

OCEANO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2012-08

A RESOLUTION ADOPTING THE 2012-2013 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 of the 2012-2013 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 OCEANO CSD BUDGET 2012/2013", be adopted as follows:

General Fund Appropriations	\$766,546
Street Lighting Fund Appropriations	36,000
Fire Department Fund Appropriations	737,500
Water Fund Appropriations	1,665,740
Sewer Fund Appropriations	107,115
Sanitation District Fund Appropriations	500,000
Major Litigation Fund Appropriations	50,000

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

Upon the motion of VP Lucey seconded by Director Angello and upon the following roll call vote, to wit:


AYES: VP Lucey, Director Angello, Director White, President Guerrero, Director Hurdle

NOES: None.

ABSENT: None.

ABSTAIN: None.

the foregoing Resolution is hereby adopted this 13th day of July, 2012


Matthew Guerrero, President

ATTEST:


Thomas A. Geaslen, General Manager

PROPOSED
OCEANO COMMUNITY SERVICES DISTRICT
2012/2013
BUDGET

MATTHEW GUERRERO PRESIDENT

MARY K. LUCEY VICE PRESIDENT

LORI ANGELLO DIRECTOR

FELMA HURDLE DIRECTOR

KAREN WHITE DIRECTOR

THOMAS GEASLEN
GENERAL MANAGER
7/12/2012

OCSD PRELIMINARY 2012 2013 BUDGET

Executive Summary

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

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

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

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

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

Reserves

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

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

District Staff

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

The OCSD Organization Chart

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

OCEANO CSD BUDGET 2012/2013

REVENUE

<u>Account</u>	<u>Revenue</u>		
01-1-3100-000	Property Tax SLO County	\$	773,275.00
02-1-1100-000	Water Utility Billing	\$	1,378,724.00
02-1-1100-000	Lopez Remed Billing	\$	392,600.00
03-1-1100-000	Sewer Billing	\$	356,507.00
03-1-1100-000	Sanitation Dist Billing	\$	500,000.00
02-4-3251-000	AG Temp Water Sales	\$	150,000.00
02-4-3217-297	Wheeling AG Canyon CR	\$	17,200.00
06-4-3501-000	Garbage Franchise Fee	\$	66,812.00
01-4-3239-200	Old Fire Bldg Rent	\$	10,800.00
02-4-3259-000	New Fire Bldg Rent	\$	15,000.00
10-4-3260-000	Sheriff's Sub Stat Rent	\$	113,940.00
03-1-1150-000	Sanitation Dist Adm Fees	\$	30,000.00
01-1-1105-000	OCSD Misc Fees	\$	38,368.00
01-1-1010-000	Investment Interest	\$	4,000.00
04-03242-200	SLO Cnty OHV Fees	\$	25,000.00
03-4-3230-903	CALEMA Reimbursement	\$	108,000.00

Total Revenue \$ 3,980,226.00

EXPENSE

<u>Account</u>	<u>Expense</u>		
01-5-4200-077	Fire District	\$	737,500.00
02-5-4400-398	State H2O	\$	800,000.00
02-5-4400-260	Lopez Remediation	\$	456,144.00
02-5-4400-396	US Bank Bond Debt Srvc	\$	62,578.00
02-5-4400-010	NCMA TEC	\$	50,000.00
03-5-4500-297	Sanitation District	\$	500,000.00
01-5-4100-010	Surplus Water Purchase	\$	9,000.00
01-5-4100-200	G&A Payroll (Bnd)	\$	340,000.00
01-5-4195-295	W&S Field Payroll (Bnd)	\$	275,000.00
01-5-4100-290	Office Expense	\$	10,000.00
01-5-4195-295	Electricity Street Lighting	\$	36,000.00
02-5-4400-290	Utilities	\$	21,000.00
01-5-4100-225	Communications	\$	7,000.00
01-5-4100-220	Insurance (WC GL EO)	\$	61,500.00
01-5-4100-223	Board of Directors	\$	15,000.00
02-5-4400-220	Outside Service (Consultants)	\$	80,000.00
01-5-4100-223	Legal	\$	65,000.00
01-5-4400-362	Litigation	\$	50,000.00
01-5-4100-220	Information Tech	\$	10,000.00
01-5-4100-221	Tyler Software Lease	\$	37,000.00
02-5-4400-205	Outside UB Mail Service	\$	20,000.00
01-5-4100-180	OCSD W/S Maint	\$	154,000.00
02-5-4400-285	AG Canyon Crest	\$	17,200.00
01-5-4100-285	Memberships	\$	10,000.00
03-5-4500-285	Continuing Education	\$	7,000.00
01-5-4100-210	Seminars	\$	10,000.00
01-5-4100-260	APCD	\$	4,000.00
01-5-4100-210	Postage	\$	4,000.00
02-5-4400-247	LAFCO	\$	15,000.00

Total Expenses \$ 3,863,922.00

Reserve Contribution \$ 116,304.00

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

PROPOSED