



# Oceano Community Services District

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June 11, 2008

TO: Board of Directors

FROM: Patrick J. O'Reilly, General Manager *PJO*

**SUBJECT: Recommended Budget for Fiscal Year 2008-09**

Attachment A is a summary of projected revenues and expenditures in each fund for Fiscal Year 2008-09. There are slight surpluses in all funds however; revenues for the Water and Sewer Funds assume approval of significant rate increases in those funds.

Attachment B is a draft of the proposed budget for Fiscal Year 2008-09.

**This budget includes a Cost Of Living Allowance Increase of 3.3% for employees which has a total cost impact of \$20,284.**

## ADMINISTRATION FUND Overview

Both revenues and expenditures for the Administration Fund are projected to be \$65,030. \$586,620 in expenditures has been allocated to other funds (account 376).

### Revenue

Revenues include \$20,530 in actual revenue and \$44,500 in transfers from reserves.

### Expenditures

Instead of hiring an additional staff person at a cost of \$45,000 as specified in the District goals for Fiscal Year 2007-08, the Professional Services budget (account 220) has been increased by \$15,100 to hire part-time staff to supplement existing staff. The \$15,100 includes \$7,800 for a part-time bookkeeper (10 hours per week at \$15 per hour) to perform routine financial functions and \$7,300 for contracting for most payroll functions. By utilizing part-time staff or contractors to perform these routine functions, we will free up our senior staff to perform other work that is not being accomplished in a timely manner. It will also eliminate the need for a fully qualified back-up person for the payroll function; a person we do not presently have.

Legal retainer fees have been increased from \$3,500 per month to \$4,000 per month (account 223).

### Capital Expenditures

This budget includes \$3,500 to replace computers for the Administrative Assistant and the Office Manager (account 385); \$21,000 to paint the exterior of the District Fire/Administrative building and to replace the carpet in that building (account 353); and \$20,000 to replace software for the finance and utility billing systems (account 321).

Agenda Item 06 11 2008 9.d.

**STREET LIGHTING FUND**

Overview

Revenues slightly exceed expenditures.

Revenue

Tax revenue has been estimated to be the same as budgeted last year. The Legislative Analyst Office has proposed an 8% transfer of property taxes from Special Districts to the State to help cover the State budget deficit however the Governor has not included that transfer in his recommended budget. If that transfer is imposed at a later date, the Street Lighting Fund would lose \$4,500 in property tax revenue. As a contingency plan in case this tax revenue is lost, staff recommends that the capital expenditure for the installation of one street light be deferred until after the State budget is adopted.

Expenditures

Capital expenditures include \$6,000 for the installation of one street light (account 350).

**FIRE DEPARTMENT FUND**

Overview

Revenues exceed expenditures by more than \$30,000 however, this budget does not include any contribution to reserves for equipment replacement.

Revenue

Tax revenue has been estimated to be the same as budgeted last year. The Legislative Analyst Office has proposed an 8% transfer of property taxes from Special Districts to the State to help cover the State budget deficit however the Governor has not included that transfer in his recommended budget. If that transfer is imposed at a later date, the Fire Fund would lose \$60,000 in property tax revenue. As a contingency plan in case this tax revenue is lost, staff recommends that reserves be used to make up any required revenue.

This budget includes \$38,000 from a Federal Assistance to Firefighters Grant for installation of an exhaust system in the fire station.

Expenditures

Dispatch costs are not projected to increase above the current \$1,520 per month (account 110).

\$50,100 has been included in account 220 for participation in Joint Fire Operations with the Cities of Arroyo Grande and Grover Beach.

Capital Expenditures

Capital Equipment which has been included in the budget (account 320) includes:

Handheld Radios	\$ 1,670
Turnout Racks	6,950
Hydraulic Extrication Hose	1,000
Storage Compartments	3,825
Ventilation Fan	2,000
Digital Camera	500
Hose Roller	650

\$40,000 is included in account 321 for installation of an exhaust system for the fire station. 95% of the cost is funded by a Federal Assistance to Firefighters Grant.

## **WATER FUND**

### **Overview**

The proposed budget includes a projected deficit of \$256,000 for the year. The Board has authorized a rate study to determine the amount of the rate increase required to eliminate this and future deficits. To balance this budget, it is assumed that an increase in following rates will be approved by mid-year: minimum charge increase of 15%, 1<sup>st</sup> tier increase by 20% and 2<sup>nd</sup> tier increase of 40%.

### **Revenue**

Connection Fees (account 3205), Front Footage Fees (account 3206), SWP Connection Fees (account 3209) and Lopez Connection Fees (account 3211) are projected to be significantly less than last year. These fees are also transferred to restricted reserves rather than being used to support operations.

### **Capital Expenditures**

Studies included in this budget (account 351) include \$15,000 for a Water Rate Study and \$15,000 for a Water Master Plan.

Completion of the replacement of the water line at Beach and 17<sup>th</sup> has been included in this budget for \$120,000. (account 351)

Miscellaneous Fixed Assets which have been included in the budget (account 321) include:

2" Replaceable Head Mole	\$ 4,050
Heavy Duty Cordless Combo Kit	500
Pressure Washer	475
Total	\$ 5,025

## **SEWER FUND**

### **Overview**

When the budget was initially developed, there was a projected deficit of \$36,500 for the year. The Board has authorized a rate study to determine the amount of the rate increase required to eliminate this and future deficits. To balance this budget, it is assumed that an increase in rates of approximately 17% will be approved by mid-year.

### **Revenue**

Connection Fees (account 3211) are projected to be significantly less than budgeted last year.

### **Expenditures**

Studies included in this budget include \$15,000 for a Sewer Master Plan (account 351).

Miscellaneous Fixed Assets which have been included in the budget (account 321) include:

TV Camera and monitor	\$ 5,200
Sewer Coring Kit	1,200
Steel Plates	4,000

Cleaning of sewer lines has been included in the budget (account 358).

### **GARBAGE FUND**

#### Overview

Revenues exceed expenditures in the Garbage Fund by a small amount.

#### Revenue

The Garbage franchise fee has been increased slightly consistent with the increase in garbage rates approved last year.

### **MAJOR LITIGATION FUND**

This fund is budgeted the same as last year.

### **SHERIFF'S DEPARTMENT FACILITY FUND**

#### Overview

Revenues substantially exceed expenditures.

#### Expenditures

\$2,000 has been included to add a window in the office.

**THE RECOMMENDED ACTION BEFORE YOUR BOARD is to:** by Board discussion and public comment, make suggestions to improve the proposed budget.

# ATTACHMENT A

OCEANO COMMUNITY SERVICES DISTRICT  
FISCAL YEAR 2008-09  
BUDGET SUMMARY

	<u>REVENUE</u>	<u>EXPENSE</u>	<u>NET</u>
ADMINISTRATION	65,030	65,030	0
STREET LIGHTING	54,105	52,713	1,392
FIRE DEPARTMENT	795,075	762,208	32,867
WATER FUND	1,942,728	1,941,998	730
SEWER FUND	1,727,187	1,715,812	11,375
GARBAGE FUND	72,075	70,252	1,823
MAJOR LITIGATION	20,000	20,000	0
SHERIFF'S FACILITY	9,495	5,900	3,595
GRAND TOTAL	<u>4,685,695</u>	<u>4,633,912</u>	<u>51,783</u>

**OCEANO COMMUNITY SERVICES DISTRICT  
PROPOSED BUDGET  
FISCAL YEAR 2008 - 2009**

**Members of the Board**

at \_\_\_\_\_

**Jim Hill, President  
Bill Bookout, Vice President  
Barbara J. Mann  
Vern Dahl  
Pamela Dean**

**Patrick J. O'Reilly  
General Manager**

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## INTRODUCTION

## INTRODUCTION

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

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

The District's staff consists of twelve full-time employees: A General Manager; an Administrative Assistant; an Office Manager; 2 account clerks; a Utility Systems Supervisor; 3 Utility Systems Operators and three Fire Captains. The three Fire Captains are augmented by approximately 12 Reserve Firefighters. District engineering services are contracted with Wallace Group. Kirk & Simas, a Professional Law Corporation, was chosen to represent the District as legal counsel as a result of the proposals received on May 15, 2001.

Office hours are from 8:00 a.m. to 5:00 p.m., Monday through Friday, except during holidays. In addition, the District has a 24-hour telephone number, 481-6730. This number is answered by an answering service during non-business hours; emergency utility-related calls will be forwarded to standby personnel. The Fire Department is constantly manned 24 hours per day, seven days a week. All emergency fire and/or medical requests are handled through the 9-1-10 system and Grover Beach dispatch.

**OCSD RESOLUTION NO. 2008 - xx**

**ADOPTING THE**

**BUDGET**

**FOR THE**

**2008-2009 FISCAL YEAR**

**and**

**OCSD RESOLUTION NO. 2008 - xx**

**DETERMINING THE**

**APPROPRIATION LIMITATION**

**FOR THE**

**2008-2009 FISCAL YEAR**

**OCEANO COMMUNITY SERVICES DISTRICT  
RESOLUTION NO. 2008 - xx**

**A RESOLUTION ADOPTING THE 2008-2009 FISCAL YEAR BUDGET**

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

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

WHEREAS, the District desires to make known its planned activities and associated costs for the 2005-2006 fiscal year.

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

1. That the proposed budget entitled, "**Proposed 2008 - 2009 Budget, Oceano Community Services District,**" be adopted as amended.
2. That the final budget be administered as established by past policies and practices.

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

AYES:

NOES:

ABSENT:

ABSTAINING:

the foregoing Resolution is hereby adopted this 25th day of June, 2008.

**JIM HILL, PRESIDENT**

ATTEST:

**GINA A. DAVIS, DEPUTY SECRETARY**

**OCEANO COMMUNITY SERVICES DISTRICT  
RESOLUTION NO. 2008 - XX**

**DETERMINATION OF APPROPRIATION LIMITATION  
FOR THE 2008-2009 FISCAL YEAR**

**WHEREAS**, Article XIII B of the California Constitution specifies that appropriations made by governmental entities may increase annually by the change in population and the change in U.S. Consumer Price Index or California per-capita income, whichever is less; and

**WHEREAS**, it has been determined by the State Department of Finance that the California per-capita income increase shall be used; and

**WHEREAS**, the percent change in the California per-capita income is \_\_\_\_\_% and the percent change in the population of the unincorporated area of San Luis Obispo County is \_\_\_\_\_%.

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

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

$$\underline{\hspace{1cm}} \times \underline{\hspace{1cm}} = \underline{\hspace{1cm}}$$

2. That the 2008-2009 appropriation limit is and is determined as follows:

2007-08 Limitation	\$
2007-08 Ratio of Change	<u>X</u>
2008-09 Appropriation Limitation 2008-09 Appropriations Subject to Limitation	
2008-09 Appropriations Under Limit	<u>\$</u>

3. No further adjustment to the 2008-09 appropriation limitation has been made for mandated costs. However, any new mandated costs or increases in existing mandated costs would increase the limitation by the amount of "Proceed of Taxes" used to finance mandates in fiscal year 2008-09.

OCEANO COMMUNITY SERVICES DISTRICT  
RESOLUTION NO. 2008

DETERMINATION OF APPROPRIATION LIMITATION  
FOR THE 2008-2009 FISCAL YEAR

(Continued)

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

AYES:

NOES:

ABSENT:

ABSTAINING:

the foregoing Resolution is hereby adopted this 25th day of June, 2008.

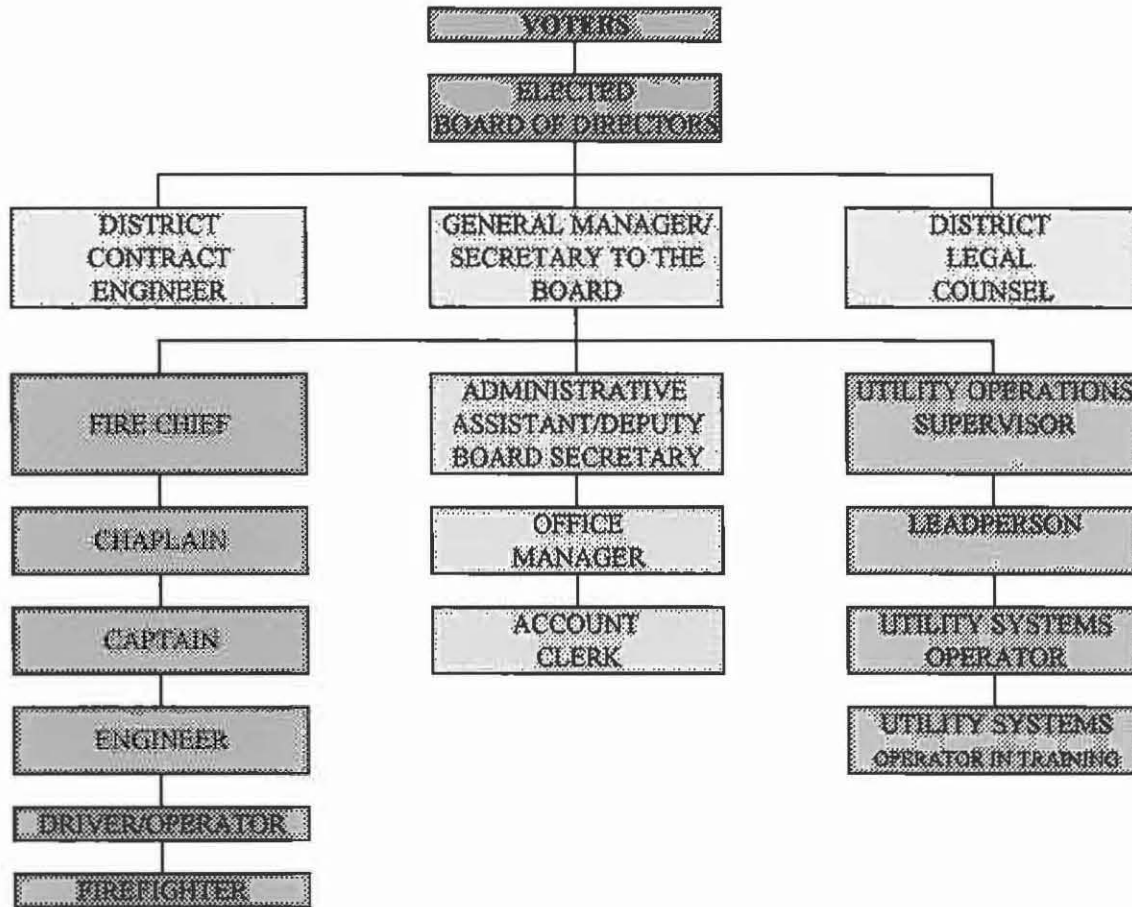
JIM HILL, PRESIDENT

ATTEST:

