

PROPOSED
OCEANO COMMUNITY SERVICES DISTRICT
2012/2013
BUDGET

MATTHEW GUERRERO PRESIDENT

MARY K. LUCEY VICE PRESIDENT

LORI ANGELLO DIRECTOR

FELMA HURDLE DIRECTOR

KAREN WHITE DIRECTOR

THOMAS GEASLEN
GENERAL MANAGER
7/12/2012

OCSD PRELIMINARY 2012 2013 BUDGET

Executive Summary

The Oceano Community Service District enters the 2012-2013 fiscal year with renewed hope and optimism. The staff of the OCSD has worked diligently to improve the operation on all fronts. It is anticipated that the District will still face challenges with respect to falling property tax revenue. To compensate the District has placed a very strong emphasis on frugal cash management. It will continue to run "lean and mean" from an operational stand point. The Staff will also move forward in capturing additional revenue to shore up the planned shortfall.

The previous year was focused on ensuring solvency. Now that this has been achieved the focus of the District must be to improve our water distribution and sewer collection systems. We have identified critical capital improvement projects that will start in the 2012/13 first quarter.

The District will continue to implement cost savings alternatives. The key target in this area will be a change to our utility billing/accounting software.

The recent government oversight regulations are a contributor to increased operational costs. This has presented difficulty. To remedy, the district has been participating in an environment of shared resources with our neighboring agencies.

The District clearly understands that it serves the good people of Oceano. It will continue to upgrade the level of customer service with honor and commitment.

Reserves

The District succeeded in the restructuring of 2011/12 without a drawdown on reserves. In fact it is on pace to make a contribution toward reserves. This was done while playing catch up on prior year responsibilities in the excess of \$380,000. Anticipated 2012/13 reserve carry forward will be \$1.1MM.

The District will continue to manage itself toward another addition to reserves.

District Staff

The District will operate at a full complement of eight employees, three front office personnel, four utility personnel, and the general manager. This number of employees is a restoration to the pre 2011/12 level. It should also be pointed out that the current employment contributes to only 16% of the total budget.

The OCSD Organization Chart

OCSD Board of Directors (5)	
General Manager (1)	
Accounting Mgr (1)	Utility Field Mgr (1) (vacant)
Acct Payable (1)	Journeyman Utility Worker (2)
Acct Receivable (1)	Utility Worker Level 1 (1)

OCEANO CSD BUDGET 2012/2013

REVENUE		EXPENSE		
<u>Account</u>	<u>Revenue</u>	<u>Account</u>	<u>Expense</u>	
01-1-3100-000	Property Tax SLO County	\$ 773,275.00	01-5-4200-077 Fire District	\$ 737,500.00
02-1-1100-000	Water Utility Billing	\$ 1,378,724.00	02-5-4400-398 State H2O	\$ 800,000.00
02-1-1100-000	Lopez Remed Billing	\$ 392,600.00	02-5-4400-260 Lopez Remediation	\$ 456,144.00
03-1-1100-000	Sewer Billing	\$ 356,507.00	02-5-4400-396 US Bank Bond Debt Srvc	\$ 62,578.00
03-1-1100-000	Sanitation Dist Billing	\$ 500,000.00	02-5-4400-010 NCMA TEC	\$ 50,000.00
			03-5-4500-297 Sanitation District	\$ 500,000.00
02-4-3251-000	AG Temp Water Sales	\$ 150,000.00	01-5-4100-010 Surplus Water Purchase	\$ 9,000.00
02-4-3217-297	Wheeling AG Canyon CR	\$ 17,200.00	01-5-4100-200 G&A Payroll (Bnd)	\$ 340,000.00
			01-5-4195-295 W&S Field Payroll (Bnd)	\$ 275,000.00
06-4-3501-000	Garbage Franchise Fee	\$ 66,812.00	01-5-4100-290 Office Expense	\$ 10,000.00
			01-5-4195-295 Electricity Street Lighting	\$ 36,000.00
01-4-3239-200	Old Fire Bldg Rent	\$ 10,800.00	02-5-4400-290 Utilities	\$ 21,000.00
			01-5-4100-225 Communications	\$ 7,000.00
02-4-3259-000	New Fire Bldg Rent	\$ 15,000.00	01-5-4100-220 Insurance (WC GL EO)	\$ 61,500.00
			01-5-4100-223 Board of Directors	\$ 15,000.00
10-4-3260-000	Sheriff's Sub Stat Rent	\$ 113,940.00	02-5-4400-220 Outside Service (Consultants)	\$ 80,000.00
			01-5-4100-223 Legal	\$ 65,000.00
03-1-1150-000	Sanitation Dist Adm Fees	\$ 30,000.00	01-5-4400-362 Litigation	\$ 50,000.00
			01-5-4100-220 Information Tech	\$ 10,000.00
01-1-1105-000	OCSD Misc Fees	\$ 38,368.00	01-5-4100-221 Tyler Software Lease	\$ 37,000.00
			02-5-4400-205 Outside UB Mail Service	\$ 20,000.00
01-1-1010-000	Investment Interest	\$ 4,000.00	01-5-4100-180 OCSD W/S Maint	\$ 154,000.00
			02-5-4400-285 AG Canyon Crest	\$ 17,200.00
04-03242-200	SLO Cnty OHV Fees	\$ 25,000.00	01-5-4100-285 Memberships	\$ 10,000.00
			03-5-4500-285 Continuing Education	\$ 7,000.00
03-4-3230-903	CALEMA Reimbursement	\$ 108,000.00	01-5-4100-210 Seminars	\$ 10,000.00
			01-5-4100-260 APCD	\$ 4,000.00
			01-5-4100-210 Postage	\$ 4,000.00
			02-5-4400-247 LAFCO	\$ 15,000.00
	Total Revenue	\$ 3,980,226.00	Total Expenses	\$ 3,863,922.00
			Reserve Contribution	\$ 116,304.00

Proposed
Rev 4, 7/13/2012
T. Geaslen

PROPOSED