



NOTICE OF REGULAR MEETING

OCEANO COMMUNITY SERVICES DISTRICT – BOARD OF DIRECTORS

WEDNESDAY, NOVEMBER 12, 2025, AT 6:00 PM

1655 FRONT STREET, OCEANO, CA

Board meetings may be viewed remotely at slo-span.org during or after the meeting. All items on the agenda, including information items, may be deliberated. Any member of the public with an interest in one of these items should review the background material.

The Oceano Community Services District encourages your active participation in the public process. All persons desiring to speak during any public comment period are asked to fill out a “Board Appearance Form” to submit to the Board Secretary prior to the start of the meeting. If you wish to speak to an item NOT on the agenda, you may do so during the “Public Comment On Matters Not on the Agenda” period. Each individual speaker is limited to a presentation time of THREE (3) minutes per item. The time limits allocated to speakers are subject to change. Time limits may not be yielded to or shared with other speakers.

The purpose of the Board meeting is to conduct the business of the community in an effective and efficient manner. For the benefit of the community, the Oceano Community Services District asks that you follow the Board meeting guidelines while attending Board meetings and treat everyone with respect and dignity.

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

This public comment period provides an opportunity for members of the public to address the Board on matters of interest within the jurisdiction of the District that are not listed on the agenda.

6. SPECIAL PRESENTATIONS AND REPORTS:

A. STAFF REPORTS

- i. Sheriff’s South Station – Commander John McDaniel
- ii. FCFA Operations – Fire Chief Scott Hallett
- iii. OCSD Operations – Utilities Systems Manager Tony Marraccino
- iv. OCSD Administration – General Manager Peter Brown

B. BOARD OF DIRECTORS AND OUTSIDE COMMITTEE REPORTS:

- i. Board President Shirley Gibson (Zone 3, OCIP and RWQCB)
- ii. Vice President Kim Rose (RWMG, State Water Contractors, & Airport Land Use)
- iii. Director Linda Austin (SSLOCS, OCIP, and Zone 1/1A)
- iv. Director Allene Villa (WRAC and OPARC)
- v. Director Beverly Joyce-Suneson (OPARC and CSDA)

C. PUBLIC COMMENT ON SPECIAL PRESENTATIONS AND REPORTS:

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

7. CONSENT AGENDA ITEMS:

Consent Items are considered routine and may be approved by one motion. Any member of the Board or staff may request that an item be removed from the Consent Calendar. If an item is pulled, the President of the Board may consider hearing the item separately from the rest of the consent items. Members of the public wishing to speak on consent items may do so when recognized by the Presiding Officer.

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- A. Action: Review and Approve the Minutes for the Regular Meeting held on October 8, 2025.

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- B. Information: Cash Disbursements

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- C. Information: Submittal of the District’s Fiscal Year 2025-26 Quarter 1 Investment Report ending September 30, 2025

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- D. Action: Approval of a Resolution to Close the District Office for normal operations for the four business days of December 26, 29, 30, 2025, and January 2, 2026.

8. BUSINESS ITEMS:

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- A. Action: Review and discussion of fiscal implications of the District’s participation in water transfers as a State Water Subcontractor within San Luis Obispo County

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- B. Action: Consideration of the Oceano Capital Improvement Project Committee Member Appointments to represent the OCSD Board.

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- C. Information: Review of the South County Sanitary Services Index- Based Rate Adjustment Effective January 1, 2026, of 5.13% and the rate application assessment memo by R3 Consulting Group.

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- D. Action: Consider a Resolution of Intention to approve an amendment to the Contract between the Board of Administration of California Public Employees' Retirement System and the Board of Directors of the Oceano Community Services District

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- E. Information: Review of the District's Budget Status as of September 30, 2025

9. HEARING ITEMS:

10. RECEIVED WRITTEN COMMUNICATIONS:

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- A. Received Communication from the State Water Resources Control Board – Final Stormwater Capture and Groundwater Recharge Project Report

11. FUTURE AGENDA ITEMS:

12. CLOSED SESSION:

13. ADJOURNMENT:

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

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



Oceano Community Services District

Summary Minutes – Regular Board Meeting

Wednesday, October 8, 2025, 6:00 P.M.

OCSD BOARD ROOM

1. **CALL TO ORDER:** The meeting was called to order at approximately 6:00 p.m. by President Gibson
2. **ROLL CALL:** Board members present: Director Austin, Director Villa, and President Gibson.
Absent: Director Joyce-Suneson and Vice President Rose.
Staff present: Peter Brown, General Manager, and Carey Casciola, Business & Accounting Manager.
Remote: Rob Schultz, Legal Counsel.
3. **FLAG SALUTE:** Led by President Gibson.
4. **AGENDA REVIEW:** Agenda accepted as presented.
5. **PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA:** None

Charles Varni	In opposition of 1900 Front St's connection fees. In support of a new sanitation treatment plant and a recycled water plant.
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6. SPECIAL PRESENTATIONS & REPORTS

A. STAFF REPORTS:

- i. **Sheriff's South Station** – Commander John McDaniel
Oceano September 2025 Stats
367 Calls for service / 339 Calls for service in 2024
2 battery (1 was domestic violence) / 27 disturbance calls / 0 burglary / 1 petty theft / 1 grand theft / 3 vandalism / 0 mail theft / 45 Assist Other Agency / 9 suspicious subjects / 43 traffic enforcement stops / 15 arrests
- ii. **Five Cities Fire Authority** – Chief Hallett - Absent
- iii. **Operations** – Utility Systems Manager, Tony Marraccino
Lopez 82 % 40,553 AF / Lopez 31.09 AF / State 20 AF / Pumped 5.18 AF / End year pump 66.63 AF
0 SSO Sept
Weekly and monthly rounds and samples
Work Orders: 17 / USAs: 27 / Customer Service Calls:13
After-Hour Call Outs: 10 (Callout for 340 Juanita low water pressure water softener; 4 callouts after-hour for turn-ons; Corp yard PSI issue new PSI gauge; 4 Callout Lift station motors clogged)
Cleaned out the wet well
Door hangers for CIP multiple times / Valve turning for CIP multiple times / Pressure testing of new water mains CIP multiple times / Bac-T new water mains for CIP multiple times / Shut down for CIP multiple times
Fire flow testing for fire suppression
Door hangers for later payments
Angle stop replaced on Elm St. by a contractor
Sewer lateral replaced by contractor on the 1700 block of Beach St. we no longer need to maintain it with monthly inspections. We are still maintaining 6 lateral a month.
Lead and copper testing within our community. This is now completed and submitted to DDW and all customers who participated.
Lookoffs
Natural gas Waukesha has been repaired. It was leaking water when in use
Still picking up trash, had a trash pickup on Vista St., 2100 block
Meter reads / Rereads, leak notifications, and comment codes from meter reading
Completed FCFA ISO Insurance Services Office on behalf of OCSD. The water supply is 40% of the rating
1st of the month equipment startups

Started sewer jetting

iv. General Manager – Peter Brown

Participating in a working group advising the County on its desalination study. Continuing to advocate for OCSD's position with the ongoing Lopez environmental species act litigation. Continuing to work with the State Water Subcontractors Board to improve our position with excess state water. CIP project is 75% complete. Two new utility staff members. Attended the Zone 3 Tac meeting. August 27th CIP Committee Meeting. No OPARC meeting – quorum was not met. Dec 2nd is the next OPARC meeting. Office Closure over the last two weeks of December.

B. BOARD OF DIRECTORS AND OUTSIDE COMMITTEE REPORTS:

- i. **President Gibson** (Zone 3 and RWQCB) – reported on the Zone 3 meeting of 9/18/2025.
- ii. **Vice President Rose** (RWMG, State Water Contractors, and Airport Land Use) - Absent
- iii. **Director Austin** (SSLOCSD and Zone 1/1A) – No reports
- iv. **Director Villa** (WRAC and Finance & Budget Committee) – Reported on the Ribbon Cutting ceremony of the new track at Oceano Elementary School. Reported on the 10/01/2025 WRAC meeting.
- v. **Director Joyce-Suneson** (OPARC and CSDA) – Absent

B. PUBLIC COMMENT ON SPECIAL PRESENTATIONS AND REPORTS:

Charles Varni	Provided comments regarding desalination.
Kerry Langford	Appreciation for the track by OPARC.

7. CONSENT AGENDA:	ACTION:
<p>A. Action: Review and Approve the Minutes for the Regular Meeting held on August 13, 2025.</p> <p>B. Action: Review and Approve the Minutes for the Special Meeting held on September 4, 2025.</p> <p>C. Information: Cash Disbursements.</p> <p>D. Action: Action: Second reading of an Ordinance updating District Code 6.12.100 Cross Connections to enforce the requirements outlined in the Cross Connection Control Policy Handbook effective July 1, 2025</p> <p>E. Action: One Cool Earth “Earth Genius” Program at Oceano Elementary School and consideration for Fiscal Year 2025-26 of \$10,000 from the Solid Waste Fund “Earth Genius”</p> <p>F. Action: Consideration of renewal of the professional services contract with Water Systems Consulting Inc. (WSC) to continue to provide staff services to the Northern Cities Management Area Technical Group (NCMA TG) for the current Fiscal Year 2025-26 for an amount not to exceed \$21,000.</p>	<p>After an opportunity for public comment and Board and staff discussion, Director Austin motioned to approve the consent agenda with the amended minutes for agenda item 7A, with a second from Director Villa, with a 3-0 roll call vote.</p> <p>Absent: Director Joyce-Suneson and Vice President Rose</p> <p>Public Comment: None</p>

8A. BUSINESS ITEMS:	ACTION:
Action: Review and Adopt the District's 2025 Sanitary Sewer Capital Improvement Plan (Sewer CIP)	<p>After a presentation by MKN, an opportunity for public comment and Board and staff discussion, Director Austin motioned to adopt the District's 2025 Sanitary Sewer Capital Improvement Plan (Sewer CIP), with a second from Director Villa, with a 3-0 roll call vote.</p> <p>Absent: Director Joyce-Suneson and Vice President Rose</p> <p>Public Comment: Kerry Langford – Asked for additional information regarding equipment. Charles Varni – Asked for additional information regarding the sewer system.</p>

8B. BUSINESS ITEMS:	ACTION:
Action: Consideration and approval of an Agreement between the District and the County of San Luis Obispo to accept and implement \$93,444 in Public Education Government (PEG) Funds for audio-visual improvements to the District Board Chamber	<p>After an opportunity for public comment and Board and staff discussion, Director Austin motioned to agenda item 8B as presented, with a second from Director Villa, with a 3-0 roll call vote.</p> <p>Absent: Director Joyce-Suneson and Vice President Rose</p> <p>Public Comment: None</p>

8C. BUSINESS ITEMS:	ACTION:
Action: Authorization of a Change Order for pavement restoration and Emergency Work to Replace Broken Valves on Railroad and Air Park Drive in coordination with the Waterline Replacement Project	<p>After an opportunity for public comment and Board and staff discussion, item 2 (Emergency Valve work) will be continued to the next Board meeting.</p> <p>Director Austin motioned to approve item 1 of agenda item 8C, with a second from Director Villa, with a 3-0 roll call vote.</p> <p>Absent: Director Joyce-Suneson and Vice President Rose</p> <p>Public Comment: None</p>

8D. BUSINESS ITEMS:	ACTION:
Action: Consideration and approval of the Special District Alternate Member for the Local Agency Formation Commission; Candidate Vote; Submittal of Vote	<p>After an opportunity for public comment and Board and staff discussion, Director Austin motioned to nominate John Joyce, with a second from President Gibson, with a 3-0 roll call vote.</p> <p>Absent: Director Villa and Director Joyce-Suneson</p> <p>Public Comment: None</p>

8E. BUSINESS ITEMS:	ACTION:
Action: Discussion and consideration of the Oceano Capital Improvement Project Committee Member	This item will be continued at the November OCSD Board Meeting. Public Comment: None

8F. BUSINESS ITEMS:	ACTION:
Action: Discussion and consideration of the Oceano Parks and Recreation Committee FY 2025-26 budget with Board direction as deemed appropriate.	After an opportunity for public comment and Board and staff discussion, Director Villa motioned to adopt option number 1, with a second from Director Austin, with a 3-0 roll call vote. Absent: Director Villa and Director Joyce-Suneson Public Comment: Sunny Paz – In support of ending OPARC Charles Varni – In support of keeping OPARC Wanda Monson – In support of keeping OPARC

9. HEARING ITEMS: None

10. RECEIVED WRITTEN COMMUNICATIONS:

- a. Received Communication from Robert Schultz, Interim District Counsel
- b. Received Communication from Charles Varni
- c. Received Communication from Quentin McCalla

Late Received Communication from Julie Tacker.

Public Comment: None.

11. FUTURE AGENDA ITEMS: November agenda; Valve replacement

12. CLOSED SESSION: None

13. ADJOURNMENT: President Gibson adjourned the meeting at approximately 7:37 PM



Oceano Community Services District

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

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

Date: November 12, 2025
To: Board of Directors
From: Carey Casciola, Business and Accounting Manager
Subject: **Agenda Item #7(B): Recommendation to Review Cash Disbursements**

Recommendation

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

Discussion

The following is a summary of the attached cash disbursements. The table captures the payments from last meeting to this meeting.

Description	Check Sequence	Amounts
	61820 - 61894	
Disbursements:		
Regular Payable Register - paid 10/08/2025	61820 - 61843	\$ 87,547.59
*Health Disbursements - paid 10/16/2025	61854	\$ 36,473.30
Regular Payable Register - paid 10/16/2025	61858 - 61875	\$ 137,637.79
Regular Payable Register - paid 10/30/2025	61876 - 61891	\$ 23,931.93
Regular Payable Register - paid 10/30/2025	61892	\$ 1,269.12
Subtotal:		\$ 286,859.73
Reoccurring Payments for Board Review (authorized by Resolution 2020-06):		
Payroll Disbursements - PPE 10/04/2025	N/A	\$ 40,381.02
Payroll Disbursements - PPE 10/18/2025	N/A	\$ 39,523.86
Payroll Disbursements - PPE 11/01/2025	N/A	\$ 40,280.05
Payroll Disbursements - PPE 11/01/2025	N/A	\$ 7,911.48
Board Member Stipends - 09/30/2025, 10/31/2025	N/A	\$ 645.90
Five Star Bank Mastercard Online Payment - paid 10/30/2025	N/A	\$ 865.16
Reoccurring Utility Disbursements - paid 10/08/2025	61844 - 61851	\$ 8,462.49
Reoccurring Utility Disbursements - paid 10/16/2025	61852	\$ 213.43
*Reoccurring Health Disbursements - paid 10/16/2025	61853 - 61857	\$ 8,224.32
Reoccurring Utility Disbursements - paid 10/30/2025	61893 - 61894	\$ 4,924.96
Subtotal:		\$ 151,432.67
Grand Total:		\$ 438,292.40

* Check #61854, \$43,735.76: Fire Risk Management Services, One Time Special Assessment for 24 & 25-\$36,473.30; Reoccurring Health-\$7,262.46

Other Agency Involvement

N/A

Other Financial Considerations

Amounts are within the authorized Fund level budgets.