GINA A. DAVIS, DEPUTY SECRETARY

**PAYMENT AND COMPENSATION  
AND  
PERSONNEL**

**OCEANO COMMUNITY SERVICES DISTRICT  
ORGANIZATION CHART  
FISCAL YEAR 2004-2005**





OCEANO COMMUNITY SERVICES DISTRICT  
DISTRICT PERSONNEL: POSITION ROSTER  
FISCAL YEAR 2008-2009

<u>FULL-TIME POSITIONS at June 30, 2008</u>	<u>2007-2008</u> <u>Current</u>	<u>2008-2009</u> <u>Requested</u>	<u>2008-2009</u> <u>Approved</u>
General Manager	1.000	1.000	.
Administrative Assistant	1.000	1.000	.
Office Manager	1.000	1.000	.
Accounting Clerk	2.000	2.000	.
Utility Operations Supervisor	1.000	1.000	.
Utility Systems Operator	3.000	3.000	.
Total Full-Time Positions	<u>9.000</u>	<u>9.000</u>	<u>.</u>
<u>FIRE DEPARTMENT POSITIONS at June 30, 2008</u>			
Fire Chief	1.000	1.000	.
Fire Chaplain	1.000	1.000	.
Fire Captain (Full Time)	3.000	3.000	.
Firefighter	15.000	15.000	.
Total Fire Department Positions	<u>20.000</u>	<u>20.000</u>	<u>.</u>
TOTAL	<u>29.000</u>	<u>29.000</u>	<u>.</u>

OCEANO COMMUNITY SERVICES DISTRICT  
REVISIONS TO THE  
PAYMENT AND COMPENSATION PLAN  
FISCAL YEAR 2008-2009

I. Cost of Living Adjustment

This budget includes a three and three/tenths percent (3.3%) COLA for all District employees. The salary matrix has been adjusted accordingly.

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

With the exception of the Utility Operations Supervisor who is enrolled in the County Pension Trust, District employees, as required by law, are enrolled in CalPERS. District employees are currently enrolled at the contract rate of 2% at 55. The District's current contribution rate for CalPERS employees is 7.312% for Miscellaneous employees and 12.219% for Safety employees and 16.43% for its one "County Employee" (UOS).

Since 1997, the District pays both the employer and employee portion of PERS contribution rate for tenured employees (those hired prior to 1997), but only the employer contribution rate for at-will employees (those employees hired after 1997). Commencing July 1, 2003, the District began to pay both the employer and employee portion of PERS contribution rate for all District employees. (Effective for the payroll period ended July, 12, 2003.)

During the course of budget deliberations in 1992-1993, the District set the maximum health insurance contribution payable by the District at \$475 per month, per employee. On July 1, 2003, the maximum health insurance contribution payable by the District was increased to \$575 per month per employee. On July 1, 2007, the maximum health insurance contribution was increased to \$665 per month.

In October, 1997, the Board elected to hire only at-will employees. For any employee who was on probation at that time, or any employee who was hired subsequent to that decision, the portion of employee health insurance premiums paid by the District will be that premium for the employee only, provided the employee works 30 or more hours per week. If the at-will employee qualifies for coverage, he/she may elect to enroll his/her dependents at his/her own cost.

OCEANO COMMUNITY SERVICES DISTRICT  
REVISIONS TO THE  
PAYMENT AND COMPENSATION PLAN  
FISCAL YEAR 2005-2006

III. Summary

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

Commencing on June 1, 2001, the Fire Department was staffed seven days per week, from 8:00 a.m. until 5:00 p.m., with three provisional-manning firefighters. The staffing consisted of an OIC who was compensated at \$10 per hour, an engineer, who was compensated at \$8 per hour, and a firefighter, who was compensated at \$7 per hour. On April 1, 2003, the Fire Department entered into a cooperative effort with the City of Grover Beach whereby each Fire Department would respond to calls within the Grover Beach/Oceano geographical response area during designated twelve-hour periods. This allowed for 24/7 coverage. Staffing consists of an Officer-In-Charge who was compensated at \$10 per hour, an engineer who was compensated at \$9 per hour and a firefighter who was compensated at \$8 per hour.

Commencing July 1, 2004, the District hired two fire Captains and two Engineers. This staffing, supplemented by Provisional Staffing, provided emergency response twenty four hours per pay, seven days per week. Effective January 1, 2008, the District hired a third Fire Captain and now operates with a full-time Captain and a reserve firefighter on each shift twenty-four hours per day.

OCEANO COMMUNITY SERVICES DISTRICT  
 REVISIONS TO THE  
 PAYMENT AND COMPENSATION PLAN  
 FISCAL YEAR 2008-2009

III. Summary (continued)

Due to Internal Revenue Service requirements that stipulate all public sector employees be covered by a recognized retirement system effective July 1, 1992, or must participate in Social Security in lieu thereof, the 2005-2006 Budget reflects Social Security (6.2% x gross wages) and related Medicare benefits (1.45% x gross wages), a total of 7.65%, for all Fire Department personnel. This does not, however, apply to any firefighter who may already be employed by the District in a regular, full-time position.

IV. Salary Ranges

	<u>Position</u>	<u>At June 30, 2008</u>	<u>To</u>
	General Manager (Per Contract	\$7,292.00/Month	\$7,292.00/Month
	Administrative Assistant	\$3,761 to \$5,059	\$3,885 to \$5,226
	Office Manager	\$3,120 to \$4,196	\$3,223 to \$4,335
	Accounting Clerk I	\$2,383 to 3,205	\$2,462 to \$3,311
	Accounting Clerk II	\$2,600 to 3,497	\$2,686 to \$3,612
*	Utility Operations Sup'r.	\$3,865 to \$5,383	\$3,993 to 5,561
*	Utility Systems Lead	\$3,241 to \$4,544	\$3,348 to \$4,694
*	Utility Systems Operator	\$2,600 to \$3,682	\$2,685 to \$3,803
	Fire Chaplain	\$ 137.69/Month	\$ 137.69/Month
	Captain	\$2,860 to \$3,846	\$2,954 to 3,973
	Engineer	\$2,297 to \$3,089	\$2,372 to \$3,191
**	Reserve Firefighter (Driver)	\$ 12.00/Hour	\$ 12.00/Hour
**	Reserve Firefighter	\$ 11.00/Hour	\$ 11.00/Hour
**	Reserve Firefighter (Trainee)	\$ 10.00/Hour	\$ 10.00/Hour

C = Contract/T = Tenured/AW = At Will

- \* Salaries for Utility Department include standby pay of \$195/month.
- \*\* In no case will any District Employee be compensated less than the current minimum wage (excludes contract positions of the General Manager and Fire Chief).

**BUDGET SUMMARIES**

**OCEANO COMMUNITY SERVICES DISTRICT  
REVENUE SUMMARY  
FISCAL YEAR 2008-09**

Acct No	Description	General Fund:							Total	
		01	02	03	06	09	10			
		100 Admin- stration	195 Street Lighting	200 Fire Department	Water Fund	Sewer Fund	Garbage Fund	Major Litigation Fund	Sheriff's Dept. Facility	
3100	Prop Tax: Current Secured	\$0	\$54,255	\$721,000						\$775,255
3101	Prop Tax: Current Unsecured		1,500	18,500						20,000
3102	Prop Tax: Prior Secured									0
3103	Prop Tax: Prior Unsecured		85	1,100						1,185
3105	Penalties and Interest			0						0
3106	Delinquent Chgs on Prop Tax Roll: Garbag	\$6,000								6,000
3107	Delinquent Chgs on Prop Tax Roll: U/B	100								100
3120	Homeowners' Prop Tax Relief		500	7,100						7,600
3125	ERAF Reimb: 2004									0
3130	Elect Dereg Settlement									0
3213	Will Serve Letter Fee	2,500								2,500
3200	Water Sales				\$678,000					678,000
3203	SWP Accrual: Sales				710,800					710,800
3204	Lopez Remediation: Sales				420,000					420,000
3205	Water Connection Fees				10,000					10,000
3206	Water Front Footage Fees				16,000					16,000
3207	UB Courtesy Notice Fees				3,500					3,500
3208	UB Sec Notc/Door Hgr Fees				30,000					30,000
3209	SWP Connection Fees				35,000					35,000
3210	Sewer Sales					\$235,000				235,000
3211	Lopez / Sewer Connection Fees				15,000	5,000				20,000
3212	New UB A/C Setup / Lateral Construction				3,000	4,000				7,000
3215	Sanitation District Fees					355,000				355,000
3220	Fire: Weed Abatement			7,350						7,350
3221	Fire: 3 Story Assessment			300						300
3230	Miscellaneous Income	100		100	3,000	500				3,700
3230	Angello Special A/C			0						0
3235	Public Facility Fees			15,000						15,000
3236	San Luis Ambulance Subsidy			3,135						3,135
3237	Cost Recovery Program			1,000						1,000
3238	Fireworks Permit			2,100						2,100
3239	Rent: Village Group			10,200						10,200
3240	Canyon Crest: Wheeling				12,640					12,640
3241	Mutual Aid Reimbursement			4,000						4,000
3245	SSLOCSD Reimbursement	4,930								4,930
3255	Inspection Fees	1,500			1,000	500				3,000
3260	Lease: Sheriff's Facility				31,333	73,112			\$9,495	113,940
3262	Rent: CHC			0						0
3300	Interest: CO/Undistributed	0								0
3300	Interest				5,500	175				5,675
3300	Interest: LAIF/Fire Engine			1,000						1,000
3300	Interest: LAIF/Adm & P&Rec/Rstr	3,200								3,200
	Sub-Totals	\$18,330	\$56,340	\$791,885	\$1,974,773	\$673,287	\$0	\$0	\$9,495	\$3,524,110

**OCEANO COMMUNITY SERVICES DISTRICT  
REVENUE SUMMARY  
FISCAL YEAR 2008-09**

Acct No	Description	General Fund: 01							09	10	Total
		100 Admin- stration	195 Street Lighting	200 Fire Department	02 Water Fund	03 Sewer Fund	06 Garbage Fund	Major Litigation Fund			
	<b>Sub-Totals</b>	\$18,330	\$56,340	\$791,885	\$1,974,773	\$673,287	\$0	\$0	\$9,495	\$3,524,110	
3301	Interest: LAIF/Fire Restricted			3,500	0					3,500	
3301	Interest: CO/Rst/SCADA				300	0				300	
3302	Interest: CO/Non-Engine			4,250						4,250	
3302	Interest: CO/Fire-3 Story			100						100	
3302	Interest: CO/Rst/CIP's				400	5,400				5,800	
3302	Interest: CO/Rst/Adm	2,100								2,100	
3302	Interest: CO/Garbage						\$900			900	
3303	Interest: CO/Rst/Engine			350						350	
3305	Interest: CO/Rst/DP	100								100	
3306	Interest: LAIF/Garbage						925			925	
3312/13	Interest: LAIF/Rst/CIP's				3,800	6,100				9,900	
3313	Interest: LAIF/Rst/Swr/CIP's									0	
3323	Interest: CO/Swr Main Clean									0	
3367	Annexation Fees: Ellsworth					0				0	
3392	Interest: LAIF/SWP/ Step-Up				0					0	
3392	Interest: CO/SWP/ Step-Up				3,000					3,000	
3401	Tract 12 Reimbursement									0	
3501	Garbage Franchise Fees						70,250			70,250	
3547	OCSD's Share of LAFCO		(850)	(11,300)						(12,150)	
3557	CO Collection Chg: SB2557		(1,385)	(18,410)						(19,795)	
	Connection Fee Reserves				(66,000)						
3605	CDBG and/or RZH Grant									0	
	<b>SUBTOTAL 2007-08 REVENUE</b>	<b>\$20,530</b>	<b>\$54,105</b>	<b>\$770,375</b>	<b>\$1,916,273</b>	<b>\$684,787</b>	<b>\$72,075</b>	<b>\$0</b>	<b>\$9,495</b>	<b>\$3,593,640</b>	
LESS:	Trans to Rstrctd Rservs: Fac Fees/Lopez Fees			(15,300)	(108,570)					(123,870)	
	Trans to Water and Sewer Funds									0	
ADD:	Trans from Rest Res: CDBG OCSD Grant Match					0				0	
	F/A									0	
	Grant Funds			38,000						38,000	
	Grant Match			2,000						2,000	
351	Carpet and Paint	41,000								41,000	
	Beach @ 17th Alley				120,000					120,000	
	Well 6				0					0	
	23rd Street Main									0	
	Utility Truck					0				0	
	Studies (Master Plan / Rates)				30,000	0				30,000	
353	Clean Mains					90,000				90,000	
321	Fixed Assets:	3,500			5,025	942,000				950,525	
358	Improvements/Replacements					10,400				10,400	
	SMWCD Litigation				(20,000)		20,000			0	
	<b>GRAND TOTAL: ALL REVENUE</b>	<b>\$65,030</b>	<b>\$54,105</b>	<b>\$795,075</b>	<b>\$1,942,728</b>	<b>#####</b>	<b>\$72,075</b>	<b>\$20,000</b>	<b>\$9,495</b>	<b>\$4,751,695</b>	

