICLE VII MISCELLANEOUS

7.1 Amendments to Agreement. No part of this Agreement shall be altered or amended except by written amendment and mutual consent of both Parties.

7.2 Assignment. The rights and obligations of the Parties under this Agreement are not assignable and shall not be delegated without the prior written approval of the other Party.

7.3 Dispute Resolution. The Parties recognize that this Agreement cannot represent a complete expression of all issues which may arise during the performance of the Agreement. Accordingly, FCFA and Oceano agree to meet and confer in good faith over any issue not expressly described herein.

(a) It is the Parties' intention to avoid the cost of litigation and to resolve any issues that may arise amicably if possible. To that end, the Parties agree through the City Managers of Arroyo Grande and Grover Beach and the Oceano General Manager to meet within ten (10) business days of a request made by the other party in writing to discuss any issues and attempt to resolve the dispute. If the dispute is not resolved after that meeting, the Parties agree to participate in a mediation to resolve the dispute within 30 calendar days of the meeting or as soon thereafter as possible. The mediator will be chosen by mutual agreement of the Parties. The costs of mediation will be borne by the Parties equally. Any agreement reached during the mediation will be binding on the Parties during the remaining term of the Agreement. No party may initiate litigation prior to the conclusion of mediation. In any action brought under this Agreement, the prevailing Party shall be entitled to recover its actual costs and reasonable attorney fees in an amount not to exceed ten thousand dollars (\$10,000.00).

7.4 Exhibits. The following Exhibits are attached hereto and incorporated as if fully set forth herein:

Exhibit "A": Oceano Jurisdiction Map

Exhibit "B": Scope of Fire and Emergency Medical Services

Exhibit "C": Third Amended Joint Powers Agreement of the FCFA

7.5 Notices. All notices required or permitted hereunder shall be deemed sufficiently given if delivered by hand, electronic mail, or by United States mail, postage prepaid, addressed to the Parties at the addresses set forth below or to such other address as may, from time to time, be designated in writing.

To Oceano:

General Manager
1655 Front St.
Oceano, CA. 93445

To FCFA:

Fire Chief
140 Traffic Way
Arroyo Grande, CA 93420

7.6 Governing Law. Agreement shall be governed by the laws of the state of California with venue being the Superior Court of the County of San Luis Obispo.

7.7 Third Party Beneficiary. The Agreement is only for the benefit of the Parties to the Agreement and shall not be construed or deemed to operate as an agreement for the benefit of any third party or parties and no third parties shall have any right of action or obtain any right of benefits or position of any kind for any reason whatsoever.

7.8 Default and Delinquency. If Oceano defaults in its obligation to pay or advance any amounts due pursuant to this Agreement after such amounts have become delinquent, Oceano shall be liable to the FCFA for interest on any unpaid amount at the rate of 10%, or the maximum rate allowed by law if it is less than 10%, until the overdue invoice amount is paid in full.

7.9 Waiver. The waiver at any time by any Party of its rights with respect to a default or other matter arising in connection with this Agreement shall not be deemed a waiver with respect to any subsequent default or matter.

7.10 Remedies Not Exclusive. The remedies provided in this Agreement are cumulative and not exclusive, and are in addition to any other remedies that may be provided by law or equity. The exercise by any Party of any remedy under this Agreement shall be without prejudice to the enforcement of any other remedy.

7.11 Severability. The invalidity, illegality or unenforceability of any

provision of this Agreement shall not render the other provisions unenforceable, invalid or illegal.

7.12 Counterparts. This Agreement may be executed by the Member Agencies in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the Parties execute this agreement hereto on the day and the year first written above.

FIRE CITIES FIRE AUTHORITY

By _____
Authority Chair

Dated _____

ATTEST:

By _____
Authority Clerk

APPROVED AS TO FORM:

Authority Attorney

OCEANO COMMUNITY SERVICES DISTRICT

By _____
President

Dated _____

ATTEST:

By _____
District Clerk

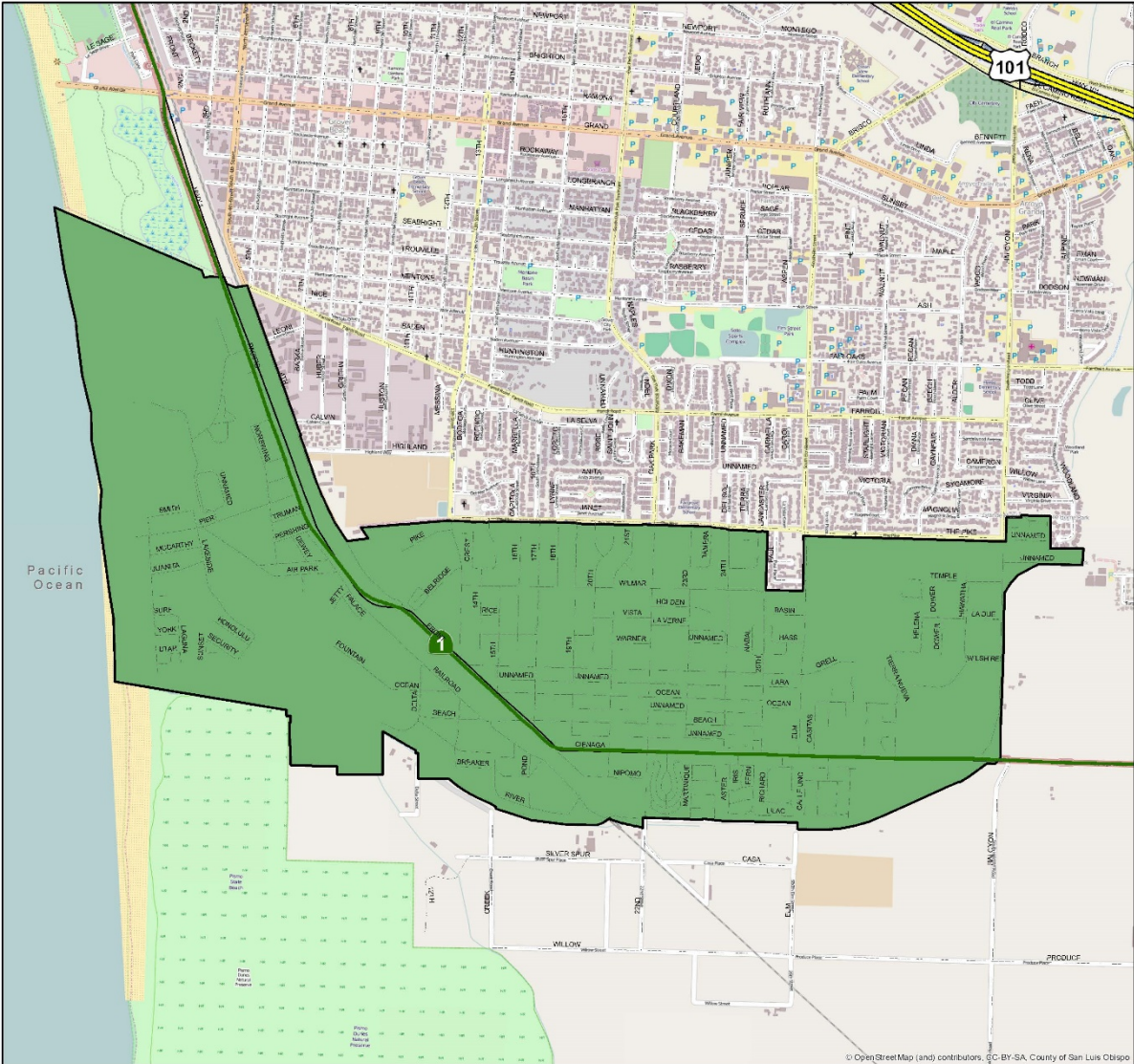
APPROVED AS TO FORM:



District Counsel

EXHIBIT "A"
OCEANO JURISDICTION MAP

Oceano Community Services District Service Area & Sphere of Influence Adopted November 2012



© OpenStreet Map (and) contributors, CC-BY-SA, County of San Luis Obispo

Legend

- Major Roads
- Service Area
- Sphere of Influence
(Same as Service Area)



Prepared By SLOLAFCO
Name: Oceano_SOI Bndy
Date: 2/6/2014

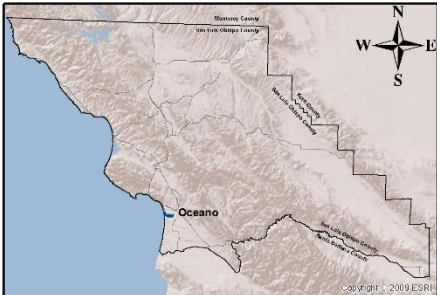


EXHIBIT “B”
SCOPE OF SERVICE

Scope of Services

FCFA shall provide the following services while this Agreement is in effect:

1. Administration. Provide administrative responsibility and support for all fire, emergency and non-emergency services in the Oceano Community Services District (“Oceano”).

Administration of fire services shall include the following:

- a. Adequate supervision and staffing,
- b. Program planning;
- c. Delivery and documentation of all federal and state-mandated firefighter training;
- d. Coordination of procurement of all operational supplies, services, and equipment;
- e. Representation at Oceano Board meetings as deemed necessary by the Oceano General Manager and agreed to by the FCFA Fire Chief;
- f. Transparency with Oceano in management decisions affecting fire service delivery.

2. Incident Response. Delivery of all fire protection and emergency services within the jurisdictional limits of Oceano Community Services District, including responding to calls for fire suppression, emergency medical response (Basic Life Support services), rescue services, hazardous materials, and all other emergency and non-emergency calls for service as received and dispatched to the FCFA. A Chief Officer, or acting Chief Fire Officer, shall respond to all major incidents as determined by the Fire Chief.

3. Fire Safety Inspections/Enforcement. Enforce code provisions related to fire services, including but not limited to weed abatement and fireworks, and hazardous material releases. Review of all development and building plans to ensure compliance with applicable fire and life safety codes and regulations, as well as inspection of fire protection and fire alarm systems for compliance with applicable codes and standards. To the maximum extent feasible, inspection shall be performed during standard duty hours.

4. Investigations. Investigate all fires to establish origin and cause and coordinate with the Oceano Community Services District on criminal investigations and prosecutions resulting therefrom. Provide fire investigation reports.

5. Training. Maintain a continuous training program that corresponds to federal, state and local mandates, as well as evolving industry best practices and developments in emerging fire suppression and fire prevention techniques.

6, Emergency Management. FCFA, through its Fire Chief, or his/her designee, shall be responsible for the coordination and communication with the County of San Luis Obispo Office of Emergency Services . Pursuant to existing agreements, FCFA will coordinate with other agencies regarding mutual aid services to Oceano Community Services District. FCFA will also respond to requests for mutual aid or assistance-by-hire by other agencies pursuant to the California Statewide Mutual Aid Agreement or the California Fire Assistance Agreement.

EXHIBIT “C”
THIRD AMENDED JOINT POWERS AGREEMENT OF THE FCFA

**THIRD AMENDMENT TO FIVE CITIES FIRE AUTHORITY
JOINT EXERCISE OF POWERS AGREEMENT**

This Third Amendment to the Five Cities Fire Authority (“FCFA”) Joint Exercise of Powers Agreement, dated June 7, 2010 (“JPA”) (“Third Amendment”), is made and entered into as of July 1, 2020, by and between the cities of Arroyo Grande and Grover Beach, and the Oceano Community Services District (“Oceano”), which are hereinafter referred to as “Party” and “Parties.”

WHEREAS, on June 7, 2010, the Parties entered into a JPA pursuant to Section 6500 et seq. of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, for the purpose of allowing the Parties to share a combined fire department in order to provide efficient and economical fire protection services; and

WHEREAS, in or about May of 2018, the Parties executed a Memorandum of Agreement Amending the FCFA JPA (“First Amendment”) in order to provide an opportunity for the Parties to meet and confer for the purpose of considering amendments to the JPA including, but not limited to, modifications to the funding formula contained in Exhibit B of the JPA (“Funding Formula”), the provisions regarding member withdrawal, and future staffing levels beyond Fiscal Year 2018/19; and

WHEREAS, the First Amendment required the Parties to agree upon amendments to the JPA by April 1, 2019 or the JPA would terminate as of December 31, 2019; and

WHEREAS, in March of 2019, the Parties executed an extension of the First Amendment, which extended the time for the Parties to mutually agree upon JPA Amendments to October 1, 2019; and

WHEREAS, the Parties executed the Second Amendment to the JPA as of July 1, 2019 which required Oceano to undertake the legally required procedures to place a special tax on the March 2020 ballot in accordance with Government Code Section 61121; and

WHEREAS, Oceano did undertake the legally required procedures to place a special tax on the March 2020 ballot which resulted in ballot Measure A-20 falling short of passage by 10 votes (66.1% compared to the required 66.67%); and

WHEREAS, the possibility of a citizen’s initiative to place a special tax measure on the November 2020 ballot was prevented by the COVID-19 pandemic and related statewide shelter at home order; and

WHEREAS, the economic situation of all Parties has drastically changed due to the COVID-19 pandemic and related statewide shelter at home order; and

WHEREAS, the Parties recognize it is in the economic best interests of all Parties to allow additional time for the community of Oceano to place another special tax measure on the ballot; and

WHEREAS, the parties have met in good faith and now desire to amend the JPA.

NOW THEREFORE, in consideration of the mutual covenants and conditions set forth herein, the Parties agree as follows:

1. **Recitals**. The above recitals are true and correct and incorporated herein.

2. **Fiscal Year 2020/21 and 2021/22**. Each Parties' contributions for funding the Fiscal Year 2020/21 and 2021/22 FCFA Budget shall be:
 - A. City of Arroyo Grande \$2,580,955
45.01% _____
 - B. City of Grover Beach \$2,015,115
35.14% _____
 - C. Oceano Community Services District \$1,138,148
19.85% _____
 - D. The Fire Chief will make every effort to maintain a flat budget through the fiscal years that the funding contributions set forth in this Section 2 apply. The Parties acknowledge that use of Fund Balance may be necessary to offset unanticipated or increased costs. In the event of significant emergency costs or purchases necessary during the fiscal years during which this Section 2 applies, the Parties will consider contributing additional funding, subject to FCFA Board budgetary approval. It is acknowledged that any such additional contributions may require the approval of the governing body of one or more Party.

3. **Funding Formula**.
 - A. The Funding Formula contained in Attachment 1 to the Second Amendment to the JPA is hereby amended and replaced in its entirety as set forth in Attachment 1 to this Amendment. All references in the JPA to Attachment 1 shall refer to Attachment 1 of the Third Amendment.
 - B. The funding contributions specified in Section 2 were determined using a transitional formula that modified component 3 of the Funding Formula related to fire stations to reflect current staffing levels. The funding contributions specified in Section 2 will be used for Fiscal Years 2020/21 and 2021/22 and possibly Fiscal Year 2022/23 as provided in Section 4B.
 - C. The Funding Formula will be reviewed by the Jurisdiction every three years in the month of January, commencing 2024.

4. **Ballot Measure**.

- A. Oceano agrees to undertake the legally required procedures to place a special tax on the 2022 primary ballot in accordance with Government Code Section 61121 or Elections Code 9300-9323. Oceano will seek a special tax amount sufficient to enable Oceano to be able to fund its share of the Funding Formula taking into account the priorities of the Strategic Plan as determined by the Five Cities Fire Authority Board of Directors.

- B. If the Oceano ballot measure does not pass and Oceano is unable to fund its share of the Funding Formula, by operation of this Third Amendment and subject to the Wind Down Period (identified below), Oceano will automatically and without further action cease to be a member of the JPA on June 30, 2023. The time between when the County Clerk Recorder concludes that the Oceano ballot measure has failed and June 30, 2023 will be known as the “Wind Down Period.” Oceano agrees that should it no longer be a member agency of the FCFA, the cities of Arroyo Grande and Grover Beach may continue to operate under the trademark name of Five Cities Fire Authority with no further rights of Oceano to that name. Should the ballot measure fail, the funding obligations set forth in Section 2 above for the Fiscal Year 2021/2022 FCFA Budget, shall be the same in Fiscal Year 2022/2023.

- C. If the Oceano ballot measure passes, the Funding Formula set forth in Attachment 1 of the Third Amendment shall apply beginning in Fiscal Year 2022/23.

5. **Wind Down Period.**

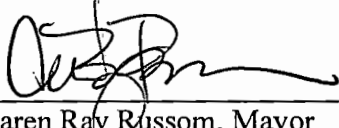
- A. During the Wind Down Period, the Parties shall establish the distribution of assets currently owned and/or in the possession of the JPA, including but not limited to major pieces of apparatus and capital equipment.
- B. During the Wind Down Period, the Parties will establish the obligations of the Parties to pay future obligations that were incurred by the FCFA prior to June 30, 2022, including, but not limited to the following:
 - a. Lease payments on Engine 2 and 3; however, the Parties mutually agree and understand that as a result of the dissociation and/or withdrawal of Oceano or any other Party, no Party will be obligated for future payment lease obligations for any Engine that does not remain in the custody, control, and possession of that Jurisdiction.
 - b. Withdrawal and/or dissociation of Oceano or any other Party shall not absolve such Party of liabilities arising out of the participation in the JPA incurred in the ordinary course of business. The Parties mutually agree and understand that as a result of the dissociation and/or withdrawal of Oceano or any other Party, all Parties will remain obligated to pay future FCFA employment related obligations incurred prior to June 30, 2023, including but not limited to pension/PERS, accrued fringe benefits etc.
 - c. During the Wind Down period, the FCFA will perform an unfunded actuarial accrued liability analysis to calculate Oceano or any other dissociating and/or withdrawing Parties' share of unfunded PERS liability, which will be due to the remaining JPA Parties or the City of Arroyo Grande should the JPA be dissolved.
 - d. During the Wind Down Period, the Parties will meet and confer in good faith in regard to the distribution of assets and liabilities as follows:
 - a. A determination as to the distribution of equipment and physical assets by October 1, 2022 (effective June 30, 2023).
 - b. An estimate as to the distribution of debt, employment liability, pension/PERS and other post-employment obligations by February 1, 2023 (effective June 30, 2023).
 - c. An estimate as to the distribution of all other assets by March 1, 2023 (effective June 30, 2023).
 - e. The parties mutually agree and understand that any liability related to unresolved claims or litigation existing prior to June 30, 2023 will remain the obligation of all Parties whether remaining members of the FCFA or not.
 - f. Prior to October 1, 2023, the Parties shall complete a post-dissociation reconciliation of all assets and liabilities incurred prior to June 30, 2023. Any party owing funds shall pay such funds to the other immediately upon determination. The parties agree to cooperate in completing this post closing reconciliation.

6. **Effect of Amendment.** All other provisions of the JPA shall remain unchanged and in full force and affect. To the extent there is inconsistency between this Amendment and the JPA, the terms of this Amendment shall control, including but not limited to JPA Sections 6.B, 8.B(3), and 17.
7. **Counterparts.** This Amendment may be executed in any number of counterparts and by the Parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.
8. **Severability.** If any part of this Amendment is found to be in conflict with applicable laws, that part will be inoperative, null and void insofar as it is in conflict with any applicable laws, but the remainder of the Amendment will remain in full force and effect.

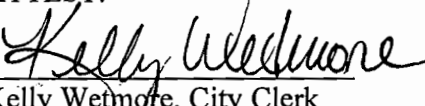
IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their proper officers hereunto duly authorized.

CITY OF ARROYO GRANDE

CITY OF GROVER BEACH

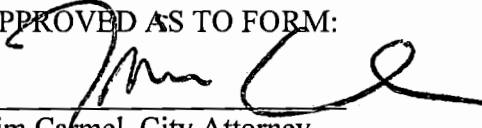

Caren Ray Russom, Mayor

Jeff Lee, Mayor

ATTEST:

Kelly Wetmore, City Clerk

ATTEST:

Wendi Sims, City Clerk

APPROVED AS TO FORM:

Tim Carmel, City Attorney

APPROVED AS TO FORM:

David Hale, City Attorney

OCEANO COMMUNITY SERVICES DISTRICT

Linda Austin, President

ATTEST:

By:

APPROVED AS TO FORM:

Jeff Minnery, District Counsel

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their proper officers hereunto duly authorized.

CITY OF ARROYO GRANDE

Caren Ray Russom, Mayor

ATTEST:

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APPROVED AS TO FORM:

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CITY OF GROVER BEACH

Jeff Lee, Mayor

ATTEST:

Wendi Sims, City Clerk

APPROVED AS TO FORM:

David Hale, City Attorney

OCEANO COMMUNITY SERVICES DISTRICT

Linda Austin, President

ATTEST:

By: _____

APPROVED AS TO FORM:

Jeff Minnery, District Counsel

ATTACHMENT 1

FUNDING FORMULA

Should the ballot measure pass, effective July 1, 2022, the Parties shall bear the costs of the Five Cities Fire Authority according to the following formula, to be calculated every three years when the budget is prepared. If the ballot measure fails, the funding will be in accordance with Section 4.B of this Third Amendment.

1. 33.33% of costs shall be assessed among the Parties in proportion to the population of each Jurisdiction as most recently determined by the U.S. Census and any intervening estimates prepared by the California Department of Finance when the Fire Chief prepares each annual budget.
2. 33.33% of costs shall be assessed among the Parties in proportion to the number of annual service calls, calculated on a three-year rolling average in each Jurisdiction as most recently determined when the Fire Chief prepares each annual budget.
3. 33.33% of costs shall be assessed among the Parties in proportion to the number of fire stations and personnel located in each Jurisdiction.

**OCEANO COMMUNITY SERVICE DISTRICT'S ONGOING CAL PERS
LIABILITIES AND RESPONSIBILITIES FOLLOWING WITHDRAWAL FROM THE
FIVE CITIES FIRE AUTHORITY JOINT EXERCISE OF POWERS AGREEMENT**

This AGREEMENT (“Agreement”) is dated this 14th day of June, 2023, for reference purposes only, and is entered into by and between the Five Cities Fire Authority (“FCFA”), and the Oceano Community Services District (“Oceano”), which are hereinafter referred to as “Party” or collectively as “Parties.” This Agreement memorializes Oceano’s ongoing share of unfunded CalPERS liabilities, including but not limited pension/CalPERS, accrued fringe benefits, and other liabilities incurred from Oceano’s participation in the Five Cities Fire Authority, prior to June 30, 2023 (“Liabilities”).

RECITALS

A. On June 7, 2010, the cities of Arroyo Grande and Grover Beach, and Oceano, desirous of improving the quality and level of fire suppression and emergency medical service delivery within their communities through the sharing of resources and expertise, entered into a Joint Powers Authority Agreement (the “JPA”) and have operated as Five Cities Fire Authority pursuant to the terms and conditions in that agreement since that time as JPA member agencies. That JPA, and its First, Second and Third Amendments, are incorporated herein and attached as Exhibit “A” (collectively, “JPA and its Amendments”).

B. The obligations contained within Exhibit “A” remain binding on each of the Parties, including Oceano’s Liabilities, incurred over the time period during which each Party serves or has served as a JPA member agency.

C. Under that JPA and its Amendments, the Parties have shared fire services, allowing for cost savings and operational efficiencies in providing fire services to the public.

D. Oceano has served as a member agency of the JPA since the inception of the FCFA on June 7, 2010, but is exiting the JPA on June 30, 2023 due to mutually adopted provisions by each Party under the JPA.

E. Specifically, and pursuant to Section 4 of the Third Amendment to the JPA, Oceano was required to place a special sales tax measure on the 2022 primary ballot, that would enable Oceano to be able to fund its proportionate share of costs owed to the FCFA.

F. As that 2022 Oceano ballot measure failed, and Oceano is unable to fund its proportionate share of its costs owed to the FCFA, by the terms of the Third Amendment to the JPA, incorporated herein as Exhibit “A,” the JPA subsequently entered into a “Wind Down Period,” with certain ongoing obligations and Liabilities owed by Oceano before an automatic withdrawal from the FCFA on June 30, 2023.

G. The Parties have now determined this Agreement is necessary to set out the continued FCFA obligations owed by Oceano under the “Wind Down Period” incorporated by Exhibit “A,” and to set forth a process by which those Oceano Liabilities will be paid in full.

H. The Parties agree that all proportionate Oceano Liabilities, as well as all debts and obligations owed by Oceano to the FCFA, shall remain in effect until paid in full.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions hereinafter stated the Parties agree as follows:

1. **Recitals.** The recitals above are true and correct and are hereby incorporated into the terms of this Agreement as though fully set forth herein.

2. **Term.** The term of this Agreement shall commence as of the date the governing boards of all Parties have fully executed this Agreement and shall continue until terminated automatically upon the date Oceano has paid all proportionate Liabilities, as well as all debts and obligations owed by Oceano to the FCFA, as set herein.

3. **Oceano's Financial Obligations.**

3.1 Nothing within this Agreement modifies Oceano's obligations under the Five Cities Fire Authority Joint Powers Authority Agreement, as amended, in particular the Third Amendment included as Exhibit "A."

3.2 Oceano remains subject to all "Wind Down Period" obligations set forth within the JPA and its Amendments, incorporated as Exhibit "A." Specifically, under Section 5 of the Third Amendment to the JPA, Oceano's withdrawal from the FCFA shall not absolve Oceano from any Liabilities arising out of Oceano's participation in the JPA since the time the FCFA was created on June 7, 2010 through the date of Oceano's withdrawal from the JPA on June 30, 2023 ("Effective Date Range for Liabilities").

3.3 Oceano warrants and agrees to pay any and all Liabilities arising out of its participation in the JPA over the Effective Date Range for Liabilities. Oceano warrants and agrees to the FCFA's use of the City of Arroyo Grande's CalPERS contract for employees of the FCFA, effective since the inception of the JPA.

3.4 Oceano's share of Liabilities shall bear the same proportionate relationship to the whole as its annual contribution for the operation of the FCFA as set forth in Exhibit "A" over the Effective Date Range for Liabilities. Oceano's share of such Unfunded Accrued Pension Liability ("UAPL") expenses shall be determined according to the same formula used by the FCFA to allocate such costs during the final year of the withdrawing Oceano's membership.

(a) Oceano's share of Liabilities shall be reduced by (i) Oceano's proportionate share of the FCFA fund balance as of June 30, 2023, and (ii) Oceano's proportionate ownership share of FCFA physical assets as of June 30, 2023, which equals Two Hundred Seventy-Eight Thousand One Hundred Nine Dollars (\$278,109). The amount of Oceano's proportionate share of the FCFA fund balance as of June 30, 2023, will be determined by the FCFA Treasurer based on the audited financial report for Fiscal Year 2022-23.

3.5 **Actuary Report.** The Parties shall agree and rely on an Actuary Report utilized by the FCFA to determine Oceano's share of Liabilities. Specifically, the Parties agree to rely on any Actuary Report commissioned by the FCFA that methodically determines all CalPERS-

designated liabilities, commissioned in response to Arroyo Grande's CalPERS contract, to determine the Liabilities owed by Oceano to FCFA. Attached as Exhibit "B" is Foster & Foster's Five Cities Fire Authority CalPERS Miscellaneous and Safety Plans Unfunded Liability Analysis ("Preliminary Actuary Report") reflecting the Parties share of Liabilities for FCFA through June 30, 2021. That Preliminary Actuary Report is presented as an example. At that time FCFA completes an Actuary Report that reflects Oceano's proportionate share of Liabilities over the Effective Date Range for Liabilities, through June 30, 2023 ("Final Actuary Report"), that Final Actuary Report will be attached, replacing the Preliminary Actuary Report, and incorporated herein as a revised Exhibit "B." Any Final Actuary Report shall be used to determine Oceano's owed amount over the Effective Date Range for Liabilities and shall be binding on the Parties for purposes of Oceano's required payment of Liabilities under Section 3.6. The Final Actuary Report may be revised from time to time based on any updated transmittal of FCFA's CalPERS liabilities over the Effective Date Range for Liabilities. At the time a Final Actuary Report is revised as commissioned by FCFA, those revisions shall automatically be incorporated by reference as Exhibit "B."

(a) The Parties consent and agree with the formula, calculations used and Oceano's agreed upon shares attributed to services rendered over the Effective Date Range for Liabilities, as set forth in the Actuary Report that shall be attached and incorporated herein as Exhibit "B." and will be similar in analysis to the Preliminary Actuary Report.

(b) The Parties consent and agree that Oceano's Liabilities shall be calculated using the same assumptions used by CalPERS to calculate UAPL for contracting agencies with active contracts unless Oceano elects to pay its share of liabilities on a lump sum basis, in which case, the assumption used shall be the assumptions used by CalPERS to calculate UAPL for contracting agencies on a terminated basis.

3.6 Payment Options. Oceano's Liabilities are due and payable to the FCFA based on one of the following two payment options, which ensures full recovery for any and all proportionate Oceano Liabilities incurred prior to June 30, 2023. Failure to meet the obligations set forth in this Section 3.5 herein constitutes a default by Oceano.

(a) **Lump Sum.** Upon execution by the Parties of this Agreement, Oceano may issue a lump sum invoice payment for the Total Cost of Liabilities owed to the FCFA, as set forth under Section 3.3 above and subject to any Final Actuary Report incorporated as Exhibit "B," within 180 days of Parties' receipt of the Actuary Report that will be accepted by the Parties by the terms described herein.

(b) **Annual Payment.** Upon execution by the Parties of this Agreement, Oceano may initiate an annual payment for the Total Cost of Liabilities, due and payable via invoice within sixty (60) days of receipt of a FCFA invoice evidencing applicable CalPERS liabilities for any portion of the Effective Date Range of Liabilities, based on the applicable Final Actuary Report incorporated as Exhibit "B." Should Oceano initiate annual payments, Oceano reserves the right to make a future lump sum payment for the remaining Total Cost of Liabilities owed to the FCFA based on an Actuary Report agreeable to all Parties, due and payable via invoice within sixty (60) days of receipt of a FCFA invoice.

3.7 **Default and Delinquency.** If Oceano defaults in its obligation to pay or advance any amounts due pursuant to this Agreement after such amounts have become delinquent, Oceano shall be liable to the FCFA for interest on any unpaid amount at the rate of 10% per annum, or the maximum rate allowed by law if it is less than 10% per annum, until the overdue invoice amount is paid in full.

4. **Indemnification.** The Parties shall indemnify, defend and hold harmless the other Parties' members, officers, directors, employees and agents from and against any and all liability, loss, damages, expenses, costs (including, without limitations, costs and fees of litigation or arbitration) of every nature, arising out of any act or omission related to this Agreement.

5. **Conflict Resolution.** The Parties agree that any and all disputes, claims or controversies between the Parties arising out of or relating to performance of this Agreement, shall be resolved pursuant to the conflict resolution provisions as follows:

5.1 The Parties shall first meet and attempt in good faith to negotiate and resolve any dispute arising out of or relating to this Agreement, subject to subsequent approval of any such resolution by the respective governing boards of the Parties.

5.2 If the matter cannot be resolved, then the Parties agree that the matter shall be submitted to mediation within a reasonable period of time after receipt of a written request from one Party requesting such mediation. The Parties shall cooperate with one another in selecting a mediator and in scheduling the mediation proceedings. Should the Parties be unable to agree upon a mediator, they shall agree upon a mediation service and shall have that service select a mediator for them. The Parties agree that they shall participate in the mediation in good faith and that they will share equally in the costs of mediation. All offers, promises, conduct and statements, whether oral or written, made in the course of the mediation by any of the Parties, their agents, employees, experts and attorneys, and by the mediator or any employees of the mediator, are confidential, privileged and inadmissible for any purpose, including impeachment, in any litigation or other proceeding involving the Parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the mediation.

5.3 If the matter is not resolved by negotiation, then the Parties may submit the matter to binding or non-binding arbitration, but only if the Parties agree to submit the particular controversy to arbitration. No Party shall have a right to submit any controversy to arbitration without the other Parties' consent.

6. **General Provisions.**

6.1 **Construction and Interpretation.** It is agreed and acknowledged by the Parties that this Agreement has been arrived at through negotiation, and that each Party has had a full and fair opportunity to revise the terms of this Agreement. Consequently, the normal rule of construction that any ambiguities are to be resolved against the drafting Party shall not apply in construing or interpreting this Agreement.

6.2 **Waiver.** The waiver at any time by any Party of its rights with respect to a default or other matter arising in connection with this Agreement shall not be deemed a waiver with respect to any subsequent default or matter.

6.3 **Remedies Not Exclusive.** The remedies provided in this Agreement are cumulative and not exclusive, and are in addition to any other remedies that may be provided by law or equity. The exercise by any Party of any remedy under this Agreement shall be without prejudice to the enforcement of any other remedy.

6.4 **Severability.** The invalidity, illegality or unenforceability of any provision of this Agreement shall not render the other provisions unenforceable, invalid or illegal.

6.5 **Successors and Assigns.** Except as otherwise provided by law, the rights and duties of the Parties under this Agreement shall not be assigned or delegated without the prior written consent of the other Parties. Any attempt to assign or delegate such rights or duties in contravention of this Agreement shall be null and void.

6.6 **No Third Member Agency Beneficiaries.** This Agreement shall not be construed to create any third party beneficiaries. This Agreement is for the sole benefit of the Parties, and their permitted successors, transferees and assignees, and no other person or entity shall be entitled to rely upon or receive any benefit from this Agreement or any of its terms.

6.7 **Amendment.** This Agreement may be modified or amended only by a subsequent written agreement approved by the governing board of each Party, and executed by each Party pursuant to the terms and conditions of this Agreement.

6.8 **Governing Law and Venue.** Except as otherwise required by law, this Agreement shall be interpreted, governed by, and construed under the laws of the State of California. The County of San Luis Obispo shall be the venue for any litigation concerning the enforcement or construction of this Agreement.

6.9 **Attorney Fees.** In the event any legal action is brought to enforce or construe this Agreement, the prevailing party shall be entitled to an award of reasonable attorney fees, expert witness and consulting fees, litigation costs and costs of suit.

6.10 **Notice.** Any notice, demand, invoice or other communication required or permitted to be given under this Agreement shall be in writing and either served personally or sent by prepaid, first class U.S. mail to the Agency Clerk and Agency Attorney of each Party.

Any notice or other communication served by personal delivery shall be deemed received when actually delivered. Any notice or other communication shall be deemed as received three days after deposit in United States mail, postage prepaid, return receipt requested.

6.11 **Counterparts.** This Agreement may be executed by the Member Agencies in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

Exhibits:

- 1. Exhibit “A” – Five Cities Fire Authorities Joint Powers Authority Agreement and Amendments**
- 2. Exhibit “B” – Actuary Report of Five Cities Fire Authority Unfunded Accrued Pension Liability**

[signature page follows]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date last executed as set forth below.

FIRE CITIES FIRE AUTHORITY

By _____
Authority Chair

Dated _____

ATTEST:

By _____
Authority Clerk

APPROVED AS TO FORM:

Authority Attorney
City Attorney

OCEANO COMMUNITY SERVICES DISTRICT

By _____
President

Dated _____

ATTEST:

By _____
District Clerk

APPROVED AS TO FORM:



District Counsel

Exhibit “A” – Five Cities Fire Authorities Joint Powers Authority Agreement and Amendments

COPY

**JOINT EXERCISE OF POWERS AGREEMENT
BETWEEN THE CITY OF ARROYO GRANDE,
CITY OF GROVER BEACH
AND THE
OCEANO COMMUNITY SERVICES DISTRICT
CREATING THE
FIVE CITIES FIRE AUTHORITY**

COPY

JOINT EXERCISE OF POWERS AGREEMENT

This Agreement, dated June 7, 2010, is between the City of Arroyo Grande, a general law city ("Arroyo Grande"), the City of Grover Beach, a general law city ("Grover Beach"), and the Oceano Community Services District, a California special district ("OCSD"), also collectively and individually referred to as "Jurisdiction(s)".

WITNESSETH

Articles 1 through 4 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of State of California (the "Act") authorize Arroyo Grande, Grover Beach and OCSD to create a joint exercise of powers entity (the "Five Cities Fire Authority" or the "Authority") which has the power to jointly exercise any powers common to Arroyo Grande, Grover Beach and OCSD and to exercise the powers granted to it under the Act.

Arroyo Grande, Grover Beach and OCSD are each authorized to create and maintain a fire department.

In July 2004, Arroyo Grande and Grover Beach entered into an agreement to provide joint administration of fire services for both jurisdictions. In March 2008 the agreement was amended to include OCSD.

Arroyo Grande, Grover Beach and OCSD continue to recognize the benefits of combining their respective fire service providers into one provider.

By this Agreement, Arroyo Grande, Grover Beach and OCSD desire to create and establish the Authority for the purposes set forth herein and to exercise the powers described herein.

NOW, THEREFORE, Arroyo Grande, Grover Beach and OCSD, for and in consideration of the mutual promises and agreements herein contained, do agree as follows:

SECTION 1. DEFINITIONS

Unless the context otherwise requires, the terms defined in Section 1 shall for all purposes of this Agreement have the meanings herein specified.

Act

The term "Act" means Articles 1 through 4 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, as they now exist or may hereafter be amended.

Area

The term "Area" means the combined aggregate jurisdictional service areas of the Jurisdictions as they now exist and as they may hereafter be modified by annexation of territory to or exclusion of territory from the boundaries of the Jurisdictions. The combined aggregate service areas of the Jurisdictions as they now exist are delineated on the map attached hereto as Exhibit D and hereby made a part of this Agreement.

Arroyo Grande

The term "Arroyo Grande" means the existing municipal corporation known as the City of Arroyo Grande, a general law city duly organized and existing under and by virtue of the laws and the constitution of the State of California.

Authority

The term "Authority" means the Five Cities Fire Authority created by this Agreement.

Board

The term "Board" means the governing board of the Authority.

Employee of Authority

The term Employee of Authority or Employee, means (i) those individuals employed by Arroyo Grande, but assigned to the Authority (as of the effective date of this Agreement or at a future time) under the agreement between Authority and Arroyo Grande referenced in Exhibit A of this Agreement; and (ii) those individuals employed directly by the Authority after the effective date of this Agreement.

Grover Beach

The term "Grover Beach" means the existing municipal corporation known as the City of Grover Beach, a general law city duly organized and existing under and by virtue of the laws and the constitution of the State of California.

Jurisdiction

The term "Jurisdiction" shall mean a general law City or Community Services District that is a signatory to this Joint Exercise of Powers Agreement.

OCSD

The term "OCSD" means the existing district known as the Oceano Community Services District, a California special district duly organized and existing under and by virtue of the laws and the constitution of the State of California.

SECTION 2. PURPOSE

This Agreement is made pursuant to the Act and for the purpose of allowing the Jurisdictions to share a combined fire department in order to provide an efficient and economical fire protection service.

SECTION 3. TERM

This Agreement shall become effective as of the date hereof and shall continue in full force and effect until terminated.

SECTION 4. AUTHORITY

A. Creation of Authority

There is hereby created pursuant to the Act an agency and public entity to be known as the "Five Cities Fire Authority." As provided in the Act, the Authority shall be a public entity separate from the Jurisdictions. The debts, liabilities and obligations of the Authority shall not constitute debts, liabilities or obligations of the Jurisdictions.

Within 30 days after the effective date of this Agreement or any amendment hereto, the Authority will cause a notice of this Agreement or amendment to be prepared and filed with the Office of the Secretary of State of the State of California in the manner set forth in Section 6503.5 of the Act.

B. Governing Board

The Authority shall be administered by the Board, whose members shall be, at all times, one Councilmember or an alternate from Arroyo Grande, one Councilmember or an alternate from Grover Beach, and one Boardmember or an alternate from OCSD. The Councilmembers and Boardmember and alternates shall be appointed as determined by the respective City Councils and Board of Directors under their respective Council and Board policies. The alternates must be elected officials of their respective Jurisdictions.

C. Meeting of Board

(1) Regular Meetings. During the first year of Authority's existence, the Board shall hold at least bi-monthly meetings. Thereafter, the Board shall hold at least quarterly meetings and may hold additional meetings as necessary.

- (2) Legal Notice. All meetings of the Board shall be called, noticed, held and conducted subject to the provisions of the Ralph M. Brown Act (Chapter 9 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (Sections 54950-54961)) or any successor legislation hereinafter enacted.
- (3) Minutes. The Secretary of the Authority shall cause minutes of all meetings of the Board to be kept and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each member of the Jurisdictions' governing Board of Directors or Council.
- (4) Quorum. All three voting members (or their alternates) of the Board shall constitute a quorum for the transaction of business, except that less than a quorum may adjourn meetings from time to time.
- (5) Voting. All decisions made by the Board related to the Authority require a majority vote of the Board, except for decisions relating to the budget, labor relations agreements, and any unbudgeted non-emergency contract for services that exceeds \$75,000, which decisions shall require a unanimous vote of the Board for approval.