- CANNON 8,403.50, CIP - WRRP 1-4,5,7,8,10, SVCS THRU 9/30/2025
- SCHWIND ELECTRIC INC \$23,208.00, UTILITY YARD ELECTRICAL
- THE J.F. WILL COMPANY INC. \$85,710.57, CIP - WRRP 1-4, 5, 7, 8, 10, CMI SVCS THRU 9/30/2025
- CANNON \$17,923.00, CIP - WRRP 1-4, 5, 7, 8, 10, CMI, PROF SVCS - SVCS THRU 8/31/2025
- MICHAEL K. NUNLEY & ASSOCIATE \$9,430.50, CIP WASTEWATER SVCS THRU 8/29/25
- R. BAKER, INC. \$19,898.44, WATER & SEWER STRUCTURE MAINTENANCE
- SAN LUIS OBISPO COUNTY FIRE \$9,678.92, OFFICE LEASE-OCT2025
- CSDA \$9,441.00, 2026 CSDA MEM RENEWAL-\$9391, 2 LAW POSTERS-\$50
- DON MARUSKA & CO, INC \$8,200.00, CONSULT HALF-\$6250, TALENT INSIGHTS RPTS-10@\$195

Results

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

10/8/2025 3:39 PM
 COMPANY: 99 - POOLED CASH FUND
 ACCOUNT: 1-1001-000 POOLED CASH OPERATING
 TYPE: All
 STATUS: All
 FOLIO: All

CHECK RECONCILIATION REGISTER

CHECK DATE: 0/00/0000 THRU 99/99/9999
 CLEAR DATE: 0/00/0000 THRU 99/99/9999
 STATEMENT: 0/00/0000 THRU 99/99/9999
 VOIDED DATE: 0/00/0000 THRU 99/99/9999
 AMOUNT: 0.00 THRU 999,999,999.99
 CHECK NUMBER: 061820 THRU 061843

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
CHECK:	-----							
1-1001-000	10/08/2025	CHECK	061820	BURDINE PRINTING	4,215.27CR	OUTSTND	A	0/00/0000 02 5-4400-205 OUTSIDE UB MAIL SERVICE 239.47 03 5-4500-205 OUTSIDE UB MAIL SERVICE 239.46
1-1001-000	10/08/2025	CHECK	061821	BRENT SARKISON DBA CALTEC COMP	30.00CR	OUTSTND	A	0/00/0000 01 5-4100-221 INFORMATION TECHNOLOGY
1-1001-000	10/08/2025	CHECK	061822	CANNON	17,923.00CR	OUTSTND	A	0/00/0000 02 5-4400-438 CIP - WRRP 1-4,5,7,8,10
1-1001-000	10/08/2025	CHECK	061823	CLINICAL LAB OF SAN BERNARDINO	812.50CR	OUTSTND	A	0/00/0000 02 5-4400-220 PROFESSIONAL/SPECIAL SER
1-1001-000	10/08/2025	CHECK	061824	CRWA	1,432.00CR	OUTSTND	A	0/00/0000 02 5-4400-180 MEMBERSHIPS
1-1001-000	10/08/2025	CHECK	061825	MICHAEL D. HAMILTON, DBA DOUGL	79.17CR	OUTSTND	A	0/00/0000 10 5-4300-173 SO: MAINT. STRUCTURES/IM
1-1001-000	10/08/2025	CHECK	061826	HDR ENGINEERING, INC.	6,487.84CR	OUTSTND	A	0/00/0000 03 5-4500-220 PROFESSIONAL SERVICES
1-1001-000	10/08/2025	CHECK	061827	ICONIX WATERWORKS (US) INC.	69.60CR	OUTSTND	A	0/00/0000 02 5-4400-175 SYSTEM PARTS/OPERATING S
1-1001-000	10/08/2025	CHECK	061828	IZZY PLUMBING INC.	3,575.00CR	OUTSTND	A	0/00/0000 10 5-4300-173 SO: MAINT. STRUCTURES/IM
1-1001-000	10/08/2025	CHECK	061829	J.B. DEWAR, INC.	213.98CR	OUTSTND	A	0/00/0000 12 5-4350-172 FUEL
1-1001-000	10/08/2025	CHECK	061830	MINER'S ACE HARDWARE, INC.	34.72CR	OUTSTND	A	0/00/0000 06 5-4900-175 OPERATING SUPPLIES 13.01 10 5-4300-163 MAINT: STRUC/IMPROV 21.71
1-1001-000	10/08/2025	CHECK	061831	MICHAEL K. NUNLEY & ASSOCIATES	9,430.50CR	OUTSTND	A	0/00/0000 03 5-4500-448 CIP - WASTEWATER
1-1001-000	10/08/2025	CHECK	061832	MR. BACKFLOW	1,599.00CR	OUTSTND	A	0/00/0000 10 5-4300-163 MAINT: STRUC/IMPROV 75.00 10 5-4300-173 SO: MAINT. STRUCTURES/IM 1,524.00
1-1001-000	10/08/2025	CHECK	061833	PETTY CASH	1.56CR	OUTSTND	A	0/00/0000 10 5-4300-163 MAINT: STRUC/IMPROV
1-1001-000	10/08/2025	CHECK	061834	QUILL CORPORATION	184.32CR	OUTSTND	A	0/00/0000 01 5-4100-200 OFFICE EXPENSE
1-1001-000	10/08/2025	CHECK	061835	R&R ROLL-OFF LLC	880.21CR	OUTSTND	A	0/00/0000 06 5-4900-220 PROFESSIONAL SERV
1-1001-000	10/08/2025	CHECK	061836	R. BAKER, INC.	19,898.44CR	OUTSTND	A	0/00/0000 * SEE BELOW
1-1001-000	10/08/2025	CHECK	061837	GLENN A. RICK ENGR & DEVT CO,	490.00CR	OUTSTND	A	0/00/0000 02 5-4400-220 PROFESSIONAL/SPECIAL SER
1-1001-000	10/08/2025	CHECK	061838	RINCON CONSULTANTS, INC.	1,086.94CR	OUTSTND	A	0/00/0000 02 5-4400-220 PROFESSIONAL/SPECIAL SER
1-1001-000	10/08/2025	CHECK	061839	SAN LUIS OBISPO COUNTY FIRE	9,678.92CR	OUTSTND	A	0/00/0000 01 5-4100-202 OFFICE LEASE
1-1001-000	10/08/2025	CHECK	061840	SLO CO TAX COLLECTOR	449.10CR	OUTSTND	A	0/00/0000 01 5-4100-290 UTILITIES
1-1001-000	10/08/2025	CHECK	061841	SMITH & LOVELESS, INC.	6,608.14CR	OUTSTND	A	0/00/0000 03 5-4500-163 MAINT: SEWER STRUCTURES/

*R. BAKER, INC. \$19,898.44
 02 5-4400-163 MAINT: STRUCTURES/IMPRVS 1,535.68
 03 5-4500-163 MAINT: SEWER STRUCTURES/ 11,000.00
 02 5-4400-173 MAINT: SHARED STRUCTURE/ 7,362.76

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
CHECK: -----								
1-1001-000	10/08/2025	CHECK	061842	VESTIS GROUP, INC. DBA VESTIS	504.38CR	OUTSTND	A	0/00/0000 01 5-4100-100 CLOTHING
1-1001-000	10/08/2025	CHECK	061843	ZENITH INSURANCE COMPANY	1,863.00CR	OUTSTND	A	0/00/0000 01 5-4100-075 COMPENSATION INSURANCE
TOTALS FOR ACCOUNT 1-1001-0				CHECK	TOTAL:	87,547.59CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		
TOTALS FOR POOLED CASH FUND				CHECK	TOTAL:	87,547.59CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
CHECK:	-----							
1-1001-000	10/16/2025	CHECK	061853	COLONIAL LIFE AND ACCIDENT	85.49CR	OUTSTND	A	0/00/0000 01 2-2166-005 INS: VOLUNTARY
1-1001-000	10/16/2025	CHECK	061854	FIRE RISK MANAGEMENT SERVICES	43,735.76CR	OUTSTND	A	01 5-4100-090 INS: GROUP HEALTH/LIFE \$21,796.85 01-5-4100-603 UTILITY CREW-EMP INS \$21,938.91
1-1001-000	10/16/2025	CHECK	061855	HUMANA INSURANCE CO.	490.08CR	OUTSTND	A	01 5-4100-090 INS: GROUP HEALTH/LIFE \$243.49 01-5-4100-603 UTILITY CREW-EMP INS \$246.59
1-1001-000	10/16/2025	CHECK	061856	PRINCIPAL LIFE INSURANCE COMPA	330.08CR	OUTSTND	A	01 5-4100-090 INS: GROUP HEALTH/LIFE \$225.25 01-5-4100-603 UTILITY CREW-EMP INS \$104.83
1-1001-000	10/16/2025	CHECK	061857	TASC -CLIENT INVOICES	56.21CR	OUTSTND	A	01 5-4100-090 INS: GROUP HEALTH/LIFE
TOTALS FOR ACCOUNT 1-1001-0				CHECK TOTAL:	44,697.62CR			NOTE: FIRE RISK MANAGEMENT SERVICES CHECK NUMBER 61854 FOR \$43,735.76, INCLUDES A ONE TIME FRMS JPA ASSESSMENT FOR 2024 & 2025 FOR \$36,473.30, . THE REOCCURRING HEALTH INSURANCE FOR FIRE RISK MANAGEMENT SERVICES IS \$7,262.46.
				DEPOSIT TOTAL:	0.00			
				INTEREST TOTAL:	0.00			
				MISCELLANEOUS TOTAL:	0.00			
				SERVICE CHARGE TOTAL:	0.00			
				EFT TOTAL:	0.00			
				BANK-DRAFT TOTAL:	0.00			
TOTALS FOR POOLED CASH FUND				CHECK TOTAL:	44,697.62CR			
				DEPOSIT TOTAL:	0.00			
				INTEREST TOTAL:	0.00			
				MISCELLANEOUS TOTAL:	0.00			
				SERVICE CHARGE TOTAL:	0.00			
				EFT TOTAL:	0.00			
				BANK-DRAFT TOTAL:	0.00			

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	-----AMOUNT---	STATUS	FOLIO	CLEAR DATE
CHECK:	-----							
1-1001-000	10/16/2025	CHECK	061858	ARROYO GRANDE CHEVROLET	117.11CR	OUTSTND	A	0/00/0000 12 5-4350-171 MAINTENANCE: VEHICLES
1-1001-000	10/16/2025	CHECK	061859	BROWN, PETER	430.92CR	OUTSTND	A	0/00/0000 01 5-4100-099 AUTO/EXPENSE ALLOWANCE
1-1001-000	10/16/2025	CHECK	061860	CANNON	8,403.50CR	OUTSTND	A	0/00/0000 02 5-4400-438 CIP - WRRP 1-4,5,7,8,10
1-1001-000	10/16/2025	CHECK	061861	CITY OF ARROYO GRANDE	5,857.48CR	OUTSTND	A	0/00/0000 02 5-4400-297 PASS-THRU: CREST/CHRISTI
1-1001-000	10/16/2025	CHECK	061862	CLINICAL LAB OF SAN BERNARDINO	1,310.00CR	OUTSTND	A	0/00/0000 02 5-4400-220 PROFESSIONAL/SPECIAL SER
1-1001-000	10/16/2025	CHECK	061863	DIVERSIFIED PROJECT SERVICES I	1,342.50CR	OUTSTND	A	0/00/0000 02 5-4400-226 ENGINEERING & OTHER REIM
1-1001-000	10/16/2025	CHECK	061864	J.B. DEWAR, INC.	315.03CR	OUTSTND	A	0/00/0000 12 5-4350-172 FUEL
1-1001-000	10/16/2025	CHECK	061865	MINER'S ACE HARDWARE, INC.	417.37CR	OUTSTND	A	0/00/0000 03 5-4500-175 SYSTEM PARTS/OPERATING S 388.05 02 5-4400-175 SYSTEM PARTS/OPERATING S 29.32
1-1001-000	10/16/2025	CHECK	061866	NOBLE SAW, INC	145.21CR	OUTSTND	A	0/00/0000 02 5-4400-170 MAINTENANCE: EQUIPMENT
1-1001-000	10/16/2025	CHECK	061867	ONE COOL EARTH	5,000.00CR	OUTSTND	A	0/00/0000 06 5-4900-291 SCHOOL OUTREACH PROGRAMS
1-1001-000	10/16/2025	CHECK	061868	OPTIMIZED INVESTMENT PARTNERS,	749.89CR	OUTSTND	A	0/00/0000 01 5-4100-220 PROFESSIONAL SERVICES
1-1001-000	10/16/2025	CHECK	061869	RINCON CONSULTANTS, INC.	1,319.50CR	OUTSTND	A	0/00/0000 02 5-4400-220 PROFESSIONAL/SPECIAL SER
1-1001-000	10/16/2025	CHECK	061870	SCHWIND ELECTRIC INC	23,208.00CR	OUTSTND	A	0/00/0000 02 5-4400-163 MAINT: STRUCTURES/IMPRVS 13,925.00 03 5-4500-173 MAINT: STRUCTURES/IMPRVT 6,962.00 06 5-4900-173 MAINT: SHARED STRUCTURE/ 2,321.00
1-1001-000	10/16/2025	CHECK	061871	SM TIRE, INC	713.28CR	OUTSTND	A	0/00/0000 12 5-4350-171 MAINTENANCE: VEHICLES
1-1001-000	10/16/2025	CHECK	061872	SWRCB/ DRINKING WATER OP CERT	65.00CR	OUTSTND	A	0/00/0000 02 5-4400-285 CLASSES/SEMINARS/TRAININ
1-1001-000	10/16/2025	CHECK	061873	THE J.F. WILL COMPANY, INC.	85,710.57CR	OUTSTND	A	0/00/0000 02 5-4400-438 CIP - WRRP 1-4,5,7,8,10
1-1001-000	10/16/2025	CHECK	061874	VESTIS GROUP, INC. DBA VESTIS	247.74CR	OUTSTND	A	0/00/0000 01 5-4100-100 CLOTHING
1-1001-000	10/16/2025	CHECK	061875	WATER SYSTEMS CONSULTING, INC.	2,284.69CR	OUTSTND	A	0/00/0000 02 5-4400-380 NCMA TEC
TOTALS FOR ACCOUNT 1-1001-0				CHECK TOTAL:	137,637.79CR			
				DEPOSIT TOTAL:	0.00			
				INTEREST TOTAL:	0.00			
				MISCELLANEOUS TOTAL:	0.00			
				SERVICE CHARGE TOTAL:	0.00			
				EFT TOTAL:	0.00			
				BANK-DRAFT TOTAL:	0.00			

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

CHECK DATE: 0/00/0000 THRU 99/99/9999
CLEAR DATE: 0/00/0000 THRU 99/99/9999
STATEMENT: 0/00/0000 THRU 99/99/9999
VOIDED DATE: 0/00/0000 THRU 99/99/9999
AMOUNT: 0.00 THRU 999,999,999.99
CHECK NUMBER: 061858 THRU 061875

ACCOUNT --DATE-- --TYPE-- NUMBER -----DESCRIPTION----- ----AMOUNT--- STATUS FOLIO CLEAR DATE

TOTALS FOR POOLED CASH FUND

CHECK TOTAL: 137,637.79CR
DEPOSIT TOTAL: 0.00
INTEREST TOTAL: 0.00
MISCELLANEOUS TOTAL: 0.00
SERVICE CHARGE TOTAL: 0.00
EFT TOTAL: 0.00
BANK-DRAFT TOTAL: 0.00

10/30/2025 4:06 PM
 COMPANY: 99 - POOLED CASH FUND
 ACCOUNT: 1-1001-000 POOLED CASH OPERATING
 TYPE: All
 STATUS: All
 FOLIO: All

CHECK RECONCILIATION REGISTER

PAGE: 1
 CHECK DATE: 0/00/0000 THRU 99/99/9999
 CLEAR DATE: 0/00/0000 THRU 99/99/9999
 STATEMENT: 0/00/0000 THRU 99/99/9999
 VOIDED DATE: 0/00/0000 THRU 99/99/9999
 AMOUNT: 0.00 THRU 999,999,999.99
 CHECK NUMBER: 061876 THRU 061891

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
CHECK:	-----							
1-1001-000	10/30/2025	CHECK	061876	ARROYO GRANDE CHEVROLET	51.00CR	OUTSTND	A	0/00/0000 12 5-4350-171 MAINTENANCE: VEHICLES
1-1001-000	10/30/2025	CHECK	061877	BRAND CREATIVE	128.50CR	OUTSTND	A	0/00/0000 06 5-4900-200 OFFICE EXPENSE
1-1001-000	10/30/2025	CHECK	061878	CITY OF SAN LUIS OBISPO	1,250.00CR	OUTSTND	A	0/00/0000 06 5-4900-220 PROFESSIONAL SERV
1-1001-000	10/30/2025	CHECK	061879	CSDA	9,441.00CR	OUTSTND	A	0/00/0000 01 5-4100-180 MEMBERSHIPS 9,391.00 01 5-4100-200 OFFICE EXPENSE 50.00
1-1001-000	10/30/2025	CHECK	061880	DON MARUSKA & CO, INC	8,200.00CR	OUTSTND	A	0/00/0000 01 5-4100-220 PROFESSIONAL SERVICES
1-1001-000	10/30/2025	CHECK	061881	HDR ENGINEERING, INC.	1,253.44CR	OUTSTND	A	0/00/0000 03 5-4500-220 PROFESSIONAL SERVICES
1-1001-000	10/30/2025	CHECK	061882	ICONIX WATERWORKS (US) INC.	239.73CR	OUTSTND	A	0/00/0000 02 5-4400-175 SYSTEM PARTS/OPERATING S
1-1001-000	10/30/2025	CHECK	061883	J.B. DEWAR, INC.	231.30CR	OUTSTND	A	0/00/0000 12 5-4350-172 FUEL
1-1001-000	10/30/2025	CHECK	061884	MIDWEST MOTOR SUPPLY CO. INC.,	198.52CR	OUTSTND	A	0/00/0000 03 5-4500-175 SYSTEM PARTS/OPERATING S
1-1001-000	10/30/2025	CHECK	061885	MENDOZA MENDEZ, ANDRES	345.00CR	OUTSTND	A	0/00/0000 02 5-4400-285 CLASSES/SEMINARS/TRAININ
1-1001-000	10/30/2025	CHECK	061886	PREMIER SUPPLY LLC, DBA MIER B	250.13CR	OUTSTND	A	0/00/0000 02 5-4400-164 Paving
1-1001-000	10/30/2025	CHECK	061887	MINER'S ACE HARDWARE, INC.	500.00CR	OUTSTND	A	0/00/0000 * SEE DETAILS BELOW
1-1001-000	10/30/2025	CHECK	061888	SLO CO PUBLIC HEALTH DEPT.	1,154.70CR	OUTSTND	A	0/00/0000 02 5-4400-220 PROFESSIONAL/SPECIAL SER
1-1001-000	10/30/2025	CHECK	061889	SMITH & LOVELESS, INC.	243.49CR	OUTSTND	A	0/00/0000 03 5-4500-163 MAINT: SEWER STRUCTURES/
1-1001-000	10/30/2025	CHECK	061890	VESTIS GROUP, INC. DBA VESTIS	275.12CR	OUTSTND	A	0/00/0000 01 5-4100-100 CLOTHING
1-1001-000	10/30/2025	CHECK	061891	WINEMA INDUSTRIAL & SAFETY SUP	170.00CR	OUTSTND	A	0/00/0000 03 5-4500-177 SAFETY EXPENSE
TOTALS FOR ACCOUNT 1-1001-0				CHECK TOTAL:	23,931.93CR			
				DEPOSIT TOTAL:	0.00			
				INTEREST TOTAL:	0.00			*MINER'S ACE HARDWARE, INC. 500.00
				MISCELLANEOUS TOTAL:	0.00			02 5-4400-163 MAINT: STRUCTURES/IMPRVS 173.91
				SERVICE CHARGE TOTAL:	0.00			02 5-4400-175 SYSTEM PARTS/OPERATING S 130.43
				EFT TOTAL:	0.00			12 5-4350-172 FUEL 65.23
				BANK-DRAFT TOTAL:	0.00			02 5-4400-164 Paving 130.43