**OCEANO COMMUNITY SERVICES DISTRICT  
FINAL EXPENDITURE SUMMARY  
FISCAL YEAR 2008-09**

		General Fund: 01				02	03	06	09	10	
Acct No	Description	Admini- stration 01-4100	Street Lighting 01-4195	Fire Department 01-4200	Parks and Recreation 01-4850	Water Fund 02-4400	Sewer Fund 03-4500	Garbage Fund 06-4900	Major Litigation Fund 09-4994	Sheriff's Dept. Facility 10-4300	Total
010	Wages and Salaries	\$293,000		\$286,400		\$158,000	\$25,000	\$25,000			\$787,400
020	Overtime/Standby	\$0		34,000		8,000	1,300	700			44,000
061	PERS/Employer Portion	\$22,400		20,925		6,600	1,036	1,486			52,448
062	SLO County Pension/Emplr Prt					7,200	1,100	650			8,950
070	SUI (Unemp Ins)	\$1,300		3,400		850	150	125			5,825
071	Medicare/FICA (SS)	\$4,200		10,400		2,300	350	350			17,600
075	State Compensation Ins	\$4,000		35,000		12,000	2,000	1,215			54,215
090	Emplee Insurances	\$30,800		16,400		16,800	2,650	2,650			69,300
096	Emplee Retirement	\$21,000		19,575		9,900	1,564	1,564			53,603
099	GM's Auto/Expense Allow	\$3,600						0			3,600
	Total Personnel	380,300	0	426,100	0	221,650	35,150	33,740	0	0	1,096,940
	Service and Supply										
100	Clothing			5,000		2,500	450	250			8,200
110	Communications			18,240		2,500	600				21,340
111	Telephone	5,500		1,200		4,000	375				11,075
150	Insurance	18,500		11,000		6,400	2,895			\$1,750	40,545
163	Maint: Wtr/Swr Struct					5,000	3,000				8,000
165	Maint: Radlos			1,000							
170	Maint: Equipment	7,500		4,000		2,250	100	150			14,000
171	Maint: Vehicles			9,000		3,000	1,000	200			13,200
172	Fuel			9,000		7,000	3,500	450			19,950
173	Maint: Shared Struct	10,000		1,500		225	500	50		2,150	14,425
175	Sys Parts/Oper Supp		500	3,000		15,000	3,000	15			21,515
176	Water Meters					8,000					8,000
180	Memberships	2,550		3,000		1,400	200				7,150
191	Over and Short	50									50
200	Office Expense	14,000		2,500		1,500		0			18,000
202	Survey/Ballot Expense										0
210	Postage	7,000		200		3,500	2,500	0			13,200
220	Professional Services	43,000		55,100		52,500	17,500	0			168,100
221	Data Processing	10,000									10,000
222	Contract Engineering	2,500				9,600	35,000				47,100
223	Legal Services	49,000		0		100		0			49,100
225	Board Member Services	22,500									22,500
230	Legal Notices	500		1,000		100		0			1,600
235	Books/Journals/Subsc	2,500		500		800					3,800
241	Rents/Leases: Equip					0					0
	Sub-Total Service & Supply	\$195,100	\$500	\$125,240	\$0	\$125,375	\$70,620	\$1,115	\$0	\$3,900	\$520,850



**OCEANO COMMUNITY SERVICES DISTRICT  
FINAL EXPENDITURE SUMMARY  
FISCAL YEAR 2008-09**

Acct No	Description	General Fund: 01								Total	
		Admini- stration	Street Lighting	Fire Department	Parks and Recreation	Water Fund	Sewer Fund	Garbage Fund	Major Litigation Fund		Sheriff's Dept. Facility
	Sub-Total Service & Supply	\$195,100	\$500	\$125,240	\$0	\$125,375	\$70,620	\$1,115	\$0	\$3,900	\$521,850
250	Small Tools			250		100					350
260	Special Dept Exp	5,000		500		370,000					375,500
280	Private Vehicle Mileage	2,000									2,000
285	Classes/Seminars	2,750		6,000		2,100	250				11,100
286	Board Member Travel	6,000									6,000
290	Utilities	16,000		2,600		18,000	1,000	200			37,800
295	Lighting		38,000								38,000
	Total Service & Supply	226,850	38,500	134,590	0	515,575	71,870	1,315	0	3,900	992,600
	Sub-Total	607,150	38,500	560,690	0	737,225	107,020	35,055	0	3,900	2,089,540
297	Pass-Through Rev					16,000	355,000				371,000
320	Fixed Assets					0	0				0
350	Cap/Plant Imp		6,000				0				6,000
353	Carpet/Paint										0
356	Vehicle Abatement										0
360	Prof Svcs: SWP										0
362	Litigation: SMVWCD								20,000		20,000
367	Annexation Expense/Ellsworth					0					0
376	Allocation/Adm Exp	(586,620)	8,213	134,923		219,396	188,892	35,197			0
380	Contingency			10,000		0					10,000
385	Reserve: F/A&C/PI Rplcmt	3,500									3,500
391	Principal Pmts: Wtr					10,000					10,000
392	Principal Pmts: Swr					10,625	5,000				15,625
393	Interest Pmts: Wtr										0
394	Interest Pmts: Swr						2,500				2,500
395	Agency Fees					275					275
396	Principal Pmts: SDW					43,688					43,688
397	Interest Pmts: SDW					18,889					18,889
398	Principal/Interest: SWP					650,875					650,875
399	Rate Covenant Prepmt					100,000					100,000
	Sub-Total	\$24,030	\$52,713	\$705,613	\$0	\$1,806,973	\$658,412	\$70,252	\$20,000	\$3,900	\$3,341,892

**OCEANO COMMUNITY SERVICES DISTRICT  
FINAL EXPENDITURE SUMMARY  
FISCAL YEAR 2008-09**

Acct No Description	General Fund: 01		02	03	06	09	10	Total		
	Admini- stration	Street Lighting	Fire Department	Parks and Recreation	Water Fund	Sewer Fund	Garbage Fund		Major Litigation Fund	Sheriff's Dept. Facility
Sub-Total	\$24,030	\$52,713	\$705,613	\$0	\$1,806,973	\$658,412	\$70,252	\$20,000	\$3,900	\$3,341,892
<b>RESTRICTED RESERVES:</b>										
321 Fixed Assets/Various	41,000									41,000
330 Grant Matching Funds										0
330 Grant Matching Funds										0
330 Grant Matching Funds										0
329 Public Fac: Type IV										0
Transfer/Use of RR:										0
Beach @ 17th Alley Main					120,000					120,000
Well 6					0					0
23rd Street Main										0
CDBG: OCSD Grant Match										0
Utility Truck										0
Studies: Water Rate / Master Plan - Buildout					30,000	15,000				45,000
351 Cap Imp/Paint&Carpet										0
321 Fixed Assets			40,000		5,025	10,400			2,000	57,425
358 Improvements/Replacements			16,595			942,000				958,595
353 Clean Sewer Mains						90,000				90,000
										0
Major Litigation					-20,000					(20,000)
<b>ALL EXPENDITURES</b>	<b>\$65,030</b>	<b>\$52,713</b>	<b>\$762,208</b>	<b>\$0</b>	<b>\$1,941,998</b>	<b>\$1,715,812</b>	<b>\$70,252</b>	<b>\$20,000</b>	<b>\$5,900</b>	<b>\$4,633,912</b>

GRAND TOTAL: ALL REVENUE	\$56,906	\$53,987	\$756,006	\$0	\$1,908,542	\$604,237	\$68,590	\$20,000	\$9,495	\$3,477,763
GRAND TOTAL: ALL EXPENDITURES	\$36,300	\$46,047	\$616,605	\$0	\$1,877,312	\$601,167	\$63,189	\$20,000	\$3,900	\$3,264,520
EXCESS OF REVS OVER EXPS	\$20,606	\$7,940	\$139,401	\$0	\$31,230	\$3,070	\$5,401	\$0	\$5,595	\$213,243

**GENERAL FUND**

**ADMINISTRATION**

**01-4100**

OCEANO COMMUNITY SERVICES DISTRICT  
 ADMINISTRATION  
 FISCAL YEAR 2008-2009

PURPOSE

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

The employees who work in the District Office, e.g., the "Administration," all spend 100% of their time performing the functions of the District. During the Fiscal Year 2001-2002, the Administrative employees kept track of the time they spent working on each of the District functions. From this analysis, and two years of historical data, a three-year average was calculated. It was determined that the resultant percentage of time that will be spent on each function during 2008-2009 will be as follows:

WATER . . . . .	37%
FIRE . . . . .	23%
SEWER . . . . .	33%
PARKS AND RECREATION . . . . .	0%
STREET LIGHTING . . . . .	1%
GARBAGE FRANCHISE . . . . .	6%

Administration receives very little revenue directly. The revenue includes Sanitation District reimbursements for billing services, delinquent taxes and fees for processing "Will Serve" letters. The costs of Administration, then, must be distributed to the OCSD functions in the percentages that they are actually served, as described above. Note, again, that this is not a hypothetical formula, but the actual time the employees work on each of the District functions. The total amount of the Administration expenditures is paid by the Water, Sewer, Fire, Street Lighting and Garbage Franchise Departments based on the percentages described above, as the line item, "Allocation of Administrative Expenses," in each Department's list of expenditures.

PERSONNEL at June 30, 2008

<u>Description</u>	<u>Current</u>	<u>Requested</u>	<u>Approved</u>
General Manager	1	1	
Administrative Assistant	1	1	
Office Manager	1	1	
Account Clerk	2	2	
Total Administrative Personnel	5	5	

OCEANO COMMUNITY SERVICES DISTRICT  
ADMINISTRATION  
FISCAL YEAR 2008-2009

PROGRAMS

District Legal Counsel: The District is represented by the firm of Kirk and Simas. The District is jointly represented with the cities of Arroyo Grande, Grover Beach, and Pismo Beach in the Santa Maria Groundwater cases by Henry Weinstock of the firm of Nossaman, Guthner, Knox, and Elliott. The District portion of the joint defense costs are 22.50%.

Engineering Services: The firm of Wallace Group performs engineering services for the District. The District Engineer reviews subdivision plans, required system improvements, and development requiring services from OCSO on an as-needed basis.

Administration: This includes general ledger maintenance, personnel management, business services, general management, and administrative oversight such as: Accounts payable and accounts receivable, agenda preparation, research, utility billing, and report preparation.

Instead of hiring an additional staff person at a cost of \$45,000 per year as specified in the District goals for Fiscal Year 2007-08, the Professional Services budget (account 220) has been increased by \$15,100 to hire part-time staff to supplement existing staff. This includes \$7,800 for a part-time bookkeeper (10 hours per week at \$15 per hour) to perform routine financial functions and \$7,300 for contracting for most payroll functions. By utilizing part-time staff or contractors to perform these routine functions, we will free up our senior staff to perform other work. It will also eliminate the need for a fully qualified back-up person for the payroll function.

The District Board set objectives, and Staff is working toward reaching those objectives and the following goals in the 2007-2008 Fiscal Years:

Board's Goals Established in April, 2007:

- a. To develop a Water Master Plan.
- b. To develop additional front office staffing.
- c. To develop a long term financial plan.
- d. To study how our resources trend with build-out.
- e. Codification of ordinances and policies.
- f. Development of an East-Side Park.
- g. Fire consolidation with neighboring communities.
- h. Installation of additional street lights.
- i. Transparent government.

OCEANO COMMUNITY SERVICES DISTRICT  
ADMINISTRATION  
FISCAL YEAR 2008-2009

The Board set the above goals under the umbrella of the following Mission Statement, which was modified in April, 2001, to include the operations of Parks and Recreation and Garbage Collection:

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

Oceano Community Services District  
FINAL FY 2007-08 Budget

Administration 01-4100		REVENUES		FY 2008-09	
Account No	Description	2007-08	2007-08	2008-09	2008-09
		Approved	Est/Act	Requested	Approved
3100	Prop Tax: Current Secured	\$0	\$0	\$0	\$0
3101	Prop Tax: Current Unsecured	0	0	0	0
3102	Prop Tax: Prior Secured	0	0	0	0
3103	Prop Tax: Prior Unsecured	0	0	0	0
3105	Penalties and Interest	0	0	0	0
3106	Delinquent Chgs/Tax Roll/Garbage	6,000	4,100	6,000	0
3107	Delinquent Chgs/Tax Roll/UB	100	100	100	0
3120	Homeowners' Property Tax Relief	0	0	0	0
3125	ERAF Reimb: AB1661	0	0	0	0
3130	Misc Taxes: Electric Dereg Stmt	0	0	0	0
3213	Will Serve Letter Fee	1,600	2,600	2,500	0
3230	Miscellaneous Income	50	120	100	0
3245	SSLOCSD Reimbursements	4,930	4,930	4,930	0
3255	Inspection Fees	2,500	0	1,500	0
3300	Interest: CO/Undistributed	6	0	0	0
3300	Interest: LAIF/Restricted	3,200	3,200	3,200	0
3302	Interest: CO/Restricted	2,085	2,085	2,100	0
3305	Interest: CO/DP Restricted	105	105	100	0
	Sub-Total	\$20,576	\$17,240	\$20,530	\$0
Add:	Transfer/Use of Restricted Reserves:				
321	Fixed Assets: Computers (2)	15,330	15,330	3,500	0
353	Cap Imp/Replacements	21,000	21,000	41,000	0
	<b>TOTAL</b>	<b>\$56,906</b>	<b>\$53,570</b>	<b>\$65,030</b>	<b>\$0</b>



Oceano Community Services District  
FINAL FY 2007-08 Budget

Administration 01-4100		EXPENDITURES		FY 2008-09	
Account No	Description	2007-08 Approved	2007-08 Est/Act	2008-09 Requested	2008-09 Approved
Personnel:					
010	Wages and Salaries	\$293,249	\$238,300	\$293,000	\$0
020	Overtime	0	190	0	0
040	Temporary Help	0	0	0	0
061	PERS	21,442	17,050	22,400	0
070	SUI	1,222	700	1,300	0
071	Medicare	4,117	3,500	4,200	0
075	State Compensation Insurance	4,952	3,950	4,000	0
090	Employee Insurances	26,409	19,700	30,800	0
096	Employee Retirement Contrib	20,527	16,000	21,000	0
099	Auto/Expense Allowance	3,600	3,600	3,600	0
	Total Personnel	\$375,518	\$302,990	\$380,300	\$0
Service and Supply					
111	Telephone	6,450	5,200	5,500	0
150	Insurance	18,500	18,500	18,500	0
170	Maintenance: Equipment	9,250	5,100	7,500	0
173	Maintenance: Shared Structures	10,005	8,600	10,000	0
180	Memberships: CSDA/Domain	2,520	2,500	2,550	0
191	Over and Short	25	130	50	0
200	Office Expense	14,500	13,800	14,000	0
210	Postage	5,000	7,100	7,000	0
220	Professional Services: AGP, Audit	25,000	71,000	43,000	0
221	Data Processing	12,000	8,200	10,000	0
222	Contracted Engineering Serv: Plan Cks	2,500	2,500	2,500	0
223	Legal Services	35,000	38,700	49,000	0
225	Board Services	22,500	20,800	22,500	0
230	Legal Notices: GM	300	600	500	0
235	Books/Journals/Subscriptions	2,750	2,100	2,500	0
260	Special Departmental Expense (218 election)	2,000	2,000	5,000	0
280	Private Vehicle Mileage Expense	3,600	1,100	2,000	0
285	Classes and Seminars	2,750	2,750	2,750	0
286	Board Member Expense	6,500	3,700	6,000	0
290	Utilities	14,070	12,300	16,000	0
	Total Service and Supply	\$195,220	\$226,680	\$226,850	\$0
	Sub-Total	\$570,738	\$529,670	\$607,150	\$0
220	Prof Serv: Codify Ordinances	7,000	0	0	0
320	Fixed Assets		0	0	
376	Allocation of Admin Expenses	(609,238)	(609,238)	(586,620)	0
385	Funded Reserve: CI/FA Rplcmts	31,500	31,500	3,500	0
	Sub-Total	\$0	-\$48,068	\$24,030	\$0
Add:	Purchases Funded with Restricted Reserves:				
321	Fixed Assets: Various	15,330	15,330	20,000	0
353	CIP: Carpet & Paint	21,000	0	21,000	0
	<b>TOTAL</b>	<b>\$36,330</b>	<b>-\$32,738</b>	<b>\$65,030</b>	<b>\$0</b>