D. Board Referral to Jurisdiction Governing Councils and Board of Directors.

- (1) In order to refer a matter to the Jurisdictions' governing Councils and Board of Directors, a majority of Board members must vote to do so; provided, however, that the Board may reconsider at any time any matter not receiving majority votes to refer. Referred matters shall be approved by a majority of the member Jurisdictions.
- (2) The Board shall annually consider the following: the budget which shall consist of the cost allocation plan, service goals, and performance standards. From time to time the Board shall consider any labor relations agreement.
- (3) The Board shall adopt as necessary Employer-Employee Relations Procedures and Personnel Rules and Regulations applicable to the Authority. City of Arroyo Grande Personnel Regulations and other policies and procedures shall apply to the Authority and its employees until replacement regulations, policies and procedures are adopted by the Authority.

- (4) For "meet and confer" purposes, notwithstanding the fact that Authority's employees are City of Arroyo Grande employees, the Board's members may consult with their respective Jurisdiction governing Councils and Board of Directors throughout the meet and confer process. The Board and its designated staff negotiators shall negotiate with exclusively recognized employee organizations.
- (5) As part of approving an overall compensation plan for its management employees, the Arroyo Grande City Council, after receiving the decision of the Board, shall approve that portion of the Authority management compensation plan that includes the Fire Department management employees. The Jurisdictions' governing Councils and Board of Directors may meet in closed sessions for the purpose of providing input to the Board regarding the terms of Compensation for Authority employees.
- (6) Governing Councils and Board of Directors must approve addition of any new members to the Authority.

E. Officers of the Board

- (1) The officers of the Authority shall be the Chair and Vice-Chair and Secretary.
- (2) The Fire Chief shall be the Executive Officer of the Authority and shall be responsible for implementing the decisions of the Board and shall be responsible for the operations and general management of the Authority. The Fire Chief will be appointed by the Board and be responsible to the Board. The Fire Chief will be an at will employee of the Authority and shall:
 - (a) Direct all subordinate employees;
 - (b) Be responsible for the appointment and removal of Authority employees;
 - (c) Attend all meetings of the Board unless excused there from;
 - (d) Develop and distribute to the Board, agendas for all Board meetings;
 - (e) Promulgate and implement administrative regulations;
 - (f) Perform such other duties and exercise such other powers as may be delegated by the Authority Board.

- (g) Have authority to approve expenditures of up to \$50,000, without Board's approval.
- (3) The Fire Chief may consult with the managers of the City of Grover Beach, the City of Arroyo Grande and the Oceano Community Services District. The Managers may meet from time to time, at their own volition or at the request of the Board, to consult and discuss matters that are of importance to the administration and operation of the Authority. The Managers may make recommendations to the Board regarding these matters.
- (4) The Director of Administrative Services of Arroyo Grande is hereby designated as Treasurer of the Authority. The Treasurer is designated as the depository of the Authority to have custody of all the money of the Authority, from whatever source, and, as such, shall have the powers, duties and responsibilities specified in Section 6505.5 of the Act.
- (5) The Treasurer of the Authority is designated as the public officer or person who has charge of, handles, or has access to any property of the Authority, and such officer shall file an official bond in the amount of \$25,000 as required by Section 6505.1 of the Act; provided, that such bond shall not be required if the Authority does not possess or own property or funds with an aggregate value of greater than \$500.00.
- (6) The Fire Chief or his/her designee shall serve as Secretary to the Board.
- (7) The City Attorney of Grover Beach is designated primary legal counsel to the Authority, and by executing this Agreement, all of the Jurisdictions on behalf of the Authority and City of Grover Beach on its own behalf, acknowledge that they have been advised of the nature and consequences of a potential conflict of interest inherent in representation of more than one client and have agreed to wave such potential conflict. The City Attorney of Grover Beach will also serve as the General Counsel for the Authority, thus representing two clients connected by this Agreement. In the event that a situation arises where a conflict becomes potential or actual, the City Attorney/General Counsel will advise both clients of such conflict and withdraw from representing either in connection with the situation giving rise to the conflict.

SECTION 5. GENERAL POWERS

The Authority is authorized, in its own name, to do all acts necessary for the exercise of said powers for said purposes. Except as otherwise provided herein, such power shall be exercised subject only to such restrictions upon the manner of exercising such power as are imposed upon Arroyo Grande in the exercise of similar powers, as provided in Section 6509 of the Act.

The Authority shall have the power in its own name to exercise any and all common powers of its Members reasonably related to the purposes of the Authority, including, but not limited to, the powers to:

- A. Seek, receive and administer funding from any available public or private source, including grants or loans under any available federal, state and local programs for assistance in achieving the purposes of the Authority.
- B. Set fees and collect and maintain fee revenue for services provided by the Authority such services may include but are not inclusive of apartment inspections, firework permits or weed abatement.
- C. Contract for the services of engineers, attorneys, planners, financial and other necessary consultants.
- D. Make and enter into any other contracts, including to provide services outside of its Jurisdictions' boundaries, if otherwise allowed by law.
- E. The authority may enter into a supplemental agreement to provide services to a member agency that is not provided to all Authority members for an agreed upon fee. Such services may include but are not exclusive of code enforcement, fire protection services and plan check services.
- F. Employ agents, officers and employees.

- G. Acquire, lease, construct, own, manage, maintain, dispose of or operate (subject to the limitations herein) any buildings, works or improvements.
- H. Acquire, hold, manage, maintain, or dispose of any other property by any lawful means, including without limitation gift, purchase, eminent domain, lease, lease-purchase, license or sale.
- I. Incur all authorized debts, liabilities, and obligations, including issuance and sale of bonds, notes, certificates of participation, bonds authorized pursuant to the Marks-Roos Local Bond Pooling Act of 1985, California Government Code Sections 6584 et seq. (as it now exists or may hereafter be amended) or any other legal authority common to the Members and such other evidences of indebtedness, subject to the limitations herein.
- J. Receive gifts, contributions and donations of property, funds, services and other forms of financial or other assistance from any persons, firms, corporations or governmental entities.
- K. Sue and be sued in its own name.
- L. Seek the adoption or defeat of any federal, state or local legislation or regulation necessary or desirable to accomplish the stated purposes and objectives of the Authority.
- M. Adopt rules, regulations, policies, bylaws and procedures governing the operation of the Authority.
- N. Invest any money in the treasury pursuant to California Government Code Section 6505.5 that is not required for the immediate necessities of the Authority, as the Authority determines is advisable, in the same manner and upon the same conditions as local agencies, pursuant to Section 53601 of the California Government Code as it now exists or may hereafter be amended.

- O. Carry out and enforce all the provisions of this Agreement.
- P. Exercise all other powers not specifically mentioned herein, but common to Members, and authorized by California Government Code Section 6508 as it now exists or may hereafter be amend.

Notwithstanding the foregoing, the Authority shall have any additional powers conferred under the Act or under applicable law, insofar as such additional powers may be necessary to accomplish the purposes set forth in Section 2 hereof.

SECTION 6. TERMINATION OF POWERS AND AGREEMENT

- A. The Authority shall continue to exercise the powers herein conferred upon until the termination of the Agreement or until the Jurisdictions have mutually rescinded this Agreement.
- B. All assets of the Authority shall be divided as may be mutually agreed upon by the parties or according to the basic allocation formula used for budgeting purposes by the parties to the Agreement who are parties at the time of termination of the Agreement. If the parties cannot agree upon a distribution, then the distribution formula shall be determined by an outside third-party neutral , who shall be mutually chosen. If the parties cannot agree upon such neutral party, then the State Mediation and Conciliation Services or their designee shall determine the formula for the distribution of assets.

SECTION 7. FISCAL YEAR

Unless and until changed by resolution of the Board, the fiscal year of the Authority shall be the period from July 1 of each year to and including the following June 30, except for the first fiscal year which shall be the period from the date of this Agreement to June 30, 2011.

SECTION 8. OWNERSHIP OF BUILDINGS, APPARATUS AND EQUIPMENT

- A. Buildings. The Authority itself is not intended to directly own, maintain, or insure any existing building, structure, or facility that is owned at the time of the activation of the Joint Powers Authority, maintained, or insured by any individual Jurisdiction. Such building structures or facilities owned at the time of activation by each individual Jurisdiction shall remain the full responsibility of each Jurisdiction, unless a Jurisdiction offers to give the building, structure, or facility to the Authority and the Authority agrees to accept, own, and take responsibility for the maintenance and insurance of such building, structure, or facility. Any building constructed or owned by the Authority after activation shall become the property of the Authority and in the event of dissolution of the Authority shall be disposed of in the same manner as equipment owned by the Authority.
- B. Major Pieces of Apparatus and Capital Equipment.
- (1) All major pieces of apparatus and capital equipment shall become the property and responsibility of the Authority, including but not limited to maintenance, insurance and replacement.
 - (2) Replacement of major apparatus and capital equipment shall generally be accomplished as a part of the budget and shall be in keeping with the allocation formula.
 - (3) In the event that a Jurisdiction withdraws from the Agreement per Section 17, all major apparatus and capital equipment shall be returned to that withdrawing Jurisdiction owned by the Jurisdiction at the time of activation per the listing in Exhibit C. However, once the major apparatus and capital equipment is replaced, such replaced apparatus is the sole and exclusive property of the Authority and there is no obligation, duty or requirement that such replaced apparatus or capital equipment be returned to any withdrawing Jurisdiction. The withdrawing Jurisdiction shall have the right to negotiate with the remaining Authority members for additional equipment and the remaining Authority members shall take reasonable steps to ensure the withdrawing

member has sufficient apparatus and capital equipment to establish an independent fire service.

- C. Clothing, Tools and Equipment. All clothing (personal protective equipment), tools, machines, parts, supplies, communication devices, computers, office equipment, supplies and furnishings; and each and every item of fire equipment not listed in Exhibit C shall become the sole and exclusive property of the Authority.

SECTION 9. COSTS AND ADMINISTRATION

A. Operation and Capital Improvement Costs

Operation and capital improvements costs shall be allocated among the jurisdictions in accordance with the cost-sharing formula in Exhibit B adopted by the Board and the respective Jurisdiction's governing Councils and Board of Directors.

B. Administrative Services

Administrative services shall be provided by, and allocated between, Arroyo Grande, Grover Beach and OCSD as shown on Exhibit A to this Agreement, attached and incorporated by reference.

C. Invoicing and Payments

Member agencies will be billed quarterly by the City of Arroyo Grande in accordance with the provisions of Exhibit A and B. Member agencies will be expected to pay the invoices also on quarterly basis.

SECTION 10. AGREEMENT NOT EXCLUSIVE

This Agreement shall not be exclusive and shall not be deemed to amend or alter the terms of other agreements among the Jurisdictions, except as the terms of this Agreement shall conflict therewith, in which case the terms of this Agreement shall prevail. The cooperative agreement existing between the Jurisdictions prior to the effective date of this Agreement shall terminate with the effective date of this Agreement.

SECTION 11. ACCOUNTS AND REPORTS

The Authority shall establish and maintain such funds and accounts as may be required by good accounting practice. The books and records of the Authority shall be open to inspection at all reasonable times by the Jurisdictions and their representatives.

SECTION 12. CONFLICT OF INTEREST CODE

The Authority, to the extent required by law, hereby adopts as its Conflict of Interest Code the Fair Political Practices Commission Model Conflict of Interest Code with appropriate substitution regarding references to the governing body and the officers.

SECTION 13. BREACH

If default shall be made by a Jurisdiction or Authority in any covenant contained in this Agreement, such default shall not excuse either of the other the Jurisdictions from fulfilling their respective obligations under this Agreement and each Jurisdiction shall continue to be liable for the payment of contributions and performance of all conditions herein contained. Each Jurisdiction hereby declares that this Agreement is entered into for the benefit of the Authority created hereby and each Jurisdiction hereby grants to the Authority the right to enforce by whatever lawful means the Authority deems appropriate all of the obligations of each of the parties hereunder. Each and all of the remedies given to the Authority hereunder or by any law now or hereafter enacted are cumulative and the exercise of one right or remedy shall not impair the right of the Authority to any or all other remedies.

SECTION 14. SEVERABILITY

Should any part, term, or provision of this Agreement be decided by the courts to be illegal or in conflict with any law of the State of California, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining part, terms or provisions hereof shall not be affected thereby.

SECTION 15. SUCCESSORS; ASSIGNMENT

This Agreement shall be binding upon and shall insure to the benefit of the successors of the parties. Except to the extent expressly provided herein, no Jurisdiction may assign any right or obligation hereunder without the consent of the other Jurisdictions. The Authority may not assign its rights or obligations without the consent of the Jurisdictions.

SECTION 16. AMENDMENT OF AGREEMENT

This Agreement may be amended, and the Authority may be terminated or its powers may be changed, restricted or eliminated by supplemental Agreement executed by the Jurisdictions at any time.

SECTION 17. WITHDRAWAL FROM AGREEMENT

- A. Any Jurisdiction may withdraw from the Agreement by giving twelve (12) months notice of intent to do so. The withdrawing Jurisdiction shall continue to be responsible and accountable for any and all obligations per this Agreement incurred prior to the withdrawal date. Such withdrawing Jurisdiction shall no longer be a party to the Agreement as of withdrawal date, and have no future obligations or liabilities, nor any future or further rights under the Agreement. The withdrawal date shall be defined as that day which is twelve (12) months to the day from the date of the notice to withdraw, or later date designated by the withdrawing Jurisdiction
- B. Any apparatus listed in Exhibit C previously belonging to the withdrawing Jurisdiction will be returned on the withdrawal date, if and only if, such apparatus has not been replaced per Section 8B. The Authority has no obligation, duty, or requirement to return any apparatus in any pre-determined condition of operation. All returned apparatus to any withdrawing Jurisdiction will be in "as-is" condition.
- C. Except as set forth in Section 8B(1,2,3) and 17B above, the withdrawing Jurisdiction forfeits and waives any and all rights and claims to any share of any and all assets,

regardless of the ultimate disposition or status or existence of the Authority at any given time or place.

SECTION 18. FORM OF APPROVALS

Whenever an approval by the Jurisdictions is required in this Agreement, unless the context specifies otherwise, it shall be given, in the case of Arroyo Grande, by resolution duly adopted by the City Council of Arroyo Grande, in the case of Grover Beach, by resolution duly adopted by the City Council of Grover Beach, and in the case of OCSD, by resolution duly adopted by the Board of Directors of OCSD. Whenever such approval is required in the case of the Authority, it shall be given by resolution duly adopted by the Board.

SECTION 19. NOTICES

Notices to Arroyo Grande and Grover Beach shall be sufficient if delivered to the City Clerk of each City, and Notices to OCSD shall be sufficient if delivered to the Board Secretary of the District.

SECTION 20. INDEMNIFICATION

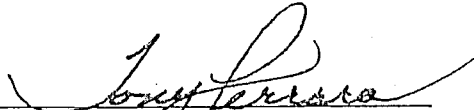
The Authority shall acquire such insurance protection as is necessary to protect the interest of the Authority and its member Jurisdictions. The Authority shall assume the defense of and indemnify and hold harmless the Jurisdictions and their governing bodies, officers, agents, and employees from all claims, losses, damages, costs, injury, and liability of every kind, nature, and description directly or indirectly arising from the performance of any of the activities of the Authority or the activities under taken pursuant to this Agreement.

SECTION 21. SECTION HEADINGS

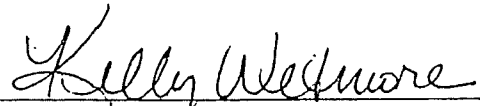
All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and attested by their proper officers hereunto duly authorized, and their official seals to be hereto affixed, as of the day and year first above written.


CITY OF ARROYO GRANDE

By: 
Tony Ferrara, Mayor

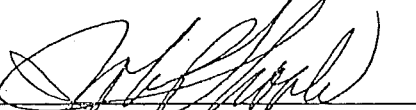
Attest:


Kelly Wetmore, City Clerk

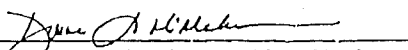
Approved As To Form:


Timothy J. Carmel, City Attorney

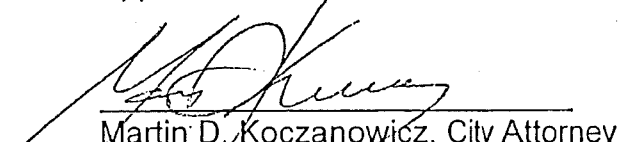
CITY OF GROVER BEACH

By: 
John P. Shoals, Mayor

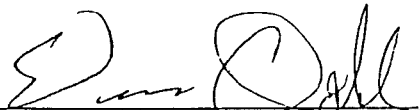
Attest:


Donna L. McMahan, City Clerk

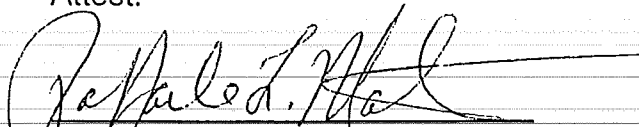
Approved As To Form:


Martin D. Koczanowicz, City Attorney

OCEANO COMMUNITY SERVICES DISTRICT

By: 
Vernon Dahl, President

Attest:


Raffaele F. Montemurro, Board Secretary

Approved As To Form:



Alexander F. Simas, District Legal Counsel

EXHIBIT A

ADMINISTRATIVE SERVICES

Administrative services shall be provided to the Authority by the Jurisdictions as follows:

1. Personnel. All personnel working for the Authority will be employed by the City of Arroyo Grande. Personnel benefits payroll and workers compensation matters shall be administered by Arroyo Grande subject to a written agreement between the Authority and the City of Arroyo Grande. The City of Arroyo Grande shall assign all fire service employees on a full time basis to carry out the functions of this Agreement. Furthermore under such written agreement, the City of Arroyo Grande will assign all of its responsibilities of the appointment, promotion, management, training, supervision, evaluation, discipline, and termination of employees as well as labor negotiations with represented employees to the Authority under the Authority's chain of command and decision making process.

2. Legal Services
 - a. For purposes of attorney-client privilege, the Authority shall have an attorney-client relationship with the City Attorney's office of both Arroyo Grande and Grover Beach and with the District Legal Counsel's office of OCSD, but the Grover Beach City Attorney's office shall be designated as the General Counsel for the Authority and handle legal issues for the Authority, including those related to personnel matters (including the decision to hire outside counsel).

 - b. For purposes of work distribution, the Arroyo Grande City Attorney's office shall handle legal issues related to Arroyo Grande ordinances, the Grover Beach City Attorney's office shall handle legal issues related to Grover Beach ordinances, and the OCSD Legal Counsel shall handle legal issues related to OCSD ordinances.

3. Finance. The City of Arroyo Grande shall provide financial services. Financial services shall include the provision of payroll and accounts payable and accounts receivable services as well any financial reporting and auditing services that may be required.

4. Indirect Contribution Payment for the services as described in Exhibit A shall be the responsibility of the Jurisdiction providing the services as referenced in Exhibit A. The payment for such services by said agencies shall be recognized as an indirect contribution made by the respective agency. All indirect contributions shall be recognized in the Authority's budget as a contribution from the respective agency and shall be deducted from the contributing agency's proportional allocation of costs for the operation of the Authority.

EXHIBIT B

FUNDING FORMULA

Prior to the funding effective date, the Jurisdictions shall bear the costs of the Five Cities Fire Authority. From and after the funding effective date, each Jurisdiction shall pay for the ongoing costs of the Five Cities Fire Authority according to the following formula, to be calculated annually when the budget is prepared.

1. Twenty-five percent (25%) of costs shall be assessed among the Jurisdictions in proportion to the population in each Jurisdiction as most recently determined by the U.S. Census and any intervening estimates prepared by the California Department of Finance when the Fire Chief prepares each annual budget;
2. Twenty-five percent (25%) of costs shall be assessed among the Jurisdictions in proportion to the assessed value of property in each Jurisdiction as most recently determined by the County Assessor when the Fire Chief prepares each annual budget;
3. Twenty-five percent (25%) of costs shall be fixed and shall be based on the following formula:

	<u>Stations</u>	<u>Percentage</u>	<u>Staffing</u>	<u>Percentage</u>	<u>Total</u>
Arroyo Grande	1	33%	6	40%	37%
Grover Beach	1	33%	6	40%	37%
OCSD	1	33%	3	20%	27%

The fixed base is assessed according to each Jurisdiction's proportional share of the Authority's full membership total of Full Time Equivalent Personnel and fire stations existing as of the effective date of the Joint Powers Agreement as noted above.

4. Twenty-five percent (25%) of costs shall be assessed among the Jurisdictions in proportion to the number of annual service calls in each Jurisdiction as most recently determined when the Fire Chief prepares each annual budget.

EXHIBIT C

INVENTORY OF APPARATUS, CLOTHING, TOOLS AND EQUIPMENT

The following inventory of each jurisdiction will become the property and responsibility of the Authority, including but not limited to maintenance, insurance and replacement:

APPARATUS	
Arroyo Grande	
Truck 66	1987 Van Pelt
BSU 66	1995 E-ONE
Utility 66	1995 Ford 4x4 Pickup
Brush 66	1996 International
Ford SUV	1998 Explorer
Ford SUV Command Vehicle	2006 Expedition
Engine 66	2007 Pierce
Lighting 66	1978 Ford Truck
Sedan	2000 Ford Taurus LX
Mass Casualty Trailer	Inventory List Available
Grover Beach	
Engine 68R	1996 Hi Tech
Rescue 68	2001 Hackney
Engine 68	2004 American LaFrance
Ford SUV	1999 Explorer
Utility 68	1996 Ford 4x4 Pickup
Shoring 68	1994 Pace Cargo Trailer
Oceano	
Engine 261	1987 Pierce
Engine 61	1996 Hi-Tech
Brush 61	2000 International 4800
Chevy SUV	2001 Tahoe
Patrol 61	2002 Ford F-550

AUDIO / VISUAL EQUIPMENT	
Arroyo Grande	
Overhead Projector	1
PowerPoint Projector	1
Televisions	12
Televisions (Big Screen)	1
Stereo System	1

Grover Beach	
Overhead Projector	1
PowerPoint Projector	1
Televisions	6
Televisions (Big Screen)	1
Stereo System	1
Oceano	
Overhead Projector	1
PowerPoint Projector	0
Televisions	1
Televisions (Big Screen)	0
Stereo System	0

BAUER BREATHING AIR COMPRESSOR	
Arroyo Grande	
Stationary Unit	1
Mobile Unit	1
Grover Beach	
Stationary Unit	1
Oceano	
Stationary Unit	1

EMERGENCY MEDICAL SUPPLIES (EMS)	
Arroyo Grande	
Automatic Defibrillators	4
EMS Bag	4
Trauma Bag	6
Slings	6
Grover Beach	
Automatic Defibrillator	4
EMS Bag	4
Support Bag	5
KED	3
Hare Traction Splint	2
Backboards	5
Supply Cabinet	1
Oceano	
Heart Start Defibrillator	1
Zoll Defibrillator	2
EMS Bag	4
Trauma Bag	4

EMERGENCY OPERATIONS CENTER (EOC) SUPPLIES	
Arroyo Grande	
Laptop	5
Printer (Laser)	5
Printer (Color Laser)	1
Radios	21
Wireless Connector	1
Phone	10
Red Phone	1
Fax Machine	1
Plastic Tubs and Supplies	6

EQUIPMENT	
Arroyo Grande	
Generator (Mobile)	6
Generator (Stationary)	1
Smooth Nozzle	7
Combo Nozzle	33
Wildland Nozzle	27
Adapters	115
Wildland T's	32
Smooth Bore Tips	10
Haligan	5
McLeod	8
Pulaski	8
Siamese	4
Gated Wye	34
Trimese	11
Colorado Belts	2
Chain Saws	7
Rotary Saws	4
Gas Detectors	2
Thermal Imaging Camera	2
Bolt Cutters	2
Salvage Covers	2
Hall Runners	1
Carry All	1
Tool Box	3
Wildland Hose Packs	15
Back Pack Pumps	2
Infrared Thermometers	2
Pike Pole	22
Gatorback Pike Pole (5')	3

Rubbish Hook	3
Flashlights	20
Radios (Portable)	69
Radios (Mobile)	11
Radios (Base Station)	6
Pagers	49
Repeaters	2
Floto Pump	1
Positive Pressure Fans	3
Exhaust Fans	2
RIC Bags	0
Nozzles	40
Axes	21
Sledge Hammers	5
Shovels	16
Grover Beach	
Generator (Mobile)	4
Generator (Stationary)	1
Smooth Nozzle	3
Combo Nozzle	19
Wildland Nozzle	3
Adapters	56
Wildland T's	8
Smooth Bore Tips	4
Sledge Hammer #10	5
Sledge Hammer #4	17
Haligan	4
McLeod	5
Pulaski	3
Flat Head Axe	4
Shovels (Half Spade/Round)	6
Siamese	3
Gated Wye	6
Manifold	1
Colorado Belts	10
Chain Saw	3
Circular Saw	2
Gas Fan	2
RIC Bags	2
Bolt Cutters	4
Salvage Covers	6
Hall Runners	5
Carry All	5

Tool Box	3
Wildland Hose Packs	6
Back Pack Pumps	2
Infrared Thermometers	3
Thermal Imaging Camera	1
Gas Detector	2
Pike Pole (10')	1
Pike Pole (8')	1
Gatorback Pike Pole (10')	1
Gatorback Pike Pole (5')	1
Rubbish Hook	2
Flashlights	18
Boxlights	6
Oceano	
Generator (Mobile)	2
Generator (Stationary)	3
McLeod	5
Pulaski	5
Shovels	7
Rhino	1
Pike Poles	4
Gatorback	2
Rubbish Hook	7
Flathead Axe	5
Pickhead Axe	5
A Tool	2
K Tool	2
Smooth Nozzle	2
Combo Nozzle	19
Wildland Nozzle	30
Adapters	65
Wildland T's	34
Smooth Bore Tips	10
Haligan	4

FIRE HOSE	
Arroyo Grande	
1"	5,200 feet
1.5"	6,400 feet single jacket
1.5"	1,400 feet double jacket
1.75"	4,025 feet
2.5"	4,750 feet
4"	3,280 feet

Grover Beach	
1"	1,400 feet
1.5"	1,800 feet
1.75"	1,350 feet
2.5"	2,600 feet
4"	2,115 feet
Oceano	
1"	3,400 feet
1.5"	7,650 feet
1.75"	100 feet
2.5"	3,800 feet
4"	2,700 feet

IT EQUIPMENT	
Arroyo Grande	
Computers	8
Laptops	4
Printers	4
Grover Beach	
Computers	5
Laptops	1
Printers	5
Oceano	
Computers	2
Printers	2

KITCHEN APPLIANCES	
Arroyo Grande	
Stove / Oven (Industrial)	1
Refrigerator	2
Dishwasher	1
Microwave	1
Coffee Machine	1
Coffee Maker	1
Toaster Oven	1
Grover Beach	
Stove / Oven	1
Refrigerator	1
Dishwasher	1
Microwave	1
Coffee Maker	1

Toaster Oven	1
Blender	1
Toaster	1
Crock Pot	1
Foreman Grill	1
Oceano	
Stove / Oven	1
Refrigerator	1
Dishwasher	1
Microwave	1
Coffee Maker	1
Toaster Oven	1
Toaster	1

LADDERS	
Arroyo Grande	
10' Attic	1
12' Attic	1
14' Roof	1
16' Roof	1
18' Roof	2
14' Extension	2
24' Extension	1
28' Extension	2
35' Extension	1
40' Extension	1
Grover Beach	
8' Attic	2
10' Attic	4
14' Combination	1
14' Roof	2
24' Extension	1
35' Extension	2
Oceano	
10' Attic	2
14' Roof	2
14' Extension	1
18' Extension	1
24' Extension	2
35' Extension	1

LIVING QUARTERS	
Arroyo Grande	
Sofa	1
Love Seat	1
Recliner	3
Kitchen Table	1
Kitchen Table Chair	4
TV Snack Tray	4
Grover Beach	
Sofa	2
Recliner	1
Table	2
Lamp	2
Sofa (Front Office)	1
Chair (Front Office)	1
Oceano	
Sofa	1
Recliner	2
Kitchen Table	1
Kitchen Table Chair	6

MECHANIC'S SHOP	
Arroyo Grande	
Tool Box (Blue)	1 (Hand Tools)
Mechanic's Creeper	2
Air Compressor	1
Floor Jack	3 (1½ ton; 5 ton; 22 ton)
Hand Truck (Light Duty)	3
Refrigerator Dolly	1
Miscellaneous Nuts, Bolts, Etc.	1 Lot
Battery Charger	3
Miller Wire Feed Welder	1
Arc Welder	1
Drill Press	1 (Jet)
Jack Stand	10
Lubricant (Miscellaneous)	100 Gallons
Drills, Saws, Soldering Iron	1 Lot
Oxy Acetylene Torch	1
Fuel Pump (Hand Operated)	1
Hand Tools	Lighting 6646
Miscellaneous Parts	Lighting 6646

MISCELLANEOUS	
Arroyo Grande	
Podium	1
Classroom Tables	17
Classroom Chairs	51
Chairs (Chief's Office)	3 (Executive – 1; Stationary – 2)
Chairs (Administration Office)	4 (Task – 2; Stationary – 2)
Chairs (Operations Office)	5 (Task)
Chairs (Front Office)	3 (Stationary)
Chairs (Communications)	2 (Task)
Informational Sign w/ Stand	3
American Flag w/ Stand	1
American Flag (20' x 30')	1
California Flag w/ Stand	1
Grover Beach	
Podium	1
Classroom Tables	6
Classroom Chairs	32
Office Chairs	8
Oceano	
None	

MULTI CASUALTY INCIDENT EMS	
Arroyo Grande	
Inventory List Available	
Grover Beach	
EMS Bag	4
Tarps	1 box
Oceano	
None	

OFFICE EQUIPMENT / MACHINES	
Arroyo Grande	
Copy / Fax Machine	1
Laminating Machine	1
Label Maker (Brother)	1
Digital Camera	2
Typewriter (Portable)	1
Supply Cabinet	5

Grover Beach	
Copy Machine	1
Fax Machine	1
Digital Camera	3
Label Maker (Brother)	1
Typewriter (Portable)	1
Supply Cabinet	3
Oceano	
Fax Machine	1
Digital Camera	3

PERSONAL PROTECTIVE EQUIPMENT (PPE)	
Arroyo Grande	
Turnout Coats	63
Turnout Pants	80
EMS Jackets	12
Helmets	54
Grover Beach	
Turnouts (Structure)	30
Turnouts (Wildland)	24
EMS Jackets	32
Helmets	52
Oceano	
Turnouts (Structure)	50
Turnouts (Wildland)	40
EMS Jackets	7
Helmets	41

SELF CONTAINED BREATHING APPARATUS (SCBA)	
Arroyo Grande	
SCBA Units	30
SCBA Bottles	65
Voice Projection Units	3
Masks	60
Posi Check (Annual Test)	1
Fit Tester	1
Grover Beach	
SCBA Units	17
SCBA Bottles	38 (30 min.); 4 (10 min.); 2 (45 min.)
Voice Projection Units	16
Masks	36

Oceano	
SCBA Units	21
SCBA Bottles	42
Voice Projection Units	6
Masks	22

SLEEPING QUARTERS	
Arroyo Grande	
Bed	12
Desk	6
Task Chair	6
Locker / Closet	
Grover Beach	
Bed	6
Locker / Closet	9
Bookshelves	3
Lamp	3
Oceano	
Bed	4
Bookshelves	2

STATION EQUIPMENT	
Arroyo Grande	
Extractor (Industrial Washer)	1
Dryer (Industrial)	1
Washer (Domestic)	1
Dryer (Domestic)	1
Grover Beach	
Extractor (Industrial Washer)	1
Washer (Domestic)	1
Dryer (Domestic)	1
Oceano	
Washer (Domestic)	1
Dryer (Domestic)	1
Turnout Rack (6x3)	18

TECHNICAL RESCUE EQUIPMENT	
Arroyo Grande	
Hydraulic Rescue Tools	3 power units with tools
Air Bags	1 set with 5 bags
Rope Rescue Equipment	2 sets of basic complement
Stokes Basket w/ Haul Equipment	2
Grover Beach	

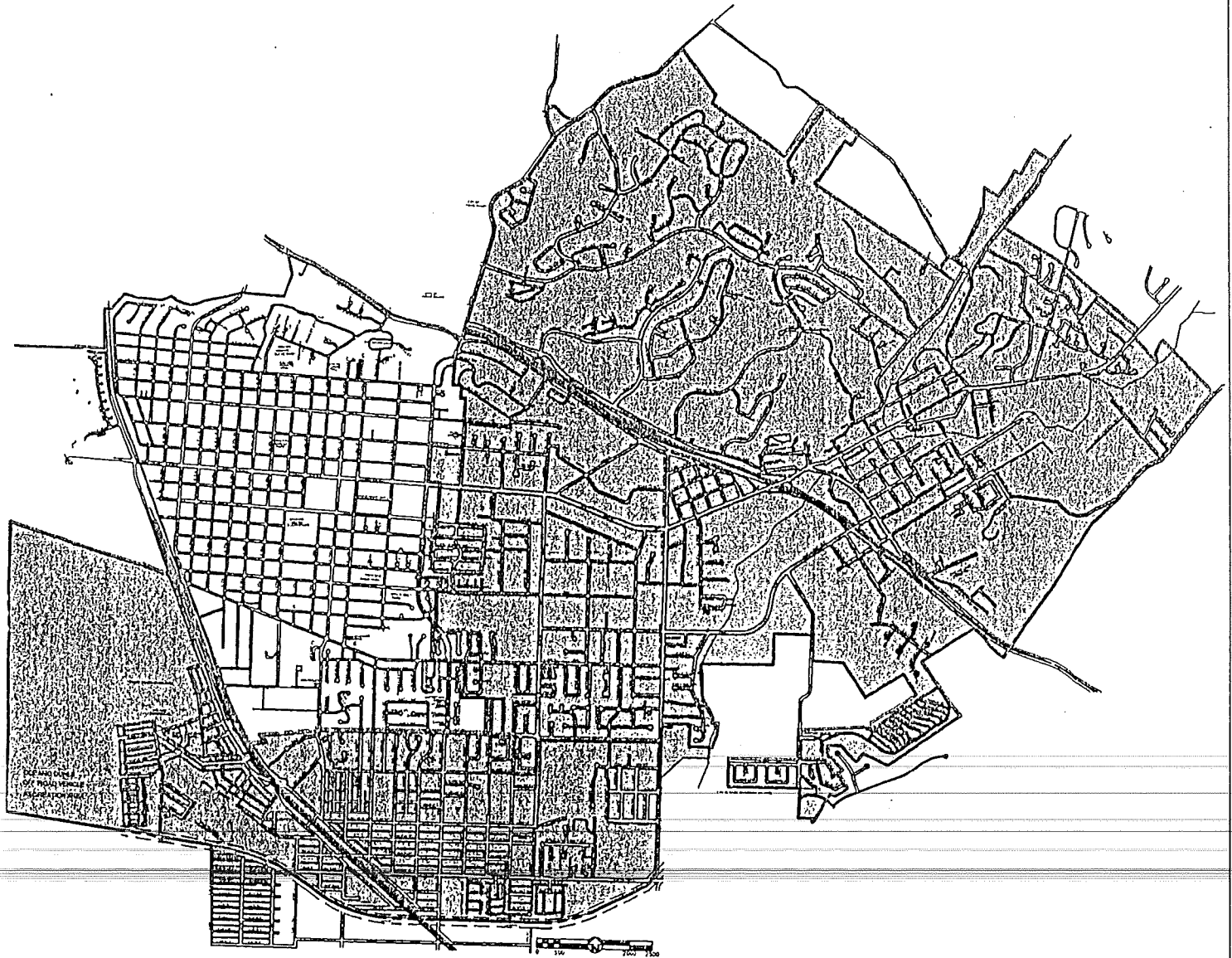
<u>Rope:</u>	
Truck Cache Bags	2
Saddle Bags	3 (300 feet)
Pig Rig	1 (300 feet)
Rope Bag	1 (300 feet)
Rope Bag	1 (150 feet)
Side Edge Roller Set	1
<u>Rescue:</u>	
Class 1 Rescue Harnesses	8
Rescue Helmets	4
Class 3 Rescue Harnesses	2
Tri Pod	1
Stokes Basket w/ Haul Equipment	2
Small Rescue 42 Struts	3
Large Rescue 42 Struts	2
Rescue 42 Equipment Tool Box	2
Pry Bars	4
Pickets	21
<u>Confined Space:</u>	
Air Manifold Unit	1
Rescue Air Supply Hose	800 feet
Hard-line Communication Unit	1
Rescue Communication Line	800 feet
SAR Rescue Escape Units	4
Entry Blower	1
<u>Air Bags:</u>	
Air Bag Control Unit	2
Air Bag (Small)	1
Air Bag (Medium)	2
Air Bag (Large)	3
Rectangle Air Bag (Large)	1
Air Bag Hoses	4 (15 feet each)
Air Bag Hoses	2 (30 feet each)
<u>Hydraulics:</u>	
Battery Combo Unit (Homatro)	1
Spreader Unit (Homatro)	1
Cutter Unit (Homatro)	1
Ram Unit (Homatro)	1
Ram Support	1
Power Unit (Homatro)	1
Hydraulic Lines	100 feet

Miscellaneous:	
Anchor Hitches	2
USAR Marking Kit	1
Lock Out / Tag Out Kit	1
Oceano	
Hydraulic Rescue Tools	1 power unit with tools
Battery Rescue Equipment	2 power units with tools
Rope Rescue Equipment	1 full complement plus extra
Stokes Basket w/ Haul Equipment	1

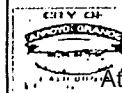
EXHIBIT D

AREA

The following map identifies the original service areas of the Jurisdictions for the JPA. Contractual services provided to areas outside of these Jurisdictions are not depicted on this map.



JPA



Attachment - Outstanding Liabilities

Memorandum of Agreement (MOA)
Amending the
Five Cities Fire Authority
Joint Exercise of Powers Agreement

This agreement is entered into by the Cities of Arroyo Grande and Grover Beach, and the Oceano Community Services District, which are hereinafter referred to as the Parties. This amendment to the Joint Exercise of Powers Agreement, dated June 7, 2010 (“Amendment”), includes the following terms and provisions relating to the operations of the Five Cities Fire Authority (“FCFA”), which operations shall continue as provided in the Joint Exercise of Powers Agreement (“JPA” or “JPA Agreement”).

1. Each Parties’ contributions for funding the Fiscal Year 2018/19 FCFA budget shall be:

- | | | |
|----|------------------------------------|--------------|
| a. | City of Arroyo Grande | \$ 2,523,661 |
| b. | City of Grover Beach | \$ 1,798,108 |
| c. | Oceano Community Services District | \$ 987,362 |

2. For Fiscal Year 2018/19, staffing shortages shall be operationally managed by the Fire Chief with updates provided to the Board of Directors. Such staffing shortages may result in temporary closure or reduced staffing at fire stations.

3. During Fiscal Year 2018/19, the Parties shall act in good faith to meet and confer for the purpose of considering amendments to the JPA including, but not limited to, modifications to the funding formula contained in Exhibit B of the JPA Agreement (“Funding Formula”), the provisions regarding member withdrawal, and future staffing levels beyond Fiscal Year 2018/19, so that the JPA may be amended to meet the needs of each of the Parties. If the Parties cannot agree upon amendments and a restructured JPA by April 1, 2019, then any member agency may withdraw pursuant to the terms of this Amendment. Notwithstanding the potential withdrawal of a member agency, if the remaining Parties cannot agree upon amendments and a restructured JPA by April 1, 2019, the JPA shall be terminated as of December 31, 2019, and assets and liabilities shall be distributed by and among the Parties pursuant to Sections 4 and 5 below.

4. During Fiscal Year 2018/19, the Parties shall also act in good faith to meet and confer in order to do the following by April 1, 2019, in preparation for the potential withdrawal of a member agency and/or termination of the JPA:

- a. Establish a distribution of assets currently owned and/or in the possession of the JPA, including, but not limited to major pieces of apparatus and capital

equipment, which will allow all three Parties to maintain sufficient apparatus and capital equipment to establish an independent fire service; and

b. Establish the obligations of the Parties to pay future obligations that were incurred by the FCFA prior to July 1, 2019, including, but not limited to, those future obligations related to lease payments on Engine 2 and 3 and future pension/PERS obligations.

c. Notwithstanding the forgoing, the Parties mutually agree and understand that as a result of the withdrawal of a member agency or the termination of the JPA, no Party shall be obligated to future payment lease obligations for any Engine that does not remain in the custody, control, and possession of that agency.

5. If the Parties are unable to agree upon amendments and a restructured JPA by April 1, 2019, then the Parties shall act in good faith to meet and confer to finalize the distribution of all assets currently owned and/or in the possession of the JPA not established for distribution in accordance with Section 4.a above, such as additional tools, machines, parts, supplies, communication devices, computers, office equipment supplies and furnishings, by December 31, 2019.