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

CHECK DATE: 0/00/0000 THRU 99/99/9999
 CLEAR DATE: 0/00/0000 THRU 99/99/9999
 STATEMENT: 0/00/0000 THRU 99/99/9999
 VOIDED DATE: 0/00/0000 THRU 99/99/9999
 AMOUNT: 0.00 THRU 999,999,999.99
 CHECK NUMBER: 061876 THRU 061891

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT----	STATUS	FOLIO	CLEAR DATE
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TOTALS FOR POOLED CASH FUND				CHECK	TOTAL:			
				DEPOSIT	TOTAL:	23,931.93CR		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
CHECK: -----								
1-1001-000	10/30/2025	CHECK	061892	SOUTH COUNTY SANITARY SERV	1,269.12CR	OUTSTND	A	0/00/0000 01 5-4100-297 PASS-THRU: DELNQG RBG/TA
TOTALS FOR ACCOUNT 1-1001-0				CHECK	TOTAL:	1,269.12CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		
TOTALS FOR POOLED CASH FUND				CHECK	TOTAL:	1,269.12CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		

Payroll Summary Report
Board of Directors - Agenda Date November 12, 2025

	(*)				(**)
<u>Gross Wages</u>	9/20/2025	10/4/2025	10/18/2025	11/1/2025	11/1/2025
Regular	\$33,880.96	\$33,880.96	\$33,859.38	\$34,185.75	\$7,798.40
Overtime Wages	\$1,036.22	\$708.22	\$306.58	\$281.55	\$0.00
Stand By	\$840.00	\$840.00	\$420.00	\$840.00	\$0.00
Gross Wages	\$35,757.18	\$35,429.18	\$34,585.96	\$35,307.30	\$7,798.40
Cell Phone Allowance	\$62.50	\$62.50	\$62.50	\$62.50	\$0.00
Health Pay-Out	\$272.50	\$272.50	\$272.50	\$272.50	\$0.00
Total Wages	\$36,092.18	\$35,764.18	\$34,920.96	\$35,642.30	\$7,798.40
Disbursements					
Net Wages	\$26,981.99	\$26,732.66	\$26,014.08	\$26,567.53	\$5,597.59
State and Federal Agencies	\$6,782.03	\$6,784.50	\$6,649.31	\$6,807.94	\$2,313.89
CalPERS	\$6,730.68	\$6,730.68	\$6,727.29	\$6,771.40	\$0.00
SEIU - Union Fees	\$133.18	\$133.18	\$133.18	\$133.18	\$0.00
Total Disbursements processed with Payroll	\$40,627.88	\$40,381.02	\$39,523.86	\$40,280.05	\$7,911.48
Health (Disbursed with reoccurring bills)	\$5,089.39	\$5,008.43	\$5,008.43	\$5,008.43	\$0.00
Total District Payroll Related Costs	\$45,717.27	\$45,389.45	\$44,532.29	\$45,288.48	\$7,911.48

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

(**) General Manager Vacation Payout - Section 5.D.

Board Member Stipend Summary Report
Board of Directors - Agenda Date November 12, 2025

(*)

		9/30/2025
<u>Gross Stipends</u>	8/31/2025	10/31/2025
Board Member Stipends	\$400.00	\$600.00
Gross Stipends	<u>\$400.00</u>	<u>\$600.00</u>

<u>Disbursements</u>		
Net Stipends	\$369.40	\$554.10
State and Federal Agencies	\$61.20	\$91.80
Total Disbursements processed with Stipends	<u>\$430.60</u>	<u>\$645.90</u>

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

BOARD OF DIRECTOR'S
SPECIAL MEETING COMPENSATION FORM

SEP 04 2025



SPECIAL BOARD MEETING: SEPTEMBER 4, 2025

DIRECTORS	SIGNATURE	DATE	ELIGIBLE/TAKEN COMPENSATION
PRESIDENT <u>GIBSON</u>	<i>Gibson</i>		\$ 0.00
VICE PRESIDENT <u>ROSE</u>	<i>Rose</i>	9-4-2025	\$100.00
DIRECTOR <u>AUSTIN</u>	<i>Rinda Austin</i>	9-4-2025	\$100.00
DIRECTOR <u>JOYCE-SUNESON</u>	<i>Deverly Joyce Suneson</i>	9-4-25	\$100.00
DIRECTOR <u>VILLA</u>	<i>Villa</i>	9-04-2025	\$100.00

Oceano Community Services District - BYLAW's

Section 8.1: Each Director is authorized to receive one hundred dollars (\$100.00) as compensation for each Regular or Special Meeting.

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

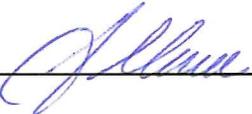
Section 8.3: Director compensation shall not exceed six hundred (\$600.00) in any one (1) calendar month.

BOARD OF DIRECTOR'S
REGULAR MEETING COMPENSATION FORM

OCT 09 2025

BOARD MEETING: OCTOBER 8, 2025



DIRECTORS	SIGNATURE	DATE	ELIGIBLE/TAKEN COMPENSATION
PRESIDENT <u>GIBSON</u>		10-8-2025	_____ \$ 0.00
VICE PRESIDENT <u>ROSE</u>	ABSENT		-\$100.00
DIRECTOR <u>AUSTIN</u>		10-8-25	\$100.00
DIRECTOR <u>JOYCE-SUNESON</u>	ABSENT		-\$100.00
DIRECTOR <u>VILLA</u>		10-8-25	\$100.00

Oceano Community Services District - BYLAW's

Section 8.1: Each Director is authorized to receive one hundred dollars (\$100.00) as compensation for each Regular or Special Meeting.

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

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

Oceano Community Services District
Five Star Bank Mastercard

A/P Mastercard Credit Card Disbursement

Date	Name	Amount	Description	GL Account #
09/02/2025	ZOOM.COM 888-799-9666 SAN JOSE CA	\$ 55.24	OFFICE EXPENSE	01-5-4100-200
09/10/2025	CALIFORNIA RURAL WATER SACRAMENTO	\$275.00	CLASSES/SEMINARS/TRAINING FEE	02-5-4400-285
09/16/2025	BEST WESTERN INN & SUITE	\$386.94	CLASSES/SEMINARS/TRAINING FEE	02-5-4400-285
09/17/2025	INTUIT *QBOOKS ONLINE CL.INTUIT.COMCA	\$ 75.00	PERMITS, FEES LICENSES	01-5-4100-248
09/24/2025	SQ *SLO COUNTY CHAPTER GOSQ.COM CA	\$25.00	CLASSES/SEMINARS/TRAINING FEE	01-5-4100-285
09/25/2025	ADOBE *ADOBE 4085366000 CA	\$ 47.98	PERMITS, FEES LICENSES	01-5-4100-248

Total ACH - 10/30/2025 \$ 865.16

11/12/2025 Board Meeting - Five Star Bank Mastercard Online Payment - paid 10/30/2025	\$865.16
--	-----------------

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT----	STATUS	FOLIO	CLEAR DATE
CHECK:	-----							
1-1001-000	10/08/2025	CHECK	061844	LIVE, LLC DBA ADVANTAGE ANSWER	389.70CR	OUTSTND	A	0/00/0000 01 5-4100-110 COMMUNICATIONS
1-1001-000	10/08/2025	CHECK	061845	CHARTER COMMUNICATIONS	150.00CR	OUTSTND	A	0/00/0000 01 5-4100-110 COMMUNICATIONS
1-1001-000	10/08/2025	CHECK	061846	COASTAL COPY, INC.	305.60CR	OUTSTND	A	0/00/0000 01 5-4100-220 PROFESSIONAL SERVICES 286.52 02 5-4400-205 OUTSIDE UB MAIL SERVICE 9.54 03 5-4500-205 OUTSIDE UB MAIL SERVICE 9.54
1-1001-000	10/08/2025	CHECK	061847	DE LAGE LANDEN FINANCIAL SERVI	64.75CR	OUTSTND	A	0/00/0000 01 5-4100-220 PROFESSIONAL SERVICES
1-1001-000	10/08/2025	CHECK	061848	DIGITAL WEST NETWORKS, INC.	202.72CR	OUTSTND	A	0/00/0000 01 5-4100-110 COMMUNICATIONS
1-1001-000	10/08/2025	CHECK	061849	PACIFIC GAS & ELECTRIC	7,027.20CR	OUTSTND	A	0/00/0000 *SEE DETAILS BELOW
1-1001-000	10/08/2025	CHECK	061850	SO CAL GAS	98.92CR	OUTSTND	A	0/00/0000 01 5-4100-290 UTILITIES
1-1001-000	10/08/2025	CHECK	061851	VERIZON WIRELESS	223.60CR	OUTSTND	A	0/00/0000 02 5-4400-110 COMMUNICATIONS 178.88 03 5-4500-110 COMMUNICATIONS 29.07 06 5-4900-110 COMMUNICATIONS 13.42 10 5-4300-110 COMMUNICATIONS 2.23
TOTALS FOR ACCOUNT 1-1001-0				CHECK TOTAL:	8,462.49CR			
				DEPOSIT TOTAL:	0.00			
				INTEREST TOTAL:	0.00			
				MISCELLANEOUS TOTAL:	0.00			
				SERVICE CHARGE TOTAL:	0.00			
				EFT TOTAL:	0.00			
				BANK-DRAFT TOTAL:	0.00			*PACIFIC GAS & ELECTRIC \$7,027.20 01 5-4195-295 STREET LIGHTING 2,910.97 02 5-4400-290 UTILITIES 3,181.82 03 5-4500-290 UTILITIES 117.26 01 5-4100-290 UTILITIES 650.48 01 5-4100-200 OFFICE EXPENSE 166.67
TOTALS FOR POOLED CASH FUND				CHECK TOTAL:	8,462.49CR			
				DEPOSIT TOTAL:	0.00			
				INTEREST TOTAL:	0.00			
				MISCELLANEOUS TOTAL:	0.00			
				SERVICE CHARGE TOTAL:	0.00			
				EFT TOTAL:	0.00			
				BANK-DRAFT TOTAL:	0.00			

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

CHECK DATE: 0/00/0000 THRU 99/99/9999
CLEAR DATE: 0/00/0000 THRU 99/99/9999
STATEMENT: 0/00/0000 THRU 99/99/9999
VOIDED DATE: 0/00/0000 THRU 99/99/9999
AMOUNT: 0.00 THRU 999,999,999.99
CHECK NUMBER: 061852 THRU 061852

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
CHECK: -----								
1-1001-000	10/16/2025	CHECK	061852	DE LAGE LANDEN FINANCIAL SERVI	213.43CR	OUTSTND	A	0/00/0000 01 5-4100-220 PROFESSIONAL SERVICES
TOTALS FOR ACCOUNT 1-1001-0				CHECK	TOTAL:	213.43CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		
TOTALS FOR POOLED CASH FUND				CHECK	TOTAL:	213.43CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		

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

CHECK DATE: 0/00/0000 THRU 99/99/9999
CLEAR DATE: 0/00/0000 THRU 99/99/9999
STATEMENT: 0/00/0000 THRU 99/99/9999
VOIDED DATE: 0/00/0000 THRU 99/99/9999
AMOUNT: 0.00 THRU 999,999,999.99
CHECK NUMBER: 061893 THRU 061894

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
CHECK:								
1-1001-000	10/30/2025	CHECK	061893	CHARTER COMMUNICATIONS	150.00CR	OUTSTND	A	0/00/0000 01 5-4100-110 COMMUNICATIONS
1-1001-000	10/30/2025	CHECK	061894	PACIFIC GAS & ELECTRIC	4,774.96CR	OUTSTND	A	0/00/0000 01 5-4195-295 STREET LIGHTING 2,902.34 02 5-4400-290 UTILITIES 1,239.44 03 5-4500-290 UTILITIES 46.53 01 5-4100-290 UTILITIES 419.98 01 5-4100-200 OFFICE EXPENSE 166.67
TOTALS FOR ACCOUNT 1-1001-0				CHECK	TOTAL:	4,924.96CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		
TOTALS FOR POOLED CASH FUND				CHECK	TOTAL:	4,924.96CR		
				DEPOSIT	TOTAL:	0.00		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	0.00		
				SERVICE CHARGE	TOTAL:	0.00		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	0.00		



Oceano Community Services District

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

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

Date: November 12, 2025

To: Board of Directors

From: Carey Casciola, Business and Accounting Manager

Subject: **Agenda Item #7(C): Submittal of the District's Fiscal Year 2025-26 Quarter 1 Investment Report ending September 30, 2025**

Recommendation

It is recommended that the OCSB Board receive and file the District's 2025-26 Quarter 1 Investment Report ending September 30, 2025.

Discussion

Government Code section 61053(f) requires the District Treasurer to report to the Board of Directors quarterly regarding receipts, disbursements, and balances in each District fiscal account. Attachment 1 is the District's investment report for the first quarter ending September 30, 2025. This report meets the reporting requirements outlined in the California Government Code Sections 53600 et seq. and the Oceano CSD Investment Policy and Guidelines adopted with [Resolution 2025-02](#), the District's Investment Policy, which is required by Government Code section 53646(A)(2).

The total cash and investment portfolio book value (cost) held by the District as of September 30, 2025, was \$4,029,414.

The cash and investments held by the District include the following components: Managed Investment Portfolio (\$1,825,680), CAMP (\$1,773,786), County of San Luis Obispo Pooled Investment Fund (\$48,938), Cash/Time Deposits (\$369,603), earned interest on investments (\$36,903), and accrued interest on investments \$11,407 this quarter. The "*earned interest*" is the interest earned on investments over a specific period, while *accrued interest* is the interest that an investment has earned, but hasn't yet been received, and *paid interest* is the interest that has already been received as payment. These are among the highest levels of interest earnings ever recorded by the District and reflect sound fiscal management and the use of limited resources, as well as good policy and action by current staff and the Board of Directors.

Cash and investments held by the District and the trustees continue to be invested in accordance with the Government Code and the Board Investment Policy.

During the quarter, no new investments were purchased, and no investments matured.



Oceano Community Services District

Board of Directors Meeting

Two-year Treasuries, yielding 3.72% at the beginning of the quarter, ended lower at the end of the quarter at 3.60%, which was a decrease of 12 basis points for the quarter. This aligns with current federal fiscal policy and the general decline in yields amid current economic conditions and falling rates.

As of September 30, 2025, the Weighted Yield to Maturity on the Managed Investment Portfolio was 3.86%. At the end of this quarter, the Weighted Average Maturity of the Managed Investment Portfolio was 2.35 years.

The Federal Open Market Committee (FOMC) meets approximately every six weeks and determines the level of the Federal Funds Rate. At the September 17th meeting, the FOMC voted to lower the target range from the federal funds rate by $\frac{1}{4}$ percentage point to 4 to 4 $\frac{1}{4}$ percent. The same reduction occurred at the October 29, 2025, meeting (1/4-point reduction); however, the FOMC reported that a further drop in rates in December is not likely.

Summary from the September 17th FOMC meeting:

"Recent indicators suggest that growth of economic activity moderated in the first half of the year. Job gains have slowed, and the unemployment rate has edged up but remains low. Inflation has moved up and remains somewhat elevated.

The Committee seeks to achieve maximum employment and inflation at the rate of 2 percent over the longer run. Uncertainty about the economic outlook remains elevated. The Committee is attentive to the risks to both sides of its dual mandate and judges that downside risks to employment have risen.

In support of its goals and in light of the shift in the balance of risks, the Committee decided to lower the target range for the federal funds rate by $\frac{1}{4}$ percentage point to 4 to 4- $\frac{1}{4}$ percent. In considering additional adjustments to the target range for the federal funds rate, the Committee will carefully assess incoming data, the evolving outlook, and the balance of risks. The Committee will continue reducing its holdings of Treasury securities, agency debt, and agency mortgage-backed securities. The Committee is firmly committed to supporting maximum employment and returning inflation to its 2 percent objective.

In assessing the appropriate stance of monetary policy, the Committee will continue to monitor the implications of incoming information for the economic outlook. The Committee would be prepared to adjust the stance of monetary policy as appropriate if risks emerge that could impede the attainment of the Committee's goals. The Committee's assessments will take into account a wide range of information, including readings on labor market conditions, inflation pressures and inflation expectations, and financial and international developments."

Finance staff hired Optimized Investment Partners in February 2023 to help improve the investment returns for the District and to ensure compliance with the California Government Code by ensuring the safety of



principal and sufficient liquidity for operations. Ongoing portfolio management activity will continue to be performed in partnership with Optimized Investment Partners, the General Manager, and the Business & Accounting Manager.

Other Agency Involvement

The County of San Luis Obispo.

Other Financial Considerations

Considering the projected timing of cash receipts and disbursements and the structure of the Pooled Investment Portfolio, the District should be able to meet its overall cash flow needs comfortably over the next six months. There is no direct fiscal impact of this action. The FY 2025-26 Adopted Budget projected \$120,000 in interest during the fiscal year. Based on the first quarter budget review, the District is expected to earn a total of \$147,612; however, future rate changes could pull this return back toward or below the adopted budget projection.