OCEANO COMMUNITY SERVICES DISTRICT  
ACCOUNT JUSTIFICATION  
ADMINISTRATION: 01-4100  
FISCAL YEAR 2008-2009

Account No	Title	Description
010	Wages and Salaries	Wages and salaries for administrative personnel
020	Overtime Wages	Compensate Admin staff for occasional overtime work
040	Temporary Help	Provides compensation for temporary help
061	PERS	Provides for District contribution of 7.312% to Public Employees' Retirement System
070	SUI (Unemployment Insurance)	Provides for State Unemployment Insurance and ETT at 3.6% of gross salaries not to exceed a maximum salary of \$7,000/year/employee
071	Medicare	Provides Medicare contributions at a rate of 1.45% of gross for those employees who are required to participate due to hire date
075	State Compensation Insurance	Provides for District contribution to State Compensation insurance at .90% for clerical staff and at 3.31% for the General Manager
090	Employee Insurances	Provides for District portion of health, dental, vision, and life insurance premiums per Board-adopted policies
096	Employee Retirement Contrib	Provides for the District's payment of the employees' portion of their retirement plan contribution of 7% for the Admin staff
099	Auto/Expense Allowance	Compensates General Manager for auto expenses

OCEANO COMMUNITY SERVICES DISTRICT  
ACCOUNT JUSTIFICATION  
ADMINISTRATION: 01-4100  
FISCAL YEAR 2008-2009

Account No	Title	Description
111	Telephone	Provides service for 4 phone lines and ten phones; also includes computer communications lines and long distance charges, & Admin. cell phones
150	Insurance	Provides for fire and general liability insurance, errors and omissions coverage, and employee honesty bond
170	Maintenance: Equipment	Provides for maintenance on typewriters, photo-copier, personal computers, FAX, dictation equipment, and calculators
173	Maintenance: Shared Structures	Provides for janitorial service and related supplies and landscape maintenance
180	Memberships	Provides for memberships in CSDA, etc
190	Miscellaneous Expense	Provides for various unanticipated and general expenses
191	Over and Short	Accounts for the occasional shortages or overages of cash transactions
200	Office Expense	Provides for general office supplies and materials for all District activities
210	Postage	Provides postage for general office mailings and newsletters
220	Professional Services	Provides for the annual audit and miscellaneous professional service expenses
221	Data Processing	Provides for supplies and maintenance of all IBM AS400 equipment, payment to the District's contract information technology technician, and capital reserves

OCEANO COMMUNITY SERVICES DISTRICT  
ACCOUNT JUSTIFICATION  
ADMINISTRATION: 01-4100  
FISCAL YEAR 2008-2009

Account No	Title	Description
222	Contracted Engineering Serv	Provides for contracted engineering Services
223	Legal Services	Provides for routine and additional legal services
225	Board Services	Remunerates Board members for District Board meetings, committee meetings, and other time spent in Board-approved attendance
226	Director Health Insurance	Provides for District portion of health insurance premiums per Board-adopted policies
230	Legal Notices	Provides for occasional legal notices necessary for recruitments, hearings, and other activities as prescribed by State law
235	Books/Journals/Subscriptions	Provides for occasional reports, codes, or books, including West's Public Contract and Public Utility Codes, and subscriptions to various periodicals
260	Special Departmental Expense	Provides for District election expenses and various other administrative expenses
280	Private Vehicle Mileage Exp	Reimburses office staff at the I.R.S. mileage reimbursement rate (\$.505/mile) of personal vehicles on District business
285	Classes and Seminars	Provides for registration, travel, lodging and meal expenses for administrative staff to attend various classes, seminars, and meetings
286	Board Member Expense	Provides for Board member registration, travel, lodging and meal expenses when attending classes, seminars, or meetings and cellular and telephone expense

OCEANO COMMUNITY SERVICES DISTRICT  
ACCOUNT JUSTIFICATION  
ADMINISTRATION: 01-4100  
FISCAL YEAR 2008-2009

Account No	Title	Description
290	Utilities	Provides for PG&E, Southern Cal Gas, trash, water, and sewer services to the District Administrative offices
297	Dial-A-Ride Pass Through	Provides for pass-through of funds collected by OCSD on behalf of the County
320	Fixed Assets	Provides for purchase of fixed assets
321	Fixed Assets/Replacement	Provides for purchase of fixed assets with restricted reserves
351	C&P/Improvements/	Provides for Capital/Plant Improvements Replacements with restricted reserves
361	Property Acquisition	Provides for property acquisition
376	Allocation of Admin Exp	Provides the method to bill all other departments for the costs included in the Admin Dept to effectively and efficiently manage and operate the District
380	Contingency	Provides for unforeseen expenditures, not otherwise budgeted
385	Funded Rsrv: CI/FA Rplcmts	Provides current year appropriation for replacement of fixed assets, capital/plant improvements/replacements, equipment, etc

OCEANO COMMUNITY SERVICES DISTRICT  
FIXED ASSETS AND MAJOR PURCHASES  
ADMINISTRATION: 01-4100  
FISCAL YEAR 2008-2009

The following item is included in the 2008-2009 Budget as a new or "first time" acquisition:

Computers (Account 385) \$3,500  
Replace computers for the Administrative Assistant and Office Manager.

Building Rehab (Account 353) \$21,000  
Paint the exterior and interior of Administrative building as well as replace the carpet in that building.

Software (Account 321) \$20,000  
Replace accounting and utility billing software presently run on IBM AS-400 hardware with software to run on personal computers.

**TOTAL ADMINISTRATION DEPARTMENT FIXED ASSET REQUESTS \$44,500**

**STREET LIGHTING**

**01-4195**

OCEANO COMMUNITY SERVICES DISTRICT  
STREET LIGHTING  
FISCAL YEAR 2008-2009

PURPOSE AND PROGRAMS

The operation and maintenance of 211 existing street lights are funded through this Budget Unit. All work is done by contract with PG&E.

In conjunction with the PG&E utility undergrounding project along Front Street during the 1990-91 Fiscal Year, the District acquired and installed 11 decorative poles at an approximate cost of \$13,000. Since 1999, three additional antique street lights have been acquired. The responsibility for the annual operation and maintenance costs of approximately \$1,500 for these decorative lights is the District's and is also funded through this Budget Unit.

Tax revenue has been estimated to be the same as budgeted last year. The State Legislative Analyst Office has proposed an 8% transfer of property taxes from Special Districts to the State to help cover the State budget deficit however the Governor has not included that transfer in his recommended budget. If that transfer is imposed at a later date, the Street Lighting Fund would lose \$4,500 in property tax revenue. As a contingency plan in case this tax revenue is lost, staff recommends that the capital expenditure for the installation of one street light be deferred until after the State budget is adopted.

UTILITIES

The 2008-2009 Budget continues to include increases for utility charges to pay for anticipated higher costs for energy.

The following item is included in the 2008-2009 Budget as a new or "first time" acquisition:

<u>Street Light</u> (Account 350)	\$3,500
Install one new street light.	
<b>TOTAL STREET LIGHT DEPARTMENT FIXED ASSET REQUESTS</b>	<b>\$3,500</b>



Oceano Community Services District  
FINAL FY 2007-08 Budget

<b>Street Lighting 01-4195 REVENUES FY 2008-09</b>					
Account No	Description	2007-08 Approved	2007-08 Est/Act	2008-09 Requested	2008-09 Approved
3100	Prop Tax: Current Secured	\$54,255	\$53,050	\$54,255	\$0
3101	Prop Tax: Current Unsecured	1,289	2,675	1,500	0
3102	Prop Tax: Prior Secured	0	0	0	0
3103	Prop Tax: Prior Unsecured	85	85	85	0
3105	Penalties and Interest	0	0	0	0
3120	Homeowners' Prop Tax Relief	537	500	500	0
3230	Miscellaneous Income	0	0	0	0
3547	OCSD's Share of LAFCO	(794)	(794)	(850)	0
3557	Co Collection Chg: SB2557	(1,385)	(1,385)	(1,385)	0
	<b>TOTAL</b>	<b>\$53,987</b>	<b>\$54,131</b>	<b>\$54,105</b>	<b>\$0</b>

<b>Street Lighting 01-4195 EXPENDITURES FY 2008-09</b>					
Account No	Description	2007-08 Approved	2007-08 Est/Act	2008-09 Requested	2008-09 Approved
	Service & Supply				
150	Insurance	\$0	\$0	\$0	\$0
175	Operating Supplies	500	300	500	\$0
295	Utilities	36,508	35,600	38,000	0
	Total Service & Supply	37,008	35,900	38,500	0
	Sub-Total	37,008	35,900	38,500	0
350	Cap/Plant Imp: New Fixtures	3,600	5,000	6,000	0
376	Allocation of Admin Exp: 1%	6,092	6,092	8,213	0
380	Contingency	0	0	0	0
	<b>TOTAL</b>	<b>\$46,700</b>	<b>\$46,992</b>	<b>\$52,713</b>	<b>\$0</b>

OCEANO COMMUNITY SERVICES

DISTRICT

ACCOUNT JUSTIFICATION  
STREET LIGHTING: 01-4195  
FISCAL YEAR 2008-2009

<u>Account No</u>	<u>Title</u>	<u>Description</u>
150	Insurance	Provides for insurance premiums on the District's antique streetlights
175	Operating Supplies	Provides for materials and supplies used to repair and maintain the District's antique streetlights
295	Utilities	Provides the contracted payments to PG&E for the existing street lights
376	Allocation of Admin Exp	Provides the method of repayment for the costs included in the Admin Dept to effectively and efficiently manage and operate the District
380	Contingency	Provides for unforeseen expenditures, not otherwise budgeted

**FIRE**

**01-4200**

OCEANO COMMUNITY SERVICES DISTRICT  
 FIRE DEPARTMENT  
 FISCAL YEAR 2008-2009

PURPOSE

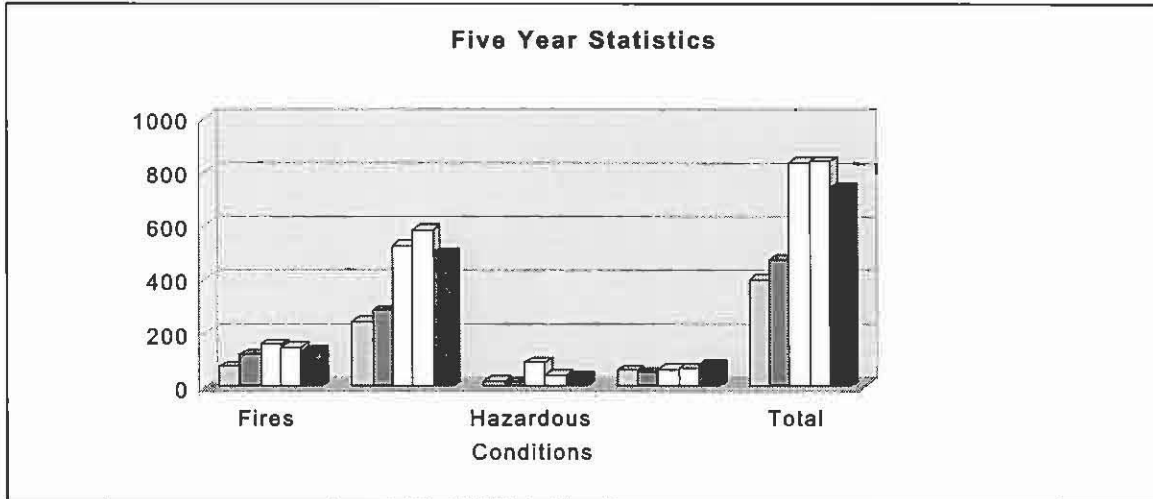
The Oceano Community Services District Fire Department provides fire protection and rescue services for all lands and properties within the District boundaries, including Oceano Airport, the Town of Halcyon, and honors Automatic Aide agreements with the City of Grover Beach, Arroyo Grande, Pismo Beach, and County of San Luis Obispo, and Mutual-Aid agreements with the California Department of Forestry which brings the Fire Department to the Oceano Dunes recreation area.

Below is a chart, by type, and the number of responses for each year from 2000 to 2004. Not all of the responses tallied are in Oceano, many are for auto-aid or mutual aid responses. The chart will indicate the response category where ever it may have occurred.

YEAR	Fires	Emergency Medical	Hazardous Conditions	Other Situations	Total
2000	76	243	18	61	398
2001	121	284	17	54	476
2002	158	527	91	65	841
2003	145	586	43	69	843
2004	131	500	38	77	746

The situation types have been condensed for ease of accounting and clarity. The heading "Fire" includes all fires, structure, vegetation, vehicle, alarms ringing, smoke seen, illegal burning etc. "Emergency Medical" are all calls related to and involving patients and patient contacts. "Hazardous Conditions" includes Haz-Mats, spills and smells, wires down, trees down, flooding, Hot-wires, etc. "Other Situations" include Good intent calls (reported situations that are not occurring at the time of arrival), false alarms, which are malicious/untrue reports of an emergency, and public service assist calls which are for assistance in a non-emergent situations.

