

TO: BOARD OF DIRECTORS
FROM: BRUCE BUEL *BB*
DATE: JUNE 8, 2007



PUBLIC HEARING – REVIEW FY 2007-08 NCS D BUDGET
[ORDER EDITS FOR CONSIDERATION AND ADOPTION OF BUDGET AT JUNE 20, 2007
BOARD MEETING]

ITEM

Public Hearing – Review FY 2007-08 NCS D Budget [Order edits for consideration and adoption of budget at June 20, 2007 Board Meeting.

BACKGROUND

Staff met with the Finance, Audit and Personnel Committee and the Board of Directors to review the budget on the following dates:

- The FAPC met on March 7, 2007, to review the major projects and personnel requests for inclusion in budget.
- On April 18, 2007, the FAPC met and reviewed the draft budget in detail.
- On May 30, 2007, the Board of Directors held a Special Meeting and reviewed the draft budget.

Staff included the FAPC and Board of Directors' comments into the FY 2007-08 Budget.

Below is a summary of the Operating Budget (Details can be found on Pages 19-58 of the Budget):

	COMBINED-ALL OPERATING FUNDS
Budgeted Revenues	\$5,405,567
Budgeted Expenditures	(\$5,325,535)
Budgeted Surplus	\$ 80,032

The Non-Operating Budget (Capital Improvements) can be found on Pages 59-72 of the Budget and includes over \$10M in budgeted projects.

RECOMMENDATION

Conduct Public Hearing on the proposed FY 2007-08 Budget, order edits and continue Public Hearing to June 20, 2007, Board Meeting for adoption of the Budget and Appropriations Limitation.

ATTACHMENT

FY 2007-08 Budget

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NIPOMO COMMUNITY SERVICES DISTRICT

OPERATING AND NON-OPERATING BUDGETS

FISCAL YEAR
2007-2008



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**NIPOMO COMMUNITY SERVICES DISTRICT
BUDGET
FISCAL YEAR 2007-2008**

INTRODUCTION

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

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

Michael Winn	President
Larry Vierheilig	Vice President
Clifford Trotter	Director
Ed Eby	Director
James Harrison	Director

The District is currently staffed with eleven full time employees: 1-General Manager; 1-Assistant Administrator; 1-Utility Supervisor; 1-Secretary; 1-Billing Clerk; 1-Conservation/Public Outreach Specialist; 1-Utility Field Foreman; 1-Utility Operator; 2-Utility Workers and 1-Maintenance Worker. The District is represented by the law firm of Shipsey and Seitz.

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

BUDGET PREPARATION

1. OPERATING AND NON-OPERATING BUDGETS

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

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

#110	Administration Fund
#120	Water Fund-Town Division
#130	Sewer Fund-Town Division
#140	Water Fund-Black Lake Division
#150	Sewer Fund-Black Lake Division
#200	Black Lake Street Lighting Fund
#250	Street Landscape Maintenance District Fund
#300	Solid Waste Fund
#400	Drainage Fund
#800	Funded Replacement-Town Water Fund
#810	Funded Replacement-Town Sewer Fund
#820	Funded Replacement-Black Lake Water Fund
#830	Funded Replacement-Black Lake Sewer Fund

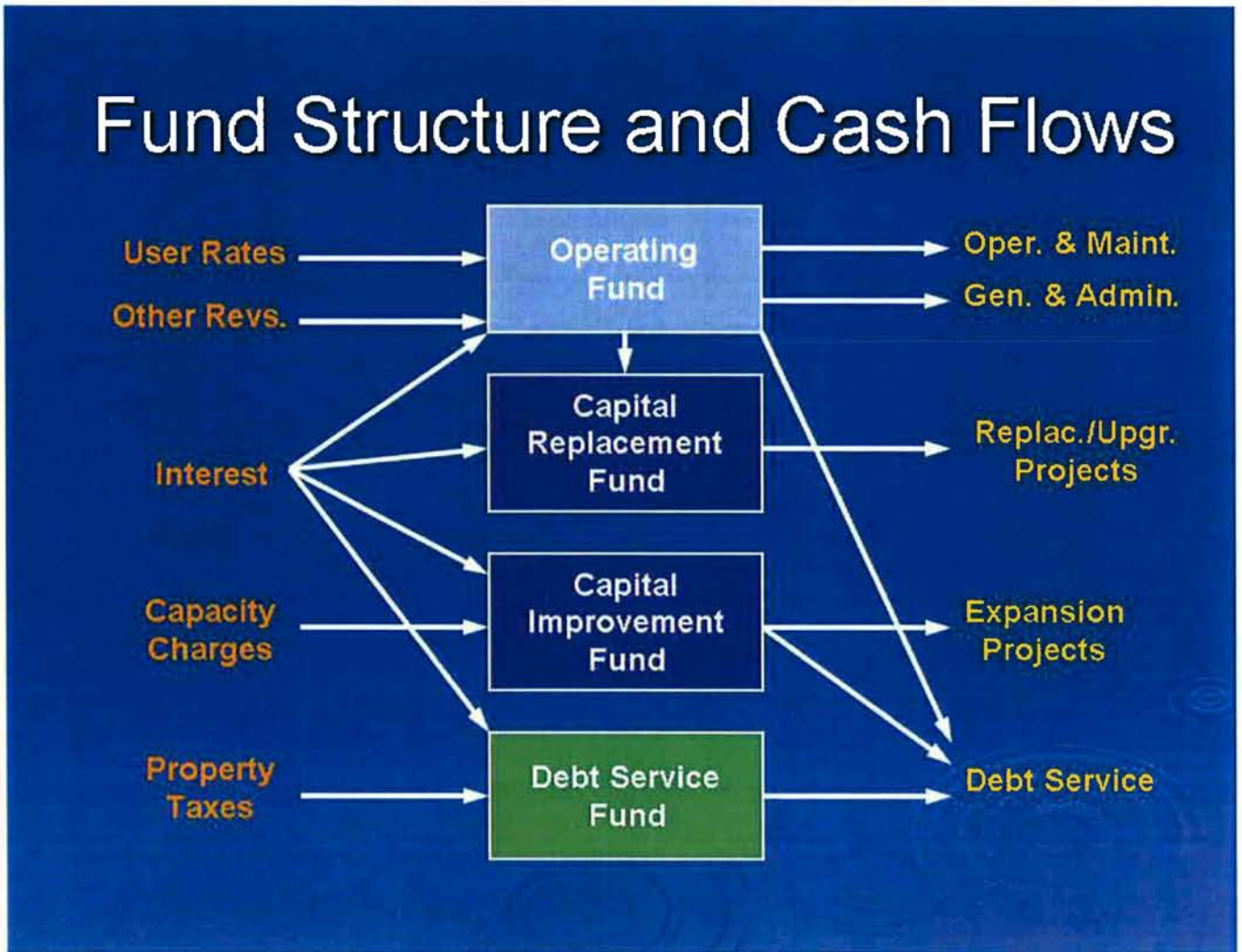
The Funds in the Non-Operating Budget are as follows:

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

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

2. FUND AND RESERVE STRUCTURES AND CASH FLOWS

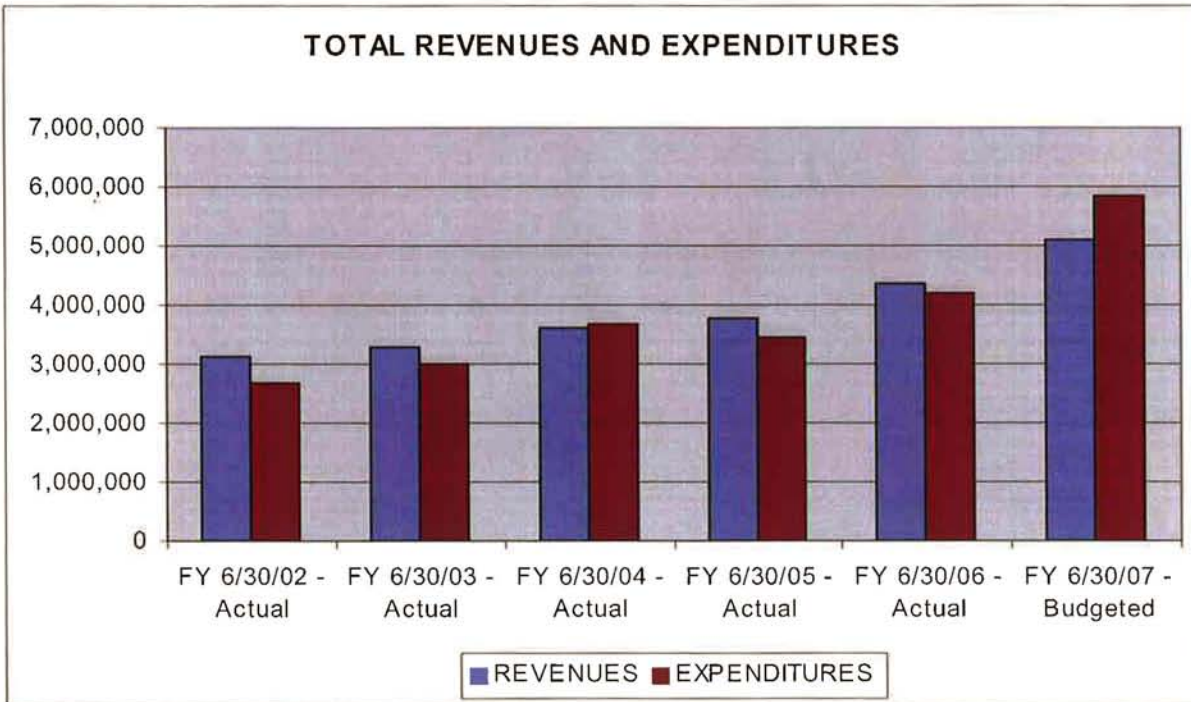
The model below provides a helpful overview of the fund and reserve structure and cash flows of the District. The revenues (sources) of funds include user rates, other revenues, interest income, capacity charges and property taxes. The expenditures (uses) of funds include operations and maintenance,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



**NIPOMO COMMUNITY SERVICES DISTRICT
BUDGET
FISCAL YEAR 2007-2008**

3. FINANCIAL OVERVIEW

- Total budgeted Revenues for fiscal year 2007-2008 is \$5,405,567. This is an increase of 24% over the budgeted Revenues for fiscal year 2006-2007. A graph depicting the revenues can be found on page 20. The increase is attributable to increased user rates and charges, higher interest earnings and increase in property tax revenues.
- Total budgeted Expenditures for fiscal year 2007-2008 is \$5,325,535. This is an increase of 26% over the budgeted Expenditures for fiscal year 2006-2007. A graph depicting the expenditures can be found on page 21. The increase is attributable to increased costs of operations and maintenance and increase in District staffing including salary and benefits.



- As of June 30, 2006, the District's net assets exceeded \$38 million dollars.

Total Assets	\$44,287,362
Total Liabilities	\$5,394,601
Total Net Assets	\$38,892,761

An audit of the District's financial statements is conducted annually by an independent Certified Public Accountant. A copy of the audit report may be found at the District's web site www.ncsd.ca.gov.