6. Upon mutual agreement of the City Manager of Grover Beach, the City Manager of Arroyo Grande, and the General Manager of Oceano CSD that the Parties are making progress towards JPA amendments and working in good faith, the April 1 deadlines contained within this Amendment will be extended for a period not to exceed six (6) months and will result in a corresponding extension of time of the December 31, 2019 deadline so as to always allow an eight month wind down for distribution of assets and establishment of new services. This extension may be handled administratively with no requirement of board approval from any of the Parties.

7. Upon termination of the JPA or the withdrawal of an agency, any two agencies subject to the JPA Agreement may agree, without consent of the third agency, to continue operating under the FCFA name and branding and/or reestablish the FCFA under a new agreement and operate under the FCFA name and branding.

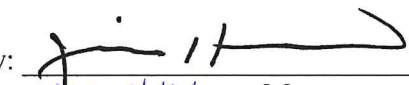
8. The Parties understand and acknowledge that consistent with the Joint Exercise of Powers Agreement and the conflict waivers contained therein, dated June 7, 2010 and the signed waiver agreement, dated May 18, 2018, between the FCFA Board, the City Council of the City of Grover Beach, the City Council of the City of Arroyo Grande and Board of Directors of the Oceano Community Services District, the Grover Beach City Attorney, David Hale is representing the Five Cities Fire Authority as General Counsel and the City of Grover Beach as City Attorney in regards to the performance of the tasks identified in this Amendment. To the

extent said representation may result in a potential or actual conflict of interest pursuant to Section 4. E. (7) of the JPA Agreement, the Parties hereby waive the requirement that Mr. Hale withdraw from representing either Party and agree to sign the conflict waiver agreement, attached as Exhibit "A", manifesting the subject waiver to the JPA Agreement Section 4. E. (7) and that the signing by the parties herein of the subject conflict waiver agreement is a representation by the parties the subject conflict waiver is in compliance with the California Rules of Professional Conduct, section 3-310 and has adequately advised them of the potential conflicts contained within the subject representation. Moreover, the City of Arroyo Grande and Oceano Community Services District are represented by independent legal counsel which has reviewed the conflict waiver and advised them regarding said agreement.

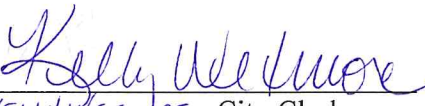
9. To the extent there is inconsistency between this Amendment and the JPA, the terms of this Amendment shall control, including but not limited to JPA Sections 4.E.(7), 6.B, 8.B.(3), and Section 17.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and attested by their proper officers hereunto duly authorized, and their official seals to be hereto affixed, as of the day and year first above written.

CITY OF ARROYO GRANDE

By: 
JIM HILL, Mayor

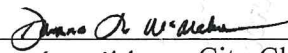
Attest:


KELLY WETMORE, City Clerk


CITY OF GROVER BEACH

By: 
John P. Shoals, Mayor

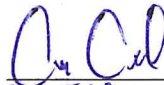
Attest:

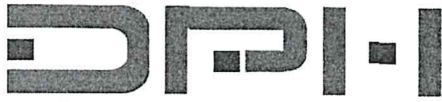

Donna C. McMan, City Clerk

OCEANO COMMUNITY SERVICES DISTRICT

By: 
KAREN M. WHITE, President

Attest:


CAREY CASLOW, Board Secretary



May 11, 2018

Five Cities Fire Authority
Board of Directors
And Member Agencies
Fire Chief
140 Traffic Way
Arroyo Grande, California 93420

Attention: Honorable Chair and Members of the Board of Five Cities Fire Authority, City Council for City of Grover Beach, City Council for City of Arroyo Grande and Members of the Board for Oceano Community Services District

Re: Conflict Waiver

Dear Boards and Respective Councils:

In 2010, when the Five Cities Fire Authority, ("Authority") was established, the member agencies entered into a Joint Exercise of Powers Agreement ("Agreement"), dated June 7, 2010. This Agreement established a Government Code section 6500 Joint Powers Authority, for the establishment and implementation of fire suppression and emergency medical services for the three member agencies consisting of the City of Grover Beach, the City of Arroyo Grande and Oceano Community Facilities District ("Member Agencies").

The Authority was structured for the purposes of maximizing efficiencies and to accomplish that objective, delegated numerous operational functions to different member agencies. The function of the Authority's General Counsel was delegated by Section 4, E. (7) and subsection 2, of Exhibit "A" of the Agreement to the Grover Beach City Attorney. The Member Agencies recognized at that time there was the potential for a conflict of interest between the role of the City Attorney for Grover Beach representing the City and the role of representing the Authority at the same time. As a consequence, the Member Agencies agreed to waive the conflict and acknowledged that waiver in Section 4, E. (7) of the Agreement.

There are currently discussions between the Member Agencies with how the Authority should proceed which is reflected in the proposed Memorandum of Agreement ("MOA") of which this Conflict Waiver is attached as Exhibit "A". The MOA contemplates a number of phases of negotiations including but not limited to potential restructuring of the Authority, redrafting the provisions of the Agreement, distribution of major assets and equipment, the potential withdrawal of a member of the Authority or a complete termination of the Authority. Therefore, it is the intent of the Authority and the Member Agencies to allow the City Attorney for Grover Beach to participate in the subject negotiations and to continue to represent both

the City of Grover Beach and the Authority notwithstanding the conflicts that may arise due to this representation.

The following are the pertinent Rules of Professional Conduct related to this engagement:

RULES OF PROFESSIONAL CONDUCT

Rule 3-310 of the California Rules of Professional Conduct provides in pertinent part:

- (C) A member [of the Bar] shall not, without the informed written consent of each client:
 - (1) Accept representation of more than one client in a matter in which the interests of the clients potentially conflict; or
 - (2) Accept or continue representation of more than one client in a matter in which the interests of the clients actually conflict; or
 - (3) Represent a client in a matter and at the same time in a separate matter accept as a client a person or entity whose interest in the first matter is adverse to the client in the first matter.
- (D) A member who represents two or more clients shall not enter into an aggregate settlement of the claims of or against the clients without the informed written consent of each client.

Mr. Hale's REPRESENTATION

In this matter, I will continue to represent the Authority consistent with the Agreement while continuing to maintain the position of City Attorney and represent the City of Grover Beach as a Member Agency of the Authority. This has been previously agreed to by the Member Agencies as indicated above, and by execution of this Agreement will continue to be approved and authorized by the Member Agencies consistent with this letter.

This considers and the Member Agencies acknowledge this will include, but not be limited to, me giving advice to the Authority and the City of Grover Beach related to the negotiations concerning the restructuring of the Authority, redrafting of any provisions of the Agreement, the potentially defining and negotiating the distribution of major assets or equipment of the Authority, the potential withdrawal of a Member Agency or the termination of the Authority. The Member Agencies are advised and acknowledge that at any stage of the various negotiations or actions defined within the MOA, the following adverse consequences could arise. Moreover, in the event the Parties herein cannot come to an agreement on any phase(s) of negotiation related to the MOA, then Mr. Hale shall withdraw from representation of the Authority and City of Grover Beach and special counsel shall be engaged.

ADVERSE CONSEQUENCES

I am obliged to inform you of any actual or reasonably foreseeable adverse effects of this representation that could arise as part of any phase or portion of the MOA negotiations. It is possible that:

- I may be tempted to favor the interests of one client over the other.
- I may not be able to present the appropriate position, claims or defenses for a client in order to avoid taking adverse positions to the other client.
- I may be restricted from forcefully advocating a client's position for fear of alienating the other client.
- I may be forced to withdraw from representing either or both clients because of disputes or further conflicts of interest which could increase either or both clients' attorney's fees and costs.
- There may be an appearance of impropriety in my representation of both clients simultaneously.

YOUR CONSENT

It is understood that this consent will not waive any protection that you may have with regard to attorney-client communications with me in this matter. Those communications will remain confidential and will not be disclosed to any third party without your consent.

I believe that you are familiar with the factual background in this matter, and I have given you a sufficiently-detailed description for obtaining informed written consent. However, if you believe that there is any other information that you or I need to have before such consent can be granted, please let me know immediately.

In the event that circumstances change or I become aware of new information that requires a new consent from the parties, you will be notified of that fact immediately, and continued representation will be subject to the informed written consent of involved parties.

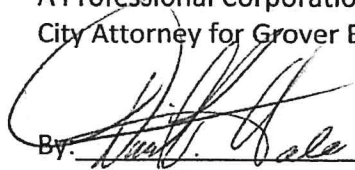
The Member Agencies acknowledge they are represented by independent legal counsel and that by signing this Conflict Waiver represent they have sought legal advice related to the proposed conflict represented by this waiver and based upon that advice is fully informed and agrees to sign this Conflict Waiver to allow the City Attorney for Grover Beach to continue to represent the Authority and the City of Grover Beach during the negotiations related to the subject MOA.

Your execution of this consent form will constitute an acknowledgment of full disclosure in compliance with the requirements of Section 3-310 of the California Rules of Professional Conduct previously quoted in this letter.

A copy of this letter is enclosed for your files. If you have any questions, please do not hesitate to call.

Very truly yours,

David P. Hale
A Professional Corporation
City Attorney for Grover Beach


By: _____
David P. Hale

Accepted:
Five Cities Fire Authority
Board of Directors

Chair, Board of Directors

Date: _____

City of Grover Beach
City Council

Mayor

Date: _____

City of Arroyo Grande
City Council

Mayor

Date: _____

Oceano Community Services District
Board of Directors

Chair, Board of Directors

Date: _____

**SECOND AMENDMENT TO FIVE CITIES FIRE AUTHORITY
JOINT EXERCISE OF POWERS AGREEMENT**

This Second Amendment to the Five Cities Fire Authority (“FCFA”) Joint Exercise of Powers Agreement, dated June 7, 2010 (“JPA”) (“Second Amendment”), is made and entered into as of July 1, 2019, by and between the cities of Arroyo Grande and Grover Beach, and the Oceano Community Services District (“Oceano”), which are hereinafter referred to as “Party” and “Parties.”

WHEREAS, on June 7, 2010, the Parties entered into a JPA pursuant to Section 6500 et seq. of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, for the purpose of allowing the Parties to share a combined fire department in order to provide efficient and economical fire protection services; and

WHEREAS, in or about May of 2018, the Parties executed a Memorandum of Agreement Amending the FCFA JPA (“First Amendment”) in order to provide an opportunity for the Parties to meet and confer for the purpose of considering amendments to the JPA including, but not limited to, modifications to the funding formula contained in Exhibit B of the JPA (“Funding Formula”), the provisions regarding member withdrawal, and future staffing levels beyond Fiscal Year 2018/19; and

WHEREAS, the First Amendment required the Parties to agree upon amendments to the JPA by April 1, 2019 or the JPA would terminate as of December 31, 2019; and

WHEREAS, in March of 2019, the Parties executed an extension of the First Amendment, which extended the time for the Parties to mutually agree upon JPA Amendments to October 1, 2019; and

WHEREAS, the parties have met in good faith and now desire to amend the JPA.

NOW THEREFORE, in consideration of the mutual covenants and conditions set forth herein, the Parties agree as follows:

1. **Recitals**. The above recitals are true and correct and incorporated herein.
2. **Strategic Plan**. The Parties agree to fund the following priorities of the five-year Strategic Plan, which was adopted by the FCFA Board of Directors in 2017 for the Fiscal Year 2019/20 budget:

Continued transition to Career Firefighter position with hiring of three (3) full-time positions to be assigned to the Grover Beach fire station.

3. **Fiscal Year 2019/2020**. Each Parties’ contributions for funding the Fiscal Year 2019/20 FCFA Budget shall be:
 - A. City of Arroyo Grande \$2,580,955
45.01% _____

B. City of Grover Beach	\$2,015,115
35.14% _____	
C. Oceano Community Services District	\$1,138,148
19.85% _____	

4. **Funding Formula.**

- A. The Funding Formula contained in Exhibit B to the JPA is hereby amended and replaced in its entirety as set forth in Attachment 1 to this Amendment. All references in the JPA to Exhibit B shall now refer to Attachment 1.
- B. For Fiscal Year 2019-20, a transitional formula is used to determine the funding contributions specified in Section 3. This transitional formula modifies component 3 of the Funding Formula related to fire stations to reflect current staffing levels. This transitional formula may be used for the subsequent Fiscal Year 2020-21 as noted in Section 5B.
- C. The Funding Formula will be reviewed by the Jurisdiction every three years in the month of January, commencing 2023.

5. **Ballot Measure.**

- A. Oceano agrees to undertake the legally required procedures to place a special tax on the March 2020 ballot in accordance with Government Code Section 61121. Oceano will seek a special tax amount sufficient to enable Oceano to be able to fund its share of the Funding Formula taking into account the priorities of the Strategic Plan as determined by the Five Cities Fire Authority Board of Directors.
- B. If the March 2020 Oceano ballot measure does not pass and Oceano is unable to fund its share of the Funding Formula, by operation of this Second Amendment and subject to the Wind Down Period (identified below), Oceano will automatically and without further action cease to be a member of the JPA on June 30, 2021. The time between when the County Clerk Recorder concludes that the 2020 Oceano ballot measure has failed and June 30, 2021 will be known as the "Wind Down Period." Oceano agrees that should it no longer be a member agency of the FCFA, the cities of Arroyo Grande and Grover Beach may continue to operate under the trademark name of Five Cities Fire Authority with no further rights of Oceano to that name. Should the March 2020 ballot measure fail, the funding obligations set forth in Section 3 above for the Fiscal Year 2019/20 FCFA Budget, shall be the same in Fiscal Year 2020/2021.

6. **Wind Down Period.**

- A. During the Wind Down Period, the Parties shall establish the distribution of assets currently owned and/or in the possession of the JPA, including but not limited to major pieces of apparatus and capital equipment, which will allow Oceano to maintain sufficient apparatus and capital equipment in order to establish an independent fire service and will allow Arroyo Grande and Grover Beach to continue to operate as the FCFA.
- B. During the Wind Down Period, the Parties will establish the obligations of the Parties to pay future obligations that were incurred by the FCFA prior to April 1, 2020, including, but not limited to the following:
 - a. Lease payments on Engine 2 and 3; however, the Parties mutually agree and understand that as a result of the dissociation and/or withdrawal of Oceano or any other Party, no Party will be obligated for future payment lease obligations for any Engine that does not remain in the custody, control, and possession of that Jurisdiction.
 - b. Withdrawal and/or dissociation of Oceano or any other Party shall not absolve such Party of liabilities arising out of the participation in the JPA incurred in the ordinary course of business. The Parties mutually agree and understand that as a result of the dissociation and/or withdrawal of Oceano or any other Party, all Parties will remain obligated to pay future FCFA employment related obligations incurred prior to June 30, 2021, including but not limited to pension/PERS, accrued fringe benefits etc.
 - c. During the Wind Down period, the FCFA will perform an unfunded actuarial accrued liability analysis to calculate Oceano or any other dissociating and/or withdrawing Parties' share of unfunded PERS liability, which will be due to the remaining JPA Parties or the City of Arroyo Grande should the JPA be dissolved.
 - d. During the Wind Down Period, the Parties will meet and confer in good faith in regards to the distribution of assets and liabilities as follows:
 - a. A determination as to the distribution of equipment and physical assets by October 1, 2020 (effective June 30, 2021).
 - b. An estimate as to the distribution of debt, employment liability, pension/PERS and other post-employment obligations by February 1, 2021 (effective June 30, 2021).
 - c. An estimate as to the distribution of all other assets by March 1, 2021 (effective June 30, 2021).
 - e. The parties mutually agree and understand that any liability related to unresolved claims or litigation existing prior to June 30, 2021 will remain the obligation of all Parties whether remaining members of the FCFA or not.
 - f. Prior to October 1, 2021, the Parties shall complete a post-dissociation reconciliation of all assets and liabilities incurred prior to June 30, 2021. Any party owing funds shall pay such funds to the other immediately upon

determination. The parties agree to cooperate in completing this post closing reconciliation.

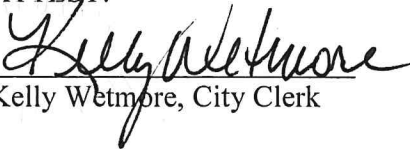
7. **Effect of Amendment**. All other provisions of the JPA shall remain unchanged and in full force and affect. To the extent there is inconsistency between this Amendment and the JPA, the terms of this Amendment shall control, including but not limited to JPA Sections 6.B, 8.B(3), and 17.
8. **Counterparts**. This Amendment may be executed in any number of counterparts and by the Parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.
9. **Severability**. If any part of this Amendment is found to be in conflict with applicable laws, that part will be inoperative, null and void insofar as it is in conflict with any applicable laws, but the remainder of the Amendment will remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their proper officers hereunto duly authorized.


CITY OF ARROYO GRANDE


Caren Ray Russom, Mayor

ATTEST:


Kelly Wetmore, City Clerk

APPROVED AS TO FORM:


Heather K. Whitham, City Attorney

CITY OF GROVER BEACH


Jeff Lee, Mayor

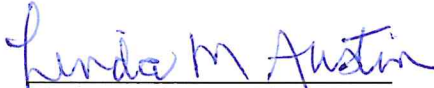
ATTEST:


Wendi Sims, City Clerk

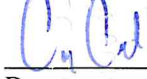
APPROVED AS TO FORM:


David Hale, City Attorney

OCEANO COMMUNITY SERVICES DISTRICT


Linda Austin, President

ATTEST:


By:

APPROVED AS TO FORM:


Jeff Minnery, District Counsel

ATTACHMENT 1

FUNDING FORMULA

Should the ballot measure pass, effective July 1, 2020, the Parties shall bear the costs of the Five Cities Fire Authority according to the following formula, to be calculated every three years when the budget is prepared. If the ballot measure fails, the funding will be in accordance with Section 5.B of this Second Amendment.

1. 33.33% of costs shall be assessed among the Parties in proportion to the population of each Jurisdiction as most recently determined by the U.S. Census and any intervening estimates prepared by the California Department of Finance when the Fire Chief prepares each annual budget.
2. 33.33% of costs shall be assessed among the Parties in proportion to the number of annual service calls, calculated on a three-year rolling average in each Jurisdiction as most recently determined when the Fire Chief prepares each annual budget.
3. 33.33% of costs shall be assessed among the Parties in proportion to the number of fire stations located in each Jurisdiction.

**THIRD AMENDMENT TO FIVE CITIES FIRE AUTHORITY
JOINT EXERCISE OF POWERS AGREEMENT**

This Third Amendment to the Five Cities Fire Authority (“FCFA”) Joint Exercise of Powers Agreement, dated June 7, 2010 (“JPA”) (“Third Amendment”), is made and entered into as of July 1, 2020, by and between the cities of Arroyo Grande and Grover Beach, and the Oceano Community Services District (“Oceano”), which are hereinafter referred to as “Party” and “Parties.”

WHEREAS, on June 7, 2010, the Parties entered into a JPA pursuant to Section 6500 et seq. of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, for the purpose of allowing the Parties to share a combined fire department in order to provide efficient and economical fire protection services; and

WHEREAS, in or about May of 2018, the Parties executed a Memorandum of Agreement Amending the FCFA JPA (“First Amendment”) in order to provide an opportunity for the Parties to meet and confer for the purpose of considering amendments to the JPA including, but not limited to, modifications to the funding formula contained in Exhibit B of the JPA (“Funding Formula”), the provisions regarding member withdrawal, and future staffing levels beyond Fiscal Year 2018/19; and

WHEREAS, the First Amendment required the Parties to agree upon amendments to the JPA by April 1, 2019 or the JPA would terminate as of December 31, 2019; and

WHEREAS, in March of 2019, the Parties executed an extension of the First Amendment, which extended the time for the Parties to mutually agree upon JPA Amendments to October 1, 2019; and

WHEREAS, the Parties executed the Second Amendment to the JPA as of July 1, 2019 which required Oceano to undertake the legally required procedures to place a special tax on the March 2020 ballot in accordance with Government Code Section 61121; and

WHEREAS, Oceano did undertake the legally required procedures to place a special tax on the March 2020 ballot which resulted in ballot Measure A-20 falling short of passage by 10 votes (66.1% compared to the required 66.67%); and

WHEREAS, the possibility of a citizen’s initiative to place a special tax measure on the November 2020 ballot was prevented by the COVID-19 pandemic and related statewide shelter at home order; and

WHEREAS, the economic situation of all Parties has drastically changed due to the COVID-19 pandemic and related statewide shelter at home order; and

WHEREAS, the Parties recognize it is in the economic best interests of all Parties to allow additional time for the community of Oceano to place another special tax measure on the ballot; and

WHEREAS, the parties have met in good faith and now desire to amend the JPA.

NOW THEREFORE, in consideration of the mutual covenants and conditions set forth herein, the Parties agree as follows:

1. **Recitals**. The above recitals are true and correct and incorporated herein.

2. **Fiscal Year 2020/21 and 2021/22**. Each Parties' contributions for funding the Fiscal Year 2020/21 and 2021/22 FCFA Budget shall be:
 - A. City of Arroyo Grande \$2,580,955
45.01%_____
 - B. City of Grover Beach \$2,015,115
35.14%_____
 - C. Oceano Community Services District \$1,138,148
19.85%_____
 - D. The Fire Chief will make every effort to maintain a flat budget through the fiscal years that the funding contributions set forth in this Section 2 apply. The Parties acknowledge that use of Fund Balance may be necessary to offset unanticipated or increased costs. In the event of significant emergency costs or purchases necessary during the fiscal years during which this Section 2 applies, the Parties will consider contributing additional funding, subject to FCFA Board budgetary approval. It is acknowledged that any such additional contributions may require the approval of the governing body of one or more Party.

3. **Funding Formula**.
 - A. The Funding Formula contained in Attachment 1 to the Second Amendment to the JPA is hereby amended and replaced in its entirety as set forth in Attachment 1 to this Amendment. All references in the JPA to Attachment 1 shall refer to Attachment 1 of the Third Amendment.
 - B. The funding contributions specified in Section 2 were determined using a transitional formula that modified component 3 of the Funding Formula related to fire stations to reflect current staffing levels. The funding contributions specified in Section 2 will be used for Fiscal Years 2020/21 and 2021/22 and possibly Fiscal Year 2022/23 as provided in Section 4B.
 - C. The Funding Formula will be reviewed by the Jurisdiction every three years in the month of January, commencing 2024.

4. **Ballot Measure**.

- A. Oceano agrees to undertake the legally required procedures to place a special tax on the 2022 primary ballot in accordance with Government Code Section 61121 or Elections Code 9300-9323. Oceano will seek a special tax amount sufficient to enable Oceano to be able to fund its share of the Funding Formula taking into account the priorities of the Strategic Plan as determined by the Five Cities Fire Authority Board of Directors.

- B. If the Oceano ballot measure does not pass and Oceano is unable to fund its share of the Funding Formula, by operation of this Third Amendment and subject to the Wind Down Period (identified below), Oceano will automatically and without further action cease to be a member of the JPA on June 30, 2023. The time between when the County Clerk Recorder concludes that the Oceano ballot measure has failed and June 30, 2023 will be known as the “Wind Down Period.” Oceano agrees that should it no longer be a member agency of the FCFA, the cities of Arroyo Grande and Grover Beach may continue to operate under the trademark name of Five Cities Fire Authority with no further rights of Oceano to that name. Should the ballot measure fail, the funding obligations set forth in Section 2 above for the Fiscal Year 2021/2022 FCFA Budget, shall be the same in Fiscal Year 2022/2023.

- C. If the Oceano ballot measure passes, the Funding Formula set forth in Attachment 1 of the Third Amendment shall apply beginning in Fiscal Year 2022/23.

5. **Wind Down Period.**

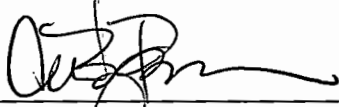
- A. During the Wind Down Period, the Parties shall establish the distribution of assets currently owned and/or in the possession of the JPA, including but not limited to major pieces of apparatus and capital equipment.
- B. During the Wind Down Period, the Parties will establish the obligations of the Parties to pay future obligations that were incurred by the FCFA prior to June 30, 2022, including, but not limited to the following:
 - a. Lease payments on Engine 2 and 3; however, the Parties mutually agree and understand that as a result of the dissociation and/or withdrawal of Oceano or any other Party, no Party will be obligated for future payment lease obligations for any Engine that does not remain in the custody, control, and possession of that Jurisdiction.
 - b. Withdrawal and/or dissociation of Oceano or any other Party shall not absolve such Party of liabilities arising out of the participation in the JPA incurred in the ordinary course of business. The Parties mutually agree and understand that as a result of the dissociation and/or withdrawal of Oceano or any other Party, all Parties will remain obligated to pay future FCFA employment related obligations incurred prior to June 30, 2023, including but not limited to pension/PERS, accrued fringe benefits etc.
 - c. During the Wind Down period, the FCFA will perform an unfunded actuarial accrued liability analysis to calculate Oceano or any other dissociating and/or withdrawing Parties' share of unfunded PERS liability, which will be due to the remaining JPA Parties or the City of Arroyo Grande should the JPA be dissolved.
 - d. During the Wind Down Period, the Parties will meet and confer in good faith in regard to the distribution of assets and liabilities as follows:
 - a. A determination as to the distribution of equipment and physical assets by October 1, 2022 (effective June 30, 2023).
 - b. An estimate as to the distribution of debt, employment liability, pension/PERS and other post-employment obligations by February 1, 2023 (effective June 30, 2023).
 - c. An estimate as to the distribution of all other assets by March 1, 2023 (effective June 30, 2023).
 - e. The parties mutually agree and understand that any liability related to unresolved claims or litigation existing prior to June 30, 2023 will remain the obligation of all Parties whether remaining members of the FCFA or not.
 - f. Prior to October 1, 2023, the Parties shall complete a post-dissociation reconciliation of all assets and liabilities incurred prior to June 30, 2023. Any party owing funds shall pay such funds to the other immediately upon determination. The parties agree to cooperate in completing this post closing reconciliation.

6. **Effect of Amendment.** All other provisions of the JPA shall remain unchanged and in full force and affect. To the extent there is inconsistency between this Amendment and the JPA, the terms of this Amendment shall control, including but not limited to JPA Sections 6.B, 8.B(3), and 17.
7. **Counterparts.** This Amendment may be executed in any number of counterparts and by the Parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.
8. **Severability.** If any part of this Amendment is found to be in conflict with applicable laws, that part will be inoperative, null and void insofar as it is in conflict with any applicable laws, but the remainder of the Amendment will remain in full force and effect.

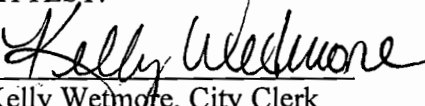
IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their proper officers hereunto duly authorized.

CITY OF ARROYO GRANDE

CITY OF GROVER BEACH


Caren Ray Russom, Mayor

Jeff Lee, Mayor

ATTEST:

Kelly Wetmore, City Clerk

ATTEST:

Wendi Sims, City Clerk

APPROVED AS TO FORM:

Tim Carmel, City Attorney

APPROVED AS TO FORM:

David Hale, City Attorney

OCEANO COMMUNITY SERVICES DISTRICT

Linda Austin, President

ATTEST:

By:

APPROVED AS TO FORM:

Jeff Minnery, District Counsel

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their proper officers hereunto duly authorized.

CITY OF ARROYO GRANDE

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OCEANO COMMUNITY SERVICES DISTRICT

Linda Austin, President

ATTEST:

By: _____

APPROVED AS TO FORM:

Jeff Minnery, District Counsel

ATTACHMENT 1

FUNDING FORMULA

Should the ballot measure pass, effective July 1, 2022, the Parties shall bear the costs of the Five Cities Fire Authority according to the following formula, to be calculated every three years when the budget is prepared. If the ballot measure fails, the funding will be in accordance with Section 4.B of this Third Amendment.

1. 33.33% of costs shall be assessed among the Parties in proportion to the population of each Jurisdiction as most recently determined by the U.S. Census and any intervening estimates prepared by the California Department of Finance when the Fire Chief prepares each annual budget.
2. 33.33% of costs shall be assessed among the Parties in proportion to the number of annual service calls, calculated on a three-year rolling average in each Jurisdiction as most recently determined when the Fire Chief prepares each annual budget.
3. 33.33% of costs shall be assessed among the Parties in proportion to the number of fire stations and personnel located in each Jurisdiction.

Exhibit “B” – Actuary Report of Five Cities Fire Authority Unfunded Accrued Pension Liability



Five Cities Fire Authority



CalPERS Miscellaneous and Safety Plans

Unfunded Liability Analysis Fiscal Years 2021/22 and 2022/23

Draft for Discussion

Foster & Foster, Inc.
January 5, 2023

ACTUARIAL CERTIFICATION

This report presents our analysis of the actuarial liability for benefits provided to employees of Five Cities Fire Authority's ("FCFA") under CalPERS Miscellaneous and Safety Plans ("Plans") maintained by the City of Arroyo Grande ("City").

The purpose of this analysis is to determine the Unfunded Actuarial Accrued Liability as of June 30, 2021 that is attributable to FCFA, and the portion attributable to the City. This report contains actuarial calculations for the purpose of assisting the Five Cities Fire Authority management. The calculations are not appropriate for any other purposes.

Future calculations may differ significantly if the Plans' experience differs from our assumptions or if there are changes in plan design, actuarial methods or actuarial assumptions. The project scope did not include an analysis of this potential variation.

The calculations are based on census data and plan provisions provided by the City of Arroyo Grande and CalPERS June 30, 2013 through 2021 actuarial valuation reports and on our understanding of the benefit provisions, actuarial reports and benefit summaries prepared by CalPERS, and on the methodology detailed in this report. Alternative methods could produce different results. The project scope did not include alternate analyses.

As a member of the American Academy of Actuaries meeting the Academy Qualification Standards, I certify the actuarial results and opinions herein.

Respectfully submitted,



Mary Elizabeth Redding, FSA, MAAA, EA
Senior Consulting Actuary
Foster & Foster, Inc.
January 5, 2023

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SECTION 1

SUMMARY OF RESULTS

Summary

Our calculations have determined that the CalPERS Unfunded Actuarial Liability attributable to FCFA employees is \$176,223 at June 30, 2021 on the ongoing basis used by CalPERS to calculate required contributions.

If the Plans had been terminated June 30, 2021 or if FCFA had withdrawn from the CalPERS system on that date, the estimated unfunded termination liability owed to CalPERS for FCFA members would have been approximately \$8.0 million.

Our calculations also determined that since FCFA's inception through June 30, 2022, without adjustment for interest, FCFA has paid \$982,169, to CalPERS for benefits attributable to the City of Arroyo Grande, and the City has paid \$94,768 for benefits attributable to FCFA service. The net of these two amounts, without considering interest, is \$887,401.

FCFA Unfunded CalPERS Liability at June 30, 2021

The report details the calculation of FCFA's CalPERS unfunded actuarial accrued liability as of June 30, 2021 and presents the calculation methodologies used. Following is a summary of our calculation results.

FCFA - CalPERS Unfunded Actuarial Liability June 30, 2021

Ongoing Basis, 6.8% Discount Rate				
	Fire Safety Classic Tier	Fire Safety PEPRA	Miscellaneous Classic Tier 1	Total
■ Actuarial Accrued Liability (AAL)	\$7,305,908	\$ 602,691	\$ 310,095	\$ 8,218,694
■ Allocated Assets	<u>7,161,156</u>	<u>645,706</u>	<u>235,609</u>	<u>8,042,471</u>
■ Unfunded AAL (UAAL)	\$ 144,752	\$ (43,015)	\$ 74,486	\$ 176,223
Sample Plan Termination Basis, 2.25% Discount Rate				
■ Unfunded AAL (UAAL)	\$ 7,268,114	\$ 397,800	\$ 323,414	\$ 7,989,328

SECTION 2

PURPOSE AND METHODOLOGY

The purpose of this study is to (1) determine the unfunded actuarial accrued liability (“UAAL”) for the CalPERS pension benefits for current and past employees and retirees of the Five Cities Fire Authority (“FCFA”) and (2) determine the amount of any CalPERS contributions paid by the City or FCFA that should have been paid by the other party. Since the CalPERS Fire Safety Classic and the Miscellaneous Classic tiers have members with service for the City of Arroyo Grande (“City”) and FCFA, this study involves allocating the UAAL of those tiers between the City and FCFA

Background

FCFA was formed in July 2010 as a Joint Powers Authority between the Cities of Arroyo Grande and Grover Beach, and the Oceano Community Services District (“Oceano CSD”). FCFA became the employer for fire safety personnel previously employed by its member agencies. The City of Grover Beach and Oceano CSD retained the CalPERS liabilities for past service of their employees. No new CalPERS plan was created for FCFA and instead all FCFA employees have been covered under the City of Arroyo Grande’s CalPERS pension plans. As a result, the City’s CalPERS plans include liabilities for employees and retirees of the City and of FCFA. We understand that since it was formed, FCFA has paid the full costs of the City’s Fire Safety CalPERS plans and the City has paid the full costs of the Miscellaneous plans.

Actuarial Accrued Liability (AAL)

The City’s Fire Safety Classic tier (3.0%@55) has members with both City and FCFA service. Members of the PEPR Fire Safety tier (2.7%@57) have entirely FCFA service. We calculated the actuarial accrued liability (AAL) for each person in the Fire Safety Classic tier, mirroring CalPERS actuarial valuation methods and assumptions. Our valuation came within 2% of CalPERS’ published results. We allocated the difference for each status group among members of that status group based on our calculated AAL. Because CalPERS pension benefits are earned for each year of service, we next allocated each member’s AAL between the City and FCFA based on each member’s past service. The AAL was then totaled for the City and FCFA.

Since inception of FCFA, there has been one non-Safety FCFA position filled by employees who are members of the City’s Classic Miscellaneous plan. We estimated the AAL for the current employee based on an actuarial valuation of their benefits following CalPERS actuarial methods and assumptions. We did not replicate the CalPERS valuation for the entire tier, as we did for the Safety group.

SECTION 2

PURPOSE AND METHODOLOGY

Unfunded Actuarial Accrued Liability (UAAL) and Assets

Because the plans are in CalPERS risk pool, the plans' normal cost is not equal to the sum of the individually calculated normal costs; instead, it is calculated by CalPERS on a pooled basis and is the same for all plans in the risk pool with the same benefit formula.

The UAAL is not calculated directly for plans in the CalPERS risk pool, and plan assets are also not recorded and maintained separately for each risk pool plan. Instead, beginning with the June 30, 2013 actuarial valuations, CalPERS has allocated actuarial and investment gains and losses to each plan to determine the each plans' UAAL, and then assigned assets to each plan as the difference between the AAL and the UAAL. We followed CalPERS procedures, detailed in Section 11 of this report, to allocate the Fire Safety Classic UAAL between the City and FCFA.

AAL Allocation Methodology – Fire Safety Classic Tier

To determine the AAL for the City and FCFA at each year, we began with CalPERS 6/30/2011 actuarial valuations. We projected the AAL forward as follows:

- The 6/30/2011 AAL was allocated entirely to the City. It was projected forward taking into account interest, benefits paid and the impact of actuarial assumption changes.
- FCFA had no initial AAL. Its AAL was projected forward from 6/30/2011 taking into account interest, benefits paid, the impact of actuarial assumption changes plus the entire plan normal cost
- Benefit payments in each year were determined by beginning with retirees as of June 30, 2019 and projecting their benefits backward and forward, taking into account retirement dates and actual cost of living adjustments, and then pro-rating the benefits between the City and FCFA based on service at retirement.
- Differences between the projected total AAL of City and FCFA and CalPERS published AAL in each year were allocated between City and FCFA using our professional judgement, in general, reflecting the reduction in the number of initial retirees in the first few years, and the inherent difference between normal costs calculated on a pooled basis and the plan members' actual AAL.

Based on census data as of June 30, 2019, 2020, and 2021 and CalPERS actuarial methods and assumptions, we performed actuarial valuations as of June 30, 2019, 2020, and 2021 and allocated the resulting AAL between City and FCFA based on each members' service to each valuation date.

SECTION 2

PURPOSE AND METHODOLOGY

UAAL Allocation Methodology – Fire Safety Classic Tier

Beginning from June 30, 2013, the Fire Safety Classic Tier UAAL at each valuation date was allocated between the City and FCFA following CalPERS methodology detailed in Section 11, based on the AAL for each group at each valuation date and on the outstanding amounts of previously allocated UAAL. In our opinion, this produces the same results as would have occurred if the plan had been split between groups at inception.

UAAL Allocation Methodology – Fire Safety PEPRA Tier

Since all members of this plan are FCFA employees, no allocation is needed.

UAAL Allocation Methodology – Miscellaneous Classic Tier 1

Because our calculated AAL for the current FCFA employee in the Miscellaneous Classic Tier 1 plan is less than 1% of the total plan AAL, we believe that projection of historical AALs and then following CalPERS risk pool UAAL allocation methodology would likely not produce accurate results. Instead, we assumed FCFA's portion of the plan was the same percentage funded as the total plan.

Estimated Plan Termination UAAL

The actuarial liabilities and contributions calculated in CalPERS funding valuations are on an ongoing plan basis. This means that employees will continue earning benefits in the future, new agency employees will become CalPERS members, and CalPERS can adjust required future contributions as needed to fund those benefits.

When a public agency leaves CalPERS (“terminates”), CalPERS agrees to pay all accrued benefits for all plan members, whether currently active, terminated, or retired. CalPERS also agrees that following termination, the agency will not be obligated to make any future payments to CalPERS. Therefore, CalPERS changes the basis used to calculate the actuarial liabilities to ensure that it has sufficient funds to pay benefits under any circumstances. In particular, liabilities are increased to allow for future mortality improvement and are calculated using a discount rate estimated as the yield on 20-year Treasury bonds.

To illustrate the UAAL on a plan termination basis, we have estimated the liability using the higher of the two termination discount rates in CalPERS June 30, 2021 actuarial valuation report, 2.25%, as well as a recent 20 year Treasury bond yield, 4.38% as of October 28, 2022.¹

¹ https://home.treasury.gov/resource-center/data-chart-center/interest-rates/TextView?type=daily_treasury_long_term_rate&field_tdr_date_value_month=202210

SECTION 3

FIRE SAFETY CLASSIC TIER UAAL ANALYSIS

As described above, we performed an actuarial valuation as of June 30, 2021 to determine the actuarial accrued liability (AAL) attributable to the City and to FCFA. The AAL was allocated to the City or FCFA based on the member’s period of service for each entity.

The allocated assets at June 30, 2021 were determined by following CalPERS current risk pool methodology beginning with its inception as of June 30, 2013. Details of the calculation are in section 11.

A breakdown of our actuarial valuation results for the Fire Safety Classic tier by status as of June 30, 2021 is as follows:

Fire Safety Classic Tier UAAL June 30, 2021

	City		FCFA		Total
AAL:					
■ Active employees	\$ 679,691	10%	\$ 6,097,006	90%	\$ 6,776,697
■ Inactives	583,427	51%	550,477	49%	1,133,904
■ Retirees	<u>2,305,272</u>	78%	<u>658,425</u>	22%	<u>2,963,698</u>
■ Total	3,568,391	33%	7,305,908	67%	10,874,299
■ Allocated assets	2,720,564		7,161,156		9,881,720
■ UAAL	847,827		144,752		992,579

We note that the FCFA portion of the plan has a higher funded ratio (98%) than the City’s portion (76%). This result is expected. The FCFA portion of the plan began with all employees treated as new hires on July 1, 2010, and all past service and retiree benefit liabilities, as well as the unfunded liability remaining from asset losses incurred during the 2008-2009 Great Recession, remaining with the City. Given this “clean slate” beginning, the FCFA plan was able to maintain a funded status at close to 100% by paying each year’s normal costs. This result is similar to most CalPERS PEPRA plans, which cover only new employees hired in 2013 or later.

SECTION 4

MISCELLANEOUS CLASSIC TIER 1 UAAL ANALYSIS

The following table shows the allocation of the UAAL for Miscellaneous Classic Tier 1 at June 30, 2021. The actuarial accrued liability for the current Miscellaneous FCFA employee was calculated from our actuarial valuation as of June 30, 2021. We have ignored any possible AAL for previous Miscellaneous employees who worked only a short time for FCFA.

Miscellaneous Classic Tier 1 UAAL June 30, 2021

	FCFA Employee	City	Total
■ Actuarial Accrued Liability	\$ 310,095*	\$ 43,948,774	\$ 44,258,869
■ Percent of total	0.70%	99.30%	100.00%
■ Assets allocated in proportion to AAL	235,609	33,392,126	33,627,735
■ UAAL allocated in proportion to AAL	74,486	10,556,648	10,631,134
■ Funded status	76.0%	76.0%	76.0%

* Calculated by Foster & Foster

SECTION 5
FIRE SAFETY PEPRA UAAL ANALYSIS

Since all members of the Fire Safety PEPRA plan are and have always been FCFA employees, no allocation is required and the entire actuarial liability is allocated to FCFA.