OCEANO COMMUNITY SERVICES DISTRICT  
 FIRE DEPARTMENT  
 FISCAL YEAR 2008-2009



Budgeted revenues exceed budgeted expenditures by more than \$30,000, however, this budget does not include any contribution to reserves for equipment replacement.

Tax revenue has been estimated to be the same as last year. The State Legislative Analyst Office has proposed an 8% transfer of property taxes from Special Districts to the State to help cover the State deficit however the Governor has not included that transfer in his recommended budget. If that transfer is imposed at a later date, the Fire Fund would loose \$60,000 in property tax revenue. As a contingency plan in case this tax revenue is lost, staff recommends that reserves be used to make up any required deficit. This budget includes \$38,000 from a Federal Assistance to Firefighters Grant for installation of an exhaust system in the fire station.

Dispatch costs are not projected to increase above the current \$1,520 per month (account 110).

\$50,100 has been included in account 220 for participation in Joint Fire Operations with the Cities of Arroyo Grande and Grover Beach.

OCEANO COMMUNITY SERVICES DISTRICT  
FIRE DEPARTMENT  
FISCAL YEAR 2008-2009

PROGRAMS

Life Safety and Fire Protection: Life Safety and Fire Protection are provided by four major pieces of apparatus: a 1996 Hi-Tech triple combination type-I Pumper; a 2000 4x4 Hi-Tech combination type-II/III interface attack engine; a 1988 Pierce triple combination type-I Pumper; Command vehicles include: 1-2001 Chevy Tahoe Command vehicle and a 1998 GMC Suburban command vehicle. The Department's apparatus are in good condition although the Pierce is beginning to indicate wear and tear and it's anticipated that in the coming year will require some extensive repair work. Additionally the Department is awaiting word of the acquisition of a Type IV apparatus that will be utilized in Oceano and on the Beach from funding through the State Parks and Beaches and restricted reserve funds.

Investigation/Fire Prevention: The Fire Prevention Bureau conducts inspections of businesses on an annual basis; the Fire Department inspects child-care facilities, apartment buildings and commercial and business enterprises for compliance with the Uniform Fire Code. Many potential accidental sources of fire are discovered and eliminated during these inspections; information regarding utilities shutoffs and owner information is obtained and placed in the response books carried on the engines. This includes plans of the buildings and complexes indicating the locations of hazardous materials, electrical panels, information on access, and other information essential for safe and effective firefighting operations. Many new buildings are under construction in the District with several of these being constructed with sprinkler fire suppression systems. The Department is actively involved with plan checks of new construction, checking for items including access and water supply.

In addition, every spring, overgrown vegetation within the District, is abated. This is through a weed abatement and hazard reduction program within the government code issuing authority for the abatement of weeds/overgrown vegetation that presents a fire hazard. New language was currently introduced referring to the program as "Hazard Reduction" rather than merely weed abatement since it is unclear what is considered a "weed" and not landscaping.

Public Relations: The Department gives free station tours and speaks to school age children and adolescents throughout the year on matters regarding fire and life safety topics. The Department has also participated in the "Day of the Child" event and makes regular visits to day cares and pre-schools to spread the fire safety message.

Training: The Department places a high degree of importance on all aspects of fire training. Through the efforts of the Training Officer and the rest of the Fire Officers and Engineers the Department receives excellent training. The Department is on track with several different training programs and strives to meet the ever changing requirements of local, state, and federal mandates.

OCEANO COMMUNITY SERVICES DISTRICT  
FIRE DEPARTMENT  
FISCAL YEAR 2008-2009

The Fire Department holds regular drills that include the entire Department twice a month on alternating Tuesday nights from 7 P.M. to 10 P.M. the general public is invited to attend but we request that anyone interested please make a reservation prior to the drill date. Additionally the on-duty crew also trains everyday on issues that need review or practice. Within this FY's budget there have been funds set aside for On-The-Job training this will prove very helpful for individuals that need on duty training time and for the new hire staff to train with the on duty crews. The Department is unable to teach all subjects, some of the other classes attended by firefighters outside the regular drills are the fire academy, emergency medical technician, swift water rescue, fire investigation, interface fires for company officers, hazardous materials classes, confined spaces, and fire and scene command. Several of these outside classes are requirements for responding to auto-aid and mutual-aid situations.

Automatic Aid Agreements: The Department continues to honor its aid agreements with the surrounding agencies, including Arroyo Grande, Pismo Beach, Grover Beach, and County Fire/CDF. An annual review of the agreement with County Fire/CDF is in the works and this will include the area of the Nipomo Mesa area.

The South County Fire Chiefs completed a comprehensive response plan and automatic aid agreement that has the closest agency responding to a situation regardless of city boundaries along with the agency having jurisdiction. This agreement is in service today and has been updated in early 2005. The matrix for the agreement is a template that will be utilized countywide.

2007-2008 Accomplishments: The Department continues to staff with full-time personnel and reserve personnel. The Department now has three full-time Fire Captains; one on each shift.

The Department now participates in Joint Fire Operations with the Arroyo Grande and Grover Beach Fire Departments. The three agencies share a Fire Chief and Battalion Chief who coordinate operation of all three agencies as well as coordinating most training. The Department also joined Grove Beach and Arroyo Grande in developing a Joint Reserve Firefighter Program where reserves are hired jointly before being assigned to a specific station. These reserve firefighters then rotate shifts between all stations. The Oceano, Grover Beach and Arroyo Grande Fire Departments continue to share back up fire apparatus. Between the three departments there has also been progress in combining grant applications, a committee to review medical supplies and other inventories, and a committee to review and recommend standardized equipment and equipment purchases.

OCEANO COMMUNITY SERVICES DISTRICT  
FIRE DEPARTMENT  
FISCAL YEAR 2008-2009

2008-2009 Future Plans: The Department will continue to submit grant applications to the Federal government. The Department will continue joint training with our neighbors and maintain a great working relationship. Lastly, Staff plans to continue to seek out additional funding from other sources.

The following items are included in the 2008-2009 Budget as new or "first time" acquisitions:

<u>Grant Funds</u>	(account 321)	<u>\$40,000</u>
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The requested amount will provide five percent matching funds of \$2,000 should the Fire Department be successful in its recent Federal Grant Application.

<u>TOTAL FIRE DEPARTMENT ACQUISITIONS REQUESTED</u>		<u>\$40,000</u>
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Oceano Community Services District  
FINAL FY 2007-08 Budget

<b>Fire 01-4200</b>		<b>REVENUES</b>		<b>FY 2008-09</b>	
Account No	Description	2007-08 Approved	2007-08 Est/Act	2008-09 Requested	2008-09 Approved
3100	Prop Tax: Current Secured	\$720,816	\$710,000	\$721,000	\$0
3101	Prop Tax: Current Unsecured	17,123	18,900	18,500	0
3102	Prop Tax: Prior Secured	0	0	0	0
3103	Prop Tax: Prior Unsecured	1,128	1,100	1,100	0
3105	Penalties and Interest	2	0	0	0
3120	Homeowners' Prop Tax Relief	7,131	3,400	7,100	0
3125	ERAF Reimb: 2004	0	0	0	0
3220	Fire: Weed Abatement	7,350	6,000	7,350	0
3221	3-Story Assessment	300	0	300	0
3230	Miscellaneous	25	850	100	0
3230	Miscellaneous: Angello	0	0	0	0
3231	Sale of Fixed Assets	0	4,500	0	0
3235	Public Facility Fees	16,000	30,500	15,000	0
3236	San Luis Ambulance Subsidy	3,135	3,200	3,135	0
3237	Cost Recovery Program	1,000	2,700	1,000	0
3238	Fireworks Permits	1,925	1,925	2,100	0
3239	Rent: Village Group	10,200	10,200	10,200	0
3241	Mutual Aid Reimbursements	4,000	4,450	4,000	0
3262	Rent: CHC	1,700	24,500	0	0
3300	Interest: LAIF/Engine Only	950	950	1,000	0
3301	Interest: LAIF/Non Eng Rest	3,500	3,500	3,500	0
3302	Interest: CO/Non Engine	4,250	4,250	4,250	0
3302	Interest: CO/3-Story Asmnt	100	100	100	0
3303	Interest: CO/Eng Rest	350	350	350	0
3547	OCS D's Share of LAFCO	(10,569)	(10,569)	(11,300)	0
3557	Co Collection Chg: SB2557	(18,410)	(18,410)	(18,410)	0
	Sub-Total	<u>\$772,006</u>	<u>\$802,396</u>	<u>\$770,375</u>	<u>\$0</u>
Less:	Fac Fees Trans to Rstrd Rservs	(16,000)	(16,000)	(15,300)	0
Add:	Trans from Rstrctd Rsrvs:				
	Restricted Reserves				
	Various Grant Funds		6,000	38,000	
	Various Grant Matches			2,000	
	Fixed Assets				
	<b>TOTAL</b>	<u><b>\$756,006</b></u>	<u><b>\$792,396</b></u>	<u><b>\$795,075</b></u>	<u><b>\$0</b></u>

Oceano Community Services District  
FY 2006-07 Budget

Fire 01-4200		EXPENDITURES		FY 2008-09	
Account No	Description	2007-08 Approved	2007-08 Est/Act	2008-09 Requested	2008-09 Approved
Personnel					
010	Wages and Salaries	\$311,285	\$314,000	\$286,400	
020	Overtime Wages	33,795	26,400	34,000	
061	PERS Contribution	24,500	29,200	20,925	
070	SUI	3,400	1,500	3,400	
071	Medicare/FICA (Soc Sec)	11,150	8,800	10,400	
075	State Compensation Ins	30,665	28,000	35,000	
090	Employee Insurances	21,035	19,800	16,400	
096	Dist Paid Employee Pens	13,775	16,700	19,575	
	<b>Total Personnel</b>	<b>\$449,605</b>	<b>\$444,400</b>	<b>\$426,100</b>	
Service and Supply					
100	Clothing	2,500	7,500	5,000	
110	Communications	7,250	16,250	18,240	
111	Telephone	1,400	1,000	1,200	
150	Insurance	11,000	11,000	11,000	
165	Maintenance: Radios	0	0	1,000	
170	Maintenance: Equip	3,800	3,900	4,000	
171	Maintenance: Vehicles	9,000	6,500	9,000	
172	Fuel	5,750	4,900	9,000	
173	Maintenance: Structures	1,100	2,000	1,500	
175	Operating Supplies	3,000	2,500	3,000	
180	Memberships	1,250	3,100	3,000	
200	Office Expense	2,700	1,700	2,500	
210	Postage	400	100	200	
220	Professional Services (Weed abatement)	9,000	5,000	55,100	
223	Legal Services	0			
230	Legal Notices	650	1,050	1,000	
235	Books/Journals/Subs	300	0	300	
250	Small Tools	250	0	250	
260	Special Departmental Exp	300	0	500	
285	Classes and Seminars	4,500	4,500	6,000	
290	Utilities	2,550	2,600	2,600	
	<b>Total Services and Supply</b>	<b>\$66,700</b>	<b>\$73,600</b>	<b>\$134,390</b>	<b>\$0</b>
	<b>Sub-Total</b>	<b>\$516,305</b>	<b>\$518,000</b>	<b>\$560,490</b>	<b>\$0</b>
320	Fixed Assets (New)	0		16,595	
376	Alloca of Adm Exp: 23%	140,125	140,125	134,923	
380	Contingency	10,569	10,569	10,000	
	<b>Sub-Total</b>	<b>\$666,999</b>	<b>\$668,694</b>	<b>\$722,008</b>	<b>\$0</b>
Add:	Purchases Funded with RR:				
321	Fixed Assets/Various	0		40,000	
330	Various Grant Funds	0	6,000		
330	Various Grant Matches	0			
329	Public Fac Fees: Type IV	0			
	<b>TOTAL</b>	<b>\$666,999</b>	<b>\$674,694</b>	<b>\$762,008</b>	<b>\$0</b>

Includes \$50,100 for consolidated fire ops

**OCEANO COMMUNITY SERVICES DISTRICT  
ACCOUNT JUSTIFICATION  
FIRE: 01-4200  
FISCAL YEAR 2008-2009**

ount	Title	Description
0	Wages and Salaries	Wages and salaries for Fire Department personnel
0	Overtime Wages	Compensate Fire personnel for occasional overtime work
0	SUI (Unemployment Insurance)	Provides for State unemployment insurance and ETT at 3.6% of gross salaries not to exceed a maximum salary of \$7,000/year/firefighter
1	Medicare/FICA (Social Sec)	Federal regulations require employers to pay Medicare costs of 1.45% of gross salary and that these paid volunteers be covered by FICA at 6.20% of gross in lieu of a retirement plan
5	State Compensation Insurance	Provides for District contribution to State Compensation insurance at 8.51% for 2007-2008 per officer and/or firefighter
0	Employee Insurances	Provides for District portion of life insurance and income protection plan
0	Clothing	Provides for boot allowance, uniform shirts, turnouts and various other fire protective clothing, including goggles and helmet shields
0	Communications	Provides for contracted dispatching services with Grover Beach, services with Sylvester's Alarm Systems, and maintenance on mobile radios and pagers
1	Telephone Expense	Provides for telephone expense, including mobile units
0	Insurance	Provides for the Fire Dept. portion of fire and general liability insurance, with no provision for EMT liability
0	Maintenance: Equipment	Provides for the maintenance of equipment, extinguishers, copier, computers, printers, and SCBAs

OCEANO COMMUNITY SERVICES DISTRICT  
ACCOUNT JUSTIFICATION  
FIRE: 01-4200  
FISCAL YEAR 2008-2009

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unt	<u>Title</u>	<u>Description</u>
1	Maintenance: Vehicles	Provides for the maintenance of all fire vehicles and mounted equipment
2	Fuel	Provides gasoline, diesel, and oil for operation of fire apparatus and equipment
3	Maintenance: Structures	Provides materials and services for repair and maintenance of the Apparatus Room and the old Fire Station, including landscaping
5	Operating Supplies	Provides for materials and supplies used during fire and rescue procedures including AFFF foam, nylon webbing, medical supplies and oxygen, weed abatement supplies, and training materials
0	Memberships	Provides for memberships such as CSFA, San Luis Obispo County Fire Chief's Association, etc.
0	Miscellaneous Expense	Provides for occasional expenses such as film processing
0	Office Expense	Provides for general office supplies and materials for Fire Department related activities only, including copier supplies and Satellite TV-related expenses
0	Postage	Provides for miscellaneous fire-related mailing and shipping expense
0	Professional Services	Provides for weed abatement activities, County Haz Mat inspections, Hepatitis B vaccinations, medical waste disposal, pre-employment screenings, and other miscellaneous services
3	Legal Services	Provides for occasional fire-related District Legal Counsel services
0	Legal Notices	Provides notices for public hearings, advertisements, etc, in connection with weed abatement and other activities requiring notification