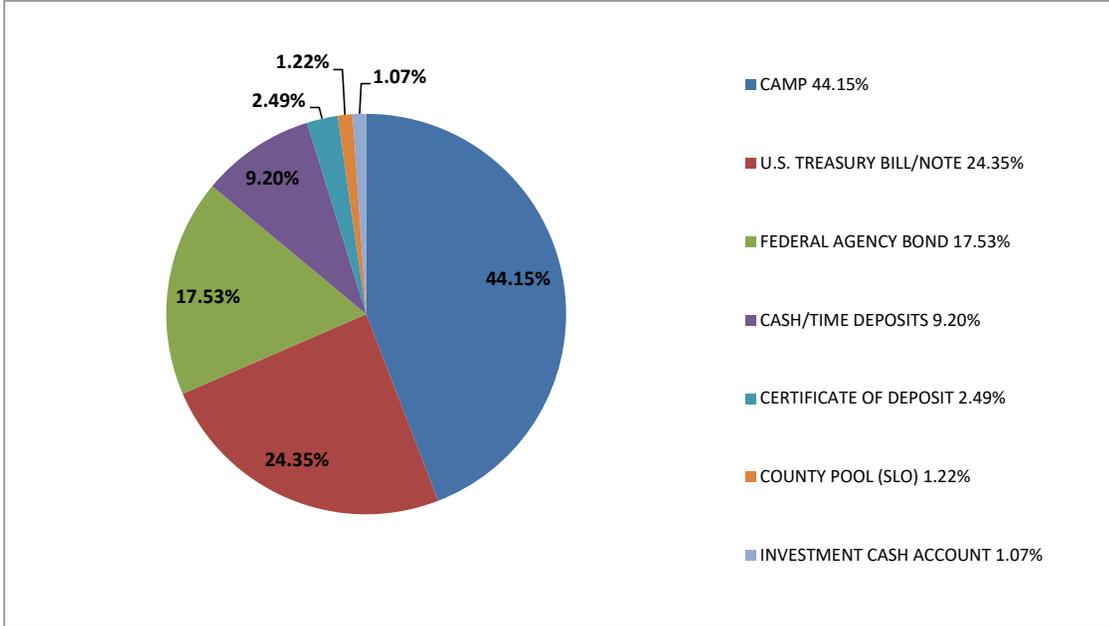
Results

Establishing compliance with Government Code 61000-61250 regarding Community Services Districts and the District's Investment Policy will help ensure that the District's funds are appropriately managed and promote a prosperous, well-governed community.

- Attachment 1 – Investment Report for the 2025-26 1st Quarter Ending September 30, 2025
- Attachment 2 – 2025-26 1st Quarter Summary of Cash and Investments as of September 30, 2025

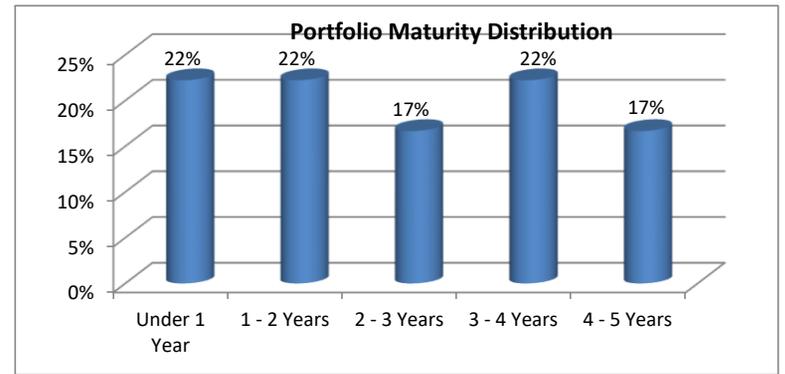
**Oceano Community Services District
Investment Report for the Quarter Ended September 30, 2025**

Investment Portfolio Summary and Key Statistics



Portfolio Key Statistics	
PAR Value	\$ 3,665,723
Book Value (COST)	\$ 3,648,404
Market Value	\$ 3,656,508
Weighted Average Maturity (in years)	2.35
Weighted Yield to Maturity*	3.86%

*Note: Cash/time deposits not included in WYTM



Excludes Pooled Investments and U.S. Bank Custodial Cash Account

Portfolio Maturity	PAR Maturing	% Maturing
Under 1 Year	\$ 400,000	22%
1 - 2 Years	\$ 400,000	22%
2 - 3 Years	\$ 300,000	17%
3 - 4 Years	\$ 400,000	22%
4 - 5 Years	\$ 300,000	17%
Total	\$ 1,800,000	100%

U.S. Treasury Yields - Quarterly Comparison

Maturity	Sep 2025	Jun 2025	Change
3-Month	4.02%	4.41%	-0.39%
1-Year	3.68%	3.96%	-0.28%
2-Year	3.60%	3.72%	-0.12%
3-Year	3.61%	3.68%	-0.07%
5-Year	3.74%	3.79%	-0.05%
10-Year	4.16%	4.24%	-0.08%

2-Year U.S. Treasury Yield - Historical Data

Sep 2025	Sep 2024	Sep 2023	Sep 2022
3.60%	3.66%	5.03%	4.22%

Interest Earnings	FY 24-25	FY 25-26	Change
Jul	\$ 3,466	\$ 12,834	\$ 9,368
Aug	\$ 1,418	\$ 11,986	\$ 10,568
Sep	\$ 1,457	\$ 12,083	\$ 10,627
Total for Quarter	\$ 6,340	\$ 36,903	\$ 30,563

Note: Interest Earnings figures do not include capital gains or losses

Oceano Community Services District
Summary of Cash and Investments for the Quarter Ended September 30, 2025

Portfolio Assets	Par Value (1)	Market Value (2)	Book Value (3)	% of Portfolio
Cash & Investments Held by District				
Investment Portfolio				
Managed Investments				
U.S. Bank Custodial Cash Account	\$ 42,999	\$ 42,999	\$ 42,999	1.07%
U.S. Treasury Bill/ Note	1,000,000	985,135	978,388	24.35%
Federal Agency Bond	700,000	705,662	704,293	17.53%
Certificate of Deposit	100,000	99,988	100,000	2.49%
Managed Investments Subtotal	\$ 1,842,999	\$ 1,833,784	\$ 1,825,680	45.44%
Pooled Investments				
County Pool-SLO	\$ 48,938	\$ 48,938	\$ 48,938	1.22%
CAMP	1,773,786	1,773,786	1,773,786	44.15%
Pooled Investments Subtotal	\$ 1,822,724	\$ 1,822,724	\$ 1,822,724	45.36%
Investment Portfolio Subtotal	\$ 3,665,723	\$ 3,656,508	\$ 3,648,404	90.80%
Cash/Time Deposits	\$ 369,603	\$ 369,603	\$ 369,603	9.20%
Funds Available for Investment	\$ 4,035,326	\$ 4,026,111	\$ 4,018,006	100.00%
Accrued Interest	\$ 11,407	\$ 11,407	\$ 11,407	
Total Cash & Investments Held by District	\$ 4,046,733	\$ 4,037,518	\$ 4,029,414	

Notes:

1. Par value is the principal amount of the investment on maturity.
2. Market values contained herein are received from sources we believe are reliable; however, we do not guarantee their accuracy.
3. Book value is par value of the security plus or minus any premium or discount on the security.



Oceano Community Services District

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

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

Date: November 12, 2025

To: Board of Directors

From: Carey Casciola, Business and Accounting Manager

Subject: **Agenda Item #7(D):** Approval of a Resolution to Close the District Office for normal operations for the four business days of December 26, 29, 30, 2025, and January 2, 2026.

Recommendation

It is recommended that the Oceano Community Services District Board review and consider the attached resolution, which will close the District office for normal operations from December 24, 2025, through January 2, 2026, and authorize the General Manager to enact future similar holiday closures. The District office will reopen on Monday, January 5th.

December 24th, 25th, 31st, and January 1st are already established District holidays per the SEIU MOU (Memorandum of Understanding).

Discussion

The Memorandum of Understanding (MOU) with the District's union establishes December 24th, 25th, 31st, and January 1st as holidays for District staff. The proposed office closure would last for four additional business days. Therefore, under this proposal, the District would be closed for a total of eight business days (four established holidays per the MOU and four non-established holidays).

Monday	Tuesday	Wednesday	Thursday	Friday
12/22 OPEN	12/23 OPEN	12/24 HOLIDAY	12/25 HOLIDAY	12/26 OFFICE CLOSURE
12/29 OFFICE CLOSURE	12/30 OFFICE CLOSURE	12/31 HOLIDAY	1/1 HOLIDAY	1/2 OFFICE CLOSURE

Historically, staff encounter minimal public activity during the last two weeks of December; thus, no significant impact is expected. This closure allows the District to move customers' December utility billing to a due date after the holidays. This can improve customer response and eliminate late payments related to holiday travel and other disruptions of customary routines within the community during this time of year. District staff would be required to take vacation, other paid time off (excluding sick leave), or leave without pay on the identified closure days. An operator would remain on call, as with all other days of the year, and most Operators plan to work regular hours. Basic sewer and water utility maintenance would remain unaffected. With their supervisor's approval, exceptions may be made to allow staff to work during the four-day closure.



If the Board supports the proposed closure, the public will be notified of the office closure in the following ways throughout the second half of November and up until December 23, 2025, and similarly in future years if the office closure is enacted:

1. Notice on the December utility bill and/or a billing insert notice in the December bill
2. Notice on the District website
3. Printed Notice at the District office
4. Notice on District social media accounts

Other Agency Involvement

The District's union has provided correspondence in support of the District office closure.

Other Financial Considerations

The proposed action will save the District's utility and other operating costs during the closure period. Moving the December utility bill date to after the holidays could help customers avoid late fees.

Results

Closure for normal operations will save costs on days with minimal public activity and promote a well-managed community. OCSD has a small but dedicated staff, and this extended holiday break allows them to spend time with family and friends and take a more extended break from work to support work-life balance.

Attachments:

1. Resolution
2. SEIU correspondence

**OCEANO COMMUNITY SERVICES DISTRICT
RESOLUTION NO: 2025 -**

**A RESOLUTION CLOSING THE DISTRICT OFFICE
DECEMBER 24, 2025, THROUGH JANUARY 2, 2026 AND AUTHORIZING THE
GENERAL MANAGER TO ENACT FUTURE HOLIDAY CLOSURES IN
CONSULTATION WITH STAFF AND THE SEIU UNION REPRESENTATIVES**

WHEREAS, the Oceano Community Services District (hereinafter referred to as “District”) operates a community water system, a community wastewater system, and provides other services for the community; and

WHEREAS, the District recognizes December 24th and 25th, 31st, 2025 and January 1, 2026, as holidays; and,

WHEREAS, District staff and customers may benefit from a District office closure for normal operations on December 24, 2025, through January 2, 2026, which includes the four already established holidays; and,

WHEREAS, no significant need exists for the District office to be open for normal operating purposes on the four business days between December 24, 2025, and December 31, 2025, as we traditionally have little customer activities; and

WHEREAS, last year’s office closure was seamless and had benefits for staff taking time off of work to spend with their families, and benefited customers by extending due dates for bill payments; and

WHEREAS, closing the District office for normal operations for the period of December 24, 2025, through January 2, 2026, which includes the four approved holidays per the Memorandum of Understanding with the union, will provide cost savings to the District by reducing utility costs, and other operating costs that would be normally incurred; and

WHEREAS, the District has correspondence from the Service Employees International Union (SEIU) Local 620 in support of the District office closure; and

WHEREAS, it is in the public interest to close the District office for normal operating purposes on December 26, 29, and 30, 2025, and January 2, 2026.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Directors of the Oceano Community Services District, as follows:

1. That the District office will be closed for normal operating purposes on December 26, December 29, December 30, 2025, and January 2, 2026.

2. District employees may take vacation time or other paid time off (other than sick leave) and/or leave without pay between December 26, 2025, and January 2, 2026. Staff may also work if they receive supervisor approval.
3. That future similar office closures around the time between Christmas Eve and New Year's Day can be enacted by the General Manager without additional Board approvals so long as similar conditions persist. Future closures should be adequately communicated to the Board and the public well in advance of dates.

PASSED AND ADOPTED by the Board of Directors of the Oceano Community Services District on November 12, 2025, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

President, Board of Directors
of the Oceano Community Services District

ATTEST:

Board Secretary of the
Oceano Community Services

APPROVED AS TO FORM:

Robert Schultz, District Counsel

Carey Casciola

From: Rob Adam Perry <rob@seiulocal620.org>
Sent: Monday, October 27, 2025 11:06 AM
To: Carey Casciola
Subject: RE: Office Closure December 24, 2025 - January 2, 2026 Agenda Item

Carey

Sounds good
I reviewed it with staff

I'm happy with NO forced time off
Options are always the best solutions

Rob

From: Carey Casciola <carey@oceanocsd.org>
Sent: Wednesday, October 22, 2025 12:38 PM
To: Rob Adam Perry <rob@seiulocal620.org>
Subject: FW: Office Closure December 24, 2025 - January 2, 2026 Agenda Item

Hi Rob,

We are proposing the attached agenda item to close the office from December 24, 2025 – January 2, 2026.

Please let me know if you have any questions or comments.

Thanks,
Carey

From: Carey Casciola
Sent: Wednesday, October 22, 2025 12:36 PM
To: Nicole Miller <nicole@oceanocsd.org>; Doug Sparling <doug@oceanocsd.org>
Subject: Office Closure December 24, 2025 - January 2, 2026 Agenda Item

Hi Nicole and Doug,

Attached is a draft agenda item to close the office from December 24th- January 2nd.

I will also send this to Rob Adam Perry with your Union.

Let me know if you have any questions or comments.

After your review and discuss please email me something similar to the "SEIU Email 2024" PDF if you find it agreeable.

Thanks,
Carey

Carey Casciola

Business and Accounting Manager

carey@oceanocsd.org

Oceano Community Services District

1655 Front St., PO Box 599

Oceano, CA. 93475

Office (805) 481-6730

Fax (805) 481-6836

<http://oceanocsd.org/main/>





Oceano Community Services District

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

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

Date: November 12, 2025

To: Board of Directors

From: Peter Brown, General Manager

Subject: **Agenda Item #8(A): Review and discussion of fiscal implications of the District's participation in water transfers as a State Water Subcontractor within San Luis Obispo County.**

Recommendation

It is recommended that the Board of the Oceano Community Services District review and discuss the San Luis Obispo Flood Control and Water Conservation District (SLOFC&WCD) and State Water Subcontractors' final water transfer policy and review the fiscal impact of water transfers of excess State Water for 2025 and 2026.

Discussion

The completed water transfers in 2025 and the anticipated water transfers in 2026 are leading to reduced costs to the District, rate payers, and reduced loss of state water to spilling at San Luis Reservoir (SLR). Since November 2022, the San Luis Obispo Flood Control and Water Conservation District (SLOFCWCD) Board policy directive to County staff has been to maximize the State Water Project (SWP) water supply contract to increase water resiliency for the County and all its subcontractors, which includes OCSD. After a historic water year in 2023, the SLOFCWCD had a surplus of SWP water in storage at San Luis Reservoir. The 2024 State Water allocation far exceeded local demand from SWP Subcontractors. For OCSD, our contracted allocation is 1500 AF (750 AF in Table A water and 750 AF in "drought buffer"), although the District's demand has never approached or required that much water annually, let alone from State Water. State Water allocations are often reduced based on rainfall and environmental conditions. For example, the "Table A" allocation in 2025 was 50% (of 750 AF for OCSD; 375 AF available). OCSD uses Lopez water first in most years since it is lower-cost, and groundwater and state water supplies additional sources and resiliency to the water portfolio for our District.

In 2024, a combination of other conditions placed the SLOFCWCD State Water Project supply at risk of spilling at San Luis Reservoir (SLR) if San Luis Obispo County were to leave it in SLR. The most reasonable and timely option to mitigate this risk of loss of purchased State Water was to utilize the new "water management tools" supply management provisions under the SWP's 2021 Water Management Amendment #4. The goal was to find a buyer interested in purchasing excess regional State Water supply that would not be used and couldn't be delivered to the County or its subcontractors last year. A suitable buyer was found in the form of the "Westside Districts." This resulted in one-time credits of over \$5 million to the County, and \$140,356 in 2025 to OCSD for future use towards State Water costs.

The General Manager has been actively involved in the State Water Subcontractors Advisory Committee, along with a smaller subgroup (working group) who have been meeting regularly to discuss and refine the



Oceano Community Services District

Board of Directors Meeting

attached water transfer policy, which was updated by the County Board in July 2025 and replaced the 2003 County "Excess Entitlement Policy". There are two main components to the policy. One involves the County's excess water (the 14,423 AF of the 25,000 total contract with DWR). The other involves the subcontractor's allocations of Table A (4,830 AF) plus Drought Buffer (5,747 AF) for a total of 10,577 AF. For Oceano, this is our 750 AF of Table A plus 750 of Drought Buffer.

The updated policy has significant benefits for Oceano CSD primarily because we contract and pay for more State Water than we typically need in any given year. As a result of the contractual "take or pay" arrangement with the County and DWR, we don't have the option not to buy State Water in any given year. The only real fluctuation is based on the DWR state-determined availability of Table A water, which in the past has ranged from 5% up to 100% depending on drought and rainfall conditions.

With the approval of the policy at the County level, subcontractors like OCSD will have future flexibility to sell or transfer excess state water, either in partnership with the County, like last year, or more likely to local or neighboring agencies that need surplus water year over year or on an ongoing basis. The current excess state water sale being pursued by the County with support from OCSD is likely to yield approximately \$180,000 in future state water credits to OCSD in 2026, about \$40,000 more than in 2025. The October 7, 2025, County staff report outlining this year's water transfer is attached, as are the new policies.

Other Agency Involvement

San Luis Obispo Flood Control and Water Conservation District (SLOFC&WCD), State Water Subcontractors (Avila CSD, Pismo Beach, Morro Bay, County, CMC, Cal Poly, etc.), and Board of Supervisors.