Fire Safety PEPRA UAAL
June 30, 2021

	Total
■ Actuarial Accrued Liability	\$ 602,691
■ Assets	645,706
■ UAAL/(Overfunded AAL)	(43,015)
■ Funded status	107.1%

SECTION 6

PLAN TERMINATION ANALYSIS

The following tables present details of our estimation of FCFA’s liability on a plan termination basis. This represents the actuarial liability on the basis CalPERS would use if an agency were leaving CalPERS. In that situation, CalPERS would retain the obligation to make all future payments of benefits accrued to date, and CalPERS would invest the plan assets very conservatively as the terminating agency would have no obligation to make any future payments to CalPERS.

The June 30, 2021 termination basis shown below is the lower of the two liability options (based on the higher of the two discount rates) presented as an estimate in CalPERS valuation report. It includes a 5% liability load for contingencies.

We understand that interest rates in general have risen since June 30, 2021. 4.38% is a recent 20 year Treasury bond rate: it is an estimate of the rate that could actually be used for termination. However, the AAL is as of June 30, 2021 and has not been increased for benefit accruals or other changes since then.

To estimate FCFA’s termination liability for each plan, we allocated the published termination liability for the entire plan on the Ongoing Plan Basis AALs, allocated between FCFA and the City as described earlier in this report. This is a reasonable estimate for illustrative purposes. However, an actual calculation would likely show a higher percentage increase between the ongoing and termination basis for the FCFA portion of the plan than would the City’s portion of the plan. This is because much of the liabilities in the City’s portion of the plan are for retirees, and, due to their shorter life expectancies, their liabilities are less impacted by a change in the discount rate.

Fire Safety Classic Tier

	Ongoing Plan Basis at June 30, 2021	Termination Basis at June 30, 2021	Estimated June 30, 2021 Termination Liability at Recent Treasury Rate
■ Discount Rate	6.8%	2.25%	4.38%
■ Total AAL	\$10,874,299	\$21,476,892	\$16,513,480
■ FCFA AAL	7,305,908	14,429,270	11,094,597
■ FCFA Assets	<u>7,161,156</u>	<u>7,161,156</u>	
■ FCFA UAAL	144,752	7,268,114	

SECTION 6
PLAN TERMINATION ANALYSIS

Miscellaneous Classic Tier 1

	Ongoing Plan Basis at June 30, 2021	Termination Basis at June 30, 2021	Estimated June 30, 2021 Termination Liability at Recent Treasury Rate
■ Discount Rate	6.8%	2.25%	4.38%
■ Total AAL	\$44,258,869	\$79,787,584	\$64,191,410
■ FCFA AAL	310,095	559,023	449,340
■ FCFA Assets	<u>235,609</u>	<u>235,609</u>	
■ FCFA UAAL	74,486	323,414	

Fire Safety PEPRA

	Ongoing Plan Basis at June 30, 2021	Termination Basis at June 30, 2021	Estimated June 30, 2021 Termination Liability at Recent Treasury Rate
■ Discount Rate	6.8%	2.25%	4.38%
■ FCFA AAL	\$ 602,691	\$ 1,043,506	\$ 837,146
■ FCFA Assets	<u>645,706</u>	<u>645,706</u>	
■ FCFA UAAL	(43,015)	397,800	

Total FCFA Termination Basis Estimated Unfunded Liability

	Ongoing Plan Basis at June 30, 2021	Termination Basis at June 30, 2021
■ Discount Rate	6.8%	2.25%
■ Fire Safety Classic	\$ 144,752	\$ 7,268,114
■ Miscellaneous Classic	74,486	323,414
■ Fire Safety PEPRA	<u>(43,015)</u>	<u>397,800</u>
■ Total Estimated UAAL	176,223	7,989,328

SECTION 7

EMPLOYER CONTRIBUTION ANALYSIS

Fire Safety Classic Tier

Since FCFA’s inception, all of the active employees in this tier have been FCFA employees. Therefore, the normal cost should have been, and was, paid by FCFA. However, the City retained the liability for benefits earned for service with the City before FCFA’s inception and so both the City and FCFA should pay a portion of the UAAL payment. Below, we have allocated the UAAL payment for each payment year beginning with FY 2015-16 in accordance with the allocation of the outstanding UAAL bases for the year, as described previously and detailed in Section 11.

The required UAAL payment in fiscal years 2010-11, 2011-12, and 2012-13 were based on the actuarial valuations as of June 30, 2008, 2009, and 2010 respectively. Since FCFA did not exist at those dates, the entire UAAL payment related to service for the City. We calculated the UAAL payment as the total CalPERS payment reported in FCFA’s financial statements minus the employer and employer-paid member normal costs for each year.

The UAAL payment for FY 2013-14 was based on the June 30, 2011 actuarial valuation. Any FCFA UAAL would have been minimal and we have estimated it as \$0.

No amortization base schedule is available for fiscal year 2014-15, which is based on the June 30, 2012 actuarial valuation. That information was not provided by CalPERS prior to its methodology change at June 30, 2013. We have allocated the UAAL payment for FY 2014-15 in proportion to the allocated AAL on the associated June 30, 2012 valuation date.

Schedule of Allocated Fire Safety Classic Tier UAAL Payments

Valuation Date	6/30/08	6/30/09	6/30/10	6/30/11	6/30/12	6/30/13	6/30/14	6/30/15	6/30/16	6/30/17	6/30/18	6/30/19	
Payment Year	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	Total
City	\$57,451	\$89,161	\$145,532	\$101,196	\$113,017	\$40,827	\$46,730	\$54,803	\$65,912	\$78,412	\$88,209	\$100,919	\$982,169
FCFA	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>13,745</u>	<u>11,037</u>	<u>12,470</u>	<u>15,550</u>	<u>22,122</u>	<u>29,352</u>	<u>38,701</u>	<u>52,016</u>	<u>194,993</u>
Total	57,451	89,161	145,532	101,196	126,762	51,864	59,200	70,353	88,034	107,764	126,910	152,935	1,177,162

In total, we calculate, without considering timing or interest, that between July 1, 2010 and June 30, 2022, FCFA has paid \$982,169 in CalPERS Fire Safety Classic costs that should have been paid by the City.



SECTION 7

EMPLOYER CONTRIBUTION ANALYSIS

Miscellaneous Classic Tier 1

Since FCFA's inception, FCFA has had one position filled sequentially by employees who are members of the City's Miscellaneous Classic (Tier 1 and Tier 2) plans. The current employee has filled that position since FY2013-14. The normal cost for these employees should have been paid by FCFA. However, the City retained the liability for benefits earned for service with the City, so both the City and FCFA should pay a portion of the UAAL payment.

Normal cost for each year is calculated as covered FCFA earnings multiplied by the Tier 1 or Tier 2 employer normal cost rate for the year. We have included the required employer normal cost only. If the City also pays the required member contribution for these Classic Miscellaneous employees, the normal cost shown below would approximately double.

Rather than replicating CalPERS actuarial valuation for all Miscellaneous Classic members, we calculated the AAL for the current employee. For simplicity, since the current Miscellaneous employee has 0.70% of the Miscellaneous Classic Tier 1 AAL as of June 30, 2021, we allocated 0.70% of the 2023-24² fiscal year's \$1,072,588 UAAL payment to FCFA, or \$7,508.

For past years, we believe no significant Miscellaneous UAAL would have been present until the June 30, 2015 actuarial valuation, and no UAAL payment would have been due until the 2017-18 fiscal year. The payment would have been very small in the first year and grown over the 7 years to the \$7,508 for FY 2023-24. Because these amounts are small, we have used a straight-line interpolation to estimate the UAAL payments for fiscal years 2017-18 through 2021-22.

In total, we calculate, without considering timing or interest, that between July 1, 2010 and June 30, 2022, the City has paid \$94,768 in CalPERS Miscellaneous costs that should have been paid by FCFA.

² CalPERS' June 30, 2021 actuarial valuation calculated the UAAL payments due in fiscal year 2023-24.

SECTION 7
EMPLOYER CONTRIBUTION ANALYSIS

Schedule of Allocated Miscellaneous Classic Tier 1 CalPERS Payments

Valuation Date Payment Year	6/30/08	6/30/09	6/30/10	6/30/11	6/30/12	6/30/13	6/30/14	6/30/15	6/30/16	6/30/17	6/30/18	6/30/19	Total
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	
Tier 1 Employer Normal Cost Rate	9.061%	9.319%	9.387%	9.665%	9.462%	9.671%	10.069%	10.110%	10.609%	11.432%	12.361%	12.200%	
Tier 2 Employer Normal Cost Rate	N/A	N/A	7.720%	8.052%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
FCFA Normal Cost	\$5,398	\$5,982	\$4,083	\$2,829	\$5,727	\$6,396	\$6,479	\$6,724	\$7,702	\$8,317	\$8,993	\$10,042	\$78,673
Allocated portion of UAAL payment				-	-	-	-	1,073	2,146	3,219	4,292	5,365	16,095
Total FCFA Miscellaneous Classic Tier 1 Cost	5,398	5,982	4,083	2,829	5,727	6,396	6,479	7,797	9,848	11,536	13,285	15,407	94,768

Summary – Net Difference

In total for both the Miscellaneous and Safety plans, we calculate, without considering timing or interest, that between July 1, 2010 and June 30, 2022, FCFA has paid \$887,401 in CalPERS Miscellaneous and Safety costs that should have been paid by the City.

SECTION 8 DATA SUMMARY

CalPERS Fire Safety Classic Tier Participants - June 30, 2021

	All Service with City	Both City and FCFA Service	All Service with FCFA	Total
■ Actives				
● Count	n/a	3	13	16
● Average Age	n/a	51.3	46.4	49.3
● Average Service	n/a	14.6	7.4	10.8
■ Inactives (Transferred or separated)				
● Count	4	2	6	12
● Average Age	49.1	41.1	45.2	45.8
■ Retirees				
● Counts	4	3	1	8
● Average Age	80.7	68.4	57.3	71.2

SECTION 9

ACTUARIAL ASSUMPTIONS

	June 30, 2021 Actuarial Valuation for Fire Safety Classic Tier
■ Valuation Date	■ June 30, 2021
■ Discount Rate	■ 6.8%, same as CalPERS 6/30/21 valuation
■ Pay Increases	<ul style="list-style-type: none"> ■ Aggregate: 2.80% annually ■ Merit: CalPERS 1997-2019 Experience Study
■ Retirement, Mortality, Termination, Disability	■ Rates from CalPERS 1997-2019 Experience Study
■ All Other	■ Same as in 6/30/2021 CalPERS actuarial valuation
■ Census Data	<ul style="list-style-type: none"> ■ Provided by City of Arroyo Grande ■ Pension reports downloaded by City from MyCalPERS ■ CalPERS OPEB database downloaded by City from MyCalPERS ■ Census files contain earnings and employment history for FCFA Fire Safety employees and current information for Fire Safety retirees.
■ Cost Method and Actuarial Liability	<ul style="list-style-type: none"> ■ Entry Age Normal cost method ■ Pension Actuarial Accrued Liability (AAL) calculated on all City + FCFA service for active employees and on the pension benefit retirees are receiving for service
■ Future Employees	■ None considered in study - closed group



SECTION 10

SUMMARY OF CALPERS BENEFITS

	Summary of CalPERS Benefits
■ Eligibility	■ Service or Disability retirement under CalPERS
■ Service Retirement Benefit	<ul style="list-style-type: none"> ■ Fire Safety Classic Tier: <ul style="list-style-type: none"> ● 3% @55 ● 1-year FAC (Final Average Compensation) ■ Miscellaneous Classic Tier 1: <ul style="list-style-type: none"> ● 2.5% @55 ● 1-year FAC ■ Miscellaneous Classic Tier 2: <ul style="list-style-type: none"> ● 2.0% @55 ● 3-year FAC ■ Fire Safety PEPRA Tier: <ul style="list-style-type: none"> ● 2.7% @57 ● 3-year FAC
■ Normal Benefit Form	■ Single life annuity
■ Statutory Member Contributions	<ul style="list-style-type: none"> ■ Fire Safety Classic: 9% of pay ■ Miscellaneous Classic Tier 1: 8% ■ Miscellaneous Classic Tier 2: 7% ■ Fire Safety PEPRA: 13% for FY 2022-23, 13.75% for FY 2023-24
■ Employer Paid Member Contributions, Employee Cost Sharing	■ None
■ COLA	■ Up to 2% per year

SECTION 11

DETAIL OF FIRE SAFETY CLASSIC TIER UAAL ALLOCATION

The UAAL is not calculated directly for plans in the CalPERS risk pool, and plan assets are also not recorded and maintained separately for each risk pool plan. Instead, CalPERS uses the following procedure, which we followed in this study for purposes of splitting the Fire Safety Classic tier. CalPERS began the above methodology beginning with the June 30, 2013 actuarial valuations.

1. The plan's AAL is calculated at the valuation date
2. The plan's projected UAAL balance is calculated as of the valuation date equal to the balance of the previous year's amortization bases remaining at the valuation date.
3. The AAL is calculated for the risk pool
4. The projected UAAL balance for all plans in the risk pool is totaled
5. The investment (gain) or loss for the risk pool for the year ending on the valuation date is calculated, reduced by any amounts needed to offset risk mitigation
6. The non-investment (gain) or loss for the risk pool for the year ending on the valuation date is calculated
7. The plan is allocated a share of the risk pool's investment (gain) or loss in proportion to the difference between the plan's AAL and its projected UAAL (item (2) above): $[(1) - (2)] \div [(3) - (4)] \times (5)$
8. The plan is allocated a share of the risk pool's non- investment (gain) or loss in proportion to the AAL: $[(1) \div (3)] \times (6)$
9. Any increase in the risk pool's AAL due to actuarial assumption or method changes, risk mitigation, and risk mitigation offsets are calculated
10. The plan is allocated a share of the risk pool's change in assumptions or method, risk mitigation, and risk mitigation offset UAAL in proportion to the AAL: $[(1) \div (3)] \times (9)$
11. The plan's UAAL at the valuation date is the sum of the projected UAAL plus additional allocated UAL amounts: $(2) + (7) + (8) + (10)$
12. The plans share of the risk pool assets at the valuation date is the plan's AAL less its allocated UAAL: $(1) - (11)$

SECTION 11
DETAIL OF FIRE SAFETY CLASSIC TIER UAAL ALLOCATION

Valuation date	6/30/2011	6/30/2012	6/30/2013	6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021
Discount rate	7.50%	7.50%	7.50%	7.50%	7.50%	7.375%	7.25%	7.00%	7.00%	7.00%	6.80%
Counts (Total Plan) (CalPERS reports)											
Active employees	16	17	21	21	17	17	15	15	16	16	16
Transferred	4	4	6	6	8	7	9	8	9	9	9
Separated	1	1	2	2	5	6	5	5	3	3	3
Retired	6	5	4	4	4	4	6	7	8	8	8
Actuarial Accrued Liability											
Allocated City AAL	2,942,938	2,933,663	2,891,099	3,019,230	2,785,225	2,943,477	3,088,902	3,246,904	3,418,715	3,449,310	3,568,391
Allocated FCFA AAL	=	<u>356,794</u>	<u>781,626</u>	<u>1,432,538</u>	<u>2,002,429</u>	<u>2,786,799</u>	<u>3,616,082</u>	<u>4,680,862</u>	<u>5,488,356</u>	<u>6,225,397</u>	<u>7,305,908</u>
Total AAL (CalPERS reports)	2,942,938	3,290,457	3,672,725	4,451,768	4,787,654	5,730,276	6,704,984	7,927,766	8,907,071	9,674,707	10,874,299
New UAAL Amounts at each valuation date from CalPERS reports:											
Plan's unamortized balance of previous UAAL bases				886,322	716,195	959,726	1,364,859	1,366,426	1,661,053	1,765,570	1,983,320
Plan's share of investment (gain)				-323,343	211,293	316,121	-182,517	-64,840	35,276	181,875	-962,770
Plan's share of other (gain)				3,954	-743	-48,572	4,232	27,859	37,569	28,813	-40,832
Plan's share of assumption (gain)				210,805	0	87,694	123,856	217,538			57,539
Plan's share of method/risk mitigation (gain)								51,149			262,638
Plan's risk mitigation offset											-307,316

SECTION 11

DETAIL OF FIRE SAFETY CLASSIC TIER UAAL ALLOCATION

Valuation date	6/30/2011	6/30/2012	6/30/2013	6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021
Determination of UAAL and Assets at each valuation date											
City AAL%			78.718%	67.821%	58.175%	51.367%	46.069%	40.956%	38.382%	35.653%	32.815%
FCFA AAL%			21.282%	32.179%	41.825%	48.633%	53.931%	59.044%	61.618%	64.347%	67.185%
City basis for investment gain allocation ³				2,321,534	2,201,139	2,223,881	2,177,252	2,326,490	2,378,377	2,380,522	2,446,467
FCFA basis for investment gain allocation				1,243,912	1,870,321	2,546,668	3,162,873	4,234,851	4,867,641	5,528,615	6,444,512
City Investment Gain%			0.000%	65.112%	54.063%	46.617%	40.772%	35.458%	32.823%	30.098%	27.516%
FCFA Investment Gain%			0.000%	34.888%	45.937%	53.383%	59.228%	64.542%	67.177%	69.902%	72.484%
City share of previous UAAL bases			-	697,696	584,085	719,596	911,650	920,414	1,040,338	1,068,788	1,121,924
FCFA share of previous UAAL bases			-	188,626	132,109	240,131	453,209	446,011	620,715	696,782	861,396
City share of new UAAL bases			734,453	(64,884)	113,798	167,462	(15,406)	98,463	25,998	65,014	(274,097)
FCFA share of new UAAL bases			198,564	(43,700)	96,752	187,781	(39,023)	133,243	46,847	145,674	(716,644)
Total UAAL (CalPERS reports)			933,017	777,738	926,744	1,314,970	1,310,430	1,598,131	1,733,898	1,976,258	992,579
Summary											
City AAL			2,891,099	3,019,230	2,785,225	2,943,477	3,088,902	3,246,904	3,418,715	3,449,310	3,568,391
City Assets			<u>2,156,646</u>	<u>2,386,418</u>	<u>2,087,341</u>	<u>2,056,419</u>	<u>2,192,659</u>	<u>2,228,027</u>	<u>2,352,378</u>	<u>2,315,508</u>	<u>2,720,564</u>
City UAAL			734,453	632,812	697,884	887,058	896,243	1,018,877	1,066,337	1,133,802	847,827
FCFA AAL			781,626	1,432,538	2,002,429	2,786,799	3,616,082	4,680,862	5,488,356	6,225,397	7,305,908
FCFA Assets			<u>583,062</u>	<u>1,287,612</u>	<u>1,773,569</u>	<u>2,358,887</u>	<u>3,201,895</u>	<u>4,101,608</u>	<u>4,820,795</u>	<u>5,382,941</u>	<u>7,161,156</u>
FCFA UAAL			198,564	144,926	228,860	427,912	414,187	579,254	667,561	842,456	144,752

³ Plan's AAL minus Plan's unamortized balance of previous UAAL bases

SECTION 12 DEFINITIONS

- **Present Value of Benefits (PVB):** An actuarial valuation begins with participant data (including active employees, former employees not in payment status, participants and beneficiaries in payment status) at the valuation date. Using this data and actuarial assumptions, the actuary projects future benefit payments. The assumptions model, among other things, when people will retire, terminate, die or become disabled, as well as what future benefits might be, depending on such things as future salary increases and cost of living. Those future benefit payments are discounted, using expected future investment return and the likelihood of receiving a benefit, back to the valuation date. This discounted present value is the plan's present value of benefits. It represents the amount the plan needs as of the valuation date to pay all future benefits – if all assumptions are met and no future contributions (employee or employer) are made.
- **Normal Cost (NC):** The Present Value of Benefits is not funded immediately upon an employee's hire. Instead it is treated as deferred compensation and funded over an employee's working career. The Normal Cost represents the portion of the present value of benefits allocated to, or expected to be earned (on an actuarial, not actual, basis) in the coming year. The Normal Cost is paid by employees and the employer each year as a percentage of PERSable payroll.
- **Actuarial Accrued Liability (AAL):** This represents the portion of the present value of benefits that participants have earned (on an actuarial, not actual, basis) through the valuation date, or allocated are considered to be allocated to periods of past service. This includes the full PVB for retirees and inactive participants, and a portion of the PVB for current active employees.
- **Plan Assets:** This includes funds that have been accumulated in CalPERS' trust fund so they can pay plan benefits and expenses. Amounts are attributable to contributions made by employees and the employer, and to past investment earnings.
- **Unfunded Actuarial Accrued Liability (UAAL):** If all actuarial assumptions had always been exactly met, the accumulated plan assets would equal the actuarial accrued liability. The difference between the actuarial accrued liability and plan assets is the UAAL. It represents the amount of the actuarial accrued liability that must still be funded.

Every year, during the actuarial valuation, the plan actuary calculates the increase or decrease in the UAAL from several sources including investment return and experience different than expected, and plan changes. Each of these is a new UAAL layer which is amortized – paid off over time by additional employer contributions. The total UAAL amortization payment is paid monthly as a separate portion of the employer contribution.



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

Date: June 14, 2023

To: Board of Directors

From: Will Clemens, General Manager

Subject: **Agenda Item #8(B):** Adoption of a Water Shortage Contingency Plan

Recommendation

It is recommended that your Board adopt the attached Water Shortage Contingency Plan (WSCP).

Discussion

Senate Bill 552 (2021) requires small water suppliers serving 1,000 to 2,999 service connections to have a WSCP. The required WSCP is an abridged version of the [urban water management plans](#) mandated for completion by urban water suppliers every 5 years.

The minimum requirements for the abridged WSCP for small water suppliers are provided in [California Water Code §10609.60](#). The State Water Board, in collaboration with the [Department of Water Resources](#) and Sac State's Consensus and Collaboration Program, have prepared plan templates and best practice template examples to promote statewide consistency.

The WSCP is required to be completed by July 1, 2023, posted on the District website, and available to the State Water Board and public upon request. The WSCP must be updated every 5 years.

Other Agency Involvement

The State Water Board provided the template used to develop the WSCP.

Other Financial Considerations

The District engaged Confluence Engineering Solutions, Inc. to assist in developing the WSCP at a cost not to exceed \$5,000.

Results

Consideration and adoption of the WSCP promotes a safe, livable, prosperous, and well governed community.

Attachment: Water Shortage Contingency Plan

Water Shortage Contingency Plan



Oceano Community Services District

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Oceano, CA 93475-0599

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CA4010005

June 14, 2023

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Section I: Declaration of Policy, Purpose, and Intent

In order to conserve the available water supply and protect the integrity of public water system (PWS) supply facilities, with particular regard for domestic water use, sanitation, and fire protection, and to protect and preserve public health, welfare, and safety and minimize the adverse impacts of water supply shortage or other water supply emergency conditions, the Oceano Community Services District (District) hereby adopts the following regulations and restrictions on the delivery and consumption of water.

Water uses regulated or prohibited under this Water Shortage Contingency Plan (the Plan) are considered to be non-essential. Continuation of such uses during times of water shortage or other emergency water supply condition are deemed to constitute a waste of water which subjects the offender(s) to penalties as defined in Section X of the Plan.

Section II: Public Involvement

Opportunity for the public to provide input into the preparation of the Plan was provided by the District by means of email notification and hard copy and website posting of notices for the opportunity to provide public input at the District Board of Director Meeting that occurred on June 14, 2023.

Section III: Public Education

The District will periodically provide the public with information about the Plan, including information about the conditions under which each stage of the Plan is to be initiated or terminated and the drought response measures to be implemented in each stage. This information will be provided by means of presentations at Board of Director Meetings, billing inserts, email notifications emergency mailers, and press releases, as appropriate.

Section IV: Coordination with Regional Water Planning Groups

The service area of the District is located within the San Luis Obispo County Integrated Regional Water Management (IRWM) Region and the District has provided a copy of this Plan to the San Luis Obispo County Flood Control and Water Conservation District (SLOCFC&WCD) which is the wholesale agency for the District's Lopez Reservoir (Zone 3) and State Water Project water supplies and the lead agency for the IRWM Region. Additionally, the District overlies the Northern Cities Management Area (NCMA) of the Santa Maria Valley Groundwater Basin. The District has provided a copy of this plan to the SLOCFC&WCD, Zone 3 and neighboring NCMA Agencies.

Section V: Authorization

The General Manager, or his/her designee is hereby authorized and directed to implement the applicable provisions of this Plan upon determination that such implementation is necessary to protect public health, safety, and welfare. The General Manager, or his/her designee shall have the authority to initiate or terminate drought or other water supply emergency response measures as described in this Plan.

Section VI: Application

The provisions of this Plan shall apply to all persons, customers, and property utilizing water provided by the District. The terms “person” and “customer” as used in the Plan may include individuals, corporations, partnerships, associations, and all other legal entities.

Section VII: Definitions

For the purposes of this Plan, the following definitions shall apply:

Aesthetic water use: water use for ornamental or decorative purposes such as fountains, reflecting pools, and water gardens.

Commercial and institutional water use: water use which is integral to the operations of commercial and non-profit establishments and governmental entities such as schools, hospitals, clinics, retail establishments, hotels and motels, restaurants, and office buildings.

Conservation: those practices, techniques, and technologies that reduce the consumption of water, reduce the loss or waste of water, improve the efficiency in the use of water or increase the recycling and reuse of water so that a supply is conserved and made available for future or alternative uses.

Customer: any person, company, or organization using water supplied by the District.

Domestic water use: water use for personal needs or for household or sanitary purposes such as drinking, bathing, heating, cooking, sanitation, or for cleaning a residence, business, industry, or institution.

Deep Well Index: the average water level of three NCMA sentry wells (24B03, 30F03, 30N02). This water level index is utilized to gauge the ability of the NCMA portion of the Santa Maria Valley Groundwater Basin to withhold potential landward migration of seawater (i.e., seawater intrusion).

Even number address: street addresses, box numbers, or rural postal route numbers ending in 0, 2, 4, 6, or 8 and locations without addresses.

Industrial water use: the use of water in processes designed to convert materials of lower value into forms having greater usability and value.

Landscape irrigation use: water used for the irrigation and maintenance of landscaped areas, whether publicly or privately owned, including residential and commercial lawns, gardens, golf courses, parks, rights-of-way and medians.

Non-essential water use: water uses that are not essential nor required for the protection of public, health, safety, and welfare, including:

- (a) irrigation of landscape areas, including parks, athletic fields, and golf courses, except otherwise provided under this Plan;
- (b) use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle;
- (c) use of water to wash down any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;
- (d) use of water to wash down buildings or structures for purposes other than immediate fire protection;
- (e) flushing gutters or permitting water to run or accumulate in any gutter or street;
- (f) use of water to fill, refill, or add to any indoor or outdoor swimming pools or Jacuzzi-type pools;
- (g) use of water in a fountain or pond for aesthetic or scenic purposes except where necessary to support aquatic life;
- (h) failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s); and
- (i) use of water from hydrants for construction purposes or any other purposes other than firefighting.

Odd numbered address: street addresses, box numbers, or rural postal route numbers ending in 1, 3, 5, 7, or 9.

Section VIII: Criteria for Initiation and Termination of Drought Response Stages

The General Manager or his/her designee, shall monitor water supply and/or demand conditions on a daily basis and shall determine when conditions warrant initiation or termination of each stage of the Plan, that is, when the specified “triggers” are reached.

The triggering criteria described below are based on: an assessment of current/projected drought conditions and available water supply from the District’s water sources (i.e., State Water Project (SWP), Lopez Reservoir and Groundwater). For operating within its WSCP, the District will utilize the following water supply availability evaluation as a framework for determining which WSCP Stage is appropriate to implement:

1. If greater than 2 years of water is available in storage to meet the 3-year average historic demand, then the District enters or remains in Stage 1;
2. If the Deep Well Index is greater than 7.5 feet, then the District enters or remains in Stage 1;
3. If less than 2 years of water is available in storage to meet the 3-year average historic demand and the Deep Well Index is less than 7.5 feet, then State Water Project and Lopez Allocations will be evaluated to determine water supply availability and potential implementation of corresponding WSCP Stages.
 - a. The following table provides guidance for which combinations of SWP and Lopez Allocations would trigger which WSCP Stages.
 - i. In these calculations it is assumed that the District has 225 Acre-Feet per Year (AFY) of groundwater supply available to meet water demands and that the 3-year average water demand is 800 AFY. These assumptions will need to be re-evaluated as conditions change in the future.

		State Water Project Allocation					
		>40%	30%	20%	10%	5%	0%
Lopez Allocation	100%	Stage 1	Stage 1	Stage 1	Stage 3	Stage 4	Stage 5
	90%	Stage 1	Stage 1	Stage 2	Stage 3	Stage 4	Stage 5
	80%	Stage 1	Stage 1	Stage 2	Stage 4	Stage 5	Stage 6
	65%	Stage 1	Stage 1	Stage 2	Stage 4	Stage 5	Stage 6
	0%	Stage 1	Stage 3	Stage 5	Stage 6	Stage 6	Stage 6

4. The District General Manager will additionally evaluate other potential water supply availability considerations (e.g., natural disasters; water delivery interruptions, additional water sources available, hydrologic patterns and conditions, etc.) and implement appropriate WSCP Stages and/or Response Actions as appropriate.

The following table describes each water shortage stage as well as PWS-specified triggers, response actions and notification procedures.

Response Stage	Shortage Range	Trigger	Response Action	Notification Procedures
Stage 1 WATCH	Up to 10%	>More than 2 years of water available in storage; or Deep Well Index over 7.5 ft; or SWP/Lopez Allocations greater than the Stage 2 Thresholds	<ul style="list-style-type: none"> No reduction in total water demands from baseline. 	Board of Director Meetings, billing inserts
Stage 2 WARNING	Up to 20%	<Less than 2 years of water available in storage; and Deep Well Index less 7.5 ft; and SWP/Lopez Allocations corresponding to the Stage 2 triggers	<ul style="list-style-type: none"> Use of water which causes runoff onto adjacent properties, non-irrigated areas, private and public walkways, roadways, gutters, parking lots, or structures is prohibited. No water shall be used for cleaning driveways, patios, parking lots, sidewalks, streets, or other such uses except as found necessary by the District to protect the public health or safety. Using water in a fountain or other decorative water feature, except where the water is part of a recirculating system, is prohibited. Outdoor irrigation prohibited after 10am and before 4pm. Applying water to outdoor landscapes during and within 48 hours after measurable rainfall is prohibited. Unauthorized use of water from any fire hydrant is prohibited. Vehicles may only be washed at commercial carwashes that re-circulate water or by high-pressure/low-volume wash devices. Irrigation of private and public landscaping, turf areas, and gardens is permitted at even-numbered addresses only on Mondays and Thursdays, and at odd-numbered addresses only on Tuesdays and Fridays. All customers are directed to use no more water than necessary to maintain landscaping. Expeditious leak repair (within 48 hrs.). In public spaces, reduce irrigation of turf and play areas to minimum levels necessary to protect the health and safety of school children and park visitors. Irrigation of parks, school ground areas, and road median landscaping will not be permitted more than twice a week and only if necessary. Construction meters and fire hydrant meters will be monitored for efficient water use. Construction operations receiving water from a construction meter or water truck shall not use water unnecessarily for any purpose other than those required by regulatory agencies. Construction projects requiring watering for new landscaping materials shall adhere to the designated irrigation requirements. Ornamental landscape or turf that utilizes properly operating water -efficient devices which include, but are not limited to, drip/ micro irrigation systems, stream rotor sprinklers, and are operated by a functional irrigation controller, may upon verification by the District, be irrigated for up to 20 minutes per station on the days authorized for landscape irrigation. Require automatic shut off hoses. Adjust sprinklers and irrigation systems to avoid overspray, runoff, and waste. Expand Public Information Campaign regarding Water Shortage such as website, e- mails, presentations, business placards, school education. Provision of Technical Information to customers on means to promote water use efficiency. Decrease Line Flushing. Reduce System Water Loss. Commercial, industrial, institutional equipment must be properly maintained and in full working order. Encourage customers to wash only full loads when washing dishes or clothes. Encourage customers to report water leaks/waste to the District Irrigation of newly constructed home and building exteriors with potable water is prohibited unless drip or micro spray systems are used. Irrigation of parks, school ground areas, and road median landscaping will not be permitted more than twice a week and only if necessary. Watering to maintain the level of water in swimming pools shall occur only when essential. 	Board of Director Meetings, billing inserts, email notifications

Stage 3 ACUTE	Up to 30%	<Less than 2 years of water available in storage; and Deep Well Index less 7.5 ft; and SWP/Lopez Allocations corresponding to the Stage 3 triggers	<ul style="list-style-type: none"> Emptying and refilling swimming pools and commercial spas is prohibited except to prevent structural damage and/ or to provide for the public health and safety. Prohibit use of potable water for fire drills. Require large users to audit premises and repair leaks. Eliminate sprinkler overspray from driveways and sidewalks. Divide irrigation runtimes into multiple cycles to eliminate runoff water that leaves the landscaped area. No new hydrant construction or temporary construction meter permits will be issued by the District. No replacement water may be provided for ponds or lakes. Aeration equipment should be managed in such a way as to eliminate evaporative loss of water. Tune-up irrigation system by checking for and repairing leaks and damaged sprinklers. Maintenance of existing landscaping necessary for fire protection as specified by the Fire Marshal of the local fire protection agency having jurisdiction over the property to be irrigated. If fire protection landscaping is not sustainable by irrigation two (2) days per week, irrigation may be increased to not more than three (3) days per week. Main flushing only on complaint basis. Customers with "smart" irrigation timers or controllers are asked to set their controllers to achieve specified percentage reduction (depending on the shortage stage) of the ET rate. Limits on watering duration. Watering or irrigating of lawns, landscape or other vegetated area with potable water using a landscape irrigation system or a watering device that is not continuously attended is limited to no more than 15 minutes per day per station. This subsection does not apply to landscape irrigation systems that exclusively use high efficiency irrigation equipment, very low-flow drip type irrigation systems when no emitter produces more than two gallons of water per hour, and weather-based controllers or high-efficiency stream rotor sprinklers. 	Board of Director Meetings, billing inserts, email notifications
Stage 4 CRITICAL	Up to 40%	<Less than 2 years of water available in storage; and Deep Well Index less 7.5 ft; and SWP/Lopez Allocations corresponding to the Stage 4 triggers	<ul style="list-style-type: none"> Irrigation of ornamental turf on public medians with potable water is prohibited. No new potable water service connections, except under restricted conditions. Expeditious leak repair (within 24 hours) 	Board of Director Meetings, billing inserts, email notifications emergency mailers, and press releases
Stage 5 EMERGENCY	Up to 50%	<Less than 2 years of water available in storage; and Deep Well Index less 7.5 ft; and SWP/Lopez Allocations corresponding to the Stage 5 triggers	<ul style="list-style-type: none"> Water use for public health and safety purposes only. Customer rationing may be implemented. All landscape and non-essential outdoor water use for all customers in the District's retail water service area shall be prohibited. All dedicated irrigation meters will be locked off by District personnel. In public spaces, eliminate irrigation of decorative landscape. Decorative water features that use potable water must be drained and kept dry. Previous waivers for watering during an establishment period will be revoked. No new construction meters will be issued. 	Board of Director Meetings, billing inserts, email notifications emergency mailers, and press releases
Stage 6 CATASTROPHIC WATER LOSS	> 50%	<Less than 2 years of water available in storage; and Deep Well Index less 7.5 ft; and SWP/Lopez Allocations corresponding to the Stage 6 triggers	<ul style="list-style-type: none"> No new connections. Prohibit all outdoor water use and landscape irrigation with potable water. No filling of pools or aesthetic water features. No water for commercial car washes. All washing of vehicles is prohibited. 	Board of Director Meetings, billing inserts, email notifications emergency mailers, and press releases

Section IX: Notification

The General Manager, or his/her designee, shall monitor water supply and/or demand conditions on a daily basis and, in accordance with the triggering criteria set forth in Section VIII of this Plan, shall determine if a water shortage condition exists and the severity of any such water shortage conditions (e.g., *1-Watch, 2-Warning, 3-Acute, 4-Critical, 5-Emergency, 6-Catastrophic Water Loss*), and shall implement the following notification procedures accordingly:

Notification of the Public:

The General Manager, or his/her designee, shall notify the public by means of:

- Announcements at Board of Director Meetings
- Billing Inserts
- Email notification
- Emergency Mailers
- Press Releases

Additional Notification:

The General Manager, or his/ her designee, shall notify directly, or cause to be notified directly, the following individuals and entities, as appropriate:

Water Suppliers:

San Luis Obispo County Flood Control and Water Conservation District
Central Coast Water Authority
City of Grover Beach
City of Arroyo Grande
City of Pismo Beach
Avila Beach Community Services District
Avila Valley Mutual Water Company
San Miguelito Mutual Water Company
County Service Area 12
Port San Luis Harbor District

Public Agencies:

County of San Luis Obispo
Northern Cities Management Area Technical Group
Nipomo Mesa Management Area Technical Group
San Luis Obispo Council of Governments
South San Luis Obispo County Sanitation District
California Department of Water Resources (DWR)
California State Library

Section X: Enforcement

- (a) No person shall knowingly or intentionally allow the use of water from the District for residential, commercial, industrial, agricultural, governmental, or any other purpose in a manner contrary to any provision of this Plan, or in an amount in excess of that permitted by the drought response stage in effect at the time pursuant to action taken by General Manager, or his/her designee, in accordance with provisions of this Plan.
- (b) Each day that one or more of the provisions in this Plan is violated shall constitute a separate offense. If a person is in repeated violation of this Plan, the General Manager upon due notice to the customer, be authorized to discontinue water service to the premises where such violations occur. Services discontinued under such circumstances shall be restored only upon payment of a re-connection charge, and any other costs incurred by the District in discontinuing service. In addition, suitable assurance must be given by the General Manager that the same action shall not be repeated while the Plan is in effect.
- (c) Any person, including a person classified as a water customer of the District, in apparent control of the property where a violation occurs or originates shall be presumed to be the violator, and proof that the violation occurred on the person's property shall constitute a rebuttable presumption that the person in apparent control of the property committed the violation, but any such person shall have the right to show that he/she did not commit the violation.

Section XI: Variances

The General Manager, or his/her designee, may, in writing, grant temporary variance for existing water uses otherwise prohibited under this Plan if it is determined that failure to grant such variance would cause an emergency condition adversely affecting the health, sanitation, or fire protection for the public or the person requesting such variance and if one or more of the following conditions are met:

- (a) Compliance with this Plan cannot be technically accomplished during the duration of the water supply shortage or other condition for which the Plan is in effect.
- (b) Alternative methods can be implemented which will achieve the same level of reduction in water use.

Persons requesting an exemption from the provisions of this Plan shall file a petition for variance with the District within 5 days after the Plan or a particular drought response stage has been invoked. All petitions for variances shall be reviewed by the General Manager, or his/her designee, and shall include the following:

- (a) Name and address of the petitioner(s).
- (b) Purpose of water use.
- (c) Specific provision(s) of the Plan from which the petitioner is requesting relief.
- (d) Detailed statement as to how the specific provision of the Plan adversely affects the petitioner or what damage or harm will occur to the petitioner or others if petitioner complies with this Plan.
- (e) Description of the relief requested.
- (f) Period of time for which the variance is sought.
- (g) Alternative water use restrictions or other measures the petitioner is taking or proposes to take to meet the intent of this Plan and the compliance date.
- (h) Other pertinent information.



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

Date: June 14, 2023

To: Board of Directors

From: Will Clemens, General Manager

Subject: Agenda Item #8(C): Consideration of Recommendations to Approve a Memorandum of Understanding with the Service Employees International Union Local 620

Recommendations

It is recommended that your Board approve the attached Memorandum of Understanding (MOU) with the Service Employees International Union Local 620.

Discussion

Background

The District's non-management employees are represented by Service Employees International Union Local 620 (SEIU). The existing Memorandum of Understanding (MOU) between the District and SEIU expires on June 30, 2023, and negotiations have been ongoing to develop a new MOU. Attached is the MOU that has been developed as a result of those negotiations. It provides for a five-year term ending June 30, 2028. It includes wage increases and benefit improvements.

Wage Increases

Wage modifications incorporated into the attached MOU are based on an annual cost of living adjustment of 6% for fiscal year 2023-24, which will be effective on the first full payroll after July 1st. The annual cost of living increases each following year are based on the Consumer Price Index (CPI) with a minimum of 3% and a maximum of 5%.

Benefit Increases

Benefit increases for the monthly health and related insurance costs are set to increase in response to the rising cost of health insurance and comparable programs funded by other local agencies. Unlike other local agencies, however, the District does not provide post-employment (retirement) health insurance benefits. These retirement period health costs are impacting local agency budgets throughout California and continuing to avoid exposure to



Oceano Community Services District

Board of Directors Meeting

those costs is important for the District's long-term fiscal condition. The increase in health and related benefits is being phased in over the five-year contract, as provided below.