4. THE NON-OPERATING BUDGET - CAPITAL IMPROVEMENT PROJECTS

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

The magnitude of investment required for the proper management of a utility system mandated the development of an effective long-range capital financing plan. The most important factor affecting capital expansion is growth in demand. As areas are developed or annexed, additional pressure is placed on a utility to provide water and wastewater services. The capital investment required to support this growth should be funded in such a way so that the financial risks relating to growth are minimized for the District. The Capital Financing Plan of the District will be funded with capacity charges, interest earned, property taxes and Certificates of Participation. A summary of the proposed Capital Improvement Projects may be found on page 60 and a description of each project may be found on pages 61-63.

**NIPOMO COMMUNITY SERVICES DISTRICT
ACCOUNT TITLE AND DESCRIPTION
FISCAL YEAR 2007-2008**

OPERATIONS AND MAINTENANCE

TITLE	DESCRIPTION
Wages	Provides wages for 7 full time and 1 part time employee
Wages – Overtime	Provides for overtime for on-call personnel and overtime for emergency response
Payroll Taxes	Provides for the employer's portion of payroll taxes including Medicare, State Unemployment Tax and Training Tax
Retirement	Provides for the contribution to the Public Employees Retirement system
Medical and Dental	Provides for health, dental and vision insurance for employees and their dependents
Workers Compensation Insurance	Provides for Workman's Compensation Insurance for the maintenance personnel
Electricity	Provides for electricity for offices, well sites, sewer plants and lift stations
Natural Gas	Provides for natural gas for Sundale Well and Southland WWTP
Chemicals	Provides for chlorine used in water and sewer systems
Lab Tests and Sampling	Provides for mandated testing of water supply and wastewater
Operating Supplies	Provides for necessary supplies to operate the water and wastewater systems
Outside Services	Provides for services provided outside the normal operation and function of district personnel
Permits and Operating Fees	Provides for Federal, State and County charges associated with operating the water and wastewater systems
Repairs and Maintenance	Provides for the repair and maintenance of all district facilities including buildings, vehicles, water systems and sewer systems
Engineering	Provides for general district engineering services
Fuel	Provides for district vehicles, backhoes, generators, etc
Paging and Cellular Service	Provides for emergency answering service during non business hours, weekends and holidays and cellular phones for crew
Meters-New Installations	Provides for the purchase of meters for installations in new homes
Meters-Replacement Program	Provides for the purchase of new meters to replace old and failing meters
Uniforms	Provides for uniforms to maintenance personnel
Landscape Maintenance and Water	Provides for landscape maintenance service and water consumption for Tract 2409-Street Landscape Maint District #1
Street Sweeping & Trash Pickup	Provides for Board approved, trash collection along commercial area of Tefft St and street sweeping throughout the District
Water Conservation/ Recycling Program	Provides for Board approved water conservation and recycling programs developed by Water Conservation and Public Outreach Specialist
Operating Transfers Out – Funded Replacement	Provides for the funding of major refurbishment or replacement of aging water and sewer facilities

**NIPOMO COMMUNITY SERVICES DISTRICT
ACCOUNT TITLE AND DESCRIPTION
FISCAL YEAR 2007-2008**

GENERAL AND ADMINISTRATIVE

TITLE	DESCRIPTION
Wages	Provides wages for 6 full time employees
Wages – Overtime	Provides for occasional overtime for office staff
Payroll Taxes	Provides for the employer's portion of payroll taxes including Medicare, State Unemployment Tax and Training Tax
Retirement	Provides for the contribution to the Public Employees Retirement system
Medical and Dental	Provides for health, dental and vision insurance for employees and their dependents
Workers Compensation Insurance	Provides for Workman's Compensation Insurance for office staff and board members
Audit	Provides for annual audit based upon contract price
Bank Charges and Fees	Provides for bank charges for returned checks, ACH auto pay and automatic payroll deposit charges
Computer Expense	Provides for billing software technical support, computer consulting, computer upgrades and supplies, etc
Director Fees	Provides for board stipends for meetings, committee meetings attended and other time spent at board approved activities
Dues and Subscriptions	Provides for membership to California Special Districts Association (CSDA), various publications and dues
Education and Training	Provides for registration for personnel and board members to attend training classes, seminars and meetings
Elections	Provides for cost of elections
Insurance – Liability	Provides for fire and general liability insurance, errors and omissions coverage and employee dishonesty bond
LAFCO Funding	Provides for district's portion of funding SLO County Local Agency Formation Commission (LAFCO) pursuant to new legislation
Landscape and Janitorial	Provides for weekly landscape and janitorial services for the office building and Black Lake Water Treatment Plant
Legal – General Counsel	Provides for monthly retainer of Shipsey & Seitz for routine district legal counsel services plus additional legal services as needed or requested
Legal – Water Counsel	Provides for special water counsel contracted by district for the Santa Maria Valley Water Conservation District (SMVWCD) vs NCS
Professional Services	Provides for professional services of attorneys, engineers and other professionals for special District matters
Miscellaneous	Provides for occasional minor expenses
Newsletters and Mailers	Provides for the preparation and printing of newsletters/mailers
Office Supplies	Provides for general office supplies and materials
Outside Services	Provides for services provided outside the normal operation and function of district personnel
Postage	Provides for all district correspondence and mailing of all utility related billings

**NIPOMO COMMUNITY SERVICES DISTRICT
ACCOUNT TITLE AND DESCRIPTION
FISCAL YEAR 2007-2008**

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

OTHER EXPENDITURES

TITLE	DESCRIPTION
Interest Expense-Debt Service	Provides for interest expense on debt service
Debt Service – Principal Portion	Provides for principal payment on 1978 Water Bond
Inter-Fund Loan To/From	Provides for short-term Inter-Fund Loans with accrued interest at the LAIF rate of interest-subject to Board Approval with an approved repayment plan
Fixed Asset Purchases	Provides for the purchase of new assets used in the day-to-day operations and maintenance of the district
Funded Replacement Projects	Provides for the major refurbishment or replacement of aging water and sewer facilities

**NIPOMO COMMUNITY SERVICES DISTRICT
WATER RATES AND CHARGES
BI-MONTHLY AVAILABILITY CHARGES***

(The bi-monthly availability charge shall take effect August 1, 2005, and future increases shall take effect on January 1, of each succeeding year.)