OCEAN COMMUNITY SERVICES DISTRICT  
ACCOUNT JUSTIFICATION  
FIRE: 01-4200  
FISCAL YEAR 2008-2009

Account No	Title	Description
235	Books/Journals/Subscriptions	Provides for the purchase of various codes, magazines, etc, that keep District personnel updated on current fire protection regulations and practices
250	Small Tools	Provides for the occasional purchase of small tools necessary to repair, maintain, and supplement the fire apparatus
260	Special Departmental Expense	Provides for Fire Prevention Week educational costs and awards for outstanding service to the Community/Department
285	Classes and Seminars	Provides registration, lodging, meals, and transportation for training classes and seminars related to fire and rescue activities and for the in-house Class B driver's licensing program
290	Utilities	Provides for PG&E, water, gas, and sewer services to the old Fire Station
320	Fixed Assets	Provides for purchase of fixed assets
321	Fixed Assets/Replacement	Provides for purchase of fixed assets with restricted reserves
330	Grant Matching Funds	Provides for District's 10% matching funds and portion of grant-related expenses
351	C&P/Improvements/ Replacements	Provides for Capital/Plant Improvements replacements with restricted reserves, including 2003-04 acquisition of modular unit
359	C&P/Improvements/ Replacements	Provides for Capital/Plant Improvements replacements connected with the Halcyon fire suppression/waterline with restricted reserves
376	Allocation of Admin Exp	Provides the method of repayment for the costs included in the Admin Dept to effectively and efficiently manage and operate the District
380	Contingency	Provides for unforeseen expenditures, not otherwise budgeted

OCEANO COMMUNITY SERVICES DISTRICT  
FIXED ASSETS AND MAJOR PURCHASES  
FIRE DEPARTMENT: 01-4200  
FISCAL YEAR 2008-2009

The following items are proposed for funding as Fixed Assets (321) or  
Capital and Plant Improvements/Replacements (351):

<u>Hand Held Radios</u>	\$ 1,670
<u>Turnout Racks</u>	\$ 418
<u>Hydraulic Extrication Hose</u>	\$ 1,000
<u>Storage Compartments</u>	\$ 3,825
<u>Ventilation Fan</u>	\$ 2,000
<u>Digital Camera</u>	\$ 500
<u>Hose Roller</u>	\$ 650
<u>OTAL FIRE DEPARTMENT ACQUISITIONS AND MPROVEMENTS</u>	<u>\$16,695</u>

**PARKS AND RECREATION**

**01-4850**

OCEANO COMMUNITY SERVICES DISTRICT  
PARKS AND RECREATION DEPARTMENT  
FISCAL YEAR 2008-2009

PURPOSE

This Budget Unit provides funding for maintenance and upkeep of various park like settings within the District.

PERSONNEL

Through the end of the 2008-2009 Fiscal Year, this Fund contained no personnel. Administration and operations were performed by District personnel from other budget units.

PROGRAMS, ACCOMPLISHMENTS, AND GOALS

Due to Budget considerations and the need to fund an Emergency Response Operation, this Budget Unit will not be funded for Fiscal Year 2008-2009.

Plans for the next fiscal year are to clean and landscape various District owned sites for the beautification of the Community and the enjoyment of its people.

No major capital improvement items are being requested for the 2008-2009 Parks and Recreation Department Budget; however, the District has committed to maintain the trees planted by the County on the Oceano Elementary School sidewalk project.



**WATER FUND**

OCEANO COMMUNITY SERVICES DISTRICT  
 WATER FUND  
 FISCAL YEAR 2008-2009

PURPOSE

This Budget Unit provides for the operation and maintenance of, and improvements to, the OCSD water system. OCSD is responsible for approximately twenty miles of water lines, five usable wells, two storage tanks with a combined capacity of 1.3 million gallons, and five booster pumps, all of which serve 2,006 water connections and approximately 7,500 customers. The Water Fund receives revenues from user fees, connection fees, interest from cash flow accumulations and reserves.

This fund is also responsible for collection of State Water Project connection fees. These fees accrue in a reserve account to help finance the future purchase of State Water.

PERSONNEL

<u>Description</u>	<u>Current</u>	<u>Requested</u>	<u>Approved</u>
Utility Operations Supervisor	1	1	
Utility Systems Operator	2	3	
Total Water Dept Personnel	3	4	

In conjunction with implementation of "Allocation of Administrative Expenses," the 2008-2009 Fiscal Year Budget will distribute the personnel costs of the employees listed above directly to the unit of benefit. In order to ensure an equitable distribution, an analysis was performed of the time cards for these personnel. It was determined that the percentage of time spent on each function during the 2008-2009 Fiscal Year will be:

WATER . . . . .	80%
SEWER . . . . .	13%
PARKS AND RECREATION . . . . .	0%
GARBAGE FRANCHISE . . . . .	7%

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

PROGRAMS

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

1. The purchase of water from Lake Lopez--the contractual agreement being 303 acre feet per year.
2. The retirement of 1979 and 1986 Revenue Bonds.
3. The repayment of the Safe Drinking Water loan.
4. The construction of the Coastal Branch Facilities and financing to provide for 750 acre feet per year of State Water.

OCEANO COMMUNITY SERVICES DISTRICT  
WATER FUND  
FISCAL YEAR 2008-2009

2007-2008 Accomplishments and 2008-2009 projects:

To be provided later.

OCEANO COMMUNITY SERVICES DISTRICT  
WATER FUND  
FISCAL YEAR 2008-2009

2007-2008 Accomplishments and 2008-2009 projects (continued):

Oceano Community Services District  
FINAL FY 2006-07 Budget

<b>Water 02-4400 REVENUES</b>		<b>FY 2008-09</b>			
Account No	Description	2007-08 Approved	2007-08 Est/Act	2008-09 Requested	2008-09 Approved
3200	Water Sales	\$540,500	\$552,000	\$678,000	
3203	SWP Accrual Sales	582,800	582,800	710,800	
3204	Lopez Remediation Sales	403,000	420,000	420,000	
3205	Connection Fees	21,670	9,900	10,000	
3206	Front Footage	61,200	16,000	16,000	
3207	UB Courtesy Notice Chg	3,300	3,500	3,500	
3208	Delinq U/B Acct Fees	25,390	28,000	30,000	
3209	SWP Connection Fees	50,635	32,000	35,000	
3211	Lopez Connection Fees	15,000	14,000	15,000	
3212	New UB acct set-up	3,000	2,600	3,000	
3230	Miscellaneous Income	3,000	4,000	3,000	
3230	OES/FEMA Earthquake Reimb	0			
3240	Wheeling: Canyon Crest/Christie	12,640	12,640	12,640	
3255	Inspection Fees	1,000	0	1,000	
3260	SO Lease Income	31,333	31,333	31,333	
3300	Interest	5,495	5,495	5,500	
3301	Int: SCADA Rest	305	305	300	
3302	Int: CO/WCI Rest	400	400	400	
3312	Int: LAIF/WCI Rest	3,740	3,740	3,800	
3367	Annex Fees: Ellsworth	0			
3392	Int: LAIF/SWP/Step Up Rest	0			
3392	Int: CO/SWP Step Up Rest	3,000	3,000	3,000	
	Sub-Total	1,767,408	1,721,713	1,982,273	0
Add:	Transfer/Use of Rest Res:				
Add:	Strand Way	0			
351	23rd Street Main				
351	Beach @ 17th Alley	140,000	23,500	120,000	
351	Well 6 R&M	179,134	179,134		
351	Studies (Water Rate & Master Plan)			30,000	
321	Fixed Assets: Miscellaneous	1,800	1,800	5,025	
Less:	Transfer/Use of Rstr			(66,000)	
	Major Litigation	(20,000)	(20,000)	(20,000)	
	Lopez Pass-Thru	(108,570)	(108,570)	(108,570)	
	<b>TOTAL</b>	<b>\$1,959,772</b>	<b>\$1,797,577</b>	<b>\$1,942,728</b>	<b>\$0</b>

Oceano Community Services District  
FINAL FY 2008-09 Budget

<b>Water 02-4400 EXPENDITURES FY 2008-09</b>					
Account No	Description	2007-08 Approved	2007-08 Est/Act	2008-09 Requested	2008-09 Approved
<b>Personnel</b>					
010	Wages and Salaries	\$141,380	\$162,600	\$158,000	\$0
020	Overtime	8,500	8,000	8,000	0
061	PERS	6,005	6,700	6,600	0
062	SLO County Pension Trust	5,646	7,200	7,200	0
070	SUI	835	185	850	0
071	Medicare	1,330	1,400	2,300	0
075	State Compensation Ins	11,670	10,500	12,000	0
090	Employee Insurances	14,725	18,900	16,800	0
096	Employee Retrmnt Cont	10,455	10,220	9,900	0
<b>Total Personnel</b>		<b>200,546</b>	<b>225,705</b>	<b>221,650</b>	<b>0</b>
<b>Service and Supply</b>					
100	Clothing	2,590	2,500	2,500	0
110	Communications	2,800	2,500	2,500	0
111	Telephone	4,000	3,800	4,000	0
150	Insurance	6,400	6,400	6,400	0
163	Maint: Water Struc/Imprv	4,700	5,700	5,000	0
170	Maint: Equipment	2,250	2,250	2,250	0
171	Maint: Vehicles	2,990	2,990	3,000	0
172	Fuel	6,500	6,300	7,000	0
173	Maint: Shared Struct	225	225	225	0
175	System Parts/Oper Supp	18,500	10,200	15,000	0
176	Water Meters	8,000	8,000	8,000	0
180	Memberships	1,400	1,400	1,400	0
200	Office Expense	2,000	1,100	1,500	0
210	Postage	3,750	3,200	3,500	0
220	Professional Services	59,520	46,900	52,500	0
222	Contract Engineering	9,600	9,600	9,600	0
223	Legal Services	100	100	100	0
230	Legal Notices	100	100	100	0
235	Books/Journals/Subsc	800	800	800	0
241	Rents/Leases: Equip	0	0	0	0
250	Small Tools	100	100	100	0
260	Special Dept Exp: Lopez/Zone 3	327,581	327,580	370,000	0
285	Classes and Seminars	2,100	2,100	2,100	0
290	Utilities	19,450	17,200	18,000	0
<b>Total Srvc and Supply</b>		<b>485,456</b>	<b>461,045</b>	<b>515,575</b>	<b>0</b>
<b>Sub-Total</b>		<b>\$686,002</b>	<b>\$686,750</b>	<b>\$737,225</b>	<b>\$0</b>



OCEANO COMMUNITY SERVICES DISTRICT  
ACCOUNT JUSTIFICATION  
WATER: 02-4400  
FISCAL YEAR 2008-2009

Account

No	Title	Description
The following Personnel costs represent 80% for 2002-03 and 80% for 2005-2006 of the total costs for current personnel (Line items 010 through 096):		
010	Wages and Salaries	Wages and salaries for the Utility Operations Supervisor and the Utility Systems Operators
020	Overtime	Compensates Utility Systems Operators for occasional overtime work as authorized by the Utility Operations Supervisor
040	Temporary Help	Provides for expense associated with the occasional use of temporary help
061	PERS	Provides for District contributions of 7.312% to Public Employees' Retirement System for the Systems Operators
062	SLO County Pension Trust	Provides for District contribution of 16.43% to SLO County Pension Trust for the Utility Operations Supervisor
070	SUI (Unemployment Ins)	Provides for State Unemployment Insurance and ETT at 3.7% of gross salaries not to exceed a maximum salary of \$7,000 per year per employee
071	Medicare	Provides for the District's portion of Medicare payments at a rate of 1.45% of gross for those employees who are required to participate due to hire date
075	State Compensation Ins	Provides for District's contribution to State Compensation Insurance at 7.13% for 3 full-time positions
090	Employee Insurances	Provides for District's portion of health, dental, vision, and life insurance premiums per Board-adopted policies



OCEANO COMMUNITY SERVICES DISTRICT  
ACCOUNT JUSTIFICATION  
WATER: 02-4400  
FISCAL YEAR 2008-2009

Account No	Title	Description
096	Employee Retirement Contr	Provides for the District's payment of the employee's portion of 7% to PERS for the Utility Systems Operators and 6.96% for the Utility Operations Supervisor
100	Clothing	Provides 80% of the expense for shirts, pants, and shop towels and their cleaning, and annual employee boot allowance
110	Communications	Provides for services by Advantage Answering Service, Motorola maintenance of base and mobile units, Sylvester's Alarm Systems and USA
111	Telephone	Provides for regular and computer communications services to Wilmar Yard, related long distance calls, and Wilmar and Front Street Yard, regular and cell phones
150	Insurance	Provides for Water Fund share of the liability and fire insurance
163	Maintenance: Water Struc	Provides for the maintenance of wells, motors, pumps, their appurtenances, generators, chlorinators, etc., which are directly related to the water system
170	Maintenance: Equipment	Provides for the maintenance of various other types of small equipment (hand-held or mobile) related to the water system including computer equipment/peripherals
171	Maintenance: Vehicles	Provides 80% of the expense for the maintenance of 3 District vehicles and one backhoe
172	Fuel	Provides 80% in 2002-03 and 80% in 2003-04 of the expense for diesel, gas, and oil for 3 District vehicles, backhoe, standby generator, and air compressor