Financial Considerations

The update to this SWP Water Transfer Policy has resulted in a windfall of approximately \$320,000 over two years and may enable OCSD to recoup water costs in future years, ensure our own and regional water supply resiliency, and recoup costs borne by rate payers that can stave off future water rate increases if revenue can be generated by the transfer of excess state water. In 2025, one-time state water credits of \$140,356 were given to OCSD for future use towards State Water costs. In 2026, based on current quantities of excess state water (7,000 AF, with prospective buyers of 3,000 AF @ \$325/AF and 4,000 AF at \$225/AF), and based on OCSD's unused portion of state water during the 2025 water year, OCSD is anticipating another \$180,000 in credits to offset future state water costs and maintain the lowest possible rates for rate payers in the future. Once the current five-year water rates expire in 2030, staff will have enough data to estimate potential reductions or lower levels of increases in future water rates.

Results

Creative, proactive solutions and regional collaborations in the realm of one-time or ongoing water transfers protect the District's investments in water supply, convert potentially spilled water to future credits that can be used to purchase State Water, and save OCSD ratepayers money with no risk to the water supply. Additionally, since OCSD has an existing long-term contract for State Water with up to 1500 AF available, or 750



Oceano Community Services District

Board of Directors Meeting

AF of "Table A" water, which amounts to more than is needed by the District, using this updated policy to transfer excess water to neighboring jurisdictions has multiple water supply resiliency as well as ratepayer relief benefits.

Attachments

1. October County Board Letter on current transfers
2. July County Board Letter and Final State Water Transfer Policy



**COUNTY OF SAN LUIS OBISPO
BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Public Works	(2) MEETING DATE 10/7/2025	(3) CONTACT/PHONE Wes Thomson, Supervising Engineer (805) 788-2101	
(4) SUBJECT Submittal of resolutions authorizing the Director of Public Works to execute agreements with the Westside Districts, the United Water Conservation District, and the Department of Water Resources for the temporary transfer of 2025 State Water Project water supplies in a combined amount not to exceed 7,000 acre-feet and finding the transfers exempt from the California Environmental Quality Act.			
(5) RECOMMENDED ACTION It is recommended that the Board, acting as the Board of Supervisors for the San Luis Obispo County Flood Control and Water Conservation District (District): <ol style="list-style-type: none"> 1. Adopt a resolution: <ol style="list-style-type: none"> a. Authorizing the Director of Public Works, subject to County Counsel approval, to execute: <ol style="list-style-type: none"> i. A letter agreement with the Westside Districts¹ (Westside) for the temporary transfer of surplus 2025 State Water Project (SWP) water in an amount not to exceed 7,000 acre-feet (AF) in combination with any transfer to the United Water Conservation District; and ii. A corresponding agreement with the California Department of Water Resources (DWR); and b. Finding the transfer exempt from California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines Section 15301. 2. Adopt a resolution: <ol style="list-style-type: none"> a. Authorizing the Director of Public Works, subject to County Counsel approval, to execute: <ol style="list-style-type: none"> i. A letter agreement with the United Water Conservation District² (United) for the temporary transfer of surplus 2025 SWP water in an amount not to exceed 7,000 AF in combination with any transfer to the Westside Districts; and ii. A corresponding agreement with DWR; and b. Finding the transfer exempt from CEQA, pursuant to CEQA Guidelines Section 15301. 			
(6) FUNDING SOURCE(S) Fund Center 536 State Water Contract Tax Fund	(7) CURRENT YEAR FINANCIAL IMPACT \$1.775 - 1.975 million (revenue)	(8) ANNUAL FINANCIAL IMPACT N/A	(9) BUDGETED? No
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. _____) <input type="checkbox"/> Board Business (Time Est. _____)			
(11) EXECUTED DOCUMENTS <input checked="" type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	

(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY {X} N/A Date _____
(17) ADMINISTRATIVE OFFICE REVIEW		
(18) SUPERVISOR DISTRICT(S)		

Reference: 25.150



COUNTY OF SAN LUIS OBISPO

TO: Board of Supervisors

FROM: Public Works
Wes Thomson, Supervising Engineer

VIA: Kate Ballantyne, Deputy Director

DATE: 10/7/2025

SUBJECT: Submittal of resolutions authorizing the Director of Public Works to execute agreements with the Westside Districts, the United Water Conservation District, and the Department of Water Resources for the temporary transfer of 2025 State Water Project water supplies in a combined amount not to exceed 7,000 acre-feet and finding the transfers exempt from the California Environmental Quality Act.

RECOMMENDATION

It is recommended that the Board, acting as the Board of Supervisors for the San Luis Obispo County Flood Control and Water Conservation District (District):

1. Adopt a resolution:
 - a. Authorizing the Director of Public Works, subject to County Counsel approval, to execute:
 - i. A letter agreement with the Westside Districts¹ (Westside) for the temporary transfer of surplus 2025 State Water Project (SWP) water in an amount not to exceed 7,000 acre-feet (AF) in combination with any transfer to the United Water Conservation District; and
 - ii. A corresponding agreement with the California Department of Water Resources (DWR); and
 - b. Finding the transfer exempt from California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines Section 15301.

¹ The Westside Districts are a collaboration between five water agencies in the San Joaquin Valley – in southern Kings County and in western Kern County: Dudley Ridge Water District (SWP Contractor), plus four “member units” of another SWP Contractor, the Kern County Water Agency (KCWA), consisting of Belridge Water Storage District, Berrenda Mesa Water District, Lost Hills Water District, and Wheeler Ridge–Maricopa Water Storage District (Attachment 2).

2. Adopt a resolution:
 - a. Authorizing the Director of Public Works, subject to County Counsel approval, to execute:
 - i. A letter agreement with the United Water Conservation District² (United) for the temporary transfer of surplus 2025 SWP water in an amount not to exceed 7,000 AF in combination with any transfer to the Westside Districts; and
 - ii. A corresponding agreement with DWR; and
 - b. Finding the transfer exempt from CEQA, pursuant to CEQA Guidelines Section 15301.

DISCUSSION

District staff seeks authorization to transfer up to 7,000 AF of surplus SWP “Table A” water in calendar year 2025. Without this action, roughly 4,000 AF could be lost due to limited storage space in San Luis Reservoir (SLR). This water and storage space are provided under the District’s master contract³ with DWR (Master Contract). Transferring the surplus now will prevent loss, recover costs, and maintain an adequate reserve in storage for County water resiliency.

Background

Since November 2022, the District Board’s policy has been to maximize the Master Contract to strengthen County water resiliency. The District wholesales SWP water to local subcontractors⁴ (Attachment 1) to supplement their local sources and improve operational flexibility, supporting their ability to maintain reliable supplies for their retail customers.

SWP water availability varies yearly. Surplus water can be stored in SLR, but the District’s space is limited and subject to loss⁵ when DWR needs storage capacity for higher priority water. Since 2016, the District has lost 66,182 AF due to these limits (Figure 1).

² The United Water Conservation District is an agency within the Ventura County Watershed Protection District (VCWPD) that subcontracts for SWP water (Attachment 3).

³ Since 1963, the District has had a long-term SWP water supply contract with DWR for an annual maximum “Table A” water amount of up to 25,000 AF.

⁴ SWP subcontractors include the County of San Luis Obispo (CSA 16 Shandon; County Ops Center/El Chorro), State Dept. of Corrections (California Men’s Colony), Cuesta College, City of Morro Bay, City of Pismo Beach, Oceano CSD, San Miguelito Mutual Water Co., Avila Beach CSD, Avila Valley Mutual Water Co., and San Luis Coastal Unified School District (Bellevue).

⁵ Spill events at San Luis Reservoir result in losses of the stored water, but the water is only lost by the SWP Contractor to the SWP system – there is not an actual physical spill of water from the reservoir.

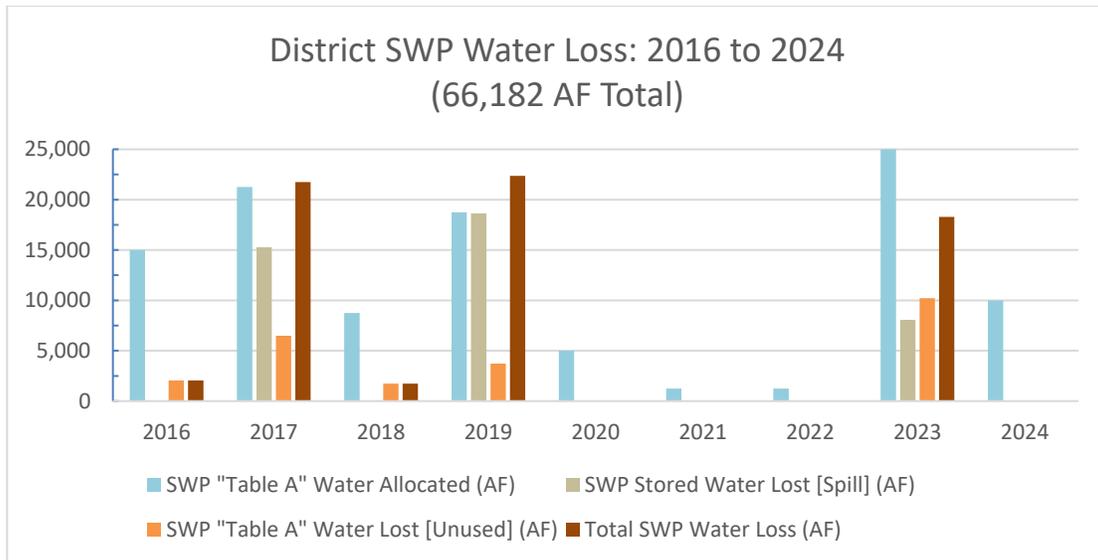


Figure 1. District SWP Water Loss from 2016-2024.

In 2024, a temporary water transfer of 13,500 AF to the Westside Districts (using the “water management tools”⁶) avoided water loss and generated \$5.6 million in recovered costs. For 2025, with a 50% allocation (12,500 AF), and local demand at 2,855 AF, the District again faces a potential loss of about 4,000 AF if no action is taken.

Proposed Transfer Options

Two options were identified⁷:

- **Option A – Westside:** Up to 7,000 AF; high certainty; priority is to prevent water loss. Pricing decreases later in the year (\$250/AF in October to \$200/AF in December).
- **Option B – United:** Up to 7,000 AF; lower certainty but higher fixed price (\$325/AF).

At present, staff anticipates transferring 4,000 AF to Westside and 3,000 AF to United, balancing loss prevention with cost recovery, as summarized in Table 1. This would leave about 9,000 AF in storage – enough for 2-3 years of supply. However, the proposed resolutions give staff authority to make a final determination as to the allocation to each transferee based on the unfolding SWP supply conditions, demand, timing, and operational considerations, ensuring that no surplus water is lost and the full 7,000 AF is maximized in 2025.

⁶ The 2021 Water Management Amendment to the Master Contract established new provisions for the District and other SWP Contractors that enable greater cost recovery through water transfers at market rates, enhanced flexibility to negotiate arrangements that maximize the “Table A” water contract benefit and minimize losses – including the use of SLR as a transfer site.

⁷ The proposed temporary transfer is consistent with District transfer policy (Attachment 4).

Table 1. Summary of Proposed 2025 Transfer Options

TRANSFER OPTION	TRANSFER AMOUNT	OBJECTIVE	ESTIMATED COST RECOVERY
Option A – Westside	4,000 AF	Minimize water loss	\$0.8–1.0 million
Option B – United	3,000 AF	Maximize cost recovery	\$0.975 million
Combined Total	7,000 AF	Balanced approach	\$1.775–1.975 million

The proposed transfer approach was developed after soliciting interest from other SWP Contractors⁸, and consulting with the District’s subcontractors and their technical representatives. To effectuate this flexibility, two separate letter agreements will be executed – one with Westside and one with United – each for up to 7,000 AF, and each substantially consistent with their proposed terms (Attachment 5).⁹ If one party cannot take the water, up to the full 7,000 AF can be transferred to the other party, ensuring that no surplus water is lost and the entire amount is maximized.

With respect to Article 57(g) of the Master Contract and the findings required thereby and contained within the resolutions, the amounts allocated to Westside and United will not change the impact within the District’s service area or adversely impact other SWP contractors or SWP operations because any allocation will be delivered through existing SWP facilities within the SWP place of use.

With Board approval, the Director of Public Works would be delegated authority, via resolutions (Attachments 8 & 9), to execute agreements with Westside and United and DWR (DWR must also approve each transfer through a standard agreement (DWR Agreement) (Attachment 7) after assessing the proposed transfer for CEQA compliance, SWP delivery capacity, contract consistency, and ensuring the transfer will not adversely impact SWP operations or other SWP contractors) subject to County Counsel review and approval. Staff expect the letter agreements to be similar to those used in 2024 (Attachment 6).

CEQA Determination

The Environmental Division Manager has determined that this project is exempt from CEQA under Section 15301 (existing facilities) (Exhibit A to each resolution).

⁸ The District is one of 29 public water agencies (includes DRWD and KCWA) that have a Water Supply Contract with DWR; these agencies are collectively referred to as the SWP contractors.

⁹ The recommended resolutions permit the inclusion of minor revisions to the proposed terms in the relevant letter agreement.

OTHER AGENCY INVOLVEMENT/IMPACT

The State Water Subcontractors Advisory Committee reviewed and endorsed the proposed transfer approach.

The resolutions have been reviewed and approved by County Counsel as to form and effect.

FINANCIAL CONSIDERATIONS

The proposed transfers could generate up to \$1.975 million and will not affect the District's ability to meet its ongoing financial obligations, including payments due under the Master Contract with DWR.

Funds will be credited to the District's State Water Tax Fund and distributed to the District's Subcontractors based on their proportionate share of the unscheduled 2025 Table A water, as of August 1, 2025. Additionally, this revenue will reduce Countywide taxpayer costs by helping offset other DWR obligations, such as Delta Conveyance Project planning expenses.

RESULTS

Approval of this item will prevent the loss of SWP water, recover costs, and maintain an adequate reserve in storage. This action directly supports your Board's policy goal of maximizing the SWP water supply contract, contributing to a well-governed community.

ATTACHMENTS

- 1 Map of State Water in San Luis Obispo County
- 2 Location of Westside Districts
- 3 Location of United Water Conservation District
- 4 SWP Transfer Policies (2025)
- 5 Proposed Transfer Terms
- 6 Sample Transfer Letter Agreement
- 7 Sample DWR Letter Agreement
- 8 Resolution Authorizing the Director of Public Works to Execute a Letter Agreement with the Westside Districts and Corresponding Agreement with the Department of Water Resources and Finding the Project Exempt from CEQA
- 9 Resolution Authorizing the Director of Public Works to Execute a Letter Agreement with the United Water Conservation District and Corresponding Agreement with the Department of Water Resources and Finding the Project Exempt from CEQA

File: CF 950.140.01

Reference: 25.150

[https://o365gcoslo.sharepoint.com/sites/PW-SupportServices/Document Request/25.150 State Water- 2025 Transfer/25.150 Board Letter.docx](https://o365gcoslo.sharepoint.com/sites/PW-SupportServices/Document%20Request/25.150%20State%20Water-2025%20Transfer/25.150%20Board%20Letter.docx)



**COUNTY OF SAN LUIS OBISPO
BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Public Works	(2) MEETING DATE 7/15/2025	(3) CONTACT/PHONE Nola Engelskirger Water Utilities Division Manager (805) 788-2100	
(4) SUBJECT Request to 1) review and approve the proposed State Water Transfer Policies; and 2) consider and provide direction to staff on next actions. (Public Works)			
(5) RECOMMENDED ACTION It is recommended that the Board, acting as the Board of Supervisors for the San Luis Obispo County Flood Control and Water Conservation District (District): <ol style="list-style-type: none"> 1. Review and approve the proposed State Water Transfer Policies, which would supersede the previously approved "Excess Entitlement Policies" and "Criteria for Using State Water"; 2. Direct staff to work with State Water Subcontractors to develop contract amendments that clarify and update contract language, and otherwise modernize the agreements to be consistent with updates to the master State Water Contract between the District and California Department of Water Resources; 3. Authorize staff to work with local State Water Subcontractors who may wish to transfer a portion of their annual allocation to optimize the beneficial use of the County's State Water in a manner consistent with the proposed State Water Transfer Policies; 4. Direct staff to solicit project water requests from existing State Water Subcontractors and local water purveyors; 5. Direct staff to summarize requests and evaluate each agency's need and suitability to take State Water for the Board to consider at a later date; and 6. Direct staff to develop administrative procedures and applicable contract amendments/agreements to implement transfers as approved and directed by the Board. 			
(6) FUNDING SOURCE(S) N/A	(7) CURRENT YEAR FINANCIAL IMPACT N/A	(8) ANNUAL FINANCIAL IMPACT N/A	(9) BUDGETED? no
(10) AGENDA PLACEMENT <input type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. _____) <input checked="" type="checkbox"/> Board Business (Time Est. <u>60 min</u>)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input checked="" type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	

(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY {x} N/A Date _____
(17) ADMINISTRATIVE OFFICE REVIEW Zachary A. Lute		
(18) SUPERVISOR DISTRICT(S)		

Reference: 25.104



COUNTY OF SAN LUIS OBISPO

TO: Board of Supervisors

FROM: Public Works
Nola Engelskirger, Water Utilities Division Manager

VIA: Kate Ballantyne, Deputy Director

DATE: July 15, 2025

SUBJECT: Request to 1) review and approve the proposed State Water Transfer Policies; and 2) consider and provide direction to staff on next actions. (Public Works)

RECOMMENDATION

It is recommended that the Board, acting as the Board of Supervisors for the San Luis Obispo County Flood Control and Water Conservation District (District):

1. Review and approve the proposed State Water Transfer Policies, which would supersede the previously approved "Excess Entitlement Policies" and "Criteria for Using State Water";
2. Direct staff to work with State Water Subcontractors to develop contract amendments that clarify and update contract language, and otherwise modernize the agreements to be consistent with updates to the master State Water Contract between the District and California Department of Water Resources;
3. Authorize staff to work with local State Water Subcontractors who may wish to transfer a portion of their annual allocation to optimize the beneficial use of the County's State Water in a manner consistent with the proposed State Water Transfer Policies;
4. Direct staff to solicit project water requests from existing State Water Subcontractors and local water purveyors;

5. Direct staff to summarize requests and evaluate each agency's need and suitability to take State Water for the Board to consider at a later date; and
6. Direct staff to develop administrative procedures and applicable contract amendments/agreements to implement transfers as approved and directed by the Board.