TOWN DIVISION

SIZE OF METER	PRIOR	AUGUST 1, 2005	2006	2007	2008	2009
1 Inch or Less	\$14.72	\$16.76	\$18.43	\$20.64	\$22.71	\$24.52
Litigation Charge	\$6.32	\$6.32	\$6.32	\$6.32	\$6.32	\$6.32
1 ½ Inch	\$33.66	\$47.56	\$52.32	\$58.60	\$64.46	\$69.61
Litigation Charge	\$14.36	\$14.36	\$14.36	\$14.36	\$14.36	\$14.36
2 Inch	\$46.76	\$75.33	\$82.86	\$92.81	\$102.09	\$110.25
Litigation Charge	\$19.92	\$19.92	\$19.92	\$19.92	\$19.92	\$14.36
3 Inch	\$65.50	\$140.17	\$154.18	\$172.68	\$189.95	\$205.15
Litigation Charge	\$27.92	\$27.92	\$27.92	\$27.92	\$27.92	\$27.92
4 Inch	\$85.00	\$232.77	\$256.05	\$286.77	\$315.45	\$340.68
Litigation Charge	\$36.00	\$36.00	\$36.00	\$36.00	\$36.00	\$36.00
6 Inch	\$140.08	\$464.07	\$510.48	\$571.73	\$628.91	\$679.22
Litigation Charge	\$59.58	\$59.58	\$59.58	\$59.58	\$59.58	\$59.58
8 Inch	\$160.00	\$741.74	\$815.92	\$913.83	\$1,005.21	\$1,085.63
Litigation Charge	\$68.08	\$68.08	\$68.08	\$68.08	\$68.08	\$68.08

*The above bi-monthly minimum charge reflects the adjusted rate established by Ordinance 2003-95 to meet the District's financial obligations relating to the lawsuit entitled Santa Maria Valley Water Conservation District vs. the City of Santa Maria, the Nipomo Community Services District, et al. When the District's financial obligation regarding this lawsuit have been satisfied, the above litigation charge will be removed.

BLACK LAKE DIVISION

SIZE OF METER	PRIOR	AUGUST 1, 2005	2006	2007	2008	2009
1 Inch or Less	\$11.54	\$15.09	\$18.10	\$22.08	\$26.06	\$30.75
Litigation Charge	\$6.32	\$6.32	\$6.32	\$6.32	\$6.32	\$6.32
1 ½ Inch	\$21.94	\$41.73	\$50.07	\$61.09	\$72.08	\$85.06
Litigation Charge	\$14.36	\$14.36	\$14.36	\$14.36	\$14.36	\$14.36
2 Inch	\$30.90	\$65.74	\$78.89	\$96.24	\$113.57	\$134.01
Litigation Charge	\$19.92	\$19.92	\$19.92	\$19.92	\$19.92	\$14.36
3 Inch	\$44.68	\$121.81	\$146.17	\$178.33	\$210.43	\$248.31
Litigation Charge	\$27.92	\$27.92	\$27.92	\$27.92	\$27.92	\$27.92
4 Inch	\$72.90	\$201.90	\$242.28	\$295.58	\$348.78	\$411.56
Litigation Charge	\$36.00	\$36.00	\$36.00	\$36.00	\$36.00	\$36.00
6 Inch	\$121.92	\$401.93	\$482.32	\$588.42	\$694.34	\$819.32
Litigation Charge	\$59.58	\$59.58	\$59.58	\$59.58	\$59.58	\$59.58
8 Inch		\$642.06	\$770.48	\$939.98	\$1,109.18	\$1,308.83
Litigation Charge		\$68.08	\$68.08	\$68.08	\$68.08	\$68.08

*The above bi-monthly minimum charge reflects the adjusted rate established by Ordinance 2003-95 to meet the District's financial obligations relating to the lawsuit entitled Santa Maria Valley Water Conservation District vs. the City of Santa Maria, the Nipomo Community Services District, et al. When the District's financial obligation regarding this lawsuit have been satisfied, the above litigation charge will be removed.

ORDINANCE 2005-103 (Adopted June 8, 2005)

NIPOMO COMMUNITY SERVICES DISTRICT
WATER RATES AND CHARGES
BI-MONTHLY USAGE RATES

TOWN DIVISION

(The bi-monthly usage rates shall take effect August 1, 2005, and future increases shall take effect on January 1, of each succeeding year.)

RESIDENTIAL USAGE RATES

	PRIOR	AUGUST 1, 2005	2006	2007	2008	2009
Tier 1 (0-40 Units)*	\$1.07	\$1.12	\$1.23	\$1.38	\$1.52	\$1.64
Tier 2 (> 40 Units)*	\$1.64	\$1.91	\$2.10	\$2.35	\$2.59	\$2.80

NON-RESIDENTIAL USAGE RATES

(Multi-family, Commercial, Irrigation, Agriculture, Industry and Construction)

	PRIOR	AUGUST 1, 2005	2006	2007	2008	2009
All Water Use	Same as above	\$1.41	\$1.55	\$1.74	\$1.91	\$2.06

*One unit equals 748 gallons

BLACK LAKE DIVISION

(The bi-monthly usage rates shall take effect August 1, 2005, and future increases shall take effect on January 1, of each succeeding year.)