OCEANO COMMUNITY SERVICES DISTRICT  
ACCOUNT JUSTIFICATION  
WATER: 02-4400  
FISCAL YEAR 2008-2009

Account No	Title	Description
173	Maintenance: Shared Struc	Provides 80% of the expense for various maintenance activities at the Wilmar Yard which are non-water specific (building, fences, storage, etc.)
175	System Parts/Oper Supp	Provides for pipe, fittings, couplings, etc, for water system maintenance and its repairs
176	Water Meter Purchases	Provides for the purchase of water meters, hydrant meters, and related repair parts for new installations and/or replacements
180	Memberships	Provides for certificate renewals, memberships in AWWA, etc.
200	Office Expense	Provides for general office supplies and materials for water-related activities only
210	Postage	Provides postage for water billings and required notifications
220	Professional Services	Provides for all contracted services where the contractor provides both equipment and labor, such as: Cross connection and lab services, including Lopez-related testing, inspection of aboveground fuel tank, large meter testing, and pre-employment physicals
222	Contract Engineering	Provides for occasional minor water-related engineering projects, outside engineering and non-contract review, and assistance with the water rate study
223	Legal Services	Provides for occasional water-related District Legal Counsel services
230	Legal Notices	Provides for legal notices for water-related activities only

OCEANO COMMUNITY SERVICES DISTRICT  
ACCOUNT JUSTIFICATION  
WATER: 02-4400  
FISCAL YEAR 2008-2009

Account No	Title	Description
235	Books/Journals/Subs	Provides for various codes, reports, periodicals, etc, that are used to keep personnel current on water operation and maintenance techniques and regulatory changes
241	Rents/Leases: Equipment	Provides for rental of equipment, e.g. jackhammer, dump trucks, etc., which will be used only by District personnel
250	Small Tools	Provides for the occasional purchase of small tools necessary to repair or maintain the water system, vehicles, and/or equipment
260	Special Departmental Exp	Provides for the purchase of allotment Lake Lopez Water and SWP Wheeling charges
285	Classes and Seminars	Provides for registration, travel, lodging, and meal expenses for water personnel to attend training classes, seminars, meetings, and certification expenses
290	Utilities	Provides for PG&E, Southern Cal Gas, water, and sewer for the water yards
297	Canyon Crest Pymt	Provides for the wheeling fees collected from Canyon Crest based on water consumption
320	Fixed Assets	Provides for purchase of fixed assets
321	Fixed Assets/Replacement	Provides for purchase of replacement fixed assets with restricted reserves
350	Capital/Plant Improvements	Provides for new capital/plant improvements/additions
351	Capital/Plant Improvements	Provides for replacement capital/plant improvements with restricted reserves
354	Capital Improve by Others	Compensates private contractors when hired to install District facilities, and in so doing, provides extra capacity for future growth or for purposes of transporting water elsewhere
357	Capital/Plant Improvements Water Master Plan	Provides for update of the District's water master plan update with restricted reserves

SERVICES DISTRICT

ACCOUNT JUSTIFICATION

WATER: 02-4400

FISCAL YEAR 2005-2006

<u>Account No</u>	<u>Title</u>	<u>Description</u>
360	SWP Professional Services	Provides for all contracted services directly related to the State Water Project
367	Annexation Expense	Provides for expenses related to annexations, which are reimbursed by applicant
376	Allocation of Admin Exp	Provides the method of repayment for the costs incurred in the Admin Dept to effectively and efficiently manage and operate the District
380	Contingency	Provides for unforeseen expenditures, not otherwise budgeted
391	Principal Payments: Water	Provides for the semi-annual principal payments toward 1979 water Revenue Bond
393	Interest Payments: Water	Provides for semi-annual interest payments of the water Revenue Bond described above
395	Agency Fees: Water	Provides compensation for transacting the interest payments and bond purchases made by the County on behalf of OCSD
396	Principal Payments: SDW	Provides for the semi-annual principal payments toward 1986 SDW loan
397	Interest Payments: SDW	Provides for semi-annual interest payments of the SDW loan described above
398	Prin/Interest Pymts: SWP	Provides for SWP principal and interest payments
399	Rate Covenant/Deposit and Prepayment	Provides for the SWP 125% Bond Requirement Coverage

OCEANO COMMUNITY SERVICES DISTRICT  
 FIXED ASSETS AND MAJOR PURCHASES  
 WATER DEPARTMENT: 02-4400  
 FISCAL YEAR 2008-2009

The following items are included in the 2008-2009 Budget acquisitions:

<u>2 Inch Replaceable Head Mole</u>	(02 4400 321)	\$4,055
Need reliable tool to install new water service installations.		
<u>Dewalt Heavy-Duty XRP 18v Cordless 6 tool Combo Kit</u>	(02 4400 321)	\$ 500
Need reliable cordless hand tools.		
<u>Karcher 2,600 PSI 2.3 GPM Gas Pressure Washer</u>	(02 4400 321)	\$ 470
Pressure washer to assist in maintenance projects.		
<u>Install Water Line Beach @ 17<sup>th</sup> Street</u>	(02 4400 351)	\$120,000
Finish project started FY 2007-08		
Studies: Water Rate and Water Master Plan	(02 4400 351)	\$30,000
<u>TOTAL WATER DEPARTMENT ACQUISITIONS</u>		<u>\$155,025</u>

**SEWER FUND**

**03-4500**

OCEANO COMMUNITY SERVICES DISTRICT  
SEWER FUND  
FISCAL YEAR 2008-2009

PURPOSE

The Sewer Fund provides for the operation and maintenance of, and improvements to, the OCSD sanitary sewer collection system. The system includes one lift station, approximately 1,817 active service laterals, 16+/- miles of line, and serves approximately 7,200 people. This Fund receives revenues from user fees, connection fees, and interest from cash flow accumulations and reserves.

PERSONNEL

Through the end of the 1990-91 Fiscal Year, this Fund contained no personnel. Administration and operations were performed by District personnel from other budget units. However, in conjunction with implementation of "Allocation of Administrative Expenses" in the 1991-92 Budget, the 2008-09 Fiscal Year Budget distributes the personnel costs of the employees of the Water Department directly to the funds of benefit. In order to ensure an equitable distribution, an analysis was performed of the time cards for the Water Department personnel during the two previous fiscal years. It was determined that the average percentage of time spent on the sewer function will be 13% in the 2008-2009 Fiscal Year. In addition to personnel, certain Service and Supply costs that could not be directly distributed to the Water Department were also spread based on the above percentage. These line items included: Clothing; Maintenance/Vehicles; Fuel; and Maintenance/Structures.

PROGRAMS

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

Capital Improvements: As mentioned previously, District personnel install new sewer laterals. All other capital improvements are installed on an as-needed basis when they become necessary to serve new development and are normally constructed at the developer's expense. District staff are in the process of formulating an ongoing capital improvement program, and funds are being reserved to provide for future capital improvements.

OCEANO COMMUNITY SERVICES DISTRICT  
SEWER FUND  
FISCAL YEAR 2008-2009

Sewer: 2007-2008 Accomplishments and 2008-2009 Projects:

To be provide later.



Oceano Community Services District  
FINAL FY 2007-08 Budget

<b>Sewer 03-4500 REVENUES</b>		<b>FY 2008-09</b>			
Account No	Description	2007-08 Approved	2007-08 Est/Act	2008-09 Requested	2008-09 Approved
3210	Sewer Sales	\$198,500	\$195,700	\$235,000	\$0
3211	Connections	18,625	1,000	5,000	0
3212	Lateral Construction	4,250	0	4,000	0
3215	Sanitation District Fees	\$306,000	354,400	355,000	\$0
3230	Miscellaneous	1,100	100	500	0
3255	Inspection Fees	1,000	0	500	0
3300	Interest: SWR SCADA	175	175	175	0
3302	Interest: CO/SCI Rest	5,370	5,370	5,400	0
3313	Interest: LAIF/Cap Replcmt	6,105	6,105	6,100	0
3367	Annexation Fees: Ellsworth	0	0	0	0
	SO Lease Income	73,112	73,112	73,112	0
	Sub-Total	614,237	635,962	684,787	0
Add:	Transfer/Use of Rest Reserves:				
	Clean Sewer Mains	90,000	0	90,000	0
	CDBG	322,000	40,000	942,000	
	Various Sys Repairs/Replacements			10,400	
351	Lift Station Bubbler	4,000	0	0	0
321	Utility Truck	40,500	0	0	0
	<b>TOTAL</b>	<b>\$1,070,737</b>	<b>\$675,962</b>	<b>\$1,727,187</b>	<b>\$0</b>

Oceano Community Services District  
FINAL FY 2006-07 Budget

Sewer 03-4500 EXPENDITURES		FY 2008-09			
Account No	Description	2007-08 Approved	2007-08 Est/Act	2008-09 Requested	2008-09 Approved
<b>Personnel</b>					
010	Wages and Salaries	\$22,975	\$22,700	\$25,000	\$0
020	Overtime	1,090	1,300	1,300	0
061	PERS	1,090	1,100	1,036	0
062	SLO County Pension Trust	920	1,200	1,100	0
070	SUI	130	30	150	0
071	Medicare	215	230	350	0
075	State Comp Insurance	1,880	1,700	2,000	0
090	Employee Insurances	2,345	3,100	2,650	0
096	Employee Rtrmnt Contrib	1,685	1,650	1,564	0
	<b>Total Personnel</b>	<b>32,330</b>	<b>33,010</b>	<b>35,150</b>	<b>0</b>
<b>Service and Supply</b>					
100	Clothing	460	400	450	0
110	Communications	675	420	600	0
111	Telephone	375	310	375	0
150	Insurance	2,895	2,895	2,895	0
163	Maint: Sewer Struct/Imprv	2,100	3,000	3,000	0
170	Maintenance: Equipment	20	150	100	0
171	Maintenance: Vehicles	1,000	3,550	1,000	0
172	Fuel	2,750	3,100	3,500	0
173	Maintenance: Structures	565	450	500	0
175	System Parts/Operating Supp	3,000	1,650	3,000	0
180	Memberships / Certs	200	200	200	0
210	Postage	3,405	2,000	2,500	0
220	Professional Services	17,250	13,700	17,500	0
222	Contract Engineering Serv	30,500	59,100	35,000	0
285	Class and Seminars	250	0	250	0
290	Utilities (Lift Station)	950	450	1000	0
	<b>Total Service and Supply</b>	<b>66,395</b>	<b>91,375</b>	<b>71,870</b>	<b>0</b>
	<b>Sub-Total</b>	<b>98,725</b>	<b>124,385</b>	<b>107,020</b>	<b>0</b>
297	Sanitation Dist Pmnt	306,000	354,400	355,000	0
320	Fixed Assets	0		0	0
350	Cap/Plant Imp	0		0	0
376	Alloca/Admin Exp: 32%	201,049	201,049	188,892	0
392	Principal Pmnts: Sewer	5,000	5,000	5,000	0
394	Interest Pmnts: Sewer	2,500	2,500	2,500	0
	<b>Sub-Total</b>	<b>613,274</b>	<b>687,334</b>	<b>658,412</b>	<b>0</b>
Add:	Transfer/Use of Restr Reserves:				
358	Clean Sewer Mains	0	0	90,000	0
	Various System Repairs/Replacements		0	10,400	
	CDBG Repairs		40,000	942,000	
351	Study: Master Plan / Buildout		0	15,000	
321	Utility Truck	0	0	0	0
	<b>TOTAL</b>	<b>\$613,274</b>	<b>\$727,334</b>	<b>\$1,715,812</b>	<b>\$0</b>

OCEANO COMMUNITY SERVICES DISTRICT  
ACCOUNT JUSTIFICATION  
SEWER: 03-4500  
FISCAL YEAR 2008-2009

Account

No	Title	Description
The following Personnel costs represent 13% of the total costs for current personnel (Line items 010 through 096):		
010	Wages and Salaries	Wages and salaries for the Utility Operations Supervisor and the Systems Operators
020	Overtime	Compensates Utility Systems Operator for occasional overtime work as authorized by the Utility Operations Supervisor
061	PERS	Provides for District contributions of .000% to Public Employees' Retirement System for the Utility Systems Operators
062	SLO County Pension Trust	Provides for District contributions of 11.32% to SLO County Pension Trust for the Utility Operations Supervisor
070	SUI (Unemployment Ins)	Provides for State Unemployment Insurance and ETT at 3.4% of gross salary not to exceed a maximum gross annual salary of \$7,000/year/employee
071	Medicare	Provides for District's portion of Medicare payments at a rate of 1.45% of gross for those employees who are required to participate due to hire date
075	State Compensation Ins	Provides for District contribution to State Compensation Insurance at 17.67% for three full-time positions
090	Employee Insurances	Provides for District portion of health, dental, vision, and life insurance premiums per Board-adopted policies
096	Employee Retirement Cont	Provides for District's payment on the employee's portion of their retirement plan contribution of 7% for the tenured Utility Systems Operator, at-will Utility Systems Operator(In-Training), and 6.96% for the Utility Operations Supervisor

OCEANO COMMUNITY SERVICES DISTRICT  
ACCOUNT JUSTIFICATION  
SEWER: 03-4500  
FISCAL YEAR 2008-2009

Account No	Title	Description
100	Clothing	Provides 13% of the expense for shirts, pants, and shop towels and their cleaning, and annual employee boot allowance
110	Communications	Provides for alarm services from Sylvester's Alarm Systems
111	Telephone	Provides for phone service for alarm system at lift station
150	Insurance	Provides for the Sewer Fund portion of liability and fire insurance
163	Maintenance: Sewer	Provides for the maintenance of lift Struct/Imp station collection system and its appurtenances, etc., which are directly related to the sewer system
170	Maintenance: Equipment	Provides for the maintenance of various other types of small equipment (hand-held or mobile) related to the sewer system
171	Maintenance: Vehicles	Provides for the maintenance of 1 pickup and the sewer cleaner, plus 13% of the expense for the maintenance of Water Department vehicles and backhoe
172	Fuel	Provides fuel for 1 pickup and 1 sewer cleaner, plus 13% of the expense for diesel, gas, and oil for 4 pickup trucks, one backhoe, standby generator, and air compressor
173	Maintenance: Shared Struct	Provides 13% of the expense for various shared-facilities maintenance activities at the Wilmar Yard
175	System Parts/Oper Supp	Provides for pipe, fittings, and other various sewer supplies
180	Memberships	Provides for renewal of employee certifications
190	Miscellaneous	Provides for occasional minor expenses
210	Postage	Provides for the sewer portion of billing

OCEANO COMMUNITY SERVICES DISTRICT  
ACCOUNT JUSTIFICATION  
SEWER: 03-4500  
FISCAL YEAR 2008-2009

Account No	Title	Description
220	Professional Services	Provides for all contracted services where the contractor provides both equipment and labor, such as: TVing of lines, emergency system repairs by City of Arroyo Grande, Roto-Rooter, etc., and Hepatitis B vaccinations, etc.
222	Contract Engineering	Provides engineering services in connection with reviewing lift station capacity and for occasional minor sewer-related engineering projects (outside engineering and non-contract) review
223	Legal Services	Provides for services in connection with sewer-related items
285	Classes and Seminars	Provides for registration, travel, lodging, and meal expenses for sewer personnel to attend training classes, seminars, and meetings
290	Utilities	Provides for PG&E costs incurred by the lift station
297	Sanitation District Pymt	Provides for the pass-through of funds collected by OCSD on behalf of SSLOCSD
320	Fixed Assets	Provides for purchase of fixed assets
358	Capital/Plant Imprvmnts.	Provides for flushing/cleaning of District Sewer lines
367	Annexation Expense	Provides for expenses related to annexations
376	Allocation of Admin Exp	Provides the method of repayment for the costs incurred in the Admin. Dept. to effectively and efficiently manage and operate the District
380	Contingency	Provides for unforeseen expenditures
392	Principal Pymts: Sewer	Provides for semiannual principal payments toward the 1967 Sewer Revenue Bonds
394	Interest Pymts: Sewer	Provides for semiannual interest payments of the sewer Revenue Bonds described above

OCEANO COMMUNITY SERVICES DISTRICT  
 FIXED ASSETS AND MAJOR PURCHASES  
 SEWER DEPARTMENT: 03-4500  
 FISCAL YEAR 2008-2009

The following items are included in the 2008-2009 Budget acquisitions:

Rigid Navittract Snake and Scout. (034500358) \$ 5,200

Will allow staff to view into 100 feet of sewer laterals or mains.