DISCUSSION

Since November 2022, the District Board policy directive to staff has been to maximize the State Water Project (SWP) water supply contract to increase water resiliency for the County.

The previously established Excess Entitlement Policies and Criteria for Using State Water are outdated and do not reflect the current needs and objectives to maximize the SWP water supply contract and increase water resiliency for the County (Attachment 1). They are proposed to be superseded with the attached State Water Project Transfer Policies (Policies) (Attachment 2).

These policies seek to address the availability of State Water and set a framework on how to beneficially use available State Water because: 1) the allocation of water secured was meant to address growth over time and buildout has not been reached, 2) the amount of water available from SWP varies in accordance with hydrology and environmental regulations, and 3) the existing storage options are limited; not all water is currently used or stored by existing participants.

These policies define priorities for use while at the same time confirm subcontractors' priority for use over new uses due to their existing cost obligation for State Water under the existing subcontracts and establish an expectation that use shall be paid for by the user and consider an equitable investment recovery program.

The purpose of these Policies is to establish policies that will guide both District staff and the Board in implementing the existing Subcontracts and preparing amendments to the Subcontracts that address ways in which water that is not needed under the Subcontracts can be utilized. Per their terms, these Policies are not to be interpreted as limiting future discretionary actions by the District Board of Supervisors or as directing action that is any way contrary to existing contractual obligations.

The proposed Policies provide:

- State Water is a supplemental supply.
- A reserve of 5,000 acre-feet (20% of its 25,000 AF SWP allocation) will be held by the District for short-term use to help meet subcontractor obligations and support countywide water resiliency and response needs.
- Priorities for using State Water.

- Eligible users are subcontractors, public water agencies, special districts, groundwater sustainability agencies, mutual water companies, and investor-owned utilities regulated by the California Public Utilities Commission, provided they are formally established and recognized under state law with a primary mission to manage and/or deliver water for municipal/domestic, agricultural or basin water management needs.

If your Board approves of the Policies, staff anticipates that contract amendments will be necessary to clarify contractual terms and obligations. Prior to making transfers in accordance with the proposed Policies, staff would need to work with State Water Subcontractors to develop mutually agreeable contract amendments that clarify and update contract language, modernizing agreements to be consistent with master State Water Contract between the District and California Department of Water Resources.

This would provide State Water Subcontractors with a clear understanding of what they can and cannot do with their water and enable them to free up supplies for transfer or secure additional supplies as they review their own water supply portfolio and water supply management needs.

Potential contract amendments may include:

- Clarification of drought buffer agreements or consolidation with Subcontract.
- Clarification of water service amount, revising water amount language and terms to be consistent with master State Water Contract between the District and DWR.

Also, because the District has been approached and is aware of certain water supply needs that have the potential to be addressed by an available State Water allocation, next staff actions will need to include the following:

1. Solicit project water requests from existing State Water Subcontractors and local water purveyors;
2. Summarize requests and evaluate each agency's need and suitability to take State Water for the Board to consider at a later date (subsequent meeting);
3. Engage/collaborate and work with local State Water subcontractors who may wish to transfer a portion of their annual allocation to optimize the beneficial use of the District's State Water.
4. Develop the necessary administrative procedures and applicable contract amendments/agreements to implement transfers as approved and directed by the Board.

OTHER AGENCY INVOLVEMENT/IMPACT

The proposed Policies were reviewed with the District's State Water Subcontractors Advisory Committee and the Water Resources Advisory Committee (WRAC). Both were supportive and their comments were incorporated into the Policies presented herein.

FINANCIAL CONSIDERATIONS

There are no financial impacts associated with adopting the updated policies or the recommended directions to staff. The FY 25-26 SWP Fund budget and ongoing revenues are sufficient to support staff labor and professional services needed for the development/amendment of the SWP water contracts and program. Financial impacts would be addressed when staff return with specific recommendations concerning the SWP water supply contracts or SWP water transfer program implementation.

Any costs to develop and implement procedures for a transfer program, and applicable contract amendments or agreements will be passed through to the wholesale water customers (or Subcontractors) to the extent any sales revenue does not offset costs.

RESULTS

Approval of the policies and other recommendations is the first step in seeking to maximize the SWP water supply contract, making beneficial use of all the water available and recovering the costs of maintaining the allocation to the fullest extent possible each year, thereby contributing to a well-governed community.

ATTACHMENTS

- 1 Existing SWP Policies (2003)
- 2 Proposed SWP Policies (2025)

File: CF 950.140.01

Reference: 25.104

<https://o365gcoslo.sharepoint.com/sites/PW-SupportServices/Document%20Request/25.104%20SWP%20Policies?d=wc24218dc5acc4117b037be0fa47c3697&csf=1&web=1&e=pe9uf5>

ATTACHMENT 2
COVERSHEET

**San Luis Obispo County Flood Control and
Water Conservation District's**

STATE WATER PROJECT:
Proposed SWP Water Transfer Policies (Draft, 7/1/2025)

No. of Pages: 8
Exhibit Attachments: 1

State Water Project Water Transfer Policies

I. INTRODUCTION

A. Background

The State Water Project (SWP) Water Supply Agreement (Master Contract) is a long-term contract between the Department of Water Resources (DWR) and the San Luis Obispo County Flood Control and Water Conservation District (District) which provides for the annual delivery of and payment for up to 25,000 acre-feet (AF) of SWP water (Project Water) to San Luis Obispo County. The District, as a wholesaler of Project Water, has in turn contracted with local public water agencies and others for delivery of Project Water within its service area (each a Subcontractor and collectively, the Subcontractors) pursuant to certain agreements (collectively, the SWP Subcontracts).

Additionally, the District has a side agreement with the Central Coast Water Authority (CCWA) for annual treatment of up to 4,830 AF of Project Water (CCWA Agreement), and coordinates delivery operations with DWR and CCWA for the delivery of Project Water to the District's turnouts within the DWR-owned SWP Coastal Branch pipeline. As a result, each Subcontractor has also entered into a Local Water Treatment Agreement (collectively, the Water Treatment Agreements) with the District setting forth the terms and conditions under which the delivered water will be treated consistent with the CCWA Agreement.

One of the primary purposes of these Policies is to establish a framework for the District and Subcontractors that promotes flexibility and cost recovery to minimize the long-term financial burden on County taxpayers and ratepayers.

B. Description of the Coastal Branch System

In the 1990s, the District (on behalf of its Subcontractors) and CCWA (on behalf of its Santa Barbara County members) partnered with DWR to plan and design "Phase II" of the SWP Coastal Branch Aqueduct ("Phase I" was completed in 1968). This extension of the SWP brought Project Water supplies into San Luis Obispo and Santa Barbara Counties starting in 1997.

The DWR-owned pipeline (with pumping plants and storage tanks) and CCWA treatment plant (collectively, the Coastal Branch System) were developed to provide supplemental water for municipal use. For the District, the facilities were sized to deliver up to 4,830 AF annually based on its SWP Subcontracts at the time.

The Coastal Branch System delivers treated water to three turnouts in San Luis Obispo County – Shandon, Chorro Valley, and Lopez – before continuing south to serve communities in Santa Barbara County (see Exhibit A). Once the water passes through these District turnouts, it enters local distribution systems and becomes subject to local agreements, policies, and oversight. In some areas, the District or County may continue to have responsibilities – either as a water service provider or in their role as a land use and permitting authority – depending on local governance.

C. SWP Allocation

The “SWP Allocation” is the “Annual Table A Amount” of 25,000 AF available to the District under the Master Contract and represents the maximum annual amount of Project Water that can be delivered to the District under certain conditions. A portion of the District’s SWP Allocation is committed to the Subcontractors (Subcontracted Amount) for municipal (domestic) supply use. The Subcontractors’ annual Water Supply Agreements total 4,830 AF, and Drought Buffer Water Agreements total 5,747 AF (for a combined total Subcontracted Amount of 10,577 AF).

The Subcontractors’ Water Supply Agreements are long-term “take-or-pay” arrangements (i.e., for annual delivery of up to 4,830 AF) and provide them with the first right each year to schedule monthly Project Water deliveries to the three existing SWP turnouts within the District. Under certain conditions, this benefit means the Subcontractors may decide to utilize 100% of the District’s conveyance capacity within the Coastal Branch in a given month or “delivery year” (Jan. 1 to Dec. 31). However, the take-or-pay condition means that regardless of whether the Subcontractors use 100% of the available Coastal Branch capacity needed to take delivery of the subcontracted amount under their Water Supply Agreements (i.e., the 4,830 AF), they are still obligated to pay 100% of the annual DWR Coastal Branch and CCWA treatment plant costs that are allocated to the District. Accordingly, Subcontractors shall have the first right to utilize all Project Water and Coastal Branch System capacity (conveyance and treatment) made available to the District under the Master Contract and CCWA Agreement.

The remaining portion of the 25,000 AF of SWP Allocation not subcontracted totals 14,423 AF (the District’s Reserve Amount). Consistent with the requirements of the Master Contract, the District’s Reserve Amount is paid for primarily by property tax revenue which enables the District to maintain the balance of its contracted SWP water supply from DWR for the long-term benefit of the County.

When there is available Project Water in a given year that is not needed by the District to fulfill the Subcontractors’ Water Supply Agreements, then that water is considered surplus Project Water (the District’s Surplus Water).

II. GENERAL

A. Relationship to Previously Adopted Policies

These Policies replace / supersede the District’s 2003 Excess Entitlement Policies approved by the Board of Supervisors sitting as the District Board (Board) on January 14, 2003.

B. Application and Interpretation

These Policies apply to all of the District’s Project Water. The purpose of these Policies is to establish a framework that will guide District staff, the Board and its Subcontractors in maximizing the Project Water supply. The goal is to fully utilize the District’s Surplus Water within the County and develop opportunities to optimize the Subcontracted Amount with a recognition that water transfers/exchanges (on an annual, multi-year, or permanent basis) are going to be one of the primary water management tools to achieve these objectives.

These Policies are intended to apply and be limited to water management decisions concerning water delivery contracts within DWR’s SWP conveyance facilities, primarily those within the Coastal Branch, as shown in Exhibit A. Although these policies apply to the entire annual SWP water supply available to the District, the District is only a wholesaler of the Project Water, and so these Policies are limited to SWP water transfers within the District’s contracted share of the DWR-owned part of the SWP system. The District is a separate legal entity from the County, and recognizes that other laws, regulations, and policies may govern how, where, or under what conditions the Project Water can be used locally. As such, these policies are not intended to address water management decisions about Project Water once that water is within local systems, that is, once that water has passed through the DWR-owned turnout (i.e., Shandon, Chorro Valley, Lopez, etc.). Water management actions for the water at that point are subject to the respective policies and contractual arrangements of the local systems (e.g., Chorro Valley Pipeline, Zone 3/Lopez, etc.). However, these Policies shall not be deemed to limit future discretionary actions by the District Board.

C. SWP is a Supplemental Supply – Primarily for Urban Water Needs (But Not Exclusively)

Given that SWP water is an imported supply and subject to delivery reductions and operational interruptions (annually, for up to several weeks at a time) for operations maintenance, it is the responsibility of the local water purveyors to integrate this supply into their local systems and to comply with local land use policies for water supply.

For the County, the SWP water supply was developed as a supplemental supply to meet municipal water needs. Domestic use shall be considered the highest priority use of all SWP water made available for local use in the County under the Master Contract. Domestic use is needed for sustenance, public health and safety, and welfare. State Water shall be used first to address public health, ensure reliable access to safe, affordable drinking water and sanitation. However, these Policies acknowledge that domestic use occurs both within public water supply system service areas and outside of those areas in the rural areas of the County where domestic water supplies are from individual water supply wells.

For supply reliability and emergencies, 5,000 AF of the District’s Reserve Amount (currently 14,423 AF) shall be held by the District on a long-term basis as a “reliability reserve,” leaving 9,423 AF as the balance of the District’s Reserve Amount that could be made available under a long-term contract option.

As part of a future program, the District will incorporate the 5,000 AF reliability reserve (20% of its 25,000 AF SWP allocation) for short-term use only (one-year or less). This reserve is intended to help meet Subcontractor obligations and support countywide water resiliency and response needs. It will not be available for long-term contracts.

III. PRIORITIES (GUIDING PRINCIPLES FOR HOW THE DISTRICT’S SWP ALLOCATION SHOULD BE PRIORITIZED)

A. FIRST – Prioritize Needs of Subcontractors.

The Subcontractors shall have first rights to Project Water. The District will prioritize meeting the needs of its Subcontractors before making Project Water available to third parties. If any Subcontractor plans to acquire additional supplies, the District will attempt to meet the needs of these Subcontractors first, before entering into transactions with third parties. In addition and without limiting the foregoing:

- District Surplus Water made available to third parties must not harm the District's ability to meet its obligations to the existing Subcontractors.
- Transfers/exchanges of the District's Surplus Water with third parties can only be considered – whether temporary (short-term/single-year or multi-year) or permanent (long-term) – under a second-priority/standby basis in which the Subcontractors' first right of refusal to use the District's Surplus Water is preserved, and they retain the first priority option for delivery scheduling.
- Financial considerations shall be provided to Subcontractors providing capacity to deliver second-priority water. This ensures deliveries of transferred water do not detrimentally impact the ability of the District to fulfill existing delivery contracts for the other Subcontractors.

B. SECOND – Prioritize Local Public Water Agencies and Purpose of Use.

After all Subcontractors' Project Water needs are met, the District will give preference to local public water agencies and other water purveyors using the water for domestic needs (e.g., drinking water, sanitation, and fire protection) within the County, with water allocated according to the purpose of use – which may include direct delivery, in-lieu use, or groundwater recharge:

- **1st Order – Emergency Use:** Project Water needed for emergency use to ensure public safety and well-being. The intention is to give priority to transfers that address a public health need or a water shortage emergency pursuant to Water Code Section 350.
- **2nd Order – Domestic Use:** Use of Project Water as a supplemental supply to improve water system resiliency and reliability for drinking, sanitation, and fire protection for urban and rural water users.
- **3rd Order – Agricultural Use:** Use of Project Water for production agricultural irrigation or other farm and ranch purposes.
- **4th Order – Non-Domestic/Non-Agricultural Use:** Water allocated for non-domestic, non-agricultural purposes such as industrial, commercial, recreational or other non-essential uses.

C. THIRD – Prioritize Place of Use.

The original delivery location established under each of the Subcontractors' Water Supply Agreements is considered the preferred place of use. However, when capacity allows, requests for emergency or domestic use at other locations should take precedence over requests for agricultural or non-domestic use at a preferred place of use.

Among requests of the same priority (e.g., two domestic use requests), preference is given to those uses within the same/upstream financial reach – to minimize the “allocation without capacity” issue.

Downstream deliveries (including transfers or new water supply agreements involving turnout locations beyond the financial/conveyance reaches with dedicated capacity for that allocation) can be considered only under short-term (single-year) or on a second-priority/standby basis in which the Subcontractors’ first right of refusal is preserved, and they retain priority for delivery scheduling.

D. FOURTH – Prioritize Internal Temporary Transfers/Exchanges within the District.
(Temporary reallocation to balance supply among local entities.)

If water remains available after meeting the needs described in Orders 1-4, the District will consider transfers or exchanges of District Surplus Water between local public water agencies and other eligible users within the District, to balance out the supply.

E. FIFTH – Consider External Temporary Transfers/Exchanges.

Consider only after internal priorities are met; temporary transfers only, for achieving water management objectives and/or cost recovery.

F. SIXTH – Additional Considerations.

Additional consideration should be given to uses that:

- Help the District manage the District’s Surplus Water to better match the variation in local domestic need that varies from year-to-year and seasonally.
- Store available and/or unscheduled water deliveries for later use during times of water shortages to support municipal, groundwater basin replenishment, and agricultural benefits provided these uses are integrated with domestic or other priority uses.
- Complement demonstrated efforts to maximize the efficiency and beneficial use of locally available supplies.
- Solve or mitigate water supply problems in key watersheds/groundwater basins identified by the Board.
- Support SWP supply planning objectives and create opportunities for the District and Subcontractors to benefit from revenue-generating water market activities that offset or recover costs.
- Align with State, District, or County water management plans, strategies, and priorities.

IV. CRITERIA FOR USE

Requests for use of the District’s Surplus Water must meet the following Board-established criteria:

- A. Eligible Users** – The District’s Surplus Water may be provided to Subcontractors, public water agencies, special districts, groundwater sustainability agencies, mutual water companies, and investor-owned utilities regulated by the California Public Utilities

Commission, provided they are formally established and recognized under State law with a primary mission focused on the management or delivery of water for municipal, agricultural, or basin-level water management needs. Eligible users must demonstrate the ability to participate in the District's Surplus Water program, including meeting operational, financial, and regulatory requirements.