RESIDENTIAL USAGE RATES

	PRIOR	AUGUST 1, 2005	2006	2007	2008	2009
Tier 1 (0-40 Units)*	\$0.75	\$0.97	\$1.16	\$1.42	\$1.68	\$1.98
Tier 2 (> 40 Units)*	\$1.15	\$1.70	\$2.04	\$2.49	\$2.94	\$3.47

*One unit equals 748 gallons

NON-RESIDENTIAL USAGE RATES

(Multi-family, Commercial, Irrigation, Agriculture, Industry and Construction)

	PRIOR	AUGUST 1, 2005	2006	2007	2008	2009
All Water Use	Same as Residential	\$1.18	\$1.42	\$1.73	\$2.04	\$2.41

ORDINANCE 2005-103 (Adopted June 8, 2005)

BI-MONTHLY SEWER SERVICE CHARGES

TOWN DIVISION

(The bi-monthly sewer service charges shall take effect August 1, 2005, and future increases shall take effect on July 1 of each succeeding year.)

RESIDENTIAL (PER DWELLING UNIT)

	PRIOR	AUGUST 1, 2005	2006	2007	2008	2009
Single Family	\$37.22	\$41.60	\$43.27	\$45.00	\$46.80	\$48.67
Multi-Family	\$37.22	\$32.17	\$33.46	\$34.80	\$36.19	\$37.63

NON-RESIDENTIAL (1) (2)

SIZE OF METER	PRIOR	AUGUST 1, 2005	2006	2007	2008	2009
1 Inch or Less	N/A	\$16.08	\$16.72	\$17.39	\$18.09	\$18.81
1 ½ Inch	N/A	\$46.01	\$47.85	\$49.77	\$51.76	\$53.83
2 Inch	N/A	\$72.99	\$75.91	\$78.95	\$82.11	\$85.39
3 Inch	N/A	\$135.99	\$141.43	\$147.09	\$152.97	\$159.09
4 Inch	N/A	\$225.97	\$235.01	\$244.41	\$254.19	\$264.36
6 Inch	N/A	\$450.72	\$468.75	\$487.50	\$507.00	\$527.28
8 Inch	N/A	\$720.53	\$749.35	\$779.32	\$810.49	\$842.91

NON-RESIDENTIAL (1) (2) COMMODITY RATE

	PRIOR	AUGUST 1, 2005	2006	2007	2008	2009
Low Strength	N/A	\$1.22	\$1.27	\$1.32	\$1.37	\$1.43
Medium Strength	N/A	\$1.35	\$1.40	\$1.46	\$1.52	\$1.58
High Strength	N/A	\$1.75	\$1.82	\$1.89	\$1.97	\$2.05

BLACK LAKE DIVISION

(The bi-monthly sewer service charges shall take effect August 1, 2005, and future increases shall take effect on July 1, of each succeeding year.)

RESIDENTIAL (PER DWELLING UNIT)

	PRIOR (1)	AUGUST 1, 2005	2006	2007	2008	2009
Single Family	\$63.66	\$71.70	\$74.56	\$77.55	\$80.65	\$83.87
Multi-Family	\$63.66	\$38.42	\$39.96	\$41.56	\$43.22	\$44.95

NON-RESIDENTIAL (1) (2) BI-MONTHLY SERVICE CHARGE

SIZE OF METER	PRIOR (1)	AUGUST 1, 2005	2006	2007	2008	2009
1 Inch or Less	N/A	\$32.76	\$34.07	\$35.44	\$36.86	\$38.33
1 ½ Inch	N/A	\$94.24	\$98.01	\$101.93	\$106.01	\$110.25
2 Inch	N/A	\$149.66	\$155.64	\$161.87	\$168.34	\$175.08
3 Inch	N/A	\$279.05	\$290.21	\$301.82	\$313.89	\$326.45
4 Inch	N/A	\$463.85	\$482.40	\$501.70	\$521.77	\$542.64
6 Inch	N/A	\$925.45	\$962.46	\$1,000.96	\$1,041.00	\$1,082.64
8 Inch	N/A	\$1,479.58	\$1,538.76	\$1,600.31	\$1,664.33	\$1,730.90

NON-RESIDENTIAL (1) (2) COMMODITY RATE

	PRIOR(1)	AUGUST 1, 2005	2006	2007	2008	2009
Low Strength	N/A	\$1.38	\$1.44	\$1.49	\$1.55	\$1.61
Medium Strength	N/A	\$1.88	\$1.96	\$2.03	\$2.11	\$2.20
High Strength	N/A	\$3.00	\$3.12	\$3.24	\$3.37	\$3.51

(1) Sewer rates for non-residential customers include a service charge based on the size of the water meter and a commodity charge based on sewer strength category and metered water usage.

(2) The District has established a category of users to determine strength of wastewater discharge. Said categories of uses are for reference only and establish minimum strength standards. The District retains the discretion to assign a higher strength category to individual discharges.