<u>2023/24</u>	<u>2024/25</u>	<u>2025/26</u>
<ul style="list-style-type: none"> Employee Only - \$1,000 Employee +(1) - \$ 1,700 Employee + (2+) - \$ 2,200 	<ul style="list-style-type: none"> Employee Only - \$1,050 Employee +(1) - \$ 1,800 Employee + (2+) - \$ 2,300 	<ul style="list-style-type: none"> Employee Only - \$1,100 Employee +(1) - \$ 1,900 Employee + (2+) - \$ 2,400
<u>2026/27</u>	<u>2027/28</u>	
<ul style="list-style-type: none"> Employee Only - \$1,150 Employee +(1) - \$ 2,000 Employee + (2+) - \$ 2,500 	<ul style="list-style-type: none"> Employee Only - \$1,200 Employee +(1) - \$ 2,100 Employee + (2+) - \$ 2,600 	

Other provisions that have been modified include a \$10 increase to standby pay, a \$50 increase to the boot allowance, the addition of one holiday (Juneteenth) and the use of sick leave for childcare. Those items help address employee needs or equity issues but have a relatively negligible impact financially.

Other Agency Involvement

Service Employees International Union, Local 620 provides representation for non-management employees and participated in the meet and confer process leading the development of the attached Memorandum of Understanding.

Other Financial Considerations

The MOU will result in additional costs to the District in FY 23/24 of approximately \$25,000. Additional costs for FY 24/25 through FY 27/28 will range from \$10,000-\$20,000 annually depending on the CPI increase each year. These cost impacts have been incorporated into the Preliminary FY 2023/24 budget.

Results

Approval of the attached Memorandum of Understanding with SEIU is the result of a meet and confer process that has led to mutually agreeable terms that will provide stability for employees and the District over the next five-year period and supports a well-governed community.

Attachment:

- MOU with Service Employees International Union, Local 620

OCEANO COMMUNITY SERVICES
DISTRICT AND
SERVICE EMPLOYEES INTERNATIONAL
UNION, LOCAL 620

MEMORANDUM OF UNDERSTANDING

FOR THE PERIOD BETWEEN THE DATE OF RATIFICATION AND JUNE 30th, 2028

1. DESIGNATION OF THE PARTIES

This Memorandum of Understanding ("M.O.U.") is made by and between the Oceano Community Services District, a California Special District, hereinafter called the District, and the Service Employees International Union, CLC, Local 620, hereinafter called the Union.

2. RECOGNITION

The Union unit was recognized by State Mediation and Conciliation Services on June 3rd, 2013.

3. REPRESENTATION

A. The District and the Union agree that Union Officers and Representatives are allowed to meet with District Representatives for the purposes of meeting and conferring in good faith. If meetings occur during working hours, a reasonable number of participating employees shall receive reasonable time off without loss of compensation or any other benefit when formally meeting and conferring with representatives of the District.

B. The Union agrees to provide the District Employee Relations Officer with a list of Union Officers and Representatives who are authorized to Meet and Confer in good faith and to keep the list up to date.

C. The District and Union agree that, upon approval of the General Manager to release employees from their normal duties, Union staff representatives shall be given access to working locations during hours of work to conduct grievance investigations. A staff representative is defined as a paid full-time or part-time employee of the Union.

4. UNION SECURITY

Provision of Information - The Union shall furnish any information needed by the District to fulfill the provisions of this Article.

A. Due Deductions - Any of the above-described payment obligations shall be processed by the District in the usual and customary manner and time frames.

- B. Leave Without Pay - Employees on an unpaid leave of absence for an entire pay period or more shall have dues suspended.
- C. Indemnification/Hold Harmless Clause - The Union agrees to fully indemnify, defend and hold harmless the District and its officers, employees and agents against any and all claims, proceedings, settlements and/or liability regarding the legality of this Article or any action taken or not taken by or on behalf of the District under this Section.
- D. Maintenance of Membership - All regular unit employees on the effective date of this MOU are members of the Union in good standing and all such employees who thereafter voluntarily become members of the Union shall maintain their membership in the Union in good standing during the term of this MOU, subject however, to the right to resign from membership during Pay Period 17 annually. The union will notify the district immediately when a member drops their membership and becomes a non-member. Under no circumstances will the District withhold dues from non-members.
- E. Resignation requests by union members submitted to the District shall be referred to the Union. When resignation requests are received outside the window period, the Union will promptly provide such members a letter explaining the maintenance of membership provision, along with a copy of this section of the MOU. Non-members may change their status to member at any time subject to the provisions of Local 620's By-Laws.

5. UNION STEWARDS

- A. The District agrees that the Union may appoint union stewards. The Union shall furnish the District Employee Relations Officer with a current written list identifying by name and work location the stewards of the Union.
- B. One union steward shall be authorized when participating in the investigation and processing of a grievance to take a reasonable amount of District time without loss of compensation or benefits to perform these duties, in accordance with Article 3C of this MOU.

6. USE OF DISTRICT FACILITIES

- A. The parties agree that the Union shall have the right to use District bulletin board space allocated for Union literature and notices at the various work sites. This includes allowance of notices of Union meetings, social gatherings, and minutes of Union meetings. All Union notices shall clearly state that they are prepared and authorized by the Union staff representative. Items posted on District bulletin board space shall not contain anything that may be reasonably construed as maligning the District or its representatives.



B. Upon prior arrangement with the District General Manager or designee the District may provide a meeting room (if available) at no cost to the Union during non-working hours for the purpose of conducting meetings. The Union agrees to fully indemnify, defend and hold harmless the District and its officers, employees and agents against any and all claims, proceedings, settlements and/or liability arising as a result of meetings conducted on District property.

7. NEW HIRE INFORMATION As required by law, the District will supply names, addresses, phone numbers and e-mail addresses monthly and when employees are hired.

8. MANAGEMENT RIGHTS RESERVED- Relegation of Management Rights
The District retains, solely and exclusively, all rights and authority of Management which have not been expressly abridged or limited by the various provisions of: (1) The Rules, Policies, Procedures, Resolutions, Ordinances or Bylaws of the Oceano Community Services District Board of Directors as they now exist or may subsequently be amended; (2) applicable provisions of the Meyers-Milias-Brown Act; or of (3) this Memorandum of Understanding.

A. Specific Management Rights Reserved – The rights and authority of Management, which are not to be abridged by this Memorandum of Understanding, shall include but shall not be limited to, the following:

- i. The right to determine the existence or non-existence of facts that are the basis for management decisions.
- ii. The right to determine the nature, manner, and extent of services to be provided to the public, methods of financing, and types or equipment to be used.
- iii. The right to establish, continue, discontinue, or modify policies, practices, or procedures.
- iv. The right to determine, and to re-determine from time to time, the number, relocation, and types of its operations, and the methods, processes and materials to be employed, including the right to introduce new or improved methods or facilities; to discontinue processes or operations or to discontinue their performance by employees; to determine the number of hours per day or per week operations shall be carried on, and the schedules thereof.

- v. The right to select, determine and schedule the number and types of employees required.
- vi. The right to assign work to such employees as needed and/or in accordance with requirements determined by management consistent with provisions provided in District's Policy, Procedures & Rules.
- vii. The right to establish and change work schedules and assignments.
- viii. The right to transfer, reclassify, promote, or demote employees, or to layoff, terminate, or otherwise relieve employees from duty for lack of work or other lawful reasons; to determine the facts of lack of work.
- ix. The right to make and enforce rules for the maintenance of discipline, and to take disciplinary action.
- x. The right to determine and exercise the procedures and standards of selection for employment and promotion.
- xi. The right to establish and enforce dress and grooming standards.
- xii. The right to determine the content and intent of job classifications.
- xiii. The right to determine the style and/or types of District-issued wearing apparel, equipment or technology to be used.
- xiv. The District shall reserve all other prerogatives and responsibilities normally inherent in management, provided the same are not contrary to the Memorandum of Understanding. (Sections A- 1-14)

9. EMPLOYEES' RIGHTS

- A. Employees of the District shall have the right, subject to the Rules, Policies, Procedures, Resolutions, Ordinances or Bylaws of the Oceano Community Services District Board of Directors as they now exist or may subsequently be amended, to join and be represented by an organization of their own choice and participate in their employment with the District.
- B. Employees of the District shall also have the right to refuse to join or participate in the activities of employee organizations and have the right to represent themselves individually in their employment relations with the District.
- C. No employee shall be interfered with, intimidated, restrained, coerced or discriminated against by the District or any employee organization because of his/her exercise of these rights.
- D. Employees represented by this agreement are not "at will" employees and as such have rights codified not only under federal and state law, but also under the terms of this M.O.U.

10. UNION RIGHTS

- A. Leave for Union Business – The District shall allow an employee to take leave for Union business if the General Manager determines that such leave will not be disruptive of District business. One employee per calendar year shall be designated to attend Union Board meetings. Such employee, with prior approval of the employee’s supervisor, may attend Union Board meetings.
- B. Names of Unit Members – As permitted by law, the District will give the Union a list of names, addresses, telephone numbers and e-mail addresses, classifications and work locations of unit members upon request by the Union. The District will not charge for the list.
- C. Agenda – The Agendas for District Board Meetings will be available to the Union on the District website, in the same manner as to the public.

11. NON-DISCRIMINATION

- A. The District and the Union agree that the provisions of this agreement shall be applied equally to all employees without favor or discrimination because of race, creed, age, national origin, sexual preference, political or religious affiliations, or disability.
- B. The District and the Union agree that neither will unlawfully interfere, intimidate, restrain, coerce, or discriminate against any employee in his/her free choice to participate or not participate in Union activities, or to join or not to join the Union.

12. PERSONNEL FILES

- A. Inspection of Files: Material in the personnel file of a unit member which may serve as a basis for affecting the status of his/her employment will be made available for inspection by the employee involved.
- B. Comments and Review: When information of a derogatory nature is placed in his/her personnel file a unit member will be given notice and an opportunity to review and comment on that material. An employee will have the right to have his/her own written comments attached to any such derogatory statement, within a reasonable time after the item is placed in his/her personnel file.
- C. Authorization to Examine Files: A unit member shall have the right to authorize, in writing, a Union staff representative to examine his/her personnel files.

13. WORKING OUT OF POSITION / SELF PERFORMANCE COMPENSATION ADJUSTMENTS

A. Working Out of Position

Employees directed by their supervisor and assigned to work in a higher salary range position for 5 consecutive work hours or more in any pay period shall be paid in the step of the higher salary range that is deemed by the General Manager to best reflect the work performed, but no less than a 5% increment over their regular rate of pay, for the entire period that they are required to work out of classification except that the higher salary range cannot be exceeded. The determination of whether an employee has worked out of position will be made by the General Manager in his reasonable discretion and any such decision will not be arbitrary or capricious. The General Manager's determination shall be final.

B. Self-Performance Compensation Adjustments

On District projects wherein the District would normally be required to hire private contractors but instead self-performs a project following adoption of a Board Resolution pursuant to section 22035, 22038(a), or 22038(c) of the Public Contracts Code, the Utility System Supervisor, the Water System Operators and the Operators In Training implementing the project shall receive a 15% increase in pay for the hours worked to perform and complete the project.

14. LAYOFF AND REINSTATEMENT POLICY

A. LAYOFF POLICY

When, in the judgment of the Board, it becomes necessary to make a reduction in the work force, layoffs shall be based on seniority within the classification targeted for elimination whenever possible. The District shall provide thirty (30 days) written notice to the Union and the employee(s) affected. Employees subject to layoff shall be eligible to voluntarily demote to a lower classification based on seniority in the lower classification. Reinstatement from layoff shall be based in seniority in the classification where the vacancy occurs. Eligibility for reinstatement by an employee laid off shall be for a period of twenty- four (24) months from the date of layoff.

B. BUMPING RIGHTS

When a covered employee accepts a promotion or reassignment within covered classifications and fails to successfully complete the probationary period for that new promotion or assignment, the affected employee shall have the right to return to the previously held classification, or its replacement if applicable, subject to seniority with the District, based on the employee's original date of hire.

C. REINSTATEMENT POLICY

A former covered employee who has separated from his/her employment with the District in good standing may request reinstatement to his/her previously held position with the District within two years (24 months) of such severance. Under these conditions, reinstatement may be granted by the General Manager, provided there is a vacancy in the previously held classification at the time of the request. If reinstatement is granted within two (2) months of the employee's separation of employment, reinstated employee shall retain his/her original date of hire (the reinstatement date) for seniority purposes, and shall have leave accruals established at the rates in place at the time of the termination in good standing. If reinstatement is granted after two (2) months of the employee's separation of employment, the reinstated employee shall be assigned a new date of hire (the reinstatement date) for seniority purposes and shall have leave accruals established at the rates in place at the time of the termination in good standing. Regardless of the reinstatement date, the health care reimbursement program shall be based upon the new hire date. Such reinstated employee shall serve the typical probationary period for the classification filled through reinstatement.

15. APPEAL FROM MAJOR DISCIPLINE

Under the rules of progressive discipline, the following disciplinary actions in order must be taken.

- 1) Verbal Reprimand
- 2) Written Reprimand
- 3) Suspension
- 4) Demotion
- 5) Reduction in Pay
- 6) Discharge

Under this Policy a regular employee who receives major discipline (defined as any suspension, demotion, reduction in pay, or discharge) may appeal a final Notice of Discipline by delivering their response either verbally or in writing within 10 working days of the notice being received from the supervisor.

Following the acceptance of the appeal the General Manager shall set up and commence a hearing on the appeal within twenty (20) working days unless otherwise waived by both parties. The appellant may appear personally, produce evidence, and have a representative of their choice available at the hearing at employee's expense.

The General Manager shall conduct the Appeal Hearing or, at his/her discretion, may have the hearing conducted by an Arbitrator chosen from a list of 5 names provided by the State Mediation and Conciliation Service to hear and render a decision on the matter. Any such matter shall be advisory only and may be appealed to the General Manager. The appeal must be filed with the General Manager within thirty (30) working days of the written decision of the arbitrator.

The General Manager's decision shall be final.

16. GRIEVANCE PROCEDURE

A. Purpose: It is the purpose of this Article to provide an avenue of communication through which an employee or groups of employees may have their complaint heard and decided in an orderly and fair manner. An employee or an employee group may be represented, by their exclusive representative, in their dealings with the District under this Article.

B. Definition of Grievance: A grievance is a complaint of an employee or group of employees concerning the interpretation or application of:

- i. The administration of the conditions of employment, including job description, salary, and benefits in force between the District and the employee.
- ii. Working conditions within the control of the General Manager, including the District's Policies, Procedures and Rules, and for which no other procedures for orderly solution of such complaints exist.

C. Informal Discussion: Any employee, or group of employees, shall first discuss the alleged grievance with the immediate supervisor within twelve (12) working days of the event comprising the alleged grievance. If the employee is still dissatisfied with the supervisor's solution to the complaint, the grievance may be presented into the grievance procedure.

Procedure: The grievance procedure shall be as follows:

1. If a complaint or grievance has not been resolved at the informal discussion stage, the grievant may submit his/her complaint in writing to the General Manager within five (5) working days of the informal discussion. Within ten (10) working days of receipt of such grievance, the General Manager shall investigate and provide a written response to the grievance.

2. If, within five (5) working days of receipt of the General Manager's written response to the grievance, the employee is still dissatisfied with the resolution proposed, the employee may appeal in writing to the General Manager for a hearing before the District Board. The General Manager, upon receipt of the written appeal to the Board shall schedule an executive closed session of the Board (unless the appellant requests in writing an open session). The session may be at the Board's next regular meeting or at any time within 30 working days of the General Manager's receipt of the written appeal to the Board so long as the employee is given five (5) working days' notice of said session. The employee may present his/her opinion and present facts to the Board and the Board shall hear District evidence and the recommendation of the General Manager. The Board may continue the hearing if this is deemed necessary. The Board shall render its decision within thirty (30) working days from the close of the hearing. The Board's decision shall be final.

17. HOURS OF WORK

A. Work Schedule:

Covered employees shall be assigned to work 80 hours in each two-week payroll period consisting of 10 workdays of eight hours each. Assignment of workdays and scheduled days off under this schedule shall be at the discretion of the District. Changes of work schedule while at the discretion of management will require a minimum of 72 hours' notice unless the schedule change is due to an emergency declared by the General Manager that would significantly affect operations.

B. Emergency Response:

In the event of a declared emergency, the General Manager or his/her designee shall have the authority to suspend all leave and cause all employees to return to duty.

C. Paydays:

Paydays shall be bi-weekly on alternate Fridays. If a payday falls on a holiday, paychecks will be issued the last workday prior to the designated payday.

18. OVERTIME

In addition to their regular time bi-weekly pay, which may include holiday pay or other paid leave, covered employees will receive overtime pay at a rate of 1.5 times the regular hourly rate of pay for all hours worked in addition to the assigned work schedule. Overtime is defined as hours worked in excess of the regular daily work schedule or in excess of the assigned 40-hour week. Paid leave shall be considered time worked for the purposes of computing overtime hours.

If an employee works on a holiday, in addition to the straight time standard holiday pay, all actual hours worked on that holiday shall be compensated at the overtime rate of 1.5 times the actual hours worked.

Authorization for overtime work must be given in advance by the General Manager if the need for such overtime work can be anticipated during normal working hours. During evenings and weekends, the employee on stand-by duty is authorized to perform essential emergency work and to approve the overtime hours of one additional employee to assist when necessary. If more than one additional employee is needed to assist, then approval must be obtained from a supervisor or the General Manager.

19. COMPENSATORY TIME

Definition: For purposes of this M.O.U., compensatory time off ("CTO") is time earned for overtime hours worked but not cashed out (as opposed to "paid leave time" which encompasses all paid leave categories including, but not limited to CTO, Standard Holiday Pay, Float Holiday Pay, Vacation Leave, Sick Leave, Paid Administrative Leave, etc.).

Compensatory time balances as of the first full pay period in June of each year shall automatically be converted to a cash payment to the employee on the last paycheck in June unless State or Federal regulations indicate differently, or extenuating circumstances warrant the General Manager to authorize a carry-over amount not to exceed 40 hours upon request of an employee. Requests for carry-overs must be submitted in writing to the General Manager no later than June 15th of each year.

20. STANDBY PAY

Certain employees will be required to be on standby for rapid response to District operational problems or emergencies after hours, weekends or holidays. Such standby duty will normally be rotated among employees in a department, as determined by the Department Managers. Standby duty is normally assigned for one week at a time, thus requiring standby outside of duty hours on 5 weekdays plus standby on 2 week-end days. Effective upon ratification, for each day's standby assignment an employee will be paid \$60.00 per day. The \$60.00 is a flat daily stipend and is not subject to overtime calculations.

This is in addition to the employee's pay for regular duty work schedule and is also in addition to any overtime actually worked. Thus, if an employee on standby must respond to a problem that results in time actually worked in excess of a 40-hour week, the standby employee will be paid for the time actually worked at one and one-half times the regular rate. An employee on standby duty will be required to wear a pager or cell phone and remain in the local area where the pager or cell phone is active, and he/she can respond on site within 30 minutes. The standby employee may pursue any personal activity that leaves him/her available to promptly, safely and competently respond to calls for response to operational problems or emergencies.

21. AFTER HOURS CALL-BACK

Each non-exempt employee who responds to a call-back after normal work hours, including on-call workers, shall be compensated for a minimum of 2 hours for each response. If actual work exceeds 2 hours, then all time worked will be accounted for and paid on an hour for hour basis. If the time worked on call-back qualifies as overtime, then the hours worked will be compensated at one-and- one-half times the regular rate. This call-back section applies to call-back on regular workdays or on weekends and holidays.

22. HOLIDAYS

The following are the standard paid holidays observed by this District:

January 1 (New Year's Day)

Martin Luther King Day

President's Day

Memorial Day

Juneteenth

July 4 (Independence Day)

Labor Day

Veterans Day

Thanksgiving Day

The Friday immediately following Thanksgiving Day

Christmas Eve

Christmas Day

New Year's Eve

In addition, all regular OCSD employees shall have two floating Holidays per year. Floating holiday time shall be provided each employee employed by the District on July 1 of each year, provided the employee was employed continuously by the District on or before the previous January 1st. Floating holiday hours will be accrued on July 1st, of each year.

- A. No employee, except an employee on paid leave, will be eligible for regular holiday pay unless he or she shall have worked the regularly scheduled shift preceding and following the designated holiday.
- B. Unless otherwise provided in this Article, when a holiday listed herein falls on a Sunday, the following Monday shall be deemed to be the holiday in lieu of the day listed, and when a holiday falls on a Saturday the preceding Friday shall be deemed to be the holiday in lieu of the day listed. If the holiday falls on an employee's Standard Day Off, the employee is to take the holiday on their regular scheduled workday either immediately preceding or following their Standard Day Off.
- C. Regular part-time employees shall receive holiday pay on a pro rata basis according to hours worked. This does not apply to temporary employees.
- D. Floating Holiday balances as of the first full pay period in June of each year shall automatically be converted to a cash payment to the employee on the last paycheck in June unless State or Federal regulations indicate differently.

23. VACATION

Except as specifically contradicted by this M.O.U., the District policies regarding vacation are provided in the District Policies and Procedures Manual and incorporated herein.

Employees shall earn and accrue vacation time on an annual basis in the following manner:

- From the date of employment through the fourth anniversary date of hire at the rate of one working day per month of paid employment (12 working days).
- After the fourth anniversary date of hire through the ninth anniversary date of hire, at a rate of one and one-fourth working days per month of paid employment (15 working days).

- After the ninth anniversary date of hire, vacation time shall be accrued at the rate of one and two-thirds working days per month of paid employment (20 working days).
- In no event shall employees accrue more than 320 hours of vacation.

24. SICK LEAVE

- A. Each regular scheduled full-time employee will earn sick leave from the date of employment, at the rate of 3.7 hours per biweekly pay period (96 hours/year). Regular part-time employees shall receive sick leave on a pro rata basis according to hours worked. This does not apply to temporary employees. Up to 180 days of unused sick leave may be accumulated.
- B. Sick leave may be used for such things as: personal illness or injury; required attendance of an employee upon a sick or injured spouse, child or other immediate family member residing with the employee; medical or dental appointments.
- C. Upon termination of a full-time or regular part-time employee in good standing (i.e., resignation/retirement excluding disciplinary termination and resignation/retirement in lieu of disciplinary termination), he/she will be paid for 100% of accumulated, but unused sick leave, up to a maximum accrual amount of 180 days.
- D. Employees may voluntarily transfer up to forty (40) hours of unused sick leave per fiscal year in one (1) hour increments to a "sick leave bank" under the conditions established herein. The sick leave transfer shall be on an hour for hour basis and subject to the following conditions:
 - i. The employee donating the sick leave must have a minimum of eighty (80) hours of accrued sick leave available after the donation. No transfers of sick leave shall be allowed when the donating employee is terminated, separated or retires from the District within nine (9) months after the donation. All transfers to the "sick leave bank" shall be non-reversible and donations shall be processed on the District's Personnel Action Form in the same manner as any other leave request.

- ii. Employees eligible to receive sick leave hours from the “sick leave bank” must have been employed by the District for a minimum of eighteen (18) months, have exhausted all paid leave and are suffering from a long term illness or injury that will result in the loss of work for a period of at least twenty consecutive (20) working days. These “sick leave bank” provisions shall extend to the required attendance of an employee for the care of a spouse, child or other immediate family member residing with the employee. The General Manager shall review, approve, modify or deny requests for the use of the “sick leave bank” based on the employee requests and the criteria established in this Section.
 - iii. Employees utilizing the “sick leave bank” may integrate these benefits with the provisions of Section 35 of this Memorandum of understanding for State Disability Insurance, as well as Worker’s Compensation, provided however that the total compensation from these sources combined shall not exceed the employee’s base salary.
 - iv. The District reserves the right to request additional information on the nature of the injury or illness and/or require verification from a medical doctor regarding the diagnosis prior to making an eligibility determination.
- E. Twenty-four (24) hours of sick leave may be converted to vacation or pay if no sick leave is used by an employee during the calendar year provided that the employee was employed continuously from January 1st through December 31st. The employee must request the conversion during the month of January for the previous calendar year. Failure to request the conversion during January will result in ineligibility for conversion for the previous calendar year. All requests for conversion are non-reversible and shall require prior approval by the General Manager.

25. SCHOOL ACTIVITY LEAVE

Unit members shall be eligible for up to 8 hours per month and a maximum of 40 hours per year, when requested in advance, for possible child-related activities in the area of education, childcare, and school emergencies. Time allotted for School Activity Leave would be drawn from any and all accumulated paid leave banks, including sick leave.

School Activity Leave includes but is not limited to (1) licensed childcare and school emergencies; (2) finding, enrolling, or re-enrolling a member’s children in school; (3) participating in activities of the school or childcare provider; and (4) addressing school or childcare emergency.

26. BEREAVEMENT LEAVE

A unit member shall be eligible for a temporary leave of absence without loss of salary upon the death of any member of the immediate family. Such leave is available for each incident but shall be limited to 3 days (24 hours), where the death and service are within the State of California and up to five days (40 hours) where the death or service is outside the State. Bereavement Leave is limited to 40 hours annually and shall be exhausted when a total of 40 hours have been used in any calendar year. If bereavement leave has been exhausted, a covered employee may be elect to use other paid leave including sick leave, if necessary, for this purpose. "Immediate family member" is defined below. The employee shall include their family relationship to the deceased on their Personnel Action Form.

27. DEFINITION OF IMMEDIATE FAMILY FOR BEREAVEMENT LEAVE

"Member(s) of Immediate Family" as used for Bereavement Leave only shall mean mother, father, husband, wife, son, daughter, brother, sister, grandmother, grandfather, grandson, granddaughter, guardian with whom employee has lived. The definition includes "In-Law" relationships in each case and "Step" relationships in the case of parents and children.

28. JURY DUTY

Employees of the District who are called or required to serve as a trial juror upon Notification and appropriate verification submitted to his/her supervisor shall be Entitled to be absent from his/her duties with the District during the period of such service or while necessarily being present in court as a result of such call. The employee's normal pay shall be continued during jury duty. The employee shall turn over his/her jury duty pay to the District. Temporary employees shall not be paid during their absence from work on jury duty.

29. ALLOWANCES

A. Employees in the operations and maintenance unit shall receive an annual boot or safety shoe allowance of \$300 payable in July of each year.

B. Employees in the operation and maintenance unit shall be provided uniforms once annually, as follows:

- 11 shirts either long sleeve or short sleeve per employee preference
- 11 pairs of pants
- 1 jacket
- Hats as needed

Operations and Maintenance Employees shall be required to wear these items while on duty.

Administrative Office Employees shall be provided with two (2) shirts each annually. Employees shall maintain their uniforms and other clothing worn on the job in neat clean condition.

C. The District shall provide an on-going Training & Education Allowance for employees who have received recognized certifications and education above what is required for their job classification. Recognized certificates shall include but not be limited to State Department of Health Services (DHS) Operator Grades above Level II in Wastewater, Water and Laboratory; California Water Environment Association (CWEA), Collection Grades above Level II, American Water Works Association (AWWA) Certifications, Associate of Arts/Science Degrees, Bachelors in Arts/Science Degrees, Spanish Language Certification and other related training and education from a certified institution approved by the General Manager for certificates and/or degrees obtained after July 1, 1997. Such reimbursement shall not be retroactive to signing of the initial collective bargaining agreement and shall be in accordance with the schedule identified below. In order to be eligible, the employee must have obtained the certificate and/or degree while employed by the District and has had prior approval from the General Manager that the training and/or education program qualifies under this allowance. An employee shall only be eligible for reimbursement in the fiscal year in which the training and/or education was completed. Such allowance is not cumulative and may not be carried over from one fiscal year to the next. The maximum allowance in any one fiscal year shall not exceed four hundred dollars \$400.00 per employee.

The following allowances shall be allocated based on satisfactory completion of course work and/or receipt of the appropriate certification:

Water, Wastewater, Laboratory & Collection System Certificates:

Level I – (D1, T1)	\$100
Level II – (D2, T2)	\$200
Level III – (D3)	\$300
Level IV – (D4)	\$400
Associate of Arts/Science:	\$250
Bachelors of Arts/Science:	\$350
Spanish Language Classes above entry level:	\$100
AWWA & other programs approved by the General Manager	\$100
Backflow Certification	\$100

In addition to the Allowances set forth above, the District will pay for certification and/or re-certification if necessary for the employee's current position and up to one step above what is required for the employee's current position subject to the General Manager's discretion and according to budgetary constraints on training and certification. The District will pay for employee travel costs relating to training and certification if the District requires the training and/or certification. In situations where training is optional, then the General Manager is authorized to pay for employee travel costs or to authorize cost sharing, including the determination of working hours associated with travel, with the employee. It is within the General Manager's sole and absolute discretion to determine travel expense allocation related to optional training and any such determination is final and non-appealable.

30. HEALTH

For all regular employees working full time, the district will pay 100% of the premiums for the employee only (EE) coverage up to \$1,000 per month, for the employee with one dependent (ED) up to \$1,700 per month, and for the employee with more than one dependent (EF) up to \$2,200 per month ("Benefit Payment Cap") with scheduled increases as detailed below effective July 1 annually. In the event an employee elects a plan option for himself or herself, inclusive of dental, vision and life insurance plans, in excess of the Benefit Payment Cap, the employee shall pay the cost for that plan in excess of the Benefit Payment Cap. If the employee and/or dependent cost of coverage does not meet the Benefit Payment Cap amount, the remaining dollars available may be deferred to a health savings account to be used for medical expenses on a "use it or lose it basis" that will reset to zero at the beginning of each calendar year. Domestic partners (as defined by Family Code Section 297 and registered with the State of California) shall be included as dependents and eligible for the specific benefits described in Articles 31, 32, 33, and 34. The parties mutually understand and agree that the Benefit Payment Caps identified herein shall be phased in over the first five (5) years of the Term as follows:

2023/24

EE - \$1,000
ED - \$1,700
EF - \$ 2,200

2024/25

EE - \$1,050
ED - \$1,800
EF - \$ 2,300

2025/26

EE - \$1,100

ED - \$1,900

EF - \$ 2,400

2026/27

EE - \$1,150

ED - \$2,000

EF - \$ 2,500

2027/28

EE - \$1,200

ED - \$2,100

EF - \$ 2,600

The parties also mutually understand and agree that this MOU can be revisited, insofar as the foregoing health benefits are concerned, if the District elects to participate in the California Public Employee Retirement System health benefit plan or otherwise changes health insurance providers in a manner that would materially affect the health benefits described above.

31. DENTAL INSURANCE

The current Dental Insurance policy shall continue to be provided for each unit member and his/her dependents. The District shall pay 100% of the cost of employee and dependent coverage for such plan up to the Benefit Payment Cap. Any amount over the Benefit Payment Cap will be paid by the employee.

32. VISION CARE

The current Vision care policy plan shall be provided for each unit member and his/her dependents. The District shall pay 100% of the cost of employee and dependent coverage for such plan up to the Benefit Payment Cap. Any amount over the Benefit Payment Cap will be paid by the employee.

33. LIFE INSURANCE

The District shall provide accidental death insurance and pay to the insurance carrier 100% of all employees' premiums payable up to the Benefit Payment Cap. All eligible employees shall be covered by a life insurance plan with double indemnity. Coverage will be \$100,000 with the employee taxed on the cost of the premium exceeding \$50,000 of coverage.



34. RETIREMENT

The District provides a retirement program for all regular employees working half-time or more. The Retirement Program may be provided through contract with the California Public Employees Retirement System (CAL P.E.R.S.) as is currently provided and may be integrated with Federal Social Security Program, as is currently provided. For Employees hired before January 1st, 2013, the District pays both the District's share and 100% of the employee's share of regular payments into CAL P.E.R.S.

The District shall provide the CAL P.E.R.S. 2%at 55 retirement plan for covered employees hired prior to January 1st, 2013, including the highest 3-year computation and credit for unused sick leave.

The District per the Public Employees Pension Reform Act (P.E.P.R.A.) shall provide the P.E.R.S. 2% at62 retirement plan for covered employees hired on or after January 1st, 2013, unless they qualify for the 2%at_55 formula as a "Classic" employee as defined by P.E.P.R.A.

For employees hired after January 1, 2013, who are not Classic employees, the Employee contribution shall not exceed half the normal cost of the plan for this formula as defined by P.E.P.R.A.

To the extent that the provisions of this Section 34 contradict with the requirements of State Law, State Law will control.

35. STATE DISABILITY INSURANCE (SDI)

The District shall provide for the integration of State Disability Insurance benefits with sick leave or vacation time on a pro-rata basis. This procedure shall not allow the employee to receive more than he/she would have received if the employee were on duty, but shall allow the employee to receive a full salary for as long as his/her sick leave/vacation reserves allow through integration.

36. PERMANENT PART-TIME EMPLOYEES

Part-time employees covered by this agreement shall not be eligible for the benefits set forth in this Section 36 unless and until they have worked six (6) consecutive months for the District or One Thousand (1,000) hours, whichever comes first. All other part-time employees are not eligible.

A. An average of under 24 hours per week will receive a pro-rata portion of vacation, sick leave and holiday pay only as recognized for new hires.

B. An average of over 24 hours per week will receive a pro-rata portion of leave i.e., vacation, sick leave and holiday pay as recognized for new hires. No health benefits.

C. An average of over 30 hours per week will receive a pro-rata portion of health benefits, dental benefits, vacation, sick leave, and holiday, as recognized for new hires and P.E.R.S. retirement in pro-rata portion, or as required by law.

37. ADVANCEMENT IN SALARY

The salary range as set forth for each position is divided into seven (7) steps (Steps A through G) that shall be applied as follows. The ranges usually reflect approximately 5% between steps in the range; however, between Step A and Step B and Step B and Step C, the range will usually reflect approximately 2.5% between steps in the range. In addition, after 10 years in service, employees shall receive an additional 5% in addition to their regular rate of pay for longevity pay.

A. Normally a newly appointed employee is placed upon the "A" step (bottom step) of his/her salary range. However, upon determination of the General Manager that the needs of the District and the qualifications of the newly appointed employees warrant such placement, the employee may be started on any step of the salary range.

Step Increases. Progression from one step of the salary range to the next shall be based upon a satisfactory written employee evaluation of the employee's performance by the General Manager. Progression from "A" step to "B" step will normally be at the satisfactory completion of a 6-month probationary period. If the probationary period is extended to 12 months, at the discretion of the General Manager, the initial step increase from "A" to "B" step will not be granted until the satisfactory completion of the extended probationary period. Progression from "B" step to "C" step will be upon the satisfactory performance review and merit increase recommendation by the employee's Supervisor to the General Manager, and the General Manager's concurrence. All other step increases ("C" to "D" step), and above will be at one-year intervals between steps, but only upon satisfactory performance review and merit increase determination by the General Manager. (Note that a probationer who was initially appointed above the "B" step may satisfactorily complete probation in 6 months but will not be eligible for merit step increase until one year from initial employment unless the General Manager determines that outstanding performance during probation warrants a merit increase at the completion of the probationary period).

38. PROMOTIONAL ADVANCES

Whenever a full-time employee is promoted to a higher position in the District's service he/she will be placed on a step in the salary range of the new positions which will approximately result in at least a 5% increase in pay compared to the employee's existing pay range. If the top of the new position's salary range ("G" step) does not allow such 5% improvement, then the promotion shall be made to the "G" step of the promotional position's range. Notwithstanding the foregoing, the General Manager retains the right to increase pay in all promotional circumstances above 5% upon a reasonable evaluation of an employee's performance and merit.



39. RATES OF PAY

Effective the first full payroll period in July 2023, base salary ranges of unit members will be increased 6%. For each successive year during the course of this M.O.U., the base salary ranges of unit members will increase the first full payroll period in July by a variable amount between a minimum of 3% and a maximum of 5% as determined via reference to the 12-month percentage change measured each March by the Bureau of Labor Statistics (BLS) Consumer Price Index for all Urban consumers ("CPI-U") of Los Angeles-Anaheim-Long Beach all items index 1982-84=100, not seasonally adjusted (or comparable successor index if changed by BLS).

40. INCORPORATION OF INDEPENDENT DOCUMENTS

Only policies or ordinances that are specifically referred to in this M.O.U. shall be considered part of this M.O.U.

41. TERM OF MEMORANDUM OF UNDERSTANDING

The term of this M.O.U. ("Term") shall be from the date of ratification through June 30th, 2028. If either party requests modification or extension of the M.O.U. by April 1, 2028, then Meeting and Confering shall commence no later than May 1, 2028 to strive for such modification or extension. Provided, however, on mutual agreement of the parties, items subject to the meet and confer process may be opened for discussion during the term with the exception of wages and retirement benefits.

42. CONTRACTING OUT

If it results in the reduction of normal hours, the District will notify the Union 30 days in advance of Board action if it intends to contract out the functions currently performed by employees within the unit. Nothing in this section shall be construed to limit the rights of the Board of Directors to contract outside work in its sole discretion.

43. DISTRICT POLICIES AND PROCEDURES

The District and Union agree to reopen negotiations on revised District Policies and Procedures falling within the scope of representation during the first year of the Agreement.

44. SEVERABILITY CLAUSE

If any article or section of this M.O.U. shall be found invalid or unlawful by reason of existing or subsequently enacted legislation or by judicial authority, all other articles or sections of this M.O.U. shall remain in full force and effect for the duration of this M.O.U.

IN WITNESS WHEREOF, the undersigned have signed this Memorandum of Understanding
As of the date first above written.

OCEANO COMMUNITY SERVICES DISTRICT

BY: _____
OCSD President

DATE: ____ / ____ / 2023

Approved as FORM:

BY:  _____
OCSD General Counsel

DATE: 6 / 5 / 2023

SERVICE EMPLOYEE INTERNATIONAL UNION LOCAL 620

BY:  _____

DATE: May / 25th / 2023

BY:  _____

DATE: May / 25 / 2023

BY:  _____

DATE: May / 25th / 2023



Oceano Community Services District

1655 Front Street, P.O. Box 599, Oceano, CA 93475

(805) 481-6730 FAX (805) 481-6836

Date: June 14, 2023

To: Board of Directors

From: Carey Casciola, Business and Accounting Manager

Subject: **Agenda Item 8(D): Workshop on the 2023-24 Budget with Board direction as deemed appropriate**

Recommendation

It is recommended that your Board review and discuss the attached 2023-24 District Budget Worksheets and provide staff direction as appropriate for the public hearing on June 28, 2023.

Discussion

The attached budget worksheets for the District's Fiscal Year 2023-24 budget have been prepared and were presented at the May 24, 2023, meeting for discussion purposes. Based on Board feedback, the preliminary budget will be prepared for formal consideration at the public hearing on June 28, 2023.

The line-item worksheets for each fund have been designed to include the following:

- ✓ Budget Narrative
- ✓ Actual FY 2014-15 through FY 2021-22
- ✓ Estimated current year 2022-23
- ✓ Current 2022-23 Adopted Budget
- ✓ Proposed 2023-24 Budget

The Local Hazard Mitigation (LHMP) tasks are itemized as an attachment to the budget. This report includes the status of each hazard identified in the LHMP and is required to be provided to the Board each year. Based on General Fund available, the attached budget does not include funds for the LHMP in the General Fund in the upcoming fiscal year.

Other Agency Involvement

Numerous other agencies are involved in the development of the District's budget including the Five Cities Fire Authority and the County of San Luis Obispo. The final budget is sent to the County Auditor's office after the final adoption in August.



Financial Considerations

The proposed preliminary budget for FY 2023-24 includes \$5,114,622 in revenues, \$5,282,853 in expenditures. Details are covered in the narrative section of the attached budget including details associated with each fund.

The accounting close-out for the current FY 2022-23 year will be substantially completed before the adoption of the Final FY 2023-24 Budget in August 2023, at which time the detailed update on reserves can be provided for Board consideration.

Results

Holding a workshop to review and consider the District's budget for fiscal year 2023-24 helps to ensure sound financial management for the District and promotes a well governed community.

Attachments:

- FY 2023-24 Draft Preliminary Budget
- LHMP Mitigation Strategy
- OPARC Email

FY 2023-2024 OCSD BUDGET WORKSHOP



BUDGET SUMMARY



OCEANO COMMUNITY SERVICES DISTRICT PRELIMINARY BUDGET FISCAL YEAR 2023/24

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Summary

The Oceano Community Services District (OCSD) preliminary budget for fiscal year (FY) 2023/24 has been prepared consistent with the current FY 2022/23 budget. The financial condition of the District is subject to impacts that will need to be addressed in the upcoming years.

Significant Budget Item

The OCSD (FY) 2023/24 Preliminary Budget includes two significant budget issues.