Sewer Coring Kit. (034500358) \$ 1,200

Required to preserve integrity of existing sewer system mains. We are currently snap cutting the main and installing couplings with PVC pipe and PVC sewer wyes. This creates potential for sags or bellies in the sewer system main.

4' x 8' x 1" Steel Plates (3 each) (034500358) \$ 4,000

Staff needs to be able to cover any open trenches that are exposed at the end of the day.

Clean Sewer Mains (034500358) \$90,000

The District is required to clean sewer mains every other year.

Repairs to sewer damage incurred during 2004 earthquake: \$942,000

The majority of these funds have been received as grants.

Study: Sewer Master Plan and Buildout Study \$15,000

**TOTAL OF PROJECTS:**  
\$1,057,400

**GARBAGE FRANCHISE**

**06-4900**

OCEANO COMMUNITY SERVICES DISTRICT  
GARBAGE FRANCHISE  
FISCAL YEAR 2008-2009

PURPOSE

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

Revenues reflect a 3% rate increase approved in October 2007.

PERSONNEL

Administration and operations are performed by District personnel from other budget units. However, in conjunction with implementation of "Allocation of Administrative Expenses" in the 1991-92 Budget, the 2008-2009 Fiscal Year Budget will distribute personnel costs of the employees of the Water Department directly to the funds of benefit, and this practice will be continued in future fiscal years. In order to ensure an equitable distribution, an analysis was performed of the time cards for the Water Department personnel during the two previous Fiscal Years. It was determined that the average percentage of time that will be spent on the garbage function will be 7%. In addition to personnel, certain Service and Supply costs that could not be directly distributed to the Water Department were also spread based on the above percentage. These line items included: Clothing; Maintenance/Vehicles; Fuel; and Maintenance/Structures.

PROGRAMS

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

Capital Improvements: None are anticipated at this time.

Accomplishments and 2008-2009 Projects: During the 1998-1999 Fiscal Year, LAFCO was petitioned to restore the latent powers to the District to administer the collection of garbage, an Ordinance was drafted and approved by the Board of Directors, and a Franchisee Agreement was drafted and approved by the franchisee and the District.

During the 1999-2000 Fiscal Year, the District purchased and distributed, throughout the community, nineteen garbage containers in an effort to maintain cleanliness.

Work continues to ensure that South County Sanitary's customer list matches that of the District's water customers. During the up-coming Fiscal Year, staff will establish a monitoring and enforcement program consistent with



Work continues to ensure that South County Sanitary's customer list matches that of the District's water customers. During the up-coming Fiscal Year, staff will establish a monitoring and enforcement program consistent with common sense and good Community relations, will audit the franchisee's records to ensure compliance with the fiscal aspects of the agreement, and continue to work with IWMA to educate the public on the value of AB939 compliance.

#### CAR REMOVAL PROGRAM

Many abandoned vehicles are left on the streets and in the alleys of Oceano. To assist in the clean-up of this blight, it is anticipated that a cooperative effort between the California Highway Patrol, a tow company to be contracted, and the District, will identify, cite and remove abandoned vehicles from within the District. Once a vehicle is removed through this program, every effort will be made to have the District reimbursed for the towing charges and administrative work by billing the last registered owner of the vehicle and, if necessary, pursuing the collection of the amounts expended through the Small Claims process.

#### ALLEY CLEAN-UP

In a cooperative effort with the residents of designated blocks, the Fire Department and Administrative staff will seek cooperative work parties of residents to clean and abate all debris in an alley. Once in exceptional condition, the District will grade and rock the alley.

Oceano Community Services District  
 FINAL FY 2008-09 Budget

<b>Garbage Franchise 06-4900 REVENUES FY 2008-09</b>					
Account No	Description	2007-08 Approved	2007-08 Est/Act	2008-09 Requested	2008-09 Approved
3302	Interest/CO	\$875	\$875	\$900	\$0
3306	Interest/LAIF	925	925	925	0
3501	Franchise Fees	68,205	64,600	70,250	0
	Sub-Total	70,005	66,400	72,075	0
	<b>TOTAL</b>	<b>\$70,005</b>	<b>\$66,400</b>	<b>\$72,075</b>	<b>\$0</b>

Oceano Community Services District  
 FY 2006-07 Budget

<b>Garbage Franchise 06-4900 EXPENDITURES FY 2008-09</b>					
Account No	Description	2007-08 Approved	2007-08 Est/Act	2008-09 Requested	2008-09 Approved
<b>Personnel</b>					
010	Wages and Salaries	\$23,005	\$18,700	\$25,000	
020	Overtime	730	700	700	
061	PERS	1,325	1,100	1,486	
062	SLO County Pension Trust	495	650	650	
070	SUI	111	20	125	
071	Medicare	300	220	350	
075	State Comp Insurance	1,215	1,000	1,215	
090	Emplee Insurances	3,025	2,600	2,650	
096	Emplee Retirement Contrib	1,765	1,350	1,564	
099	GM's Auto Exp Allowance	215	215	0	
	<b>Total Personnel</b>	<b>32,186</b>	<b>26,555</b>	<b>33,740</b>	<b>0</b>
<b>Service and Supply</b>					
100	Clothing	250	250	250	
170	R&M Eq/Cans	150	150	150	
171	Maintenance: Vehicles	195	195	200	
172	Fuel	410	410	450	
173	Maint: Shared Struct	50	50	50	
175	Operating Supplies	15	15	15	
200	Office Expense	0	0	0	
210	Postage	0	0	0	
220	Professional Services	0	0	0	
223	Legal Services	0	0	0	
230	Legal Notices	0	0	0	
290	Utilities/Triangle Park	100	200	200	
	<b>Total Srvc and Supply</b>	<b>1,170</b>	<b>1,270</b>	<b>1,315</b>	<b>0</b>
	<b>Sub-Total</b>	<b>33,356</b>	<b>27,825</b>	<b>35,055</b>	<b>0</b>
320	Triangle Park	0			
353	Alley Maintenance	0			
356	Vehicle Abatement	0			
376	Alloca/Admin Exp: 6%	36,554	36,554	35,197	
380	Contingency	0			
	<b>TOTAL</b>	<b>\$69,910</b>	<b>\$64,379</b>	<b>\$70,252</b>	<b>\$0</b>

**MAJOR LITIGATION FUND**

**09-4994**

OCEANO COMMUNITY SERVICES DISTRICT  
MAJOR LITIGATION FUND  
FISCAL YEAR 2008-2009

PURPOSE AND PROGRAMS

The District, as well as all other water purveyors in Southern San Luis Obispo/Northern Santa Barbara County, have become enmeshed in groundwater rights litigation. The resulting effect of this litigation will, most likely, determine rights and ownership of water in the basin that serves the populace and agriculture interests within the aforementioned region.

While there is substantial potential for the litigation to be protracted, it is by all accounts a one-time expense. This litigation is not the cost of doing business of providing water to the District's customers. To place this expense under any of the existing categories would inflate the costs of providing the specific service. Money damages are not sought in the suit. Regardless of how the litigation is concluded, the District will continue to provide water, on demand, to its customers without a change in the cost equation of providing that water.

As of this writing, the District has requested the delivery of 510 acre feet of State Water for the calendar year; however, delivery is expected to be limited to 33% (170 acre feet). On a Take-or-Pay contract, the District pays for its entitlement to Lopez Water. Should the District, through the decisions made during the course of the Groundwater Litigation, lose some of its prescriptive rights to the water in the basin, the mix of water between Lopez, State Water, and water from our District wells will be changed; however, the overall cost of the water will not.

The costs of this expensive litigation should not be directly apportioned to any single, or any combination of, operating budget units. While the cost of the litigation is a drain on the District's resources, any decision made will not change what the District pays for water that it delivers to its customers.

Oceano Community Services District  
 FINAL FY 2007-08 Budget

<b>Major Litigation 09-4994 REVENUES FY 2008-09</b>					
Account No	Description	2007-08 Approved	2007-08 Est/Act	2008-09 Requested	2008-09 Approved
	Sub-Total	\$0	\$0	\$0	\$0
	Use of Water Fund RR SMVWCD Litigation	20,000	20,000	20,000	
	<b>TOTAL</b>	<b>\$20,000</b>	<b>\$20,000</b>	<b>\$20,000</b>	<b>\$0</b>

<b>Major Litigation 09-4994 EXPENDITURES FY 2008-09</b>					
Account No	Description	2007-08 Approved	2007-08 Est/Act	2008-09 Requested	2008-09 Approved
362	Litigation/SMVWCD	\$20,000	\$20,000	\$20,000	\$0
	<b>TOTAL</b>	<b>\$20,000</b>	<b>\$20,000</b>	<b>\$20,000</b>	<b>\$0</b>

OCEANO COMMUNITY SERVICES DISTRICT  
ACCOUNT JUSTIFICATION  
MAJOR LITIGATION: 09-4994  
FISCAL YEAR 2008-2009

<u>Account No</u>	<u>Title</u>	<u>Description</u>
362	Litigation Expense	Provides for litigation expenses

**SHERIFF'S DEPARTMENT FACILITY**

**10-4300**



OCEANO COMMUNITY SERVICES DISTRICT  
FUNDED CONSTRUCTION  
SHERIFF'S DEPARTMENT FACILITY  
FISCAL YEAR 2008-2009

PURPOSE AND PROGRAMS

The District constructed a 6,200 square foot building on District-owned property that will be leased to the County of San Luis Obispo as the Sheriff's South station. Through the utilization of its reserves, the District invested in this structure and built over the course of the twenty-year lease an endowment for its water and sewer infrastructure. In addition to the financial benefits to be derived from this lease, Oceano will again have a police presence within its boundaries. The County of San Luis Obispo benefits from the District's participation in that the structure was built at a lower cost over a shorter period of time.

During Fiscal Year 2000-01, the property was purchased, cleared and evaluated for environmental and hazardous materials, the preliminary plans were drawn to Sheriff Department specifications, and the lease documents were drawn, negotiated, and approved by the governing bodies of the County and District.

The facility was completed on August 15, 2002.

The budget for Fiscal Year 2008-09 includes \$2,000 for installation of a window in the office.

Oceano Community Services District  
FINAL FY 2008-09 Budget

<b>Sheriff's Dept Facility 10-4300 REVENUES FY 2008-09</b>					
Account No	Description	2007-08	2007-08	2008-09	2008-09
		Approved	Est/Act	Requested	Approved
3260	Lease Income: Interest	\$9,495	\$9,495	\$9,495	\$0
	Sub-Total	9,495	9,495	9,495	0
	Transfer to Water	0	0	0	0
	Transfer to Sewer	0	0	0	0
	<b>TOTAL</b>	<b>\$9,495</b>	<b>\$9,495</b>	<b>\$9,495</b>	<b>\$0</b>
<b>Sheriff's Dept Facility 10-4300 EXPENDITURES FY 2008-09</b>					
Account No	Description	2007-08	2007-08	2008-09	2008-09
		Approved	Est/Act	Requested	Approved
150	Insurance	\$1,750	\$1,750	\$1,750	\$0
173	R&M Structure: Landscape	2,150	2,150	2,150	0
	Capital Improvement: Window			2,000	
	<b>TOTAL</b>	<b>\$3,900</b>	<b>\$3,900</b>	<b>\$5,900</b>	<b>\$0</b>

OCEANO COMMUNITY SERVICES DISTRICT  
ACCOUNT JUSTIFICATION  
SHERIFF'S DEPARTMENT FACILITY: 10-4300  
FISCAL YEAR 2008-2009

<u>Account No</u>	<u>Title</u>	<u>Description</u>
173	Maintenance: Structures	Provides materials and services for repair and maintenance related to the Sheriff's Department Facility
380	Contingency	Provides for unforeseen expenditures not otherwise budgeted

**OCEANO COMMUNITY CENTER, INC.**

**GRANT FUNDS**

**11-4855**

**OCEANO COMMUNITY SERVICES DISTRICT  
OCEANO COMMUNITY CENTER, INC.  
GRANT FUNDS  
FISCAL YEAR 2008-2009**

PURPOSE AND PROGRAMS

Community Center Construction: The Community Services District is serving solely as a "pass-through" agency for the receipt and distribution of the funds received from Federal, State and County sources. Moneys received will be placed into a trust account for distribution to the Community Center Board of Directors. The OCSD Board of Directors has previously determined that there would be no administrative fee charged to the Community Center for serving in the "pass-through" agency capacity. However, since funds go directly to a District bank, no revenue or expenditure entries will be made.