N/A Not Applicable

ORDINANCE 2005-103 (Adopted June 8, 2005)

NIPOMO COMMUNITY SERVICES DISTRICT

WATER CAPACITY CHARGES

METER SIZE	Effective date July 1, 2005	Effective date July 1, 2006	Effective date July 1, 2007
1 Inch or less* (1)	\$2,501.00	\$2,599.00	\$2,713.00
Supplemental Water (2)	\$11,121.00	\$11,556.00	\$12,062.00
1 ½ Inch* (1)	\$7,495.00	\$7,788.00	\$8,129.00
Supplemental Water (2)	\$33,331.00	\$34,634.00	\$36,151.00
2 Inch*(1)	\$11,996.00	\$12,465.00	\$13,011.00
Supplemental Water (2)	\$53,350.00	\$55,436.00	\$57,864.00
3 Inch* (1)	\$22,507.00	\$23,387.00	\$24,411.00
Supplemental Water (2)	\$100,093.00	\$104,007.00	\$108,562.00
4 Inch*(1)	\$37,519.00	\$38,986.00	\$40,694.00
Supplemental Water (2)	\$166,855.00	\$173,379.00	\$180,973.00
6 Inch* (1)	\$75,016.00	\$77,949.00	\$81,363.00
Supplemental Water (2)	\$333,610.00	\$346,654.00	\$361,838.00

Standard Schedule for Meter Fees and Account Fees are established as follows:

Meter Size	Meter Fee	Account Fee
1 Inch or Less	\$275.00	\$10.00
1 ½ Inch	\$555.00	\$10.00
2 Inch	\$615.00	\$10.00
3 Inch or larger	At Cost	\$10.00

***Annual Adjustment.** Commencing July 1, 2006, and each fiscal year thereafter, the meter portion of the capacity charge shall be increased to reflect the increase in the costs of the construction of District facilities. The determination of whether there has been an increase in costs and the amount of the increase in costs shall be determined by the average of the percentage changes in the Consumer Price Index for all items for San Francisco/Oakland/San Jose and the Consumer Price Index for all items for Los Angeles/Anaheim/Riverside at March 31st (or as soon thereafter as the data is available) of the current year over the previous year's index on the same date.

- (1) Charges applies to Town Division only
- (2) Charge applies to both Town Division and Black Lake Division

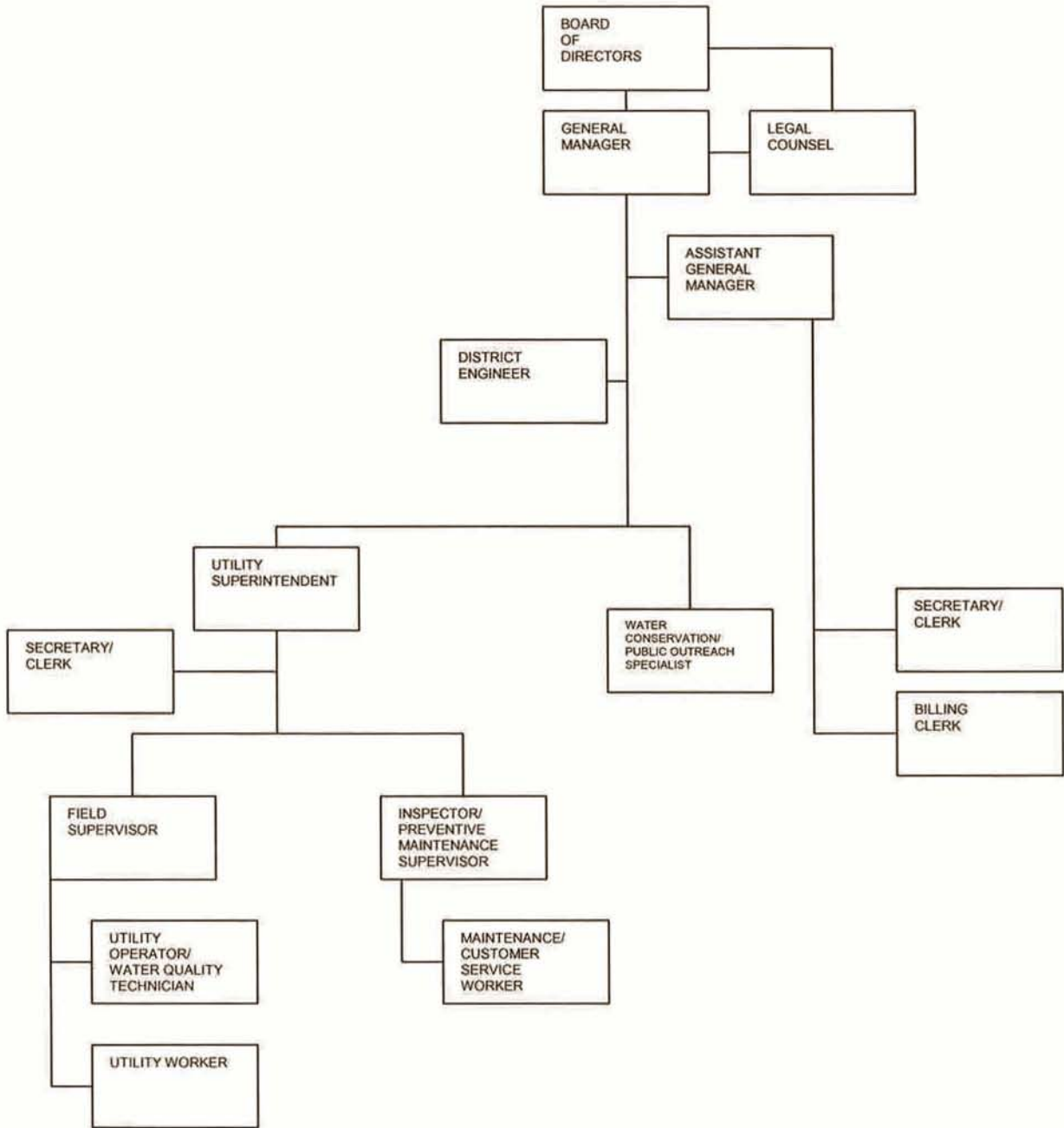
**TOWN DIVISION
SEWER CAPACITY CHARGE BASED ON METER SIZE**

METER SIZE	Effective date July 1, 2005	Effective date July 1, 2006	Effective date July 1, 2007
1 Inch or less*	\$3,977.00	\$4,133.00	\$4,314.00
1 ½ Inch*	\$11,919.00	\$12,385.00	\$12,927.00
2 Inch*	\$19,078.00	\$19,824.00	\$20,692.00
3 Inch*	\$35,794.00	\$37,194.00	\$38,823.00
4 Inch*	\$59,669.00	\$62,002.00	\$64,718.00
6 Inch*	\$119,302.00	\$123,967.00	\$129,396.00

***Annual Adjustment.** Commencing July 1, 2006, and each fiscal year thereafter, the meter portion of the capacity charge shall be increased to reflect the increase in the costs of the construction of District facilities. The determination of whether there has been an increase in costs and the amount of the increase in costs shall be determined by the average of the percentage changes in the Consumer Price Index for all items for San Francisco/Oakland/San Jose and the Consumer Price Index for all items for Los Angeles/Anaheim/Riverside at March 31st (or as soon thereafter as the data is available) of the current year over the previous year's index on the same date.