- Since 2010, emergency services and fire protection were provided by the Five Cities Fire Authority (FCFA) through a Joint Powers Authority (JPA) agreement with the cities of Arroyo Grande and Grover Beach. After three amendments to the JPA and two failed ballot measures to increase funding for services, the District has initiated proceedings through the Local Agency Formation Commission (LAFCO) to divest of its emergency and fire protection power and turn the responsibility over to the County of San Luis Obispo.
- The Wastewater Fund has a slight structural deficit which will need to be addressed with a Prop 218 rate increase process soon. Reserves are being used to fund the budget but are well above the minimum reserve levels needed. The last time the District proposed a Prop 218 rate increase in the Wastewater Fund was 2011. The operating shortfalls need to be addressed in the rate increase as well as the deferred infrastructure repairs and replacement.

Additional details are provided in subsequent sections on each of the OCSD budget units.

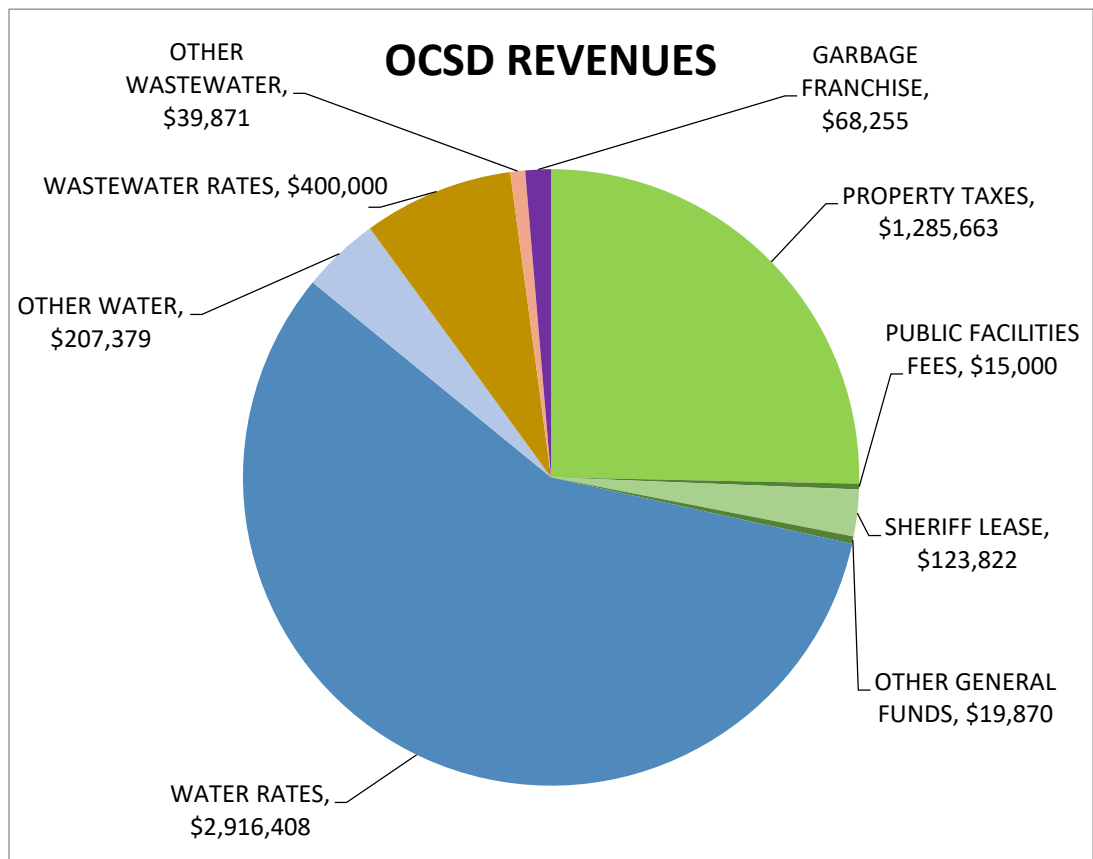
Combined Preliminary Budget

The following table illustrates the combined OCSD budgets.

OCSD Combined Budget - All Funds						
	<u>GENERAL</u>	<u>ENTERPRISE</u>	<u>SUB TOTAL</u>	<u>COMBINING</u>		
	<u>FUND</u>	<u>FUNDS</u>		<u>ADJUSTMENT</u>	<u>TOTAL</u>	<u>%</u>
OPERATING REVENUE	\$1,444,355	\$3,456,688	\$4,901,044		\$4,901,044	96%
NON OPERATING REVENUE	1,151,804	213,579	1,365,382	(1,151,804)	213,579	4%
TOTAL REVENUE	2,596,159	3,670,267	6,266,426	(1,151,804)	5,114,622	100%
LABOR	857,987	578,808	1,436,795	(229,090)	1,207,705	23%
SERVICES & SUPPLIES	1,535,163	2,071,363	3,606,526		3,606,526	68%
CAPITAL OUTLAY	169,619	203,000	372,619		372,619	7%
DEBT SERVICE	0	96,003	96,003		96,003	2%
ADMIN COST	55,363	867,351	922,714	(922,714)	0	0%
TOTAL EXPENDITURES	2,618,131	3,816,525	6,434,657	(1,151,804)	5,282,853	100%
SURPLUS/ (DEFICIT)	(21,972)	(146,258)	(168,231)	0	(168,231)	0

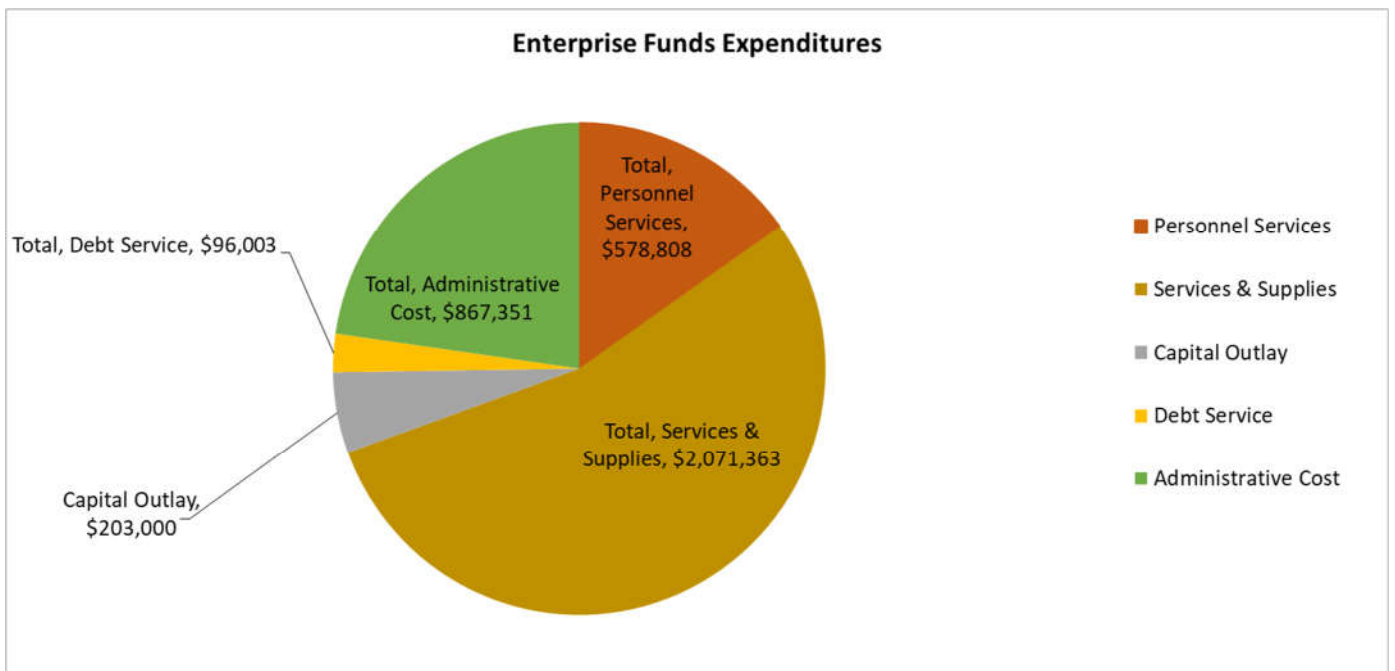
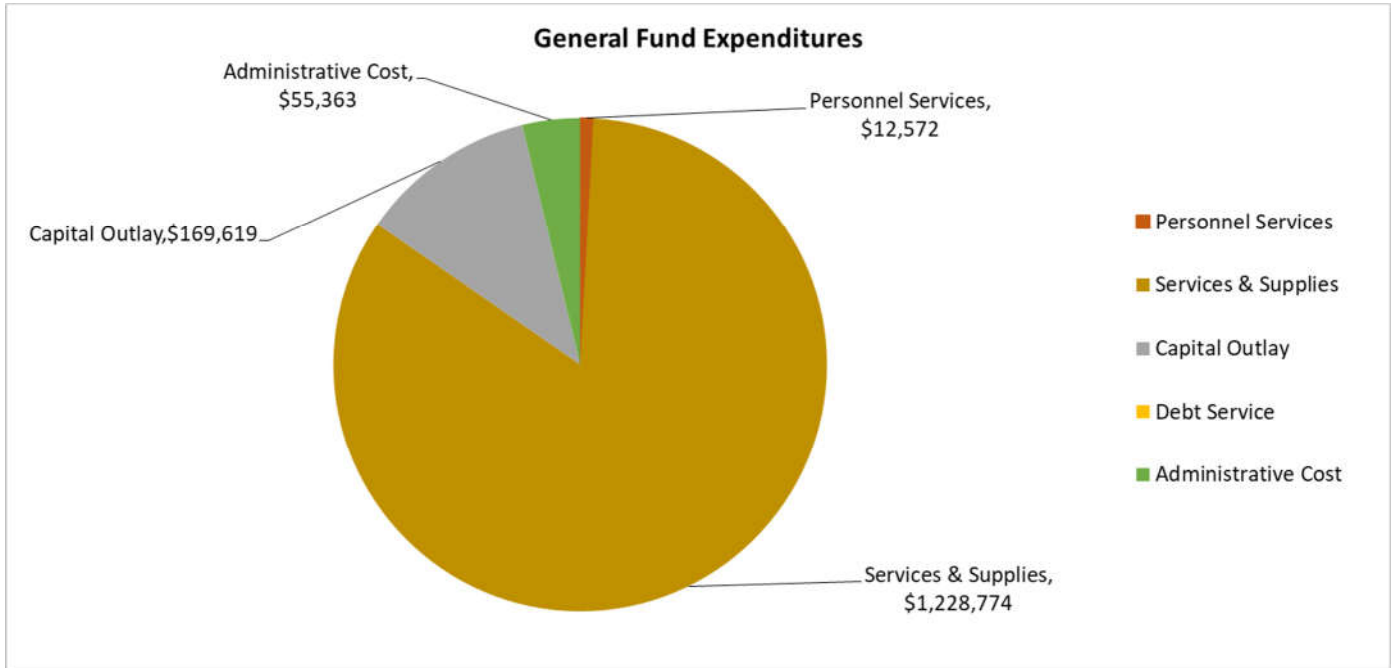
Total property tax revenues are estimated to increase \$39,359 (3%) from \$1,246,304 estimated for FY 2022/23 to \$1,285,663 in FY 2023/24. The Enterprise Fund revenues, not including grant funds, are estimated to increase by \$193,124 (6%) from \$3,438,789 estimated in FY 2022/23 to \$3,631,913 in FY 2023/24.

The adjacent chart illustrates the OCSD estimated revenues for FY 2023/24.



Total General Fund expenditures are estimated to increase \$107,805 (8%) from \$1,358,523 budgeted for FY 2022/23 to \$1,466,328 in FY 2023/24. Enterprise Fund expenditures are estimated to decrease (\$86,644) (1.2%) from a total of \$3,903,169, which is less the \$3,349,608 grant funds approved in FY 2022/23 to \$3,816,525 in FY 2023/24.

The following graph illustrates the OCSD costs for FY 2023/24 by category.



GENERAL FUND BUDGETS

The General Fund Budgets consist of the following:

- Fire Fund
- Lighting Fund
- Administrative Fund
- Facilities Fund
- Payoff of Pension Obligation Bonds to Water and Wastewater Funds
- Ending Reserves Balance

Emergency Services and Fire Protection – See budget schedules on pages 18-21

The budget for the Fire Fund is based on an interim service contract with the Five Cities Fire Authority (FCFA). The District will cease membership in the FCFA effective July 1, 2023. The District has initiated proceedings for divestiture of fire protection services through the San Luis Obispo County Local Agency Formation Commission (LAFCO) which should be complete this fiscal year.

Lighting Fund - See budget schedules on pages 22-25

The lighting fund pays for streetlights and is funded through a portion of the District's property tax allocation. The proposed FY 2023/24 budget of \$56,516 is a minimal decrease of \$1,068 from the \$57,584 budgeted in FY 2022/23.

Administrative Fund - See budget schedules on pages 13-17

The Administrative Fund includes the cost of the General Manager and staff responsible for the District's accounting and finances, human resources, clerk and records retention, contract management, utility billing, and related administrative functions. The proposed FY 2023/24 budget of \$1,151,804 represents an increase of \$5,837 (0.51%) from the \$1,145,967 FY 2022/23 budget as two long time staff members were replaced with new hires recently. In expenditures, funds have been included to purchase the new equipment to improve the District's hearing impaired accommodations.

Facilities Fund - See budget schedules on pages 26-29

The Facilities Fund includes revenues and expenditures for the administrative offices, Sheriff's substation, and the old firehouse. A portion of the old firehouse is rented to Village AA for \$12,000 per year. The Sheriff's substation is leased to the County of San Luis Obispo for \$123,822 per year.

Wastewater funds were utilized to construct the Sheriff's Substation and an interfund loan was established with repayment from the Facilities Fund annually. Last year was the final year of the annual interfund transfer from the Facilities Fund to the Wastewater Fund.

The District has an agreement with the Planning and Building department of the County of San Luis Obispo related to Public Facilities Fees (PFF's). The County currently collects PFF's and distributes them to the District. These fees can be utilized for capital improvements and equipment related to the Fire Fund.

The Facilities Fund includes expenditures for the HWY One Beautification Project with Clean California, replacement of the flooring in the Sheriff's building and the removal of an old diesel tank requested by the Air Quality Control Board.

Payoff of Pension Obligation Bonds to Water and Wastewater Funds:

On April 28, 2021, the Board passed Resolution 2021-05 to refinance the District's outstanding Unfunded Accrued Liability (UAL) to CalPERS. The UAL is the amount by which CalPERS is short of the amount that will be necessary, without further payments from the District, to pay benefits already earned by current and former employees. The Board voted to undertake municipal bond financing to provide for the prepayment of the entire balance for both the "classic" Miscellaneous Plan and Safety Plan. The finance agreement pledged the District's Water and Wastewater net revenues requiring an interfund agreement between the General, Water, Wastewater and Garbage Fund. With the District divesting fire and emergencies services the General and Garbage Funds are paying off their share of the pension obligation bonds to the Water and Wastewater Funds.

Based on the Proposed FY 2023/24 budget, below are the estimated ending reserves in each fund:

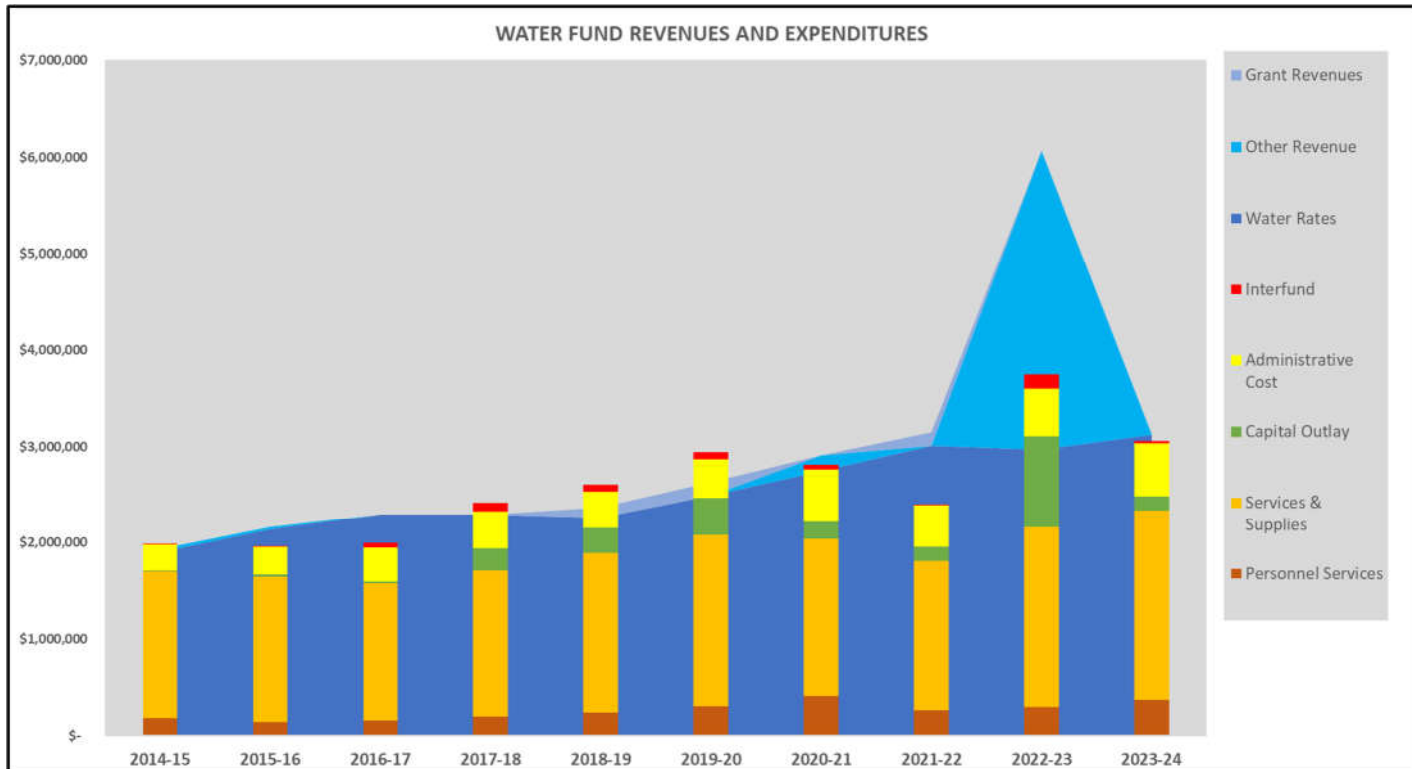
Reserves	General Fund	Water Fund	Wastewater Fund	Garbage Fund
Beginning Balance @ July, 1, 2023	\$175,562	\$1,289,250	\$1,201,009	\$187,721
FY 2023/24 Proposed Budget: Increases/ (Decreases)	(\$98,933)	\$59,720	(\$66,529)	(\$104,867)
Ending Balance @ June 30, 2024	\$76,629	\$1,348,970	\$1,134,480	\$82,854

ENTERPRISE FUND BUDGETS

The OCSD Enterprise Fund budgets consist of the following:

- Water Fund
- Wastewater Fund
- Garbage Fund
- Equipment Fund

Water Fund - See budget schedules on pages 31-35

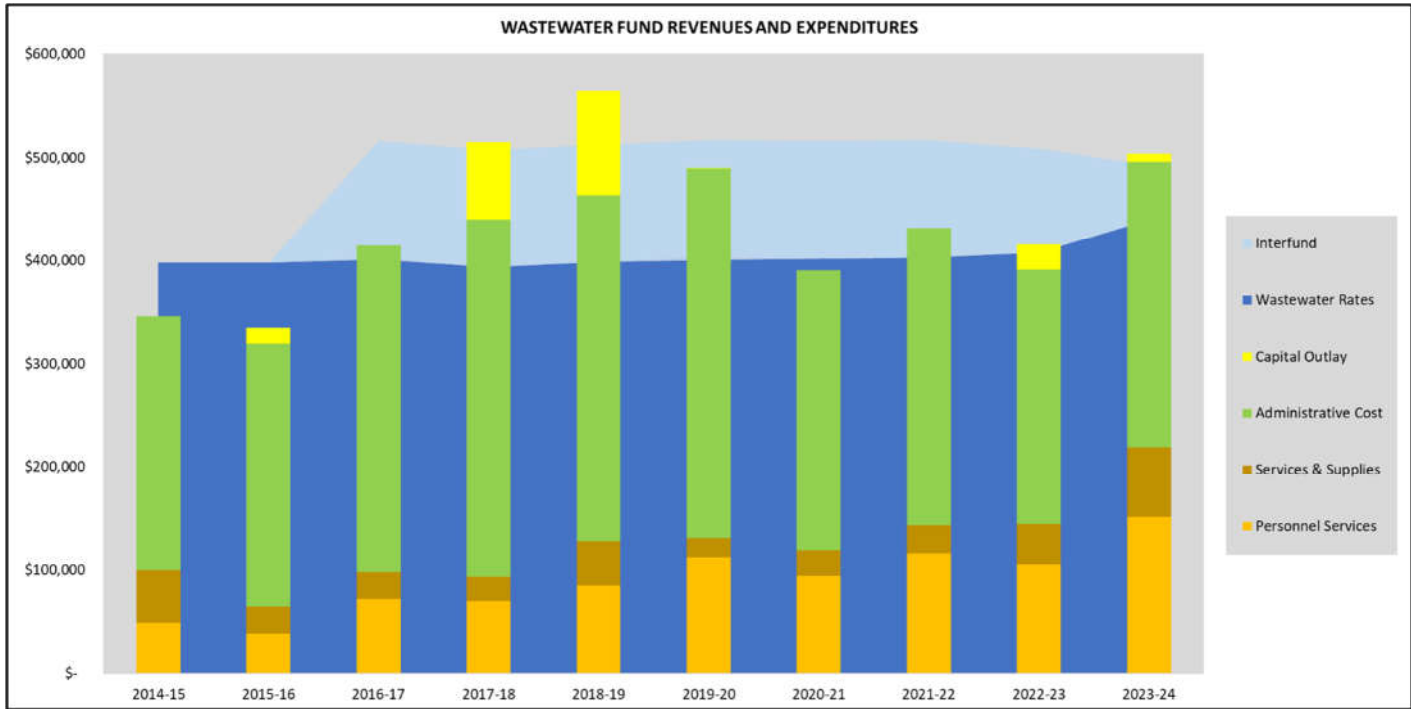


The District provides water service to approximately 2,200 connections. The District’s water supplies include groundwater, Lopez water, and State water. The water system rate increase was approved in October of 2020 by Ordinance 2020-01.

Over the last five years the District has secured \$3,641,090 in grants from state agencies for water system capital improvement projects. The Water Resource Reliability Program (WRRP) funded by Proposition 1, Proposition 84, the Community Development Block Grant, and the Small Community Drought Grant has evaluated long-term infrastructure needs of the Districts water system that includes significant deferred maintenance and replacement. The design phase scope of work includes other preconstruction activities including environmental compliance, other technical assistance, and community outreach.

There are expenditure line items included in the proposed budget that reflect future projects to take place in the FY 2023/24.

Wastewater Fund - See budget schedules on pages 36-40



The Wastewater Fund operating deficit for the FY 2023/24 budget is (\$66,529). Under expenditures, \$8,000 has been set aside for a sewer lateral replacement in the collection system. The Wastewater Fund continues to incur operating net losses because the revenues do not increase every year like the Water Fund. The operating shortfall needs to be addressed in the upcoming years as well as the deferred infrastructure repairs and replacement.

Garbage Fund - See budget schedules on pages 41-44

The Garbage Fund is proposed to have an operating deficit for the FY 2022/23 budget of (\$104,867). The Board adopted Resolution 2020-02 to reduce the franchise fee payment from South County Sanitary from 10% to 5%. By reducing the franchise fees to the District, the residents garbage bills are lower. In expenditures, \$15,000 has been included for new dual trash/recycling cans.

Equipment Fund - See budget schedules on pages 45-48

The Equipment Fund is funded through the Water, Wastewater, and Garbage Funds. The proposed budget includes funds for a new service truck.



GENERAL FUND





**OCEANO COMMUNITY SERVICES DISTRICT
GENERAL FUND
SUMMARY**

ACCOUNT NO.	GENERAL FUND (GF)	ACTUAL FY 2017/2018	ACTUAL FY 2018/19	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ESTIMATED FY 2022/23	FINAL BUDGET FY 2022/23	PROPOSED BUDGET FY 2023/24
SOURCES OF FUNDS									
	Fire	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Lighting	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Facilities	\$169,127	\$201,210	\$152,627	\$163,053	\$150,596	\$155,190	\$165,375	\$152,022
	Admin	\$1,859,878	\$2,037,995	\$2,169,619	\$2,375,249	\$2,217,929	\$2,247,873	\$2,333,586	\$2,444,137
	Total Sources of Funds	\$2,029,005	\$2,239,205	\$2,322,246	\$2,538,301	\$2,368,525	\$2,403,063	\$2,498,961	\$2,596,159
USES OF FUNDS									
	Fire	\$964,222	\$1,052,092	\$1,202,035	\$1,182,361	\$1,181,778	\$1,173,692	\$1,183,977	\$1,195,322
	Lighting	\$39,570	\$46,912	\$40,464	\$44,491	\$37,726	\$53,400	\$56,873	\$49,868
	Facilities	\$118,415	\$85,106	\$181,729	\$34,350	\$47,823	\$106,989	\$117,673	\$221,138
	Admin	\$857,732	\$901,509	\$1,036,203	\$1,067,270	\$1,022,278	\$977,476	\$1,145,967	\$1,151,804
	Total Expenditures	\$1,979,939	\$2,085,619	\$2,460,431	\$2,328,472	\$2,289,606	\$2,311,557	\$2,504,490	\$2,618,131
OPERATING SURPLUS/(DEFICIT)									
	Fire	(\$964,222)	(\$1,052,092)	(\$1,202,035)	(\$1,182,361)	(\$1,181,778)	(\$1,173,692)	(\$1,183,977)	(\$1,195,322)
	Lighting	(\$39,570)	(\$46,912)	(\$40,464)	(\$44,491)	(\$37,726)	(\$53,400)	(\$56,873)	(\$49,868)
	Facilities	\$50,712	\$116,105	(\$29,102)	\$128,702	\$102,773	\$48,201	\$47,702	(\$69,116)
	Admin	\$1,002,146	\$1,136,486	\$1,133,416	\$1,307,979	\$1,195,651	\$1,270,397	\$1,187,619	\$1,292,333
	OPERATING SURPLUS/(DEFICIT)	\$49,065	\$153,586	(\$138,185)	\$209,829	\$78,919	\$91,506	(\$5,529)	(\$21,972)
TRANSFERS & ENCUMBRANCES									
	Transfers In - From Water & Garbage Funds	31,500	31,500	31,500	31,500	31,500	87,900	87,900	55,373
	(Transfers Out) - To Water & Wastewater Funds	(113,940)	(113,940)	(113,940)	(113,940)	(126,011)	(109,441)	(109,441)	(132,334)
	Encumbrances - Sources of Funding								
	Encumbrances - (Designated Funds)								
	NET TRANSFERS & ENCUMBRANCES	(\$82,440)	(\$82,440)	(\$82,440)	(\$82,440)	(\$94,511)	(\$21,541)	(\$21,541)	(\$76,961)
RESERVES									
	(Use of Reserves)	(33,375)		(220,626)		(15,592)		(27,070)	(98,933)
	Additions to Reserves		71,146		127,390		69,965		
	Other Adjustments								
	RESERVES - INCREASE / (DECREASE)	(\$33,375)	\$71,146	(\$220,626)	\$127,390	(\$15,592)	\$69,965	(\$27,070)	(\$98,933)
	NET BUDGETARY SOURCES/USES	(\$0)	(\$0)	(\$1)	\$1	(\$0)	(\$0)	(\$0)	\$0



ADMINISTRATIVE BUDGET





**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
ADMINISTRATIVE DEPARTMENT - GENERAL FUND - 01**

ACCOUNT NO.	GENERAL FUND (GF) ADMINISTRATIVE DEPARTMENT - 01	ACTUAL FY 2017/2018	ACTUAL FY 2018/19	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ESTIMATED FY 2022/23	FINAL BUDGET FY 2022/23	PROPOSED BUDGET FY 2023/24
SOURCES OF FUNDS									
	Revenues	\$1,017,634	\$1,077,768	\$1,125,931	\$1,155,696	\$1,199,829	\$1,270,464	\$1,187,619	\$1,292,333
	Other Sources of Funds	\$842,244	\$960,227	\$1,043,688	\$1,219,553	\$1,018,100	\$977,409	\$1,145,967	\$1,151,804
	Total Sources of Funds	\$1,859,878	\$2,037,995	\$2,169,619	\$2,375,249	\$2,217,929	\$2,247,873	\$2,333,586	\$2,444,137
USES OF FUNDS									
PERSONNEL SERVICES									
	Salaries & Wages	\$435,716	\$404,011	\$456,518	\$466,046	\$438,475	\$430,999	\$451,000	\$466,000
	Benefits	\$142,238	\$119,612	\$171,458	\$193,226	\$180,480	\$140,580	\$163,322	\$150,325
	Personnel Services	\$577,954	\$523,623	\$627,976	\$659,272	\$618,954	\$571,579	\$614,322	\$616,325
	Services & Supplies	\$275,065	\$259,007	\$263,388	\$246,456	\$233,745	\$250,325	\$309,645	\$306,389
	Operating Crew Benefits Allocation	\$4,713	\$118,879	\$144,839	\$161,542	\$169,578	\$155,572	\$222,000	\$229,090
	Administrative Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Total Expenditures	\$857,732	\$901,509	\$1,036,203	\$1,067,270	\$1,022,278	\$977,476	\$1,145,967	\$1,151,804
	OPERATING SURPLUS/(DEFICIT)	\$1,002,146	\$1,136,486	\$1,133,416	\$1,307,979	\$1,195,651	\$1,270,397	\$1,187,619	\$1,292,333



**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
ADMINISTRATIVE DEPARTMENT - GENERAL FUND - 01**

ACCOUNT NO.	GENERAL FUND (GF) ADMINISTRATIVE DEPARTMENT - 01	ACTUAL FY 2017/2018	ACTUAL FY 2018/19	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ESTIMATED FY 2022/23	FINAL BUDGET FY 2022/23	PROPOSED BUDGET FY 2023/24
SOURCES OF FUNDS									
REVENUES									
01-4-3100-000	Property Taxes: Current Year - Secured	964,610	1,015,514	1,039,689	1,090,127	1,146,033	1,201,622	1,150,098	1,243,348
01-4-3101-000	Property Taxes: Current Year - Unsecured	21,060	22,876	38,492	39,056	37,339	40,134	36,778	39,809
01-4-3102-000	Property Taxes: Prior Year - Secured	(2,135)	(3,341)	3,742	(1,923)	(2,836)	62	0	0
01-4-3103-000	Property Taxes: Prior Year - Unsecured	1,160	867	1,148	649	695	455	0	0
01-4-3105-000	Penalties & Interest	32,901	78	110	61	50	15,249	0	0
01-4-3106-000	Delinq Garbage Charges	2,787	1,442	1,600	1,900	6,503	0	0	0
01-4-3120-000	Homeowners' Prop Tax Relief	6,381	6,449	6,253	6,326	6,210	6,315	6,141	6,314
01-4-3121-000	SB 1090	0	0	12,755	12,755	6,377	15,392	10,064	13,866
01-4-3213-100	Will Serve Letter Fee	930	1,470	390	1,110	690	960	0	0
01-4-3230-100	Misc Income	3	1,807	743	5,967	3,856	2,899	0	0
01-4-3238-200	Fireworks Permit	1,540	1,540	1,540	1,600	1,236	1,272	1,697	1,748
01-4-3243-100	Reimbursements	0	0	0	0	1,385	3,263	0	0
01-4-3300-000	Interest Income	385	43,581	34,556	14,728	9,777	0	0	4,922
01-4-3557-000	CO Charge: SB 2557	(14,512)	(15,514)	(15,086)	(16,660)	(17,486)	(17,159)	(17,159)	(17,674)
01-4-3606-205	PG&E Energy Rebate	2,100	1,000	0	0	0	0	0	0
Total Revenues		\$1,017,634	\$1,077,768	\$1,125,931	\$1,155,696	\$1,199,829	\$1,270,464	\$1,187,619	\$1,292,333
OTHER SOURCES OF FUNDS									
	Allocated Administrative Overhead	842,244	841,347	898,849	1,058,011	848,522	821,838	923,967	922,714
	Allocated Operating Crew Overhead	0	118,880	144,839	161,542	169,578	155,571	222,000	229,090
Total Other Sources of Funds		\$842,244	\$960,227	\$1,043,688	\$1,219,553	\$1,018,100	\$977,409	\$1,145,967	\$1,151,804
Total Sources of Funds		\$1,859,878	\$2,037,995	\$2,169,619	\$2,375,249	\$2,217,929	\$2,247,873	\$2,333,586	\$2,444,137
USES OF FUNDS									
SALARIES & WAGES									
01-5-4100-010	Salary & Wages	431,860	398,399	455,896	465,901	438,250	430,871	442,000	461,000
01-5-4100-020	Overtime	3,856	5,612	622	146	225	128	9,000	5,000
Total Salaries & Wages		\$435,716	\$404,011	\$456,518	\$466,046	\$438,475	\$430,999	\$451,000	\$466,000
BENEFITS									
01-5-4100-061	PERS Contribution	52,240	28,092	56,178	58,853	74,857	55,012	65,000	56,000
01-5-4100-062	PERS UAL Payment	22,790	30,576	38,419	47,727	5,575	5,872	5,752	0
01-5-4100-070	SUI	0	0	0	0	0	2,170	2,170	2,200
01-5-4100-071	Medicare	6,528	5,904	6,939	6,582	6,939	6,769	7,300	6,825
01-5-4100-072	FICA	837	628	1,543	1,949	2,255	2,315	2,200	2,400
01-5-4100-075	Compensation Insurance	13,785	5,028	5,269	4,165	4,220	4,695	5,000	5,000
01-5-4100-090	Insurance	42,515	44,721	57,230	73,050	85,734	62,847	75,000	77,000
01-5-4100-097	Cell Phone Allowance	900	900	975	900	900	900	900	900
Total Benefits		\$142,238	\$119,612	\$171,458	\$193,226	\$180,480	\$140,580	\$163,322	\$150,325
Total Personnel Services		\$577,954	\$523,623	\$627,976	\$659,272	\$618,954	\$571,579	\$614,322	\$616,325



**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
ADMINISTRATIVE DEPARTMENT - GENERAL FUND - 01**

ACCOUNT NO.	GENERAL FUND (GF) ADMINISTRATIVE DEPARTMENT - 01	ACTUAL FY 2017/2018	ACTUAL FY 2018/19	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ESTIMATED FY 2022/23	FINAL BUDGET FY 2022/23	PROPOSED BUDGET FY 2023/24
SERVICES & SUPPLIES									
01-5-4100-110	Communications & Dispatch	8,934	8,102	10,078	10,121	10,141	10,990	10,800	11,320
01-5-4100-150	Insurance	21,373	22,608	24,219	26,576	30,562	35,552	32,000	37,000
01-5-4100-170	Maintenance: Equipment	154	357	434	579	415	0	3,810	3,810
01-5-4100-173	Maint: Structures/ Improvements	10,507	6,799	6,058	5,623	5,555	12,518	10,815	13,000
01-5-4100-180	Memberships	6,858	6,990	7,827	3,877	7,934	8,686	8,300	9,000
01-5-4100-193	Bank Fees	4,262	4,631	3,916	4,074	4,817	6,592	5,950	6,200
01-5-4100-200	Office Expense	6,401	7,286	7,952	5,232	6,834	5,270	7,175	7,400
01-5-4100-205	Outside UB Mail Service	19,082	0	1,231	27	0	0	0	0
01-5-4100-210	Postage	348	1,946	505	508	1,075	1,269	2,575	2,575
01-5-4100-218	Audit	21,775	20,200	19,820	21,975	21,620	21,290	21,290	25,000
01-5-4100-220	Professional Services	21,686	23,706	23,778	19,417	25,134	26,935	34,000	35,000
01-5-4100-221	Information Technology	6,178	8,846	7,175	3,749	2,363	705	5,000	5,000
01-5-4100-223	Legal Services	81,715	85,582	88,808	53,072	41,518	36,767	75,000	75,000
01-5-4100-225	Board Stipends	8,700	9,850	10,050	6,250	9,050	8,533	12,000	12,000
01-5-4100-226	Annual Software Maintenance	14,803	15,306	13,749	17,987	18,994	19,200	19,200	22,800
01-5-4100-230	Required Legal Notice	0	375	436	1,178	1,202	378	1,200	1,200
01-5-4100-235	Books/ Journals/ Subscriptions/ Software	698	546	341	1,654	470	478	1,700	1,700
01-5-4100-247	LAFCO Annual Charge	15,280	12,790	15,220	10,861	11,120	12,079	11,900	12,804
01-5-4100-248	Permits, Fees, Licenses	495	798	2,272	2,821	4,298	2,295	2,500	2,500
01-5-4100-260	Election Expense	0	549	0	22,845	0	24,000	24,000	0
01-5-4100-280	Private Vehicle/ Milage Expense	233	0	181	0	0	0	530	530
01-5-4100-283	Job Advertising Expense	0	412	2,400	0	2,444	368	0	0
01-5-4100-285	Classes/ Seminars/ Training Fee	2,159	2,959	3,045	1,284	5,196	6,200	6,200	6,350
01-5-4100-286	Board Member Travel	132	439	210	0	0	0	2,200	2,200
01-5-4100-290	Utilities	9,529	11,707	10,671	10,982	9,910	9,302	11,500	11,500
01-5-4100-297	Pass-thur: Delinquent Garbage/ Tax Roll	2,664	1,239	2,556	203	2,220	918	0	0
01-5-4100-320	Fixed Assets - Hearing Impaired Stationary System	6,096	5,369	0	0	0	0	0	2,500
Total Services & Supplies		\$275,065	\$259,007	\$263,388	\$246,456	\$233,745	\$250,325	\$309,645	\$306,389



**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
ADMINISTRATIVE DEPARTMENT - GENERAL FUND - 01**

ACCOUNT NO.	GENERAL FUND (GF) ADMINISTRATIVE DEPARTMENT - 01	ACTUAL FY 2017/2018	ACTUAL FY 2018/19	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ESTIMATED FY 2022/23	FINAL BUDGET FY 2022/23	PROPOSED BUDGET FY 2023/24
	Operating Crew Benefits & Direct Labor Cost Allocations								
	Leave time	0	27,682	31,352	40,861	54,807	38,726	54,000	54,000
	Salaries & Wages (Admin)	0	0	0	0	0	2,084	7,500	6,400
	PERS Contribution	0	23,478	29,785	34,202	30,886	29,585	44,000	40,000
	Medicare	0	3,448	3,676	3,884	3,676	4,032	5,400	5,500
	P/R Fed & State Taxes	0	0	0	0	0	1,397	4,500	4,500
	SUI	0	0	0	0	0	1,736	1,750	1,750
	Insurance	0	39,309	58,365	61,454	60,468	62,415	83,400	92,000
	Boot Allowance	750	1,000	1,000	1,000	1,000	1,000	1,250	1,500
	Clothing	3,963	6,463	6,362	6,491	5,141	6,797	6,500	7,000
	Standby	0	17,500	14,300	13,650	13,600	7,800	13,700	16,440
	Total Operating Crew Benefits	\$4,713	\$118,879	\$144,839	\$161,542	\$169,578	\$155,572	\$222,000	\$229,090
	Total Expenditures	\$857,732	\$901,509	\$1,036,203	\$1,067,270	\$1,022,278	\$977,476	\$1,145,967	\$1,151,804
	OPERATING SURPLUS/(DEFICIT)	\$1,002,146	\$1,136,486	\$1,133,416	\$1,307,979	\$1,195,651	\$1,270,397	\$1,187,619	\$1,292,333
	TRANSFERS & ENCUMBRANCES								
	Transfers In	0	0	0	46,263	19,120	35,627	23,885	0
	(Transfers Out) - Fire and Lighting (Property Taxes)	(1,028,792)	(1,099,004)	(1,242,499)	(1,226,852)	(1,230,363)	(1,239,816)	(1,253,574)	(1,364,228)
	Encumbrances - Sources of Funding	0	47,904	0	0	0	0	0	0
	Encumbrances - (Designated Funds)	0	(47,904)	0	0	0	0	0	0
	NET TRANSFERS & ENCUMBRANCES	(\$1,028,792)	(\$1,099,004)	(\$1,242,499)	(\$1,180,589)	(\$1,211,243)	(\$1,204,189)	(\$1,229,689)	(\$1,364,228)
	RESERVES								
	(Use of Reserves)	(26,646)		(109,083)		(15,592)		(42,070)	(71,895)
	Additions to Reserves		37,482		127,390		66,208		
	Other Adjustments							0	0
	RESERVES - INCREASE / (DECREASE)	(\$26,646)	\$37,482	(\$109,083)	\$127,390	(\$15,592)	\$66,208	(\$42,070)	(\$71,895)
	NET BUDGETARY SOURCES/USES	\$0	(\$0)	\$0	(\$0)	\$0	\$0	\$0	\$0