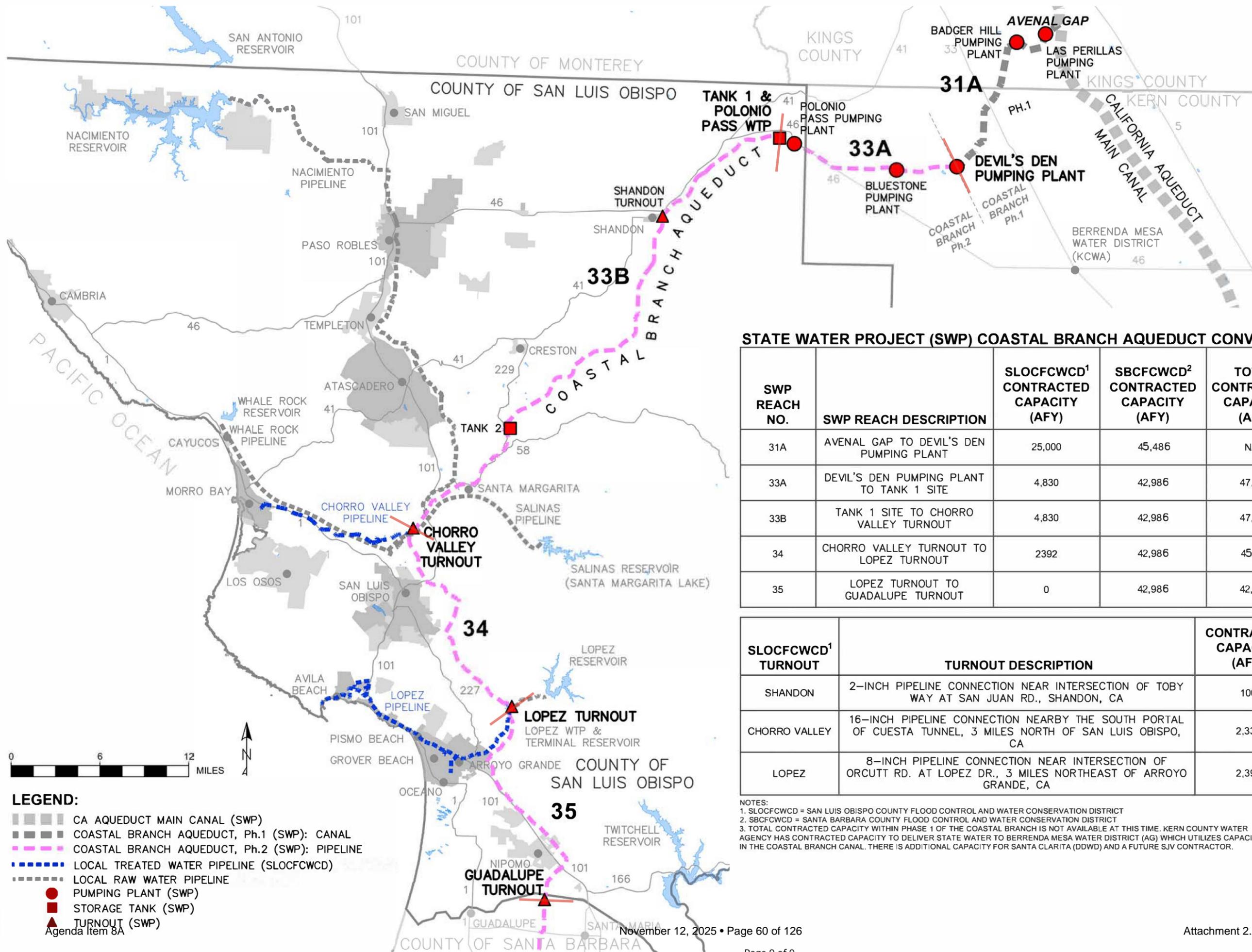
- B. Approval Requirements** – An eligible entity under Section A must request and approve the contract for supplemental use – whether for domestic, agricultural, or non-domestic use.
- C. Emergency Use** – Allowed if both County Board and requesting agency declare an “Emergency Condition”; use is subject to emergency declarations and all costs at that time.
- D. System Reliability** – Use of the District's Surplus Water must not compromise the SWP system reliability or reduce delivery capabilities to the Subcontractors.
- E. Financial Considerations** – All costs must be paid by the water user. Uses shall not detrimentally impact existing Subcontractors from a financial standpoint. There shall be no increase in administrative costs to the Subcontractors.
- F. Investment Recovery** – An investment recovery program is necessary to recover current and past costs. An amendment(s) to the SWP Subcontracts is anticipated to be the mechanism by which the investment recovery program is created and implemented, the development of which will necessitate the involvement of the Subcontractors.
- G. Regional Water Collaboration** – Requests should demonstrate how the proposed use of Project Water supports regional water supply reliability and maintains or strengthens existing partnerships that improve regional water resilience for the County.
- H. Compliance with Obligations and Laws** – Transfers and exchanges shall be carried out consistent with all applicable requirements and obligations, including but not limited to these policies, the Master Contract, Subcontracts, Water Treatment Agreements and all applicable laws and regulations, including the California Environmental Quality Act (CEQA).

V. IMPLEMENTATION

The District Board acknowledges that the existing SWP Subcontracts do not provide for a water transfer program. These Policies are intended to guide the District staff and Board in considering transfer requests and in preparing amendments to the SWP Subcontracts that would make implementation of said requests possible by creating a defined process for temporary and permanent transfers; and it is not anticipated that any new long-term contracts will be established between the District and others for use of the District's Surplus Water until the updated SWP Subcontracts are in place.

Notwithstanding, as indicated above, these Policies shall not be deemed to limit future discretionary actions by the District Board, including, without limitation, approval of a permanent transfer of existing water supply amounts under the SWP Subcontracts while the amendments needed to provide for the program contemplated herein are completed.

DRAFT



STATE WATER PROJECT (SWP) COASTAL BRANCH AQUEDUCT CONVEYANCE CAPACITY

SWP REACH NO.	SWP REACH DESCRIPTION	SLOCFCWCD ¹ CONTRACTED CAPACITY (AFY)	SBCFCWCD ² CONTRACTED CAPACITY (AFY)	TOTAL CONTRACTED CAPACITY (AFY)	OWNER-SHIP	O & M
31A	AVENAL GAP TO DEVIL'S DEN PUMPING PLANT	25,000	45,486	N/A ³	DWR	DWR
33A	DEVIL'S DEN PUMPING PLANT TO TANK 1 SITE	4,830	42,986	47,816	DWR	DWR
33B	TANK 1 SITE TO CHORRO VALLEY TURNOUT	4,830	42,986	47,816	DWR	CCWA
34	CHORRO VALLEY TURNOUT TO LOPEZ TURNOUT	2392	42,986	45,378	DWR	CCWA
35	LOPEZ TURNOUT TO GUADALUPE TURNOUT	0	42,986	42,986	DWR	CCWA

SLOCFCWCD ¹ TURNOUT	TURNOUT DESCRIPTION	CONTRACTED CAPACITY (AFY)	OWNER-SHIP	O & M
SHANDON	2-INCH PIPELINE CONNECTION NEAR INTERSECTION OF TOBY WAY AT SAN JUAN RD., SHANDON, CA	100	DWR	CCWA
CHORRO VALLEY	16-INCH PIPELINE CONNECTION NEARBY THE SOUTH PORTAL OF CUESTA TUNNEL, 3 MILES NORTH OF SAN LUIS OBISPO, CA	2,338	DWR	CCWA
LOPEZ	8-INCH PIPELINE CONNECTION NEAR INTERSECTION OF ORCUTT RD. AT LOPEZ DR., 3 MILES NORTHEAST OF ARROYO GRANDE, CA	2,392	DWR	CCWA

NOTES:
 1. SLOCFCWCD = SAN LUIS OBISPO COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT
 2. SBCFCWCD = SANTA BARBARA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT
 3. TOTAL CONTRACTED CAPACITY WITHIN PHASE 1 OF THE COASTAL BRANCH IS NOT AVAILABLE AT THIS TIME. KERN COUNTY WATER AGENCY HAS CONTRACTED CAPACITY TO DELIVER STATE WATER TO BERRENDA MESA WATER DISTRICT (AG) WHICH UTILIZES CAPACITY IN THE COASTAL BRANCH CANAL. THERE IS ADDITIONAL CAPACITY FOR SANTA CLARITA (DDWD) AND A FUTURE SJV CONTRACTOR.

- LEGEND:**
- CA AQUEDUCT MAIN CANAL (SWP)
 - COASTAL BRANCH AQUEDUCT, Ph.1 (SWP): CANAL
 - COASTAL BRANCH AQUEDUCT, Ph.2 (SWP): PIPELINE
 - LOCAL TREATED WATER PIPELINE (SLOCFCWCD)
 - LOCAL RAW WATER PIPELINE
 - PUMPING PLANT (SWP)
 - STORAGE TANK (SWP)
 - TURNOUT (SWP)

P:\State Water\Maps\Exhibits\SWP_SLO_CO_CAPACITY_GIS_REF_2017_08_15.dwg
 UTILITIES DIVISION, PUBLIC WORKS DEPT., COUNTY OF SAN LUIS OBISPO
 8/15/2017, WT (REV. 3/26/25, WT)



Oceano Community Services District

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

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

Date: November 12, 2025

To: Board of Directors

From: Peter Brown, General Manager

Subject: **Agenda Item #8(B):** Consideration of the Oceano Capital Improvement Project Committee Member Appointments to represent the OCSD Board.

Recommendation

It is recommended that the Oceano Community Services Board discuss and consider appointing a new OCSD Board Member to the Oceano Capital Improvement Project Committee.

Discussion

At the March 12, 2025, meeting, the Board established the Capital Improvement Project (CIP) Committee with [Resolution 2025-05](#). The committee was created to advise the Board on its capital improvement projects and plans, related fiscal issues, the future of the OCSD administrative offices, and grants to support infrastructure projects. The committee has held two successful meetings in 2025 on May 28th and August 27th, and is seeking a new Board member to replace President Gibson, who has requested to step down. Attached are the current 2025 committee assignments. It is anticipated that the OCIP Committee will meet quarterly in 2026.

Other Agency Involvement

N/A

Financial Considerations

The Board's [bylaws](#) allow for Board members to collect a \$50 stipend for each committee meeting.

Results

Establishing duties, governing policies, and procedures for the Oceano Capital Improvement Project Committee promotes a well-governed community.

Attachments:

1. 2025 Committee Assignments

2025 COMMITTEE & SUBJECT MATTER ASSIGNMENTS

COMMITTEE ASSIGNMENTS TO OTHER AGENCY BOARDS AND COMMITTEES				Subject Matter Assignments / Expertise
SSLOCSO	Austin	Gibson	1 st Wed / 6:00 PM Mar-Jun / City of Arroyo Grande City Council Chamber 215 E. Branch, Arroyo Grande July-Oct / Oceano CSD Board Room 1655 Front St., Oceano Nov-Feb / City of Grover Beach City Council Chamber 154 S. 8 th Street, Grover Beach	Wastewater
Water Resource Advisory Comm. (WRAC)	Villa	General Manager	1 st Wed / 1:30 PM SLO City Council Chamber 990 Palm St. San Luis Obispo, CA 93401	Regional Water Programs
Regional Water Mgt. Group (RWMG – IRWMP)	General Manager	Rose	1 st Wed / 10:00 AM SLO County New Government Center, Room 161/162 1055 Monterey Street, San Luis Obispo, CA 93401	Regional Water Programs
Zone 3 (Lopez Water)	Gibson	Joyce-Sunesson	3 rd Thurs Odd/6:30 PM Varies	Water Supply Contracts
State Water Subcontractors	General Manager	Rose	Varies	Water Supply Contracts
Parks & Recreation Advisory Committee	Joyce-Sunesson	Villa	Varies	Parks & Recreation
Capital Improvement Program Advisory Committee	Gibson	Austin	Varies	Capital Improvement Projects
LIAISON AND SUBJECT MATTER ASSIGNMENTS				
Airport Land Use		Rose	3 rd Wed / 1:30 PM County Government Center Board of Supervisors Chamber 1055 Monterey St Room D170 San Luis Obispo, CA 93401 (Currently Held Virtually)	
CA Special District's Association (Local)		Joyce-Sunesson	Varies (Usually Noon Fri) every other month	
Zone 1/1A		Austin	3 rd Tues Odd / 3:00 PM Sheriff South Patrol Station 1681 Front St. (Highway 1) Oceano, CA 93445	
LAFCO		Villa	3 rd Thur / 9:00 AM County Government Center Board of Supervisors Chamber 1055 Monterey St San Luis Obispo, CA 93401 (Currently Held Virtually)	
RWQCB		Gibson	Odd Months/Varies	
NCMA		General Manager	Monthly, Subject Matter Assignment Adjudicated Groundwater Basin	

COMMITTEE ASSIGNMENTS IN GREEN ARE ELIGIBLE FOR OCSO COMPENSATION PER GOV'T CODE 61047



Oceano Community Services District

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

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

Date: November 12, 2025

To: Board of Directors

From: Carey Casciola, Business and Accounting Manager
Peter Brown, General Manager

Subject: **Agenda Item #8(C):** Review of the South County Sanitary Services Index- Based Rate Adjustment Effective January 1, 2026, of 5.13% and the rate application assessment memo by R3 Consulting Group.

Recommendation

It is recommended that the Oceano Community Services District Board review the South County Sanitary Services Index- Based Rate Adjustment Effective January 1, 2026, of 5.13% and review the rate application assessment memo by R3 Consulting Group.

Background

South County Sanitary Service Inc. (SCSS) provides Solid Waste, Recycling, Green Waste, and Organics Material collection services for the community of Oceano pursuant to the July 14, 2010, Franchise Agreement (FA) and subsequent FA amendments. Article 8 of the agreement addresses SCSS's compensation and rates. At the April 9, 2025, Board meeting, amendments to the Franchise Agreement updated the rate methodology. The new rate methodology allows SCSS to increase solid waste rates by the following:

1. Consumer Price Index (CPI) – the CPI value for garbage and trash collection from July 2024 through 2025 compared to the prior year (July 2023 through June 2024). The percentage change in the CPI for that period was 4.5%
2. Profit allowance adjustment – this is a one-time change that was established in the annual rate adjustment methodology since the profit allowance for SCSS was increased from 9% to 10%. The percentage change for profit allowance 0.79%. Future years' profit allowance will remain at 10% and this correction will no longer apply.
3. Franchise Fee (currently at 10% for all member agencies).
4. Annual revenue reconciliation

Since this was the first year utilizing the new methodology, the District, with ten other agencies, hired R3 Consulting Group (R3) to review and prepare the attached report, which utilized the new simplified and streamlined rate-setting methodology adopted by the Board last year. The independent R3 review and memo are



attached and confirm that SSCS correctly applied the calculations, and beginning January 1, 2026, the solid waste rates will increase by 5.13%.

As reported to the OCSD Board in 2022, SCSS and other agencies in San Luis Obispo County had previously intended to update the annual rate adjustment methodology. The City of San Luis Obispo and other FA holders worked with Waste Connections, SCSS's parent company, to develop and implement a new rate adjustment methodology to replace the 30-year-old Rate Manual beginning in 2025. The key objectives for a new rate adjustment methodology are to enhance rate stability, predictability, fairness, transparency, ease of administration, and cost-effectiveness. R3 Consulting Group, Inc. (R3) supported the development and negotiation of a new rate adjustment methodology, and the new rate adjustment methodology is entirely in effect and has been applied to next year's rate changes. OCSD staff support the proposed changes to the rate-setting methodology because the prior one was outdated and in need of review and update, and most importantly, because the changes support rate stability in the future, predictability for rate payers, and cost-effectiveness for providers of service and solid waste utility managers.

New Rate Adjustment Methodology

The new rate adjustment methodology replaced the 1994 Rate Manual and will regulate annual rate adjustments for the District's solid waste rates starting in 2026. The new methodology fulfills key objectives, including rate stability, predictability, fairness, transparency, ease of administration, and cost-effectiveness. Additionally, the new methodology can be applied on a regional scale and is available as a recommended alternative to the 1994 Rate Manual for all agencies, including the District. The key features of the new methodology include:

- **Capped CPI Adjustments:** Starting in 2026, rate adjustments will be based on the Garbage and Trash CPI, with a floor of 2% and a cap of 5%. Amounts under 2% or over 5% will carry forward. The CPI adjustment will apply to Waste Connections' collection and post-collection cost centers.
- **Revenue Balancing Mechanism:** Starting in 2027, adjustments to rates will account for shortfalls or surpluses in Waste Connections' actual revenues compared to projected revenues from prior years. For example, if Waste Connections' 2025 revenues exceed projections, the amount of surplus revenues will be credited to the rates in 2027 (and vice versa), achieving fairness in compensation and rates for the company and for ratepayers. Such adjustments would take place annually and will be independent of the CPI cap and floor noted above. It should be noted that SCSS's 2023 net income was such that, were a revenue balancing mechanism in place at the time, surplus revenues would have been carried forward to the 2025 rate year and would have offset the forthcoming rate adjustment.
- **Less Frequent Cost-Based Adjustments:** Currently, solid waste rates are adjusted based on the 1994 Rate Manual every three years on Waste Connections' costs. Via the new methodology, cost-based adjustments would occur a maximum of every five years, and only if requested by Waste



Oceano Community Services District

Board of Directors Meeting

Connections or the District. The first opportunity for a cost-based adjustment will be for the 2030 rate year. If neither Waste Connections nor the District requests a cost-based adjustment, then the CPI adjustment approach will be applied. Cost-based adjustments will be based on Waste Connections' consolidated audited financial statements for the region. Timeframes for cost-based adjustment application and review process will be ample, such that the District will have sufficient time for review and approval processes, and such that the potential for delay in implementation is minimized.