Note: Volunteers (properties within the Nipomo Sewer Project Assessment District) with existing structures or new construction replacing structures existing prior to 1985 and having no greater DUE will not have a sewer capacity charge. All other construction on volunteer property as zoned in 1985 shall have the option to pay the District sewer capacity charge, as defined above or \$2,100.00 per DUE.

NIPOMO COMMUNITY SERVICES DISTRICT
ORGANIZATIONAL STRUCTURE
2007-2008



NIPOMO COMMUNITY SERVICES DISTRICT
DISTRICT PERSONNEL
2007-2008

<u>OFFICE</u>	<u>CURRENT</u>	<u>PROPOSED</u>
General Manager	1	1
District Engineer	0	1
Assistant Administrator	1	1
Secretary	1	1
Billing Clerk	1	1
Water Conservation and Public Outreach Specialist	<u>1</u> <u>5</u>	<u>1</u> <u>6</u>
<u>MAINTENANCE</u>	<u>CURRENT</u>	<u>PROPOSED</u>
Utility Superintendent	0	1
Utility Field Supervisor	1	1
Utility Field Foreman	1	0
Inspector/Preventive	0	1
Maintenance Supervisor		
Utility Operator	1	1
Utility Worker	2	2
Maintenance/Customer Service Worker	<u>1</u>	<u>1</u>
Secretary-Part-Time	<u>0</u> <u>6</u>	<u>1</u> <u>8</u>
TOTAL	<u>11</u>	<u>14</u>

**NIPOMO COMMUNITY SERVICES DISTRICT
MONTHLY SALARY RANGE**

NO	Monthly Salary Range					Longevity Pay	
	Step 1	Step 2	Step 3	Step 4	Step 5	15 Yrs - 2.5%	20 Yrs - 2.5%
1	\$1,675	\$1,758	\$1,846	\$1,939	\$2,036	\$2,087	\$2,137
2	\$1,717	\$1,802	\$1,893	\$1,987	\$2,087	\$2,139	\$2,191
3	\$1,758	\$1,846	\$1,939	\$2,036	\$2,137	\$2,191	\$2,244
4	\$1,802	\$1,893	\$1,987	\$2,087	\$2,191	\$2,246	\$2,300
5	\$1,846	\$1,939	\$2,036	\$2,137	\$2,244	\$2,300	\$2,357
6	\$1,893	\$1,987	\$2,087	\$2,191	\$2,300	\$2,358	\$2,415
7	\$1,939	\$2,036	\$2,137	\$2,244	\$2,357	\$2,415	\$2,474
8	\$1,987	\$2,087	\$2,191	\$2,300	\$2,415	\$2,476	\$2,536
9	\$2,036	\$2,137	\$2,244	\$2,357	\$2,474	\$2,536	\$2,598
10	\$2,087	\$2,191	\$2,300	\$2,415	\$2,536	\$2,600	\$2,663
11	\$2,137	\$2,244	\$2,357	\$2,474	\$2,598	\$2,663	\$2,728
12	\$2,191	\$2,300	\$2,415	\$2,536	\$2,663	\$2,730	\$2,796
13	\$2,244	\$2,357	\$2,474	\$2,598	\$2,728	\$2,796	\$2,864
14	\$2,300	\$2,415	\$2,536	\$2,663	\$2,796	\$2,866	\$2,936
15	\$2,357	\$2,474	\$2,598	\$2,728	\$2,864	\$2,936	\$3,008
16	\$2,415	\$2,536	\$2,663	\$2,796	\$2,936	\$3,009	\$3,083
17	\$2,474	\$2,598	\$2,728	\$2,864	\$3,008	\$3,083	\$3,158
18	\$2,536	\$2,663	\$2,796	\$2,936	\$3,083	\$3,160	\$3,237
19	\$2,598	\$2,728	\$2,864	\$3,008	\$3,158	\$3,237	\$3,316
20	\$2,663	\$2,796	\$2,936	\$3,083	\$3,237	\$3,318	\$3,399
21	\$2,728	\$2,864	\$3,008	\$3,158	\$3,316	\$3,399	\$3,482
22	\$2,796	\$2,936	\$3,083	\$3,237	\$3,399	\$3,484	\$3,569
23	\$2,864	\$3,008	\$3,158	\$3,316	\$3,482	\$3,569	\$3,656
24	\$2,936	\$3,083	\$3,237	\$3,399	\$3,569	\$3,658	\$3,747
25	\$3,008	\$3,158	\$3,316	\$3,482	\$3,656	\$3,747	\$3,839
26	\$3,083	\$3,237	\$3,399	\$3,569	\$3,747	\$3,841	\$3,935
27	\$3,158	\$3,316	\$3,482	\$3,656	\$3,839	\$3,935	\$4,030
28	\$3,237	\$3,399	\$3,569	\$3,747	\$3,935	\$4,033	\$4,131
29	\$3,316	\$3,482	\$3,656	\$3,839	\$4,030	\$4,131	\$4,232
30	\$3,399	\$3,569	\$3,747	\$3,935	\$4,131	\$4,235	\$4,338
31	\$3,482	\$3,656	\$3,839	\$4,030	\$4,232	\$4,338	\$4,444
32	\$3,569	\$3,747	\$3,935	\$4,131	\$4,338	\$4,446	\$4,555