FIRE BUDGET





**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
FIRE DEPARTMENT - GENERAL FUND - 01**

ACCOUNT NO.	GENERAL FUND (GF) FIRE DEPARTMENT - 01	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ESTIMATED FY 2022/23	FINAL BUDGET FY 2022/23	PROPOSED BUDGET FY 2023/24
SOURCES OF FUNDS									
	Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Other Sources of Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Total Sources of Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
USES OF FUNDS									
	Salaries & Wages	\$92	\$20	\$0	\$0	\$181	\$0	\$1,900	\$1,995
	Benefits	\$5,723	\$7,641	\$7,803	\$13,687	\$848	\$778	\$1,110	\$1,145
	Personnel Services	\$5,816	\$7,662	\$7,803	\$13,687	\$1,029	\$778	\$3,010	\$3,140
	Services & Supplies	\$923,717	\$1,010,777	\$1,158,278	\$1,141,502	\$1,146,808	\$1,148,259	\$1,153,248	\$1,164,500
	Capital Overlay	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Administrative Cost Allocation	\$34,690	\$33,654	\$35,954	\$27,172	\$33,941	\$24,655	\$27,719	\$27,681
	Total Expenditures	\$964,222	\$1,052,092	\$1,202,035	\$1,182,361	\$1,181,778	\$1,173,692	\$1,183,977	\$1,195,322
	OPERATING SURPLUS/(DEFICIT)	(\$964,222)	(\$1,052,092)	(\$1,202,035)	(\$1,182,361)	(\$1,181,778)	(\$1,173,692)	(\$1,183,977)	(\$1,195,322)



**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
FIRE DEPARTMENT - GENERAL FUND - 01**

ACCOUNT NO.	GENERAL FUND (GF) FIRE DEPARTMENT - 01	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ESTIMATED FY 2022/23	FINAL BUDGET FY 2022/23	PROPOSED BUDGET FY 2023/24
SOURCES OF FUNDS									
REVENUES		0	0	0	0	0	0	0	0
Total Revenues		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OTHER SOURCES OF FUNDS		0	0	0	0	0	0	0	0
Total Other Sources of Funds		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Sources of Funds		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
USES OF FUNDS									
PERSONNEL SERVICES									
SALARIES & WAGES									
01-5-4200-010	Salary & Wages	92	0	0	0	181	0	1,900	1,995
01-5-4200-020	Overtime	0	20	0	0	0	0	0	0
Total Salaries & Wages		\$92	\$20	\$0	\$0	\$181	\$0	\$1,900	\$1,995
BENEFITS									
01-5-4200-061	PERS Contribution	2	0	0	0	0	0	0	0
01-5-4200-062	PERS UAL Payment	5,700	7,046	7,079	12,879	0	0	0	0
01-5-4200-062	Medicare	2	0	0	0	0	0	0	0
01-5-4200-090	Insurance	19	1	0	0	0	0	0	0
	Operating Crew Benefits Allocation	0	594	724	808	848	778	1,110	1,145
Total Benefits		\$5,723	\$7,641	\$7,803	\$13,687	\$848	\$778	\$1,110	\$1,145
Total Personnel Services		\$5,816	\$7,662	\$7,803	\$13,687	\$1,029	\$778	\$3,010	\$3,140
SERVICES & SUPPLIES									
01-5-4200-077	JPA - Quarterly Payments	808,530	987,362	1,138,148	1,138,148	1,138,148	1,138,148	1,138,148	0
	Contract Fire and Emergency Services	0	0	0	0	0	0	0	1,150,000
01-5-4200-110	Communication	28,929	92	578	664	582	583	0	1,000
	Community Outreach	0	0	0	0	0	0	2,000	0
01-5-4200-170	Maintenance - Equipment	62	0	0	0	0	0	0	0
01-5-4200-173	Maintenance - Structure/ Improvements	1,262	1,378	0	0	0	0	0	0
01-5-4200-175	Operating Supplies	0	32	0	0	0	0	0	0
01-5-4200-200	Office Expense	0	34	323	0	93	284	0	0
01-5-4200-210	Postage	0	0	708	0	0	0	0	0
01-5-4200-220	Professional Services	16,165	17,150	14,750	0	5,294	6,427	7,500	7,500
01-5-4200-290	Utilities	3,193	4,353	3,771	2,207	2,101	1,574	5,000	5,000
01-5-4200-291	Sandbags	386	375	0	483	590	1,243	600	1,000
01-5-4200-320	Fixed Assets - Equipment	65,189	0	0	0	0	0	0	0
Total Services & Supplies		\$923,717	\$1,010,777	\$1,158,278	\$1,141,502	\$1,146,808	\$1,148,259	\$1,153,248	\$1,164,500



**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
FIRE DEPARTMENT - GENERAL FUND - 01**

ACCOUNT NO.	GENERAL FUND (GF) FIRE DEPARTMENT - 01	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ESTIMATED FY 2022/23	FINAL BUDGET FY 2022/23	PROPOSED BUDGET FY 2023/24
	CAPITAL OVERLAY								
		0	0	0	0	0	0	0	0
	Total Capital Overlay	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	ADMINISTRATIVE COST ALLOCATION								
01-5-4200-376	Allocated Overhead - Admin	34,690	33,654	35,954	27,172	33,941	24,655	27,719	27,681
	Total Administrative Cost Allocation	\$34,690	\$33,654	\$35,954	\$27,172	\$33,941	\$24,655	\$27,719	\$27,681
	Total Expenditures	\$964,222	\$1,052,092	\$1,202,035	\$1,182,361	\$1,181,778	\$1,173,692	\$1,183,977	\$1,195,322
	OPERATING SURPLUS/(DEFICIT)	(\$964,222)	(\$1,052,092)	(\$1,202,035)	(\$1,182,361)	(\$1,181,778)	(\$1,173,692)	(\$1,183,977)	(\$1,195,322)
	TRANSFERS & ENCUMBRANCES								
	Transfers In - Property Taxes	964,222	1,052,092	1,202,035	1,182,360	1,192,030	1,185,705	1,195,990	1,307,712
	(Transfers Out) - Water & Wastewater Funds					(10,252)	(12,013)	(12,013)	(112,390)
	Encumbrances - Sources of Funding							0	0
	Encumbrances - (Designated Funds)							0	0
	NET TRANSFERS & ENCUMBRANCES	\$964,222	\$1,052,092	\$1,202,035	\$1,182,360	\$1,181,778	\$1,173,692	\$1,183,977	\$1,195,322



LIGHTING BUDGET





**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
LIGHTING - GENERAL FUND - 01**

ACCOUNT NO.	GENERAL FUND (GF) LIGHTING - 01	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ESTIMATED FY 2022/23	FINAL BUDGET FY 2022/23	PROPOSED BUDGET FY 2023/24
SOURCES OF FUNDS									
	Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Other Sources of Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Total Sources of Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
USES OF FUNDS									
	Salaries & Wages	\$0	\$0	\$0	\$1,287	\$55	\$0	\$1,900	\$1,995
	Benefits	\$0	\$594	\$724	\$808	\$848	\$778	\$1,110	\$1,145
	Personnel Services	\$0	\$594	\$724	\$2,095	\$902	\$778	\$3,010	\$3,140
	Services & Supplies	\$30,898	\$37,904	\$30,752	\$33,339	\$28,339	\$44,404	\$44,623	\$37,500
	Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Administrative Cost	\$8,672	\$8,413	\$8,988	\$9,057	\$8,485	\$8,218	\$9,240	\$9,227
	Total Expenditures	\$39,570	\$46,912	\$40,464	\$44,491	\$37,726	\$53,400	\$56,873	\$49,868
	OPERATING SURPLUS/(DEFICIT)	(\$39,570)	(\$46,912)	(\$40,464)	(\$44,491)	(\$37,726)	(\$53,400)	(\$56,873)	(\$49,868)



**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
LIGHTING - GENERAL FUND - FUND 01**

ACCOUNT NO.	GENERAL FUND (GF) LIGHTING - 01	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ESTIMATED FY 2022/23	FINAL BUDGET FY 2022/23	PROPOSED BUDGET FY 2023/24
SOURCES OF FUNDS									
	REVENUES								
		0	0	0	0	0	0	0	0
	Total Revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	OTHER SOURCES OF FUNDS								
	Total Other Sources of Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Total Sources of Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
USES OF FUNDS									
	PERSONNEL SERVICES								
	SALARIES & WAGES								
01-5-4195-010	Salaries & Wages	0	0	0	1,287	55	0	1,900	1,995
01-5-4195-020	Overtime Wages	0	0	0	0	0	0	0	0
	Total Salaries & Wages	\$0	\$0	\$0	\$1,287	\$55	\$0	\$1,900	\$1,995
	BENEFITS								
	Operating Crew Benefits Allocation	0	594	724	808	848	778	1,110	1,145
	Total Benefits	\$0	\$594	\$724	\$808	\$848	\$778	\$1,110	\$1,145
	Total Personnel Services	\$0	\$594	\$724	\$2,095	\$902	\$778	\$3,010	\$3,140
	SERVICES & SUPPLIES								
01-5-4195-175	Operating Supplies	0	0	559	47	334	4,943	1,595	2,500
01-5-4195-150	Insurance	0	0	0	0	0	0	0	0
01-5-4195-295	Steet Lighting	30,898	37,904	30,193	33,292	28,004	28,433	32,000	35,000
01-5-4195-220	Professional Services	0	0	0	0	0	11,028	11,028	0
	Total Services & Supplies	\$30,898	\$37,904	\$30,752	\$33,339	\$28,339	\$44,404	\$44,623	\$37,500
	CAPITAL OUTLAY								
		0	0	0	0	0	0	0	0
	Total Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0



**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
LIGHTING - GENERAL FUND - FUND 01**

ACCOUNT NO.	GENERAL FUND (GF) LIGHTING - 01	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ESTIMATED FY 2022/23	FINAL BUDGET FY 2022/23	PROPOSED BUDGET FY 2023/24
ADMINISTRATIVE COST ALLOCATION									
01-5-4195-376	Administrative Cost Allocation	8,672	8,413	8,988	9,057	8,485	8,218	9,240	9,227
Total Administrative Cost Allocation		\$8,672	\$8,413	\$8,988	\$9,057	\$8,485	\$8,218	\$9,240	\$9,227
Total Expenditures		\$39,570	\$46,912	\$40,464	\$44,491	\$37,726	\$53,400	\$56,873	\$49,868
OPERATING SURPLUS/(DEFICIT)		(\$39,570)	(\$46,912)	(\$40,464)	(\$44,491)	(\$37,726)	(\$53,400)	(\$56,873)	(\$49,868)
TRANSFERS & ENCUMBRANCES									
	Transfers In - Property Taxes	39,570	46,912	40,464	44,492	38,333	54,111	57,584	56,516
	(Transfers Out) - Water & Wastewater Fund	0	0	0	0	(606)	(711)	(711)	(6,648)
	Encumbrances - Sources of Funding	0	0	0	0	0	0	0	0
	Encumbrances - (Designated)	0	0	0	0	0	0	0	0
NET TRANSFERS & ENCUMBRANCES		\$39,570	\$46,912	\$40,464	\$44,492	\$37,727	\$53,400	\$56,873	\$49,868



FACILITIES FUND





**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
FACILITIES - FUND 10**

ACCOUNT NO.	GENERAL FUND (GF) FACILITIES - 10	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ESTIMATED FY 2022/23	FINAL BUDGET FY 2022/23	PROPOSED BUDGET FY 2023/24
SOURCES OF FUNDS									
	Revenues	\$169,127	\$162,852	\$152,627	\$163,053	\$150,596	\$155,190	\$165,375	\$152,022
	Other Sources of Funds	\$0	\$38,358	\$0	\$0	\$0	\$0	\$0	\$0
	Total Sources of Funds	\$169,127	\$201,210	\$152,627	\$163,053	\$150,596	\$155,190	\$165,375	\$152,022
USES OF FUNDS									
	Salaries & Wages	\$1,041	\$2,670	\$3,039	\$344	\$1,893	\$4,324	\$3,700	\$4,000
	Benefits	\$285	\$1,189	\$1,448	\$1,615	\$1,696	\$1,556	\$2,220	\$2,291
	Personnel Services	\$1,326	\$3,859	\$4,487	\$1,960	\$3,588	\$5,880	\$5,920	\$6,291
	Services & Supplies	\$46,211	\$11,122	\$128,488	\$14,276	\$13,294	\$18,174	\$26,774	\$26,774
	Capital Outlay	\$36,189	\$36,470	\$12,800	\$0	\$0	\$66,500	\$66,500	\$169,619
	Administrative Cost	\$34,690	\$33,654	\$35,954	\$18,115	\$30,941	\$16,435	\$18,479	\$18,454
	Total Expenditures	\$118,415	\$85,106	\$181,729	\$34,350	\$47,823	\$106,989	\$117,673	\$221,138
	OPERATING SURPLUS/(DEFICIT)	\$50,712	\$116,105	(\$29,102)	\$128,702	\$102,773	\$48,201	\$47,702	(\$69,116)
	TRANSFERS & ENCUMBRANCES								
	Transfers In - From Water Fund	31,500	31,500	31,500	31,500	31,500	87,900	87,900	55,373
	(Transfers Out) - To Water & Wastewater Funds	(113,940)	(113,940)	(113,940)	(160,203)	(134,273)	(132,344)	(120,602)	(13,296)
	Encumbrances - Sources of Funding	0	0	0	0	0	0	0	0
	Encumbrances - (Designated Funds)	0	0	0	0	0	0	0	0
	NET TRANSFERS & ENCUMBRANCES	(\$82,440)	(\$82,440)	(\$82,440)	(\$128,703)	(\$102,773)	(\$44,444)	(\$32,702)	\$42,077
	RESERVES								
	(Use of Reserves)	(31,728)	0	(111,542)	0	0	0	0	(42,039)
	Additions to Reserves	0	33,665	0	0	0	3,757	15,000	15,000
	Other Adjustments	0	0	0	0	0	0	0	0
	RESERVES - INCREASE / (DECREASE)	(\$31,728)	\$33,665	(\$111,542)	\$0	\$0	\$3,757	\$15,000	(\$27,039)
	NET BUDGETARY SOURCES/USES	(\$0)	(\$0)	\$0	(\$1)	\$0	\$0	\$0	\$0



**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
FACILITIES - FUND 10**

ACCOUNT NO.	GENERAL FUND (GF) FACILITIES - 10	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ESTIMATED FY 2022/23	FINAL BUDGET FY 2022/23	PROPOSED BUDGET FY 2023/24
SOURCES OF FUNDS									
REVENUES									
10-4-3257-000	Utility Reimbursement	1,202	2,209	1,947	1,579	1,546	2,258	1,200	1,200
10-4-3258-000	Old Fire Station Rent	10,725	10,725	10,725	11,775	12,000	12,000	12,000	12,000
10-4-3259-000	Fire Rent	15,000	15,000	15,000	15,000	15,000	15,000	15,000	0
10-4-3260-000	Lease - Sheriff Facility	113,940	113,940	113,940	113,940	113,940	122,175	122,175	123,822
	Public Facilities Fees	27,280	20,060	10,158	20,528	7,878	3,757	15,000	15,000
10-4-3300-003	Interest Income	980	919	857	231	232	0	0	0
	Total Revenues	\$169,127	\$162,852	\$152,627	\$163,053	\$150,596	\$155,190	\$165,375	\$152,022
OTHER SOURCES OF FUNDS									
	Nuclear Power Preparedness - Emergency Generator	0	38,358	0	0	0	0	0	0
	Total Other Sources of Funds	\$0	\$38,358	\$0	\$0	\$0	\$0	\$0	\$0
	Total Sources of Funds	\$169,127	\$201,210	\$152,627	\$163,053	\$150,596	\$155,190	\$165,375	\$152,022
USES OF FUNDS									
SALARIES & WAGES									
10-5-4300-010	Salary & Wages	807	1,834	2,925	344	1,891	3,903	3,700	4,000
10-5-4300-010	Overtime	234	837	114	0	0	421	0	0
10-5-4300-071	Medicare	0	0	0	0	1	0	0	0
	Total Salaries & Wages	\$1,041	\$2,670	\$3,039	\$344	\$1,893	\$4,324	\$3,700	\$4,000
BENEFITS									
	Operating Crew Overhead	0	1,189	1,448	1,615	1,696	1,556	2,220	2,291
	Total Benefits	\$285	\$1,189	\$1,448	\$1,615	\$1,696	\$1,556	\$2,220	\$2,291
	Total Personnel Services	\$1,326	\$3,859	\$4,487	\$1,960	\$3,588	\$5,880	\$5,920	\$6,291
SERVICES & SUPPLIES									
10-5-4300-110	Communication	25	33	27	28	23	29	0	0
10-5-4300-163	Maint: Structure/ Improvements	4,494	3,148	2,599	9,389	10,237	3,437	10,500	10,500
10-5-4300-173	So: Maint. Structures/ Improvements	18,590	2,465	4,659	4,860	3,034	3,679	3,700	3,700
10-5-4300-220	Professional Services	550	1,505	775	0	0	11,029	12,574	12,574
10-5-4300-248	Permits, Fees, Licenses	0	819	0	0	0	0	0	0
10-5-4300-290	Utilities	118	0	0	0	0	0	0	0
10-5-4300-366	Emergency Generator Project	22,239	3,152	120,428	0	0	0	0	0
	Total Services & Supplies	\$46,211	\$11,122	\$128,488	\$14,276	\$13,294	\$18,174	\$26,774	\$26,774
CAPITAL OUTLAY									
10-5-4300-320	Fixed Assets	36,189	36,470	12,800	0	0	0	0	0
	Office Remodel & Parking Lot Resurface Project	0	0	0	0	0	60,000	60,000	0
	Sheriff's Building Gate	0	0	0	0	0	6,500	6,500	0
	Sheriff's Building - Flooring	0	0	0	0	0	0	0	90,000
	HWY 1 Beautification Project	0	0	0	0	0	0	0	71,619
	Diesel Tank Removal	0	0	0	0	0	0	0	8,000
	Total Capital Outlay	\$36,189	\$36,470	\$12,800	\$0	\$0	\$66,500	\$66,500	\$169,619



**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
FACILITIES - FUND 10**

ACCOUNT NO.	GENERAL FUND (GF) FACILITIES - 10	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ESTIMATED FY 2022/23	FINAL BUDGET FY 2022/23	PROPOSED BUDGET FY 2023/24
	ADMINISTRATIVE COST ALLOCATION								
10-5-4300-376	Admin Allocation	34,690	33,654	35,954	18,115	30,941	16,435	18,479	18,454
	Total Administrative Cost Allocation	\$34,690	\$33,654	\$35,954	\$18,115	\$30,941	\$16,435	\$18,479	\$18,454
	Total Expenditures	\$118,415	\$85,106	\$181,729	\$34,350	\$47,823	\$106,989	\$117,673	\$221,138
	OPERATING SURPLUS/(DEFICIT)	\$50,712	\$116,105	(\$29,102)	\$128,702	\$102,773	\$48,201	\$47,702	(\$69,116)
	TRANSFERS & ENCUMBRANCES								
	Transfers In - From Water & Garbage Funds	31,500	31,500	31,500	31,500	31,500	87,900	87,900	55,373
	(Transfers Out) - To Water & Wastewater Funds	(113,940)	(113,940)	(113,940)	(160,203)	(134,273)	(132,344)	(120,602)	(13,296)
	Encumbrances - Sources of Funding	0	0	0	0	0	0	0	0
	Encumbrances - (Designated Funds)	0	0	0	0	0	0	0	0
	NET TRANSFERS & ENCUMBRANCES	(\$82,440)	(\$82,440)	(\$82,440)	(\$128,703)	(\$102,773)	(\$44,444)	(\$32,702)	\$42,077
	RESERVES								
	(Use of Reserves)	(31,728)	0	(111,542)	0	0	0	0	(42,039)
	Additions to Reserves	0	33,665	0	0	0	3,757	15,000	15,000
	Other Adjustments	0	0	0	0	0	0	0	0
	RESERVES - INCREASE / (DECREASE)	(\$31,728)	\$33,665	(\$111,542)	\$0	\$0	\$3,757	\$15,000	(\$27,039)
	NET BUDGETARY SOURCES/USES	(\$0)	(\$0)	\$0	(\$1)	\$0	\$0	\$0	\$0



**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
ENTERPRISE FUNDS**

ACCOUNT NO.	ENTERPRISE FUNDS	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ESTIMATED FY 2022/23	FINAL BUDGET FY 2022/23	PROPOSED BUDGET FY 2023/24
SOURCES OF FUNDS									
	Water	\$2,298,272	\$2,369,720	\$2,628,292	\$2,913,584	\$3,147,959	\$6,065,760	\$6,194,019	\$3,123,787
	Wastewater	\$393,600	\$398,818	\$403,257	\$402,314	\$403,128	\$408,236	\$406,200	\$439,871
	Garbage	\$92,784	\$94,892	\$85,384	\$61,222	\$52,896	\$59,544	\$58,935	\$68,255
	Equipment	\$102,115	\$54,418	\$56,370	\$25,894	\$32,123	\$36,469	\$36,825	\$72,025
	Total Sources of Funds	\$2,886,771	\$2,917,848	\$3,173,303	\$3,403,014	\$3,636,107	\$6,570,009	\$6,695,979	\$3,703,938
USES OF FUNDS									
	Water	\$2,328,034	\$2,535,876	\$2,867,972	\$2,762,186	\$2,403,356	\$6,118,148	\$6,416,315	\$3,089,959
	Wastewater	\$515,141	\$564,942	\$490,149	\$390,368	\$438,930	\$442,927	\$546,391	\$530,734
	Garbage	\$75,838	\$95,573	\$107,025	\$73,209	\$139,085	\$100,496	\$135,271	\$127,833
	Equipment	\$104,922	\$21,423	\$18,018	\$8,228	\$14,757	\$154,447	\$154,800	\$68,000
	Total Expenditures	\$3,023,935	\$3,217,815	\$3,483,164	\$3,233,991	\$2,996,128	\$6,816,018	\$7,252,777	\$3,816,525
OPERATING SURPLUS/(DEFICIT)									
	Water	(\$29,762)	(\$166,156)	(\$239,680)	\$151,398	\$744,603	(\$52,388)	(\$222,296)	\$33,828
	Wastewater	(\$121,541)	(\$166,124)	(\$86,892)	\$11,946	(\$35,802)	(\$34,691)	(\$140,191)	(\$90,863)
	Garbage	\$16,946	(\$681)	(\$21,641)	(\$11,987)	(\$86,189)	(\$40,952)	(\$76,336)	(\$59,577)
	Equipment	(\$2,807)	\$32,995	\$38,352	\$17,666	\$17,367	(\$117,978)	(\$117,975)	\$4,025
	OPERATING SURPLUS/(DEFICIT)	(\$137,163)	(\$299,966)	(\$309,861)	\$169,023	\$639,978	(\$246,009)	(\$556,798)	(\$112,588)
TRANSFERS & ENCUMBRANCES									
	Transfers In	146,440	121,440	121,440	121,440	135,937	241,783	241,783	166,276
	(Transfers Out)	(141,116)	(93,418)	(95,370)	(64,894)	(32,124)	(256,711)	(257,067)	(161,340)
	Encumbrances - Sources of Funding	0	0	0	0	0	0	0	0
	Encumbrances - (Designated Funds)	0	0	0	0	0	0	0	0
	NET TRANSFERS & ENCUMBRANCES	\$5,324	\$28,022	\$26,070	\$56,546	\$103,813	(\$14,928)	(\$15,284)	\$4,936
RESERVES									
	(Use of Reserves)	(131,839)	(271,943)	(283,791)			(260,937)	(572,082)	(107,653)
	Additions to Reserves				225,569	743,792			
	Other Adjustments								
	RESERVES - INCREASE / (DECREASE)	(\$131,839)	(\$271,943)	(\$283,791)	\$225,569	\$743,792	(\$260,937)	(\$572,082)	(\$107,652)
NET BUDGETARY SOURCES/USES		\$0	\$1	(\$0)	\$0	\$1	\$0	(\$0)	(\$0)



WATER FUND





**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
WATER FUND - 02**

ACCOUNT NO.	WATER FUND WATER DEPARTMENT - 02	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ESTIMATED FY 2022/23	FINAL BUDGET FY 2022/23	PROPOSED BUDGET FY 2023/24
SOURCES OF FUNDS									
	Revenues	\$2,298,272	\$2,265,403	\$2,496,145	\$2,744,996	\$3,006,672	\$2,971,009	\$3,099,268	\$3,123,787
	Other Sources of Funds	\$0	\$104,318	\$132,147	\$168,588	\$141,287	\$3,094,751	\$3,094,751	\$0
	Total Sources of Funds	\$2,298,272	\$2,369,720	\$2,628,292	\$2,913,584	\$3,147,959	\$6,065,760	\$6,194,019	\$3,123,787
USES OF FUNDS									
	Salaries & Wages	\$149,429	\$163,191	\$173,399	\$303,913	\$151,297	\$187,866	\$234,000	\$218,000
	Benefits	\$50,000	\$75,740	\$131,079	\$108,821	\$113,844	\$106,607	\$149,580	\$154,218
	Personnel Services	\$199,429	\$238,932	\$304,478	\$412,735	\$265,141	\$294,473	\$383,580	\$372,218
	Services & Supplies	\$1,515,358	\$1,650,517	\$1,772,606	\$1,630,366	\$1,546,439	\$1,870,429	\$1,924,786	\$1,960,108
	Capital Outlay	\$222,987	\$267,821	\$386,406	\$175,648	\$143,692	\$3,406,182	\$3,499,608	\$150,000
	Debt Service	\$0	\$0	\$0	\$0	\$13,249	\$53,961	\$53,961	\$54,005
	Administrative Cost	\$390,260	\$378,606	\$404,482	\$543,437	\$434,835	\$493,103	\$554,380	\$553,628
	Total Expenditures	\$2,328,034	\$2,535,876	\$2,867,972	\$2,762,186	\$2,403,356	\$6,118,148	\$6,416,315	\$3,089,959
	OPERATING SURPLUS/(DEFICIT)	(\$29,762)	(\$166,156)	(\$239,680)	\$151,398	\$744,603	(\$52,388)	(\$222,296)	\$33,828
	TRANSFERS & ENCUMBRANCES								
	Transfers In - From General & Garbage Funds	0	0	0	0	14,497	11,325	11,325	105,857
	(Transfers Out) - To General, Garbage, Equipment	(91,641)	(71,375)	(72,595)	(53,727)	(18,270)	(165,283)	(165,485)	(79,965)
	Encumbrances - Sources of Funding	0	0	0	0	0	0	0	0
	Encumbrances - (Designated Funds)	0	0	0	0	0	0	0	0
	NET TRANSFERS & ENCUMBRANCES	(\$91,641)	(\$71,375)	(\$72,595)	(\$53,727)	(\$3,773)	(\$153,958)	(\$154,160)	\$25,892
	RESERVES								
	(Use of Reserves)	(121,403)	(237,530)	(312,275)	0	0	(206,346)	(376,456)	0
	Additions to Reserves	0	0	0	97,671	740,830	0	0	59,720
	Other Adjustments	0	0	0	0	0	0	0	0
	RESERVES - INCREASE / (DECREASE)	(\$121,403)	(\$237,530)	(\$312,275)	\$97,671	\$740,830	(\$206,346)	(\$376,456)	\$59,720
	NET BUDGETARY SOURCES/USES	(\$0)	\$1	(\$0)	(\$0)	\$1	\$0	\$0	\$0



**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
WATER FUND - 02**

ACCOUNT NO.	WATER FUND WATER DEPARTMENT - 02	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ESTIMATED FY 2022/23	FINAL BUDGET FY 2022/23	PROPOSED BUDGET FY 2023/24
SOURCES OF FUNDS									
REVENUES									
02-4-3200-000	Water Sales	1,700,274	1,677,126	1,779,573	2,330,778	2,757,779	2,831,464	2,971,660	2,916,408
02-4-3203-000/001	Revenue Accrual	2,144	4,652	39,742	11,122	14,882	16,320	0	0
02-4-3204-000	Sales: Lopez	475,743	457,660	487,270	307,184	0	0	0	0
02-4-3205-000	Connection Fees	0	0	0	0	0	0	0	0
02-4-3206-000	Front Footage Fees	8,160	0	26,030	13,518	34,381	0	16,320	24,480
02-4-3207-000	Sales: U/B Courtesy Notice	4,240	4,322	4,345	4,235	3,817	4,500	4,500	4,500
02-4-3208-000	Delinquent U/B Acct Fees	25,470	28,481	23,305	210	29,778	35,533	27,000	40,000
02-4-3209-000	Capacity Charges	27,758	28,741	56,904	23,246	82,265	27,498	27,498	40,704
02-4-3210-000	Meter Fees	8,296	6,750	16,818	10,840	20,250	5,400	5,400	8,100
02-4-3211-000	Lopez Connection Fees	5,000	5,000	10,000	4,000	14,000	4,000	4,000	6,000
02-4-3212-000	New Account Setup Fee	2,421	2,700	3,180	4,530	4,980	5,080	3,240	6,000
02-4-3217-297	Wheeling/Fire Protection	24,390	22,622	21,383	22,952	21,520	25,000	25,000	25,000
02-4-3230-000	Sales: Miscellaneous	294	680	1,057	1,730	301	869	0	0
02-4-3230-350	Reimbursement - New Development	3,315	4,852	3,916	2,804	9,308	11,150	11,150	11,150
02-4-3255-000	Inspection Fees	150	150	275	200	450	200	200	300
02-4-3300-000	Interest Income	146	149	150	147	118	0	0	0
02-4-3300-002	Interest - Co Restricted /WCI	2,883	2,221	663	356	203	0	0	36,145
02-4-3900-000	Other Income	2,957	0	0	1,852	919	0	0	0
02-4-3224-000	Backflow Fees	0	0	0	1,903	1,880	3,995	3,300	5,000
02-4-3905-000	Claims & Settlements	4,632	19,298	21,534	3,389	9,843	0	0	0
Total Revenues		\$2,298,272	\$2,265,403	\$2,496,145	\$2,744,996	\$3,006,672	\$2,971,009	\$3,099,268	\$3,123,787
OTHER SOURCES OF FUNDS									
	WRRP Grant Phase #1	0	104,318	132,147	0	0	0	0	0
	WRRP Grant Phase #2	0	0	0	168,588	0	0	0	0
	Prop 1: Stormwater Recapture	0	0	0	0	135,396	2,332,473	2,332,473	0
	Prop 1: WRRP #1-1 & #1-9	0	0	0	0	5,891	269,278	269,278	0
	Small Community Drought Grant - WRRP Project 1-1 & 1-9	0	0	0	0	0	268,000	268,000	0
	CDBG Grant - Water Tank Rehab Project	0	0	0	0	0	225,000	225,000	0
Total Other Sources of Funds		\$0	\$104,318	\$132,147	\$168,588	\$141,287	\$3,094,751	\$3,094,751	\$0
Total Sources of Funds		\$2,298,272	\$2,369,720	\$2,628,292	\$2,913,584	\$3,147,959	\$6,065,760	\$6,194,019	\$3,123,787
USES OF FUNDS									
PERSONNEL SERVICES									
SALARIES & WAGES									
02-5-4400-010	Salaries and Wages	129,274	127,908	162,702	295,307	144,253	178,918	205,000	208,000
02-5-4400-020	Overtime	20,155	35,283	10,697	8,606	7,045	8,948	29,000	10,000
Total Salaries & Wages		\$149,429	\$163,191	\$173,399	\$303,913	\$151,297	\$187,866	\$234,000	\$218,000
BENEFITS									
02-5-4400-061	PERs Contribution	14,522	0	31,509	0	0	0	0	0
02-5-4400-062	Pers UAL Payment	15,455	0	0	0	0	0	0	0
02-5-4400-071	Medicare	2,060	0	0	21	13	0	0	0
02-5-4400-075	Workers Compensation Insurance	0	4,000	6,873	5,411	5,297	7,041	7,500	7,600
02-5-4400-090	Insurance	17,963	0	0	0	0	0	0	0
	Operating Crew Benefits Allocation	0	71,740	92,697	103,387	108,530	99,566	142,080	146,618
Total Benefits		\$50,000	\$75,740	\$131,079	\$108,821	\$113,844	\$106,607	\$149,580	\$154,218



**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
WATER FUND - 02**

ACCOUNT NO.	WATER FUND WATER DEPARTMENT - 02	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ESTIMATED FY 2022/23	FINAL BUDGET FY 2022/23	PROPOSED BUDGET FY 2023/24
Total Personnel Services		\$199,429	\$238,932	\$304,478	\$412,735	\$265,141	\$294,473	\$383,580	\$372,218
SERVICES & SUPPLIES									
02-5-4400-110	Communications	2,516	3,267	2,682	2,917	2,649	2,902	3,500	3,000
02-5-4400-163	Maint: Structures/ Improvements	640	10,643	6,052	3,005	1,378	4,753	8,900	5,000
02-5-4400-164	Paving	0	0	1,390	3,181	1,175	6,027	3,000	7,000
02-5-4400-170	Maintenance - Equipment	3,545	3,902	2,792	3,139	2,738	9,587	3,200	5,000
02-5-4400-173	Maint: Shared Structures/ Improvements	8,094	13,912	2,410	4,865	480	6,092	10,815	5,000
02-5-4400-175	System Parts/ Operating Supplies	8,861	13,971	5,263	13,982	8,515	10,074	17,510	13,000
02-5-4400-176	Water Meters	10,247	10,992	12,498	21,537	22,981	24,000	24,000	24,000
02-5-4400-177	Safety Expense	0	8	0	0	11	1,148	570	1,000
02-5-4400-178	Chemicals	627	3,600	676	0	4,830	3,496	5,000	5,000
02-5-4400-180	Membership	1,927	1,490	1,497	2,525	2,366	3,600	3,600	3,600
02-5-4400-200	Office Expense	376	475	347	0	574	1,224	620	1,000
02-5-4400-205	Outside UB Mail Service	0	7,063	7,352	9,787	10,088	8,735	10,500	10,000
02-5-4400-210	Postage	0	0	29	35	0	0	0	0
02-5-4400-220	Professional Services	13,191	14,657	17,644	23,661	16,115	43,652	44,635	25,000
02-5-4400-221	Information Technology	0	0	507	192	0	0	575	575
02-5-4400-222	Contracted Engineering	686	1,965	1,928	3,620	1,953	1,093	5,665	2,000
02-5-4400-226	Engineering & Other Reimbursements	4,660	9,458	3,222	11,903	6,370	4,814	10,815	10,815
02-5-4400-230	Legal Notices	567	0	0	892	58	0	1,250	1,000
02-5-4400-231	Bad Debt Expense	0	1,092	4,697	0	0	0	575	0
02-5-4400-241	Rents/ Leases - Equipment	0	0	0	0	0	1,630	2,200	1,000
02-5-4400-248	Permits, Fees, Licenses	7,381	8,831	7,096	6,216	10,212	10,435	10,500	10,500
02-5-4400-250	Small Tools and Instruments	32	1,412	1,959	0	281	506	2,650	1,000
02-5-4400-285	Classes/ Seminars	2,118	150	2,367	449	4,052	857	3,000	1,000
02-5-4400-261	Water Supply - Lopez	441,331	472,914	462,693	499,934	521,318	531,120	531,120	543,858
02-5-4400-262	Water Supply - State Water	871,102	953,953	1,101,264	913,511	809,075	1,080,000	1,080,000	1,151,000
02-5-4400-290	Utilities	10,926	2,346	9,972	9,621	38,653	31,124	30,000	35,000
02-5-4400-297	Pass-Thru: Crest/Christie/AG	25,807	19,407	24,143	23,169	22,025	20,533	26,265	26,265
02-5-4400-320	Fixed Assets - Equipment	2,890	0	0	0	0	14,266	10,995	10,995
02-5-4400-362	Litigation: SMGB	34,018	56,291	27,552	10,092	0	0	0	0
02-5-4400-366	Storage Tank O&M	12,090	0	0	6,731	0	0	0	0
02-5-4400-380	NCMA Tec	31,149	32,684	41,969	53,636	49,091	48,442	65,826	50,000
02-5-4400-387	Interest Expense - Interfund	1,085	1,010	934	249	156	0	0	0
02-5-4400-499	Claim & Settlements	18,614	5,025	21,396	1,516	9,297	319	7,500	7,500
Total Services & Supplies		\$1,515,358	\$1,650,517	\$1,772,606	\$1,630,366	\$1,546,439	\$1,870,429	\$1,924,786	\$1,960,108

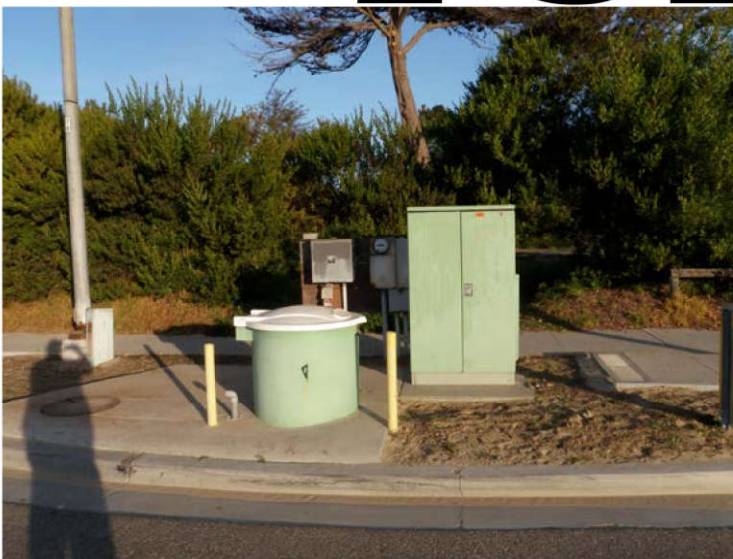


**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
WATER FUND - 02**

ACCOUNT NO.	WATER FUND WATER DEPARTMENT - 02	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ESTIMATED FY 2022/23	FINAL BUDGET FY 2022/23	PROPOSED BUDGET FY 2023/24
CAPITAL OUTLAY									
02-5-4400-354	CIP - Overlay	0	0	0	0	2,405	2,621	0	0
02-5-4400-358	CIP - Lagoon Waterline	123,486	12,020	0	0	0	0	0	0
02-5-4400-440	CIP - Well #8		10,042	5,601	0	0	0	0	0
02-5-4400-441	CPI - Well #4	0	0	10,906	0	0	0	0	0
02-5-4400-442	CIP - Air Park Drive Relocation	43,101	20,575	3,125	0	0	0	0	0
02-5-4400-443	CIP - HWY One Relocation	5,714	119,024	19,407	0	0	0	0	0
02-5-4400-444	CIP - WRRP	43,630	104,318	132,174	175,648	0	0	0	0
02-5-4400-445	CIP - Facilities Yard	7,057	0	0	0	0	0	0	0
02-5-4400-446	CIP - Norswing	0	1,842	215,193	0	0	0	0	0
	CIP - 21st St Valve Replacement	0	0	0	0	0	0	0	15,000
	Prop 1: Stormwater Recapture	0	0	0	0	135,396	2,461,830	2,461,830	0
	Prop 1: & Small Community Grant: WRRP #1-1 & # 1-9	0	0	0	0	5,891	562,778	562,778	0
	CDBG Grant - Water Tank Rehab Project	0	0	0	0	0	325,000	325,000	0
	Annual CIP Projects	0	0	0	0	0	53,872	150,000	135,000
Total Capital Outlay		\$222,987	\$267,821	\$386,406	\$175,648	\$143,692	\$3,406,182	\$3,499,608	\$150,000
DEBT SERVICE									
	CalPERs UAL Funding	0	0	0	0	13,249	53,961	53,961	54,005
Total Debt Service		\$0	\$0	\$0	\$0	\$13,249	\$53,961	\$53,961	\$54,005
ADMINISTRATIVE COST ALLOCATION									
02-5-4400-376	Administrative Cost Allocation	390,260	378,606	404,482	543,437	434,835	493,103	554,380	553,628
Total Administrative Cost Allocation		\$390,260	\$378,606	\$404,482	\$543,437	\$434,835	\$493,103	\$554,380	\$553,628
Total Expenditures		\$2,328,034	\$2,535,876	\$2,867,972	\$2,762,186	\$2,403,356	\$6,118,148	\$6,416,315	\$3,089,959
OPERATING SURPLUS/(DEFICIT)		(\$29,762)	(\$166,156)	(\$239,680)	\$151,398	\$744,603	(\$52,388)	(\$222,296)	\$33,828
TRANSFERS & ENCUMBRANCES									
	Transfers In- From General & Garbage Funds	0	0	0	0	14,497	11,325	11,325	105,857
	(Transfers Out) - To General, Garbage, Equipment	(91,641)	(71,375)	(72,595)	(53,727)	(18,270)	(165,283)	(165,485)	(79,965)
	Encumbrances - Sources of Funding								
	Encumbrances - (Designated Funds)								
NET TRANSFERS & ENCUMBRANCES		(\$91,641)	(\$71,375)	(\$72,595)	(\$53,727)	(\$3,773)	(\$153,958)	(\$154,160)	\$25,892
RESERVES									
	(Use of Reserves)	(121,403)	(237,530)	(312,275)			(206,346)	(376,456)	
	Additions to Reserves				97,671	740,830			59,720
	Other Adjustments								
RESERVES - INCREASE / (DECREASE)		(\$121,403)	(\$237,530)	(\$312,275)	\$97,671	\$740,830	(\$206,346)	(\$376,456)	\$59,720
NET BUDGETARY SOURCES/USES		\$0	(\$1)	\$0	\$0	(\$1)	\$0	(\$0)	(\$0)