- **Updated Depreciation Lifespan for Trucks:** The 1994 Rate Manual set a 7-year depreciation schedule for solid waste collection trucks. Modern solid waste collection trucks have a 10-year lifespan, and the depreciation schedule was adjusted accordingly, resulting in cost savings to rate payers.
- **Updated Profit Allowance:** The 2025 rate adjustment will include a 9% profit allowance of projected collection costs, and in 2026 and thereafter, the profit allowance will be 10%. For context, the 2025 profit allowance is approximately 5% of revenues, and R3 estimates that the 2026 profit allowance will be approximately 5.5% of revenues.
- **Removed Limitation on Corporate Overhead:** The 1994 Rate Manual placed a limitation on corporate overhead costs. Today, corporate overhead costs fund legal, tax, payroll, human resources, engineering, compliance, IT, training, and recruiting programs. The District and Waste Connections agreed to remove the prior limitation in order to fund these services.
- **Extraordinary Adjustments:** The California Air Resources Board (CARB) Advanced Clean Fleets (ACF) regulation requires all solid waste collection trucks to be zero emissions in 2042. This includes a phased-in plan to get the percentage of the fleet to be zero emission vehicle (ZEV) with 10% by 2030, 25% by 2033, 50% by 2036, 75% by 2039, and 100% by 2042. During CPI Adjustment years, Waste Connections may request extraordinary rate adjustments due to changes in law affecting collection operations, including for compliance with CARBS's ACF electrification mandate (which may necessitate a change to depreciation schedules). The District may, but is not obligated to, consider requests for extraordinary rate adjustments due to changes in law affecting post-collection operations. Requests for extraordinary change are subject to good-faith meet-and-confer negotiations between the District and Waste Connections.
- **Regional Service Enhancements:**
 - **Customer Assistance Program:** 20% low-income discount provided to residential customers using 32-gallon cart service, using existing jurisdictional practices on low-income relief for their offered utility type services, with evidence of qualifying financial hardship.
 - **Free Bulky Waste Collections:** Collection of one free bulky waste item twice annually from SCSS and five free extra trash items from the Oceano CSD annually from residential accounts at no cost via the District's voucher program.



- **Annual Cart Exchange:** Once annual exchange of a residential solid waste, recycling, or organics cart per customer account.

Other Agency Involvement

Neighboring cities that also have franchise agreements with SCSS have conducted similar reviews, and 10 partner agencies also enlisted R3 to conduct rate application reviews. All regional rates reviewed fell into the 5.13 to 5.19% rate adjustment for the 2026 calendar/service year.

Other Financial Considerations

The District currently receives franchise fee income of approximately 10.0% of SCSS gross rate revenues collected in the District. Franchise fee revenues are beginning to rebuild solid waste reserves and pay for ongoing staff costs and enhanced customer services (e.g., bulky item pickups). SCSS passed through to the District approximately \$11,100 in landfill savings in 2025. These fees are used to sponsor community clean-up events, the bulky item voucher program, and to address illegal dumping throughout the community.

Results

The OCSD Board approved five-year rates in January of 2025, and the current rate application is consistent with adopted methodologies and existing Franchise Agreement provisions. While no Board action is required at this time, District transparency regarding rate changes and justifications fosters government transparency and public trust.

Attachments:

1. SCSS 2025 Rate Adjustment Application
2. R3 Rate Report



- SAN LUIS GARBAGE
- SOUTH COUNTY SANITARY
- MISSION COUNTRY DISPOSAL
- MORRO BAY GARBAGE



Safety • Integrity • Service

August 29, 2025

Peter Brown, General Manager
 Carey Casciola, Business and Accounting Manager
 Oceano Community Services District
 1655 Front Street, Oceano, CA 93445

Subject: Notification of Index-Based Rate Adjustment Effective January 1, 2026

Dear Mr. Brown & Ms. Casciola,

South County Sanitary Services (SCSS) is submitting this formal notice of an index-based rate adjustment to be implemented in accordance with the Third Amendment to the Restated Solid Waste Franchise Agreement (Third Amendment) with the Oceano Community Services District, effective April 9, 2025.

The proposed rate increase of **5.13%**, effective **January 1, 2026**, is derived from following key components:

- Consumer Price Index (CPI) Adjustment:** Pursuant to Appendix 1, Section 2, Subsection A of the Third Amendment, the CPI adjustment is calculated based on the percentage change in the average 12-month CPI value for Garbage and Trash Collection Services ending June of the current year, compared to the average 12-month CPI value ending June of the prior year. This calculation results in a CPI adjustment of **4.50%** for the 2026 rate year. In accordance with the same subsection:
 - Any CPI change below 2% is to be carried forward as a credit to be applied in future years.
 - Any CPI change above 5% is to be carried forward and applied to rates in subsequent years.
 - As the 2025 CPI adjustment is 4.50%, this threshold was not met, and therefore no CPI changes will be carried forward this year.
- Profit Allowance Adjustment:** Pursuant to Appendix 1 Section 2, Subsection B of the Third Amendment, SCSS is increasing its profit allowance from 9% to 10% for calendar year 2026 and thereafter.
- Annual Revenue Reconciliation:** Pursuant to Appendix 1, Section 2, Subsection D of the Third Amendment, the calculation of the Annual Revenue Reconciliation will begin with the 2027 index-based rate adjustment, utilizing audited financial data from calendar year 2025. As this process does not begin until 2027, it has not been considered in the current rate adjustment.

For your review and reference, the CPI table and the overall rate increase calculation supporting this adjustment are attached to this letter.

We respectfully request the City's review and acknowledgment of this rate adjustment. Please let us know if any additional documentation or clarification is required.

Thank you for your continued partnership.

Sincerely,

Jeffrey Clarin, P.E.
 District Manager
 South County Sanitary Services
 Waste Connections

**Consumer Price Index for All Urban Consumers (CPI-U)
Original Data Value**

Series Id: CUSR0000SEHG02
 Seasonally Adjusted
 Series Title: Garbage and trash collection in U.S. city average, all
 Area: U.S. city average
 Item: Garbage and trash collection
 Base Period: DECEMBER 1983=100
 Years: 2015 to 2025

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	HALF1	HALF2
2015	427.734	429.248	429.235	429.807	431.234	430.813	431.229	432.967	433.843	434.829	436.428	436.996		
2016	437.205	438.296	437.699	437.676	438.317	437.858	438.607	439.358	439.707	440.311	443.343	444.745		
2017	446.266	447.699	446.987	447.129	447.272	448.046	448.328	448.717	449.008	452.196	453.820	453.596		
2018	453.354	454.915	455.230	458.722	462.887	465.041	465.579	470.457	471.026	472.535	486.650	485.935		
2019	475.687	477.474	478.569	479.449	480.865	480.984	482.138	483.987	484.346	486.133	486.485	486.708		
2020	491.003	494.429	495.288	494.432	494.946	496.679	498.564	500.882	501.756	503.315	504.970	508.190		
2021	512.722	517.270	518.505	518.579	516.440	517.202	521.185	524.408	529.934	530.114	529.053	532.538		
2022	533.078	538.313	540.719	542.564	544.546	547.554	548.187	548.706	558.254	561.090	563.816	565.185		
2023	570.412	575.697	576.773	580.124	587.431	589.812	596.167	597.347	596.997	597.569	601.631	602.164		
2024	606.773	610.551	610.015	611.073	609.538	611.946	614.089	615.880	619.640	621.632	627.127	627.807		
2025	629.803	641.938	642.053	643.063	646.507	648.477	652.682							

Jul 2024 - Jun 2025 Average 631.50
 Jul 2023 - Jun 2024 Average 604.31
 Change 27.19
 Percent Change 4.50%

Attachment 5 - Indexed Rate Adjustment Methodology Example Calculations

2025 Calculated CPI 4.50%

Oceano CSD

	2025	2025	2026
Collection Services	\$ 761,000	\$ 761,000	\$ 795,245
Profit Allowance	68,490	68,490	79,525
Post-Collection Services	427,779	427,779	447,029
Franchise Fee	133,111	139,697	146,866
AB 939 Fee	-	-	-
Revenue Reconciliation Example	N/A	N/A	N/A
Total Revenues	1,390,380	1,396,966	1,468,665
Indexed Rate Adjustment			5.13%

REPORT

Oceano Community Services District

Review of Waste Connections' Application of the 2026 Index-Based Adjustment to Solid Waste Rates

submitted electronically: October 30, 2025

October 30, 2025

Peter Brown
General Manager
Oceano Community Services District
submitted via email: peter@oceanocsd.org

SUBJECT: Report – Review of Waste Connections’ Application of the 2026 Index-Based Adjustment to Solid Waste Rates

Dear Mr. Brown,

R3 Consulting Group, Inc. (R3) is pleased to submit this report detailing the results of our review of Waste Connections’ application of the 2026 index-based adjustment to solid waste rates charged by Waste Connections (which conducts business in San Luis Obispo County as Mission Country Disposal, San Luis Garbage, and South County Sanitary Service) to customers in the Oceano Community Services District (District).

The review was conducted via an engagement with the City of San Luis Obispo, acting as the lead contracting agency on behalf of ten agencies (Agencies) served by Waste Connections in San Luis Obispo County, including the City of San Luis Obispo, Los Osos Community Services District, the City of Arroyo Grande, the City of Grover Beach, the City of Pismo Beach, Avila Beach Community Services District, Cambria Community Services District, Cayucos Sanitary District, Nipomo Community Services District, and Oceano Community Services District.

This report summarizes results from our review of Waste Connections’ application of the 2026 index-based adjustment per the new simplified and streamlined rate setting methodology developed in 2024 and adopted by the Agencies, including the District, in 2025 via uniform amendments to the franchise agreements between each Agency and Waste Connections. Our review confirmed that Waste Connections correctly applied the calculations specified in the annual rate setting methodology described in the District’s 2025 amendment to its franchise agreement with Waste Connections (Amendment). Going forward for future index-based rate adjustments, the District should continue to monitor accurate implementation of the annual rate setting methodology by following the processes outlined in the Amendment and further described in this report.

* * * * *

We appreciate the opportunity to be of service to the District. If you have any questions regarding this report or need additional information, please contact us.

Sincerely,



Sarah Koplowitz | Sr. Consultant
R3 Consulting Group, Inc.
skoplowitz@r3cgi.com



Garth Schultz | Principal
R3 Consulting Group, Inc.
gschultz@r3cgi.com

Executive Summary

On August 29, 2025, Waste Connections submitted its application for an index-based adjustment to solid waste rates effective January 1, 2026 (Attachment 1). The index-based rate adjustment methodology adjusts most – but not all – of the compensation due to Waste Connections in direct proportion to the percentage change in the Consumer Price Index (CPI) for garbage and trash collection.

For 2026, Waste Connections' primary compensation for collection services (those services directly provided by Waste Connections for collection and transportation of solid waste) as well as compensation for post-collection services (landfill disposal, organic waste processing, and recyclables processing and marketing) are adjusted by the percentage change in the average CPI for garbage and trash collection from July 2024 through June 2025 compared to the average in the prior year, July 2023 through June 2024. The percentage change in the CPI for garbage and trash collection over that period was 4.50% (Attachment 2).

Based on our review of the rate application, R3 confirmed that Waste Connections accurately applied the index-based rate adjustment methodology in the District's 2025 Amendment. Specifically, R3 confirmed that:

- › The current compensation elements authorized by the District in 2025, which are the starting point for the 2026 index-based rate adjustment (and were included in the District's authorization of the 2025 solid waste rate adjustment as well as the Amendment) were presented accurately in Waste Connections' application.
- › The annual change in the CPI (4.50%) was calculated correctly and applied accurately to the compensation for collection services.
- › The annual change in the CPI (4.50%) was calculated correctly and applied accurately to the compensation for post-collection services.
- › Profit allowance was calculated correctly based on the 2026 CPI adjusted compensation for collection services. For 2026 only, the year-over-year change in profit allowance is inclusive of the one-time change from the 2025 9% profit allowance to 2026 and ongoing 10% profit allowance. The profit allowance will remain at 10% of compensation for collection services in all future rate years.
- › The District's franchise fee was calculated correctly at 10% of the 2026 total revenue requirement.
- › The 2026 total revenue requirement was calculated correctly as the sum of all other compensation elements described above.
- › The 2026 index-based rate adjustment was calculated correctly based on the percentage that the 2026 total revenue requirement increased compared to the 2025 total revenue requirement.

Based on our step-by-step review, R3 concurs with Waste Connections' calculated 2026 rate revenue requirement for the District of \$1,468,665, which is \$71,699 higher than the 2025 rate revenue requirement of \$1,396,966. The total corresponding adjustment to the District's solid waste rates effective January 1, 2026, is 5.13%. It should be noted that, across all ten participating agencies, the range of 2026 rate adjustments is 5.13% to 5.19%.

Table 1, below, shows the dollar amount of the rate compensation elements by category and in total for rate year 2025 and 2026. The table also shows the amount of the 2026 rate adjustment attributed to each category, as well as in total.

Table 1: 2026 Rate Adjustment Summary

	2025 Actual	2026 Calculated	Dollar Change	Percentage Adjustment to Rates
Collection Services	\$761,000	\$795,245	\$34,245	2.45%
Post-Collection Services	\$427,779	\$447,029	\$19,250	1.38%
Profit Allowance	\$68,490	\$79,525	\$11,035	0.79%
Franchise Fee	\$139,697	\$146,866	\$7,169	0.51%
Total Revenue Requirement	\$1,396,966	\$1,468,665	\$71,699	5.13%

Step-by-Step Review of Waste Connections’ Application of the 2026 Index-Based Rate Adjustment

Collection Services and Post-Collection Services

As established in the 2025 solid waste rate adjustment process, and as further described in the District’s rate adjustment methodology Amendment, Waste Connections is compensated via solid waste paid by District customers for collection services and post-collection services provided within the District. These two compensatory elements are the sole compensation paid to Waste Connections for services associated with collection, transfer, processing, and disposal of solid waste. These include labor, benefits, general and administrative, depreciation and lease, maintenance, fuel and oil.

Per the Amendment, compensation for collection services and post-collection services are adjusted in proportion to the change in the CPI for garbage and trash collection services. To verify Waste Connections’ calculation of a 4.50% change in the average CPI for garbage and trash collection from July 2024 through June 2025 compared to average in the prior year (July 2023 through June 2024), R3 used publicly available data posted by the Bureau of Labor Statistics (BLS) online at <https://data.bls.gov/series-report>. Using that website and the series ID code identified in the Amendment (CUUR0000SEHG02) R3 prepared its own calculations of the percentage change in the average CPI (Attachment 2), which yielded the same 4.50% as included in Waste Connections’ application. Per the Amendment, the CPI rate adjustment on collection services and post-collection services is subject to a 2% minimum and a 5% maximum rate cap. However, for 2026 with the calculated result being 4.50%, neither the floor nor the cap are relevant for the 2026 rate adjustment.

Applying the 4.50% increase to Waste Connections’ 2025 collection services compensation element in the District of \$761,000 yields 2026 collection services compensation of \$795,245, an increase of \$34,245. This increase contributes to an increase in solid waste rates of **2.45%** (\$34,245 divided by \$1,396,966, expressed as a percentage).

For post-collection services, the 2025 compensation element is \$427,779 and for 2026 it \$447,029 after the CPI adjustment, an increase of \$19,250. This increase contributes to an increase in solid waste rates of **1.38%** (\$19,250 divided by \$1,396,966, expressed as a percentage).

Profit Allowance

Per the Amendment, Waste Connections is compensated for a profit allowance, though it is important to understand that profit is not guaranteed. For Waste Connections to earn profit given the stipulated annual compensation (which is the total revenue requirement as shown in Table 1) it must keep its actual costs within the compensation amounts established via the annual rate setting methodology. If Waste Connections' costs exceed the compensation amounts shown in Table 1, then its ability to earn profit is diminished. Therefore, because the annual index-based rate adjustment methodology does not adjust compensation for changes in Waste Connections' costs, Waste Connections is incentivized to control costs as a means of profit achievement.

R3 reviewed the calculation of Waste Connections' compensation for profit allowance, which for 2026 is calculated at 10% of compensation for collection services. With the 2026 compensation for collection services being the \$795,245 referenced in the prior section, 2026 compensation for profit allowance is \$79,525 (\$795,245 times 10%). This is an increase of \$11,035 over the 2025 profit allowance of \$68,490 (calculated at 9% of the 2025 collection services compensation element of \$761,000). This increase contributes to an increase in solid waste rates of **0.79%** (\$11,035 divided by \$1,396,966, expressed as a percentage).

The change from 9% to 10% of collection services compensation is a one-time change that was established in the annual rate adjustment methodology Amendment – no further adjustments to compensation allowance have been approved by the District.

Franchise Fee

Waste Connections pays the District a franchise fee which funds the District's costs for management and administration of the Waste Connections franchise agreement and the solid waste collection system. The franchise fee is calculated at 10% of the annual revenue requirement, which in 2025 is \$139,697 (the 2025 total revenue requirement of \$1,396,966 times 10%).

For 2026, the franchise fee is \$146,866 (10% of the 2026 total revenue requirement of \$1,468,665, as shown in Table 1 and described in the following section). This is an increase of \$7,169, contributing to an increase in solid waste rates of **0.51%** (\$7,169 divided by \$1,396,966, expressed as a percentage).

It should be noted that actual franchise fee payments made by Waste Connections to the District are calculated as a function of