NO	Monthly Salary Range					Longevity Pay	
	Step 1	Step 2	Step 3	Step 4	Step 5	15 Yrs - 2.5%	20 Yrs - 2.5%
33	\$3,656	\$3,839	\$4,030	\$4,232	\$4,444	\$4,555	\$4,666
34	\$3,747	\$3,935	\$4,131	\$4,338	\$4,555	\$4,669	\$4,782
35	\$3,839	\$4,030	\$4,232	\$4,444	\$4,666	\$4,782	\$4,899
36	\$3,935	\$4,131	\$4,338	\$4,555	\$4,782	\$4,902	\$5,022
37	\$4,030	\$4,232	\$4,444	\$4,666	\$4,899	\$5,022	\$5,144
38	\$4,131	\$4,338	\$4,555	\$4,782	\$5,022	\$5,147	\$5,273
39	\$4,232	\$4,444	\$4,666	\$4,899	\$5,144	\$5,273	\$5,401
40	\$4,338	\$4,555	\$4,782	\$5,022	\$5,273	\$5,404	\$5,536
41	\$4,444	\$4,666	\$4,899	\$5,144	\$5,401	\$5,536	\$5,671
42	\$4,555	\$4,782	\$5,022	\$5,273	\$5,536	\$5,675	\$5,813
43	\$4,666	\$4,899	\$5,144	\$5,401	\$5,671	\$5,813	\$5,955
44	\$4,782	\$5,022	\$5,273	\$5,536	\$5,813	\$5,958	\$6,104
45	\$4,899	\$5,144	\$5,401	\$5,671	\$5,955	\$6,104	\$6,253
46	\$5,022	\$5,273	\$5,536	\$5,813	\$6,104	\$6,256	\$6,409
47	\$5,144	\$5,401	\$5,671	\$5,955	\$6,253	\$6,409	\$6,565
48	\$5,273	\$5,536	\$5,813	\$6,104	\$6,409	\$6,569	\$6,729
49	\$5,401	\$5,671	\$5,955	\$6,253	\$6,565	\$6,729	\$6,894
50	\$5,536	\$5,813	\$6,104	\$6,409	\$6,729	\$6,898	\$7,066
51	\$5,671	\$5,955	\$6,253	\$6,565	\$6,894	\$7,066	\$7,238
52	\$5,813	\$6,104	\$6,409	\$6,729	\$7,066	\$7,242	\$7,419
53	\$5,955	\$6,253	\$6,565	\$6,894	\$7,238	\$7,419	\$7,600
54	\$6,104	\$6,409	\$6,729	\$7,066	\$7,419	\$7,605	\$7,790
55	\$6,253	\$6,565	\$6,894	\$7,238	\$7,600	\$7,790	\$7,980
56	\$6,409	\$6,729	\$7,066	\$7,419	\$7,790	\$7,985	\$8,180
57	\$6,565	\$6,894	\$7,238	\$7,600	\$7,980	\$8,180	\$8,379
58	\$6,729	\$7,066	\$7,419	\$7,790	\$8,180	\$8,384	\$8,589
59	\$6,894	\$7,238	\$7,600	\$7,980	\$8,379	\$8,589	\$8,798
60	\$7,066	\$7,419	\$7,790	\$8,180	\$8,589	\$8,803	\$9,018
61	\$7,238	\$7,600	\$7,980	\$8,379	\$8,798	\$9,018	\$9,238
62	\$7,419	\$7,790	\$8,180	\$8,589	\$9,018	\$9,243	\$9,469
63	\$7,600	\$7,980	\$8,379	\$8,798	\$9,238	\$9,469	\$9,700
64	\$7,790	\$8,180	\$8,589	\$9,018	\$9,469	\$9,706	\$9,942
65	\$7,980	\$8,379	\$8,798	\$9,238	\$9,700	\$9,942	\$10,185
66	\$8,180	\$8,589	\$9,018	\$9,469	\$9,942	\$10,191	\$10,439
67	\$8,379	\$8,798	\$9,238	\$9,700	\$10,185	\$10,439	\$10,694
68	\$8,589	\$9,018	\$9,469	\$9,942	\$10,439	\$10,700	\$10,961

Adjusted for 3.53% COLA effective 7/1/07

NIPOMO COMMUNITY SERVICES DISTRICT
FLEET SCHEDULE
2007-2008

VEHICLES	YEAR	DATE PURCHASED	FISCAL YR PURCHASED	ANTICIPATED YEAR OF REPLACEMENT
CHEVY ¾ TON 4X4 (1)	2000	3/2/00	2000	FY 2007-2008
TOYOTA TACOMA	2002	8/14/02	2003	FY 2008-2009
CHEVY 1 TON UTILITY	2004	12/18/03	2004	FY 2009-2010
FORD PICK UP	2004	7/8/04	2004	FY 2010-2011
FORD PICK UP	2004	7/8/04	2004	FY 2010-2011
FORD PICK UP	2006	6/25/06	2006	FY 2012-2013
FORD F250	2007	8/25/06	2007	FY 2013-2014
FORD ESCAPE	2007	12/1/06	2007	FY 2013-2014

(1) Scheduled for replacement

OTHER EQUIPMENT	DATE PURCHASED
FORD TRACTOR	9/2/80
CASE BACKHOE	9/27/90
DUMP TRUCK	5/25/06