WASTE WATER FUND





**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
WASTEWATER DEPARTMENT - FUND - 03**

ACCOUNT NO.	WASTEWATER FUND WASTEWATER DEPARTMENT - 03	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ESTMATED FY 2022/23	FINAL BUDGET FY 2022/23	PROPOSED BUDGET FY 2023/24
SOURCES OF FUNDS									
	Revenues	\$393,600	\$398,818	\$400,445	\$401,678	\$403,008	\$408,236	\$406,200	\$439,871
	Other Sources of Funds	\$0	\$0	\$2,812	\$636	\$120	\$0	\$0	\$0
	Total Sources of Funds	\$393,600	\$398,818	\$403,257	\$402,314	\$403,128	\$408,236	\$406,200	\$439,871
USES OF FUNDS									
	Salaries & Wages	\$45,086	\$52,247	\$51,063	\$52,397	\$72,098	\$63,531	\$91,500	\$91,500
	Benefits	\$24,468	\$32,444	\$60,792	\$41,784	\$43,573	\$41,280	\$57,480	\$59,182
	Personnel Services	\$69,554	\$84,691	\$111,855	\$94,181	\$115,671	\$104,811	\$148,980	\$150,682
	Services & Supplies	\$23,905	\$42,760	\$18,429	\$24,469	\$27,226	\$39,584	\$68,240	\$68,240
	Capital Outlay	\$74,785	\$100,952	\$325	\$0	\$0	\$25,000	\$25,000	\$8,000
	Debt Service	\$0	\$0	\$0	\$0	\$6,624	\$26,981	\$26,981	\$26,998
	Administrative Cost	\$346,898	\$336,539	\$359,540	\$271,718	\$289,409	\$246,551	\$277,190	\$276,814
	Total Expenditures	\$515,141	\$564,942	\$490,149	\$390,368	\$438,930	\$442,927	\$546,391	\$530,734
	OPERATING SURPLUS/(DEFICIT)	(\$121,541)	(\$166,124)	(\$86,892)	\$11,946	(\$35,802)	(\$34,691)	(\$140,191)	(\$90,863)
	TRANSFERS & ENCUMBRANCES								
	Transfers In - From General & Garbage Funds	113,940	113,940	113,940	113,940	113,940	100,958	100,958	52,919
	(Transfers Out) - To Equipment Fund	(42,433)	(19,460)	(20,070)	(10,276)	(12,749)	(81,274)	(81,415)	(28,585)
	Encumbrances - Sources of Funding	0	0	0	0	0	0	0	0
	Encumbrances - (Designated Funds)	0	0	0	0	0	0	0	0
	NET TRANSFERS & ENCUMBRANCES	\$71,507	\$94,480	\$93,870	\$103,664	\$101,191	\$19,684	\$19,543	\$24,334
	RESERVES								
	(Use of Reserves)	(50,034)	(71,644)	0	0	65,390	(15,007)	(120,648)	(66,529)
	Additions to Reserves	0	0	6,978	115,609	0	0	0	0
	Other Adjustments	0	0	0	0	0	0	0	0
	RESERVES - INCREASE / (DECREASE)	(\$50,034)	(\$71,644)	\$6,978	\$115,609	\$65,390	(\$15,007)	(\$120,648)	(\$66,529)
	NET BUDGETARY SOURCES/USES	\$0	(\$1)	\$0	(\$0)	\$1	\$0	(\$1)	\$0



**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
WASTEWATER DEPARTMENT - FUND 03**

ACCOUNT NO.	WASTEWATER FUND WASTEWATER DEPARTMENT - 03	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ESTIMATED FY 2022/23	FINAL BUDGET FY 2022/23	PROPOSED BUDGET FY 2023/24
SOURCES OF FUNDS									
REVENUES									
03-4-3210-000	Sales - Sewer	391,280	393,827	389,883	393,490	390,449	400,125	400,000	400,000
03-4-3203-000/001	Revenue Accrual	282	347	(33)	923	(182)	0	0	0
03-4-3211-000	Sewer Connections	2,500	2,525	5,000	2,000	6,225	2,000	2,000	2,000
03-4-3215-000	Sanitation District Collection	(1,487)	0	0	0	0	0	0	0
03-4-3230-000	Sales: Miscellaneous	0	314	0	0	624	233	0	0
03-4-3255-000	Inspection Fees	125	125	250	150	375	100	100	100
03-4-3256-000	FOG Program	900	1,680	5,345	5,115	5,517	5,778	4,100	4,100
03-4-3257-000	Interest Income	0	0	0	0	0	0	0	33,671
Total Revenues		\$393,600	\$398,818	\$400,445	\$401,678	\$403,008	\$408,236	\$406,200	\$439,871
OTHER SOURCES OF FUNDS									
03-4-3900-000	Other Income	0	0	2,812	636	120	0	0	0
Total Other Sources of Funds		\$0	\$0	\$2,812	\$636	\$120	\$0	\$0	\$0
Total Sources of Funds		\$393,600	\$398,818	\$403,257	\$402,314	\$403,128	\$408,236	\$406,200	\$439,871
USES OF FUNDS									
PERSONNEL SERVICES									
SALARIES & WAGES									
03-5-4500-010	Salaries and Wages	39,094	40,564	47,819	50,429	69,718	60,350	79,000	79,000
03-5-4500-020	Overtime	5,992	11,683	3,244	1,968	2,380	3,181	12,500	12,500
Total Salaries & Wages		\$45,086	\$52,247	\$51,063	\$52,397	\$72,098	\$63,531	\$91,500	\$91,500
BENEFITS									
03-5-4500-061	CalPERS UAL	4,983	0	0	0	0	0	0	0
03-5-4500-063	Pension Expense (GASB 68)	11,810	4,038	22,199	0	0	0	0	0
03-5-4500-071	Medicare	708	0	0	13	1	0	0	0
03-5-4500-075	Workers Compensation Insurance	0	2,286	3,832	2,999	2,873	3,943	4,200	4,200
03-5-4500-090	Insurance	6,968	0	0	0	0	0	0	0
	Operating Crew Benefits Allocation	0	26,120	34,761	38,770	40,699	37,337	53,280	54,982
Total Benefits		\$24,468	\$32,444	\$60,792	\$41,784	\$43,573	\$41,280	\$57,480	\$59,182
Total Personnel Services		\$69,554	\$84,691	\$111,855	\$94,181	\$115,671	\$104,811	\$148,980	\$150,682



**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
WASTEWATER DEPARTMENT - FUND 03**

ACCOUNT NO.	WASTEWATER FUND WASTEWATER DEPARTMENT - 03	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ESTIMATED FY 2022/23	FINAL BUDGET FY 2022/23	PROPOSED BUDGET FY 2023/24
SERVICES & SUPPLIES									
03-5-4500-110	Communication	320	433	355	370	511	374	515	515
03-5-4500-163	Maint: Sewer Structures/ Improvements	6,807	12,164	1,536	7,096	1,971	8,480	10,000	10,000
03-5-4500-170	Maintenance: Equipment	205	1,310	133	824	1,479	8,426	3,400	3,400
03-5-4500-171	Maintenance: Vehicles	64	0	95	0	2,048	0	3,600	3,600
03-5-4500-172	Gas and Oil	0	0	0	0	0	0	3,500	3,500
03-5-4500-173	Maint: Structures/ Improvements	1,620	2,589	527	0	921	674	5,135	5,135
03-5-4500-175	System Parts/ Operating Supplies	1,728	1,379	1,388	2,664	2,696	896	8,240	8,240
03-5-4500-177	Safety Expense	283	8	0	0	793	238	2,850	2,850
03-5-4500-180	Memberships	469	0	331	919	733	1,050	1,050	1,050
03-5-4500-190	Misc Expense	269	0	0	0	0	0	0	0
03-5-4500-192	Over and Short	105	0	0	0	0	0	0	0
03-5-4500-200	Office Expense	0	31	79	24	309	236	515	515
03-5-4500-205	Outside UB Mailing Expense	0	7,079	7,352	7,328	8,103	8,735	9,300	9,300
03-5-4500-220	Professional Services	530	11,279	0	0	0	0	2,575	2,575
03-5-4500-222	Contracted Engineering	630	140	808	260	0	0	2,835	2,835
03-5-4500-226	Engineering & Other Reimbursables	(70)	560	0	245	0	0	0	0
03-5-4500-241	Rents & Leases/ Equipment	6,140	0	0	0	0	5,142	2,575	2,575
03-5-4500-248	Regulatory Permits & Fees	2,588	2,836	3,249	3,530	4,179	4,500	4,500	4,500
03-5-4500-250	Small Tools & Instruments	32	50	162	0	0	0	0	0
03-5-4500-285	Classes/ Seminars/ Training Fees	570	0	181	0	2,524	0	2,800	2,800
03-5-4500-290	Utilities	805	2,108	1,010	1,207	960	833	2,600	2,600
03-5-4500-390	Bad Debt Expense	0	255	1,223	0	0	0	350	350
03-5-4500-499	Claims & Settlements	810	540	0	0	0	0	1,900	1,900
Total Services & Supplies		\$23,905	\$42,760	\$18,429	\$24,469	\$27,226	\$39,584	\$68,240	\$68,240
CAPITAL OUTLAY									
03-5-4500-442	CIP - Air Park Drive Relocation	3,077	30,862	0	0	0	0	0	0
03-5-4500-443	CIP - HWY One Relocation	64,651	64,152	325	0	0	0	0	0
03-5-4500-445	CIP - Facilities Yard	7,057	0	0	0	0	0	0	0
03-5-4500-446	CIP - Lift Station Motor	0	5,938	0	0	0	0	0	0
	CIP - Beach St. Sewer Lateral Replacement	0	0	0	0	0	0	0	8,000
	CIP - Wastewater Collection System Study	0	0	0	0	0	25,000	25,000	0
Total Capital Outlay		\$74,785	\$100,952	\$325	\$0	\$0	\$25,000	\$25,000	\$8,000



**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
WASTEWATER DEPARTMENT - FUND 03**

ACCOUNT NO.	WASTEWATER FUND WASTEWATER DEPARTMENT - 03	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ESTIMATED FY 2022/23	FINAL BUDGET FY 2022/23	PROPOSED BUDGET FY 2023/24
	DEBT SERVICE								
	CalPERs UAL Funding	0	0	0	0	6,624	26,981	26,981	26,998
	Total Debt Service	\$0	\$0	\$0	\$0	\$6,624	\$26,981	\$26,981	\$26,998
	ADMINISTRATIVE COST ALLOCATION								
03-5-4500-376	Administrative Cost Allocation	346,898	336,539	359,540	271,718	289,409	246,551	277,190	276,814
	Total Administrative Cost Allocation	\$346,898	\$336,539	\$359,540	\$271,718	\$289,409	\$246,551	\$277,190	\$276,814
	Total Expenditures	\$515,141	\$564,942	\$490,149	\$390,368	\$438,930	\$442,927	\$546,391	\$530,734
	OPERATING SURPLUS/(DEFICIT)	(\$121,541)	(\$166,124)	(\$86,892)	\$11,946	(\$35,802)	(\$34,691)	(\$140,191)	(\$90,863)
	TRANSFERS & ENCUMBRANCES								
	Transfers In - From General Fund & Garbage	113,940	113,940	113,940	113,940	113,940	100,958	100,958	52,919
	(Transfers Out) - Equipment Fund	(42,433)	(19,460)	(20,070)	(10,276)	(12,749)	(81,274)	(81,415)	(28,585)
	Encumbrances - Sources of Funding	0	0	0	0	0	0	0	0
	Encumbrances - (Designated Funds)	0	0	0	0	0	0	0	0
	NET TRANSFERS & ENCUMBRANCES	\$71,507	\$94,480	\$93,870	\$103,664	\$101,191	\$19,684	\$19,543	\$24,334
	RESERVES								
	(Use of Reserves)	(50,034)	(71,644)			65,390	(15,007)	(120,648)	(66,529)
	Additions to Reserves			6,978	115,609				0
	Other Adjustments							0	0
	RESERVES - INCREASE / (DECREASE)	(\$50,034)	(\$71,644)	\$6,978	\$115,609	\$65,390	(\$15,007)	(\$120,648)	(\$66,529)
	NET BUDGETARY SOURCES/USES	(\$0)	\$1	\$0	\$0	(\$1)	\$0	\$1	(\$0)



GARBAGE FUND





**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
GARBAGE FUND - 06**

ACCOUNT NO.	GARBAGE FUND GARBAGE DEPARTMENT - 06	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ESTIMATED FY 2022/23	FINAL BUDGET FY 2022/23	PROPOSED BUDGET FY 2023/24
SOURCES OF FUNDS									
	Revenues	\$92,784	\$94,892	\$85,384	\$61,222	\$52,896	\$59,544	\$58,935	\$68,255
	Other Sources of Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Total Sources of Funds	\$92,784	\$94,892	\$85,384	\$61,222	\$52,896	\$59,544	\$58,935	\$68,255
USES OF FUNDS									
	Salaries & Wages	\$6,899	\$10,758	\$13,968	\$6,434	\$17,096	\$15,670	\$32,000	\$32,000
	Benefits	\$3,600	\$13,005	\$18,648	\$16,906	\$17,723	\$16,556	\$23,200	\$23,909
	Personnel Services	\$10,499	\$23,763	\$32,616	\$23,341	\$34,819	\$32,226	\$55,200	\$55,909
	Services & Supplies	\$13,304	\$21,330	\$20,478	\$13,640	\$53,355	\$35,396	\$43,112	\$20,015
	Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,000
	Administrative Cost	\$52,035	\$50,481	\$53,931	\$36,229	\$50,911	\$32,874	\$36,959	\$36,909
	Total Expenditures	\$75,838	\$95,573	\$107,025	\$73,209	\$139,085	\$100,496	\$135,271	\$127,833
	OPERATING SURPLUS/(DEFICIT)	\$16,946	(\$681)	(\$21,641)	(\$11,987)	(\$86,189)	(\$40,952)	(\$76,336)	(\$59,577)
	TRANSFERS & ENCUMBRANCES								
	Transfers In - From Water Fund	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500
	(Transfers Out) - Water, Wastewater, Equipment Fund	(7,042)	(2,583)	(2,705)	(891)	(1,105)	(10,154)	(10,167)	(52,790)
	Encumbrances - Sources of Funding	0	0	0	0	0	0	0	0
	Encumbrances - (Designated Funds)	0	0	0	0	0	0	0	0
	NET TRANSFERS & ENCUMBRANCES	\$458	\$4,917	\$4,795	\$6,609	\$6,395	(\$2,654)	(\$2,667)	(\$45,290)
	RESERVES								
	(Use of Reserves)	0	0	(16,846)	(5,378)	(79,794)	(43,606)	(79,003)	(104,867)
	Additions to Reserves	17,404	4,236	0	0	0	0	0	0
	Other Adjustments	0	0	0	0	0	0	0	0
	RESERVES - INCREASE / (DECREASE)	\$17,404	\$4,236	(\$16,846)	(\$5,378)	(\$79,794)	(\$43,606)	(\$79,003)	(\$104,867)
	NET BUDGETARY SOURCES/USES	(\$0)	\$0	\$0	\$0	\$0	\$0	\$0	(\$0)



**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
GARBAGE FUND - 06**

ACCOUNT NO.	GARBAGE FUND GARBAGE DEPARTMENT - 06	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/2022	ESTIMATED FY 2022/23	FINAL BUDGET FY 2022/23	PROPOSED BUDGET FY 2023/24
SOURCES OF FUNDS									
REVENUES									
06-4-3230-000	Garbage: Misc Income	0	275	0	113	360	0	0	0
06-4-3300-003	Interest Income	106	91	76	18	9	0	0	5,263
06-4-3501-000	Franchise Fees	84,923	86,647	76,636	52,705	44,082	49,323	50,000	52,465
06-4-3501-741	Landfill Savings Payment	7,756	7,880	8,672	8,386	8,445	10,221	8,935	10,528
Total Revenues		\$92,784	\$94,892	\$85,384	\$61,222	\$52,896	\$59,544	\$58,935	\$68,255
OTHER SOURCES OF FUNDS									
Total Other Sources of Funds		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Sources of Funds		\$92,784	\$94,892	\$85,384	\$61,222	\$52,896	\$59,544	\$58,935	\$68,255
USES OF FUNDS									
PERSONNEL SERVICES									
SALARIES & WAGES									
06-5-4900-010	Salaries & Wages	6,762	10,553	13,954	6,434	17,096	15,646	32,000	32,000
06-5-4900-020	Overtime Wages	138	205	14	0	0	24	0	0
Total Salaries & Wages		\$6,899	\$10,758	\$13,968	\$6,434	\$17,096	\$15,670	\$32,000	\$32,000
BENEFITS									
06-5-4900-061	PERS Contributions	734	0	0	0	0	0	0	0
06-5-4900-063	Pension Expense	1,671	564	3,206	0	0	0	0	0
06-5-4900-071	Medicare	109	0	0	2	2	0	0	0
06-5-4900-075	Compensation Insurance	0	686	958	749	763	999	1,000	1,000
06-5-4900-090	Insurance	1,086	0	0	0	0	0	0	0
	Operating Crew Benefits Allocation	0	11,755	14,484	16,154	16,958	15,557	22,200	22,909
Total Benefits		\$3,600	\$13,005	\$18,648	\$16,906	\$17,723	\$16,556	\$23,200	\$23,909
Total Personnel Services		\$10,499	\$23,763	\$32,616	\$23,341	\$34,819	\$32,226	\$55,200	\$55,909
SERVICES & SUPPLIES									
06-5-4900-110	Communication	148	650	389	620	633	773	1,000	1,000
06-5-4900-170	Maintenance - EQ/CANS	0	13	0	0	0	0	0	0
06-5-4900-171	Maintenance - Vehicles	14	0	85	0	0	0	530	0
06-5-4900-173	Maint - Shared Structures/ Improvements	110	154	397	119	105	267	550	550
06-5-4900-175	Operating Supplies	0	840	0	16	0	0	1,600	300
06-5-4900-200	Office Expense	0	0	261	0	0	0	1,065	300
06-5-4900-210	Postage	33	462	0	0	226		530	300
06-5-4900-219	Special Admin Expense	450	0	0	0	36,105	18,332	18,332	0
06-5-4900-220	Professional Services	2,512	7,823	3,819	3,385	6,127	6,024	8,940	7,000
06-5-4900-230	Legal Notices	77	0	0	0	179	0	0	0
06-5-4900-290	Utilities	0	1,408	5,547	0	0	0	565	565
06-5-4900-291	School Outreach Programs	9,980	9,980	9,980	9,500	9,980	10,000	10,000	10,000
Total Services & Supplies		\$13,304	\$21,330	\$20,478	\$13,640	\$53,355	\$35,396	\$43,112	\$20,015



**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
GARBAGE FUND - 06**

ACCOUNT NO.	GARBAGE FUND GARBAGE DEPARTMENT - 06	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/2022	ESTIMATED FY 2022/23	FINAL BUDGET FY 2022/23	PROPOSED BUDGET FY 2023/24
CAPITAL OUTLAY									
06-5-4900-320	Trash Cans	0	0	0	0	0	0	0	15,000
Total Capital Outlay		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,000
ADMINISTRATIVE COST ALLOCATION									
06-5-4900-376	Administrative Cost Allocation	52,035	50,481	53,931	36,229	50,911	32,874	36,959	36,909
Total Administrative Cost Allocation		\$52,035	\$50,481	\$53,931	\$36,229	\$50,911	\$32,874	\$36,959	\$36,909
Total Expenditures		\$75,838	\$95,573	\$107,025	\$73,209	\$139,085	\$100,496	\$135,271	\$127,833
OPERATING SURPLUS/(DEFICIT)		\$16,946	(\$681)	(\$21,641)	(\$11,987)	(\$86,189)	(\$40,952)	(\$76,336)	(\$59,577)
TRANSFERS & ENCUMBRANCES									
	Transfers In - From Water Fund	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500
	(Transfers Out) - Water, Wastewater, Equipment Fund	(7,042)	(2,583)	(2,705)	(891)	(1,105)	(10,154)	(10,167)	(52,790)
	Encumbrances - Sources of Funding								
	Encumbrances - (Designated Funds)								
NET TRANSFERS & ENCUMBRANCES		\$458	\$4,917	\$4,795	\$6,609	\$6,395	(\$2,654)	(\$2,667)	(\$45,290)
RESERVES									
	(Use of Reserves)			(16,846)	(5,378)	(79,794)	(43,606)	(79,003)	(104,867)
	Additions to Reserves	17,404	4,236			0	0	0	0
	Other Adjustments					0	0	0	0
RESERVES - INCREASE / (DECREASE)		\$17,404	\$4,236	(\$16,846)	(\$5,378)	(\$79,794)	(\$43,606)	(\$79,003)	(\$104,867)
NET BUDGETARY SOURCES/USES		\$0	(\$0)	\$0	\$0	(\$0)	\$0	\$0	(\$0)



EQUIPMENT FUND





**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
EQUIPMENT FUND - 12**

ACCOUNT NO.	EQUIPMENT FUND - 12	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ESIMATED FY 2022/23	FINAL BUDGET FY 2022/23	PROPOSED BUDGET FY 2023/24
SOURCES OF FUNDS									
	Revenues	\$102,115	\$54,418	\$56,370	\$25,894	\$32,123	\$36,469	\$36,825	\$72,025
	Other Sources of Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Total Sources of Funds	\$102,115	\$54,418	\$56,370	\$25,894	\$32,123	\$36,469	\$36,825	\$72,025
USES OF FUNDS									
	Salaries & Wages	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Personnel Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Services & Supplies	\$8,150	\$11,854	\$17,894	\$8,228	\$14,757	\$17,447	\$17,800	\$23,000
	Capital Outlay	\$86,833	\$0	\$0	\$0	\$0	\$122,000	\$122,000	\$30,000
	Debt Service	\$9,939	\$9,569	\$124	\$0	\$0	\$15,000	\$15,000	\$15,000
	Total Expenditures	\$104,922	\$21,423	\$18,018	\$8,228	\$14,757	\$154,447	\$154,800	\$68,000
	OPERATING SURPLUS/(DEFICIT)	(\$2,807)	\$32,995	\$38,352	\$17,666	\$17,367	(\$117,978)	(\$117,975)	\$4,025
	TRANSFERS & ENCUMBRANCES								
	Transfers In	25,000	0	0	0	0	122,000	122,000	0
	(Transfers Out)	0	0	0	0	0	0	0	0
	Encumbrances - Sources of Funding	0	0	0	0	0	0	0	0
	Encumbrances - (Designated Funds)	0	0	0	0	0	0	0	0
	NET TRANSFERS & ENCUMBRANCES	\$25,000	\$0	\$0	\$0	\$0	\$122,000	\$122,000	\$0
	RESERVES								
	(Use of Reserves)	0	0	0	0	0	0	0	0
	Additions to Reserves	22,193	32,995	38,352	17,666	17,367	4,022	4,025	4,025
	Other Adjustments	0	0	0	0	0	0	0	0
	RESERVES - INCREASE / (DECREASE)	\$22,193	\$32,995	\$38,352	\$17,666	\$17,367	\$4,022	\$4,025	\$4,025
	NET BUDGETARY SOURCES/USES	(\$0)	\$0	\$0	(\$0)	\$0	\$0	\$0	\$0



**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
EQUIPMENT FUND - 12**

ACCOUNT NO.	EQUIPMENT FUND - 12	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ESTIMATED FY 2022/23	FINAL BUDGET FY 2022/23	PROPOSED BUDGET FY 2023/24
SOURCES OF FUNDS									
REVENUES									
12-4-3800-001	Lease Revenue from Water	52,641	32,375	33,595	14,727	18,270	20,743	20,945	40,965
12-4-3800-002	Lease Revenue from Sewer	42,433	19,460	20,070	10,276	12,749	14,474	14,615	28,585
12-4-3800-005	Lease Revenue from Garbage	7,042	2,583	2,705	891	1,105	1,252	1,265	2,475
Total Revenues		\$102,115	\$54,418	\$56,370	\$25,894	\$32,123	\$36,469	\$36,825	\$72,025
OTHER SOURCES OF FUNDS									
Total Other Sources of Funds		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Sources of Funds		\$102,115	\$54,418	\$56,370	\$25,894	\$32,123	\$36,469	\$36,825	\$72,025
USES OF FUNDS									
SALARIES & WAGES									
Total Salaries & Wages		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BENEFITS									
Total Benefits		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Personnel Services		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SERVICES & SUPPLIES									
12-5-4350-171	Maintenance - Vehicles	1,254	3,218	10,484	3,011	6,674	6,405	8,000	8,000
12-5-4350-172	Fuel	6,896	8,637	7,410	5,217	8,083	11,042	9,800	15,000
Total Services & Supplies		\$8,150	\$11,854	\$17,894	\$8,228	\$14,757	\$17,447	\$17,800	\$23,000
CAPITAL OUTLAY									
12-5-4350-320	Fixed Assets - Service Truck	86,833	0	0	0	0	122,000	122,000	30,000
Total Capital Outlay		\$86,833	\$0	\$0	\$0	\$0	\$122,000	\$122,000	\$30,000



OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
EQUIPMENT FUND - 12

ACCOUNT NO.	EQUIPMENT FUND - 12	ACTUAL FY 2017/2018	ACTUAL FY 2018/2019	ACTUAL FY 2019/20	ACTUAL FY 2020/21	ACTUAL FY 2021/22	ESTIMATED FY 2022/23	FINAL BUDGET FY 2022/23	PROPOSED BUDGET FY 2023/24
	DEBT SERVICE								
12-5-4350-320	Equipment Lease	9,067	9,067	0	0	0	15,000	15,000	15,000
	Total Debt Service	\$9,939	\$9,569	\$124	\$0	\$0	\$15,000	\$15,000	\$15,000
	Total Expenditures	\$104,922	\$21,423	\$18,018	\$8,228	\$14,757	\$154,447	\$154,800	\$68,000
	OPERATING SURPLUS/(DEFICIT)	(\$2,807)	\$32,995	\$38,352	\$17,666	\$17,367	(\$117,978)	(\$117,975)	\$4,025
	TRANSFERS & ENCUMBRANCES								
	Transfers In	25,000	0	0	0	0	122,000	122,000	0
	(Transfers Out)								
	Encumbrances - Sources of Funding								
	Encumbrances - (Designated Funds)								
	NET TRANSFERS & ENCUMBRANCES	\$25,000	\$0	\$0	\$0	\$0	\$122,000	\$122,000	\$0
	RESERVES								
	(Use of Reserves)								
	Additions to Reserves	22,193	32,995	38,352	17,666	17,367	4,022	4,025	4,025
	Other Adjustments								
	RESERVES - INCREASE / (DECREASE)	\$22,193	\$32,995	\$38,352	\$17,666	\$17,367	\$4,022	\$4,025	\$4,025
	NET BUDGETARY SOURCES/USES	\$0	(\$0)	\$0	\$0	(\$0)	\$0	\$0	\$0

**OCEANO COMMUNITY SERVICES DISTRICT
PLAN OF PAYMENT AND COMPENSATION
SALARY SCHEDULE**
For the Fiscal Year Ending June 30, 2024

Step Differential: Step:	A Step #1	2.50% B Step #2	2.50% C Step #3	5.00% D Step #4	5.00% E Step #5	5.00% F Step #6	5.00% G Step #7	5.00% Longevity Step #8
General Manager								
Hourly	\$ 93.75	\$ 99.38						
Annual	\$195,000	\$206,710						
Business and Accounting Manager I								
Hourly	\$ 28.90	\$ 29.62	\$ 30.36	\$ 31.88	\$ 33.47	\$ 35.14	\$ 36.90	\$ 38.75
Annual	\$60,112	\$61,610	\$63,149	\$66,310	\$69,618	\$73,091	\$76,752	\$80,600
Business and Accounting Manager II								
Hourly	\$ 34.66	\$ 35.53	\$ 36.42	\$ 38.24	\$ 40.15	\$ 42.16	\$ 44.27	\$ 46.48
Annual	\$72,093	\$73,902	\$75,754	\$79,539	\$83,512	\$87,693	\$92,082	\$96,678
Business and Accounting Manager III								
Hourly	\$ 46.95	\$ 48.12	\$ 49.32	\$ 51.79	\$ 54.38	\$ 57.10	\$ 59.96	\$ 62.96
Annual	\$97,656	\$100,090	\$102,586	\$107,723	\$113,110	\$118,768	\$124,717	\$130,957
Account Administrator I								
Hourly	\$ 21.67	\$ 22.21	\$ 22.77	\$ 23.91	\$ 25.11	\$ 26.37	\$ 27.69	\$ 29.07
Annual	\$45,074	\$46,197	\$47,362	\$49,733	\$52,229	\$54,850	\$57,595	\$60,466
Account Administrator II								
Hourly	\$ 23.29	\$ 23.87	\$ 24.47	\$ 25.69	\$ 26.97	\$ 28.32	\$ 29.74	\$ 31.23
Annual	\$48,443	\$49,650	\$50,898	\$53,435	\$56,098	\$58,906	\$61,859	\$64,958
Account Administrator III								
Hourly	\$ 25.05	\$ 25.68	\$ 26.32	\$ 27.64	\$ 29.02	\$ 30.47	\$ 31.99	\$ 33.59
Annual	\$52,104	\$53,414	\$54,746	\$57,491	\$60,362	\$63,378	\$66,539	\$69,867
Utilities System Manager								
Hourly	\$ 46.95	\$ 48.12	\$ 49.32	\$ 51.79	\$ 54.38	\$ 57.10	\$ 59.96	\$ 62.96
Annual	\$97,656	\$100,090	\$102,586	\$107,723	\$113,110	\$118,768	\$124,717	\$130,957
Lead Operator								
Hourly	\$ 30.52	\$ 31.28	\$ 32.06	\$ 33.66	\$ 35.34	\$ 37.11	\$ 38.97	\$ 40.92
Annual	\$63,482	\$65,062	\$66,685	\$70,013	\$73,507	\$77,189	\$81,058	\$85,114
Utilities Operator I								
Hourly	\$ 22.89	\$ 23.46	\$ 24.05	\$ 25.25	\$ 26.51	\$ 27.84	\$ 29.23	\$ 30.69
Annual	\$47,611	\$48,797	\$50,024	\$52,520	\$55,141	\$57,907	\$60,798	\$63,835
Utilities Operator II								
Hourly	\$ 24.60	\$ 25.22	\$ 25.85	\$ 27.14	\$ 28.50	\$ 29.93	\$ 31.43	\$ 33.00
Annual	\$51,168	\$52,458	\$53,768	\$56,451	\$59,280	\$62,254	\$65,374	\$68,640
Utilities Operator III								
Hourly	\$ 26.44	\$ 27.10	\$ 27.78	\$ 29.17	\$ 30.63	\$ 32.16	\$ 33.77	\$ 35.45
Annual	\$54,995	\$56,368	\$57,782	\$60,674	\$63,710	\$66,893	\$70,242	\$73,736
Operator In Training								
Hourly	\$ 21.30	\$ 21.83	\$ 22.38	\$ 23.50	\$ 24.68	\$ 25.91	\$ 27.21	\$ 28.57
Annual	\$ 44,304	\$ 45,406	\$ 46,550	\$ 48,880	\$ 51,334	\$ 53,893	\$ 56,597	\$ 59,426
Position Allocation List Approved Positions:								
	Permanent	Temporary	Full Time	Part Time	Part Time Hours			
General Manager	1	0	1	0	n/a			
Business and Accounting Manager I/II/III	1	0	1	0	n/a			
Account Administrator I/II/III	3	0	2	1	=< 24/wk			
Utilities System Manager	1	0	1	0	n/a			
Lead Operator/ Utilities Operator I/II/III / OIT	3	0	3	0	n/a			
Total	9	0	8	1	n/a			

OCSD MITIGATION STRATEGY: LOCAL HAZARD MITIGATION PLAN MARCH 2019

ID	Hazard(s) Mitigated	Description	Responsible Department	Funding Sources	Priority	Action Status / Notes
1.A	Education	Educate public and Stakeholders about opportunities for mitigating hazards	ALL (All indicates all OCSD Board Members and Staff)	Administration and General Fund	Medium	Ongoing
1.B	Education	Educate staff on current disaster preparedness developments	ALL	Administration and General Fund	Medium	Ongoing training with Target Solutions.
2.A	Education	Educate VACO and OCSD-BOD on trends and developments	Administration, VACO, and Board of Directors	Administration and General Fund	Medium	Ongoing/ Website
2.B	Education	Educate VACO on hazard profiles and development review process	Administration, VACO, and Board of Directors	None Required	Medium	Ongoing
2.C	Education	Compile Maps/Date Sets on Hazards	Utility Systems Manager	None Required	Low	Ongoing
3.1A	Natural Hazards	Continuity of Operations Plan	OCSD Administration	None Required	High	2/23/2022 updated SSMP. WRRP ongoing.
3.1B	Natural Hazards	Update Emergency Plan	Utility Systems Manager	None Required	High	Completed December 2021
3.1C	Natural Hazards	Training - NIMA and ICS	ALL	None Required	Medium	April 2020 FEMA ICS 100 training. Ongoing
3.1D	Natural Hazards	Attend Disaster Drills	ALL	None Required	High	Ongoing
3.1E	Natural Hazards	PIO Training (CSTI)	OCSD Administration	Grant	High	Ongoing
3.1F	Natural Hazards	FCFA 5 year Strategic Plan	OCSD BOD and Administration	None Required	Medium	Ongoing
3.2A	Natural Hazards	Family Support Plan	OCSD Administration	None Required	Low	Ongoing
3.2B	Natural Hazards	Wastewater Pipe Repair	Utility Systems Manager	Sewer Fund	High	Ongoing
3.2C	Natural Hazards	Train Staff - SSO Protocols	Utility Systems Manager	Sewer Fund	Medium	02/23/2022 updated SSMP. Ongoing
3.3A	Natural Hazards	Communications Master Plan	OCSD Administration	None Required	Low	Ongoing
3.3B	Natural Hazards	Radio System Improvements	OCSD Administration	None Required / Equipment Fund	Medium	Ongoing
3.4A	Natural Hazards	Study Standby Power Systems	OCSD Administration	None Required	Medium	Ongoing/ State Water Resources Control Board Backup Generator Funding Program November 2022 placed in Priority 2 group.
3.4B	Natural Hazards	Power Sheriff/Admin Building	OCSD Administration	Grant / General Fund	Medium	COMPLETED 7/24/2019 (Emergency Generator Project)
3.4C	Natural Hazards	Power Well #8	Utility Systems Manager	Grant / Water Fund	Medium	Ongoing/ State Water Resources Control Board Backup Generator Funding Program November 2022 placed in Priority 2 group.
4.1A	Flooding	National Flood Insurance Program	SLO County Planning Staff and OCSD Administration	None Required	Low	Ongoing
4.1B	Flooding	Flood Zone Development Restrictions	OCSD Administration, OAC and OCSD BOD	None Required	Low	Ongoing
4.1C	Flooding	Funding Flood Improvements	SLO County Public Works Staff	Grants and Flood Control District Funds	High	Proposition 1 Storm Water Implementation Grant Round 2 - Oceano Elementary. Ongoing.
4.1D	Flooding	HWY 1 Flood Project	SLO County Public Works Staff	None Required	High	COMPLETED
4.1E	Flooding	HWY 1 Infrastructure Utility Location	OCSD BOD, Admin and Utility Systems Manager	Water / Sewer Funds	High	COMPLETED
4.1F	Flooding	Levee Maintenance	SLO County Public Works	Grants and Flood Control District Funds	High	Ongoing.
5.1	Earthquake	Earthquake Drill	ALL	None Required	Medium	Ongoing
5.2A	Earthquake	Pipe Repair/Replace	OCSD Admin and Utility Systems Manager	Water/Wastewater Funds/Grants and loans	High	Ongoing through the WRRP/ Completed WRRP's Project 1-1 & 1-9 November 2022
5.2B	Earthquake	Facilities Replacement	OCSD Admin and Utility Systems Manager	Water/Wastewater Funds/Grants and loans	High	Ongoing/ Resealed parkinglot November 2022/ Replaced gate motor 2022/ Replaced windows 2023
5.3A	Earthquake	FCFA Rescue Training	FCFA and OCSD BOD	None Required	Low	Ongoing
5.3B	Earthquake	Earthquake Management (CTS)	All	Grant/General Fund	Medium	Ongoing
6.1A	Haz Mat	Educate - Hazardous Materials	FCFA/OCSD BOD/ SCSS, Inc./ IWMA	None Required	Low	Ongoing
6.1B	Haz Mat	Hazardous Materials Handling	IWMA	None Required	Medium	Ongoing
6.2	Haz Mat	FCFA Hazardous Materials Training	FCFA/OCSD BOD	None Required	Low	Ongoing
7.1	Tsunami	Educate - Tsunami Plan	OCSD Administration	None Required	Medium	Ongoing
7.2	Tsunami	Evacuation Route	OCSD Administration	None Required	Low	Ongoing

Carey Casciola

From: Charles Varni [REDACTED]
Sent: Thursday, June 8, 2023 5:40 AM
To: Will Clemens; Carey Casciola
Subject: OPARC budget request for June 14 agenda

OPARC 2023/2024 Budget Request

The OCSD Parks and Recreation Committee (OPARC) is requesting a budget allocation for the 2023/2024 fiscal year of \$19,500, which will be drawn from the General Fund. This amount represents four thousandths of 1% of the District's total proposed budget of \$5,270,118. However, this minuscule amount can have some very positive consequences.

First, it indicates to the community that OCSD does support the expansion of recreation infrastructure and programs. It sends a positive message to residents that OCSD does care about these functions. It also opens up new sources of grant money not now available to the District

Second, it indicates to residents that donating and volunteering to support such functions is something supported by our local government agency and people will be more forthcoming with their time and money. It provides a sense of legitimacy for OPARC.

Third, with the new Oceano Plaza slated for construction this Summer, we need to plan for activity management and community ownership of this wonderful resource. Roles and responsibilities need to be sorted out with the County. Caltrans has been very clear in emphasizing the importance of the early scheduling of community activities and events in the Plaza so this sense of ownership and safety begins to develop. OPARC can be a vehicle to help create this public perception. Additionally, a very large sum of money has been allocated by the County and SLOCOG to do planning studies for traffic, parking, pedestrian and biking safety improvements to Pier Avenue. Included in this can be conceptual plans for a Pier Avenue Beach Plaza at the end of the avenue along the lines of what Avila Beach has. Something beautiful, welcoming, enjoyable, and with safe beach access for pedestrians. Millions of grant dollars are available to coastal communities for projects like this and, through our OPARC, OCSD can apply for them.

The 2022 Cal Poly Oceano community needs survey indicated that recreational infrastructure and programs were important:

- 61% want a soccer field
- 31% want more recreational spaces
- 15% want more recreation for families and children
- 14% want more parks

Additionally, 61% stated they wanted a Youth Center, Senior Center, and Library which the community has but which are either under utilized or are not known about.

Fourth, working in collaboration with other organizations and funding sources, some of this money can be leveraged into grant applications for recreational infrastructure as well as programs. For example, a walking/jogging track circling a soccer field at the Oceano elementary school is one possibility. Additionally, working with property owners on the Westside of downtown Highway 1 (Union Pacific and Phelan Taylor) to acquire land for another plaza/park and public parking as envisioned in the 2013 Revitalization Plan becomes a possibility.

Fifth, a OCSD website page featuring a community calendar of local events can be developed to encourage public participation in current and new recreational opportunities. Along these lines, OPARC, in conjunction with the Boys and Girls Club, is planning a July 27 Open House and Free Movie event at the Oceano Community Center to publicize existing recreational opportunities and also assess unmet needs and desires. The OCC is underutilized in the Summer and is a wonderful recreational and social space for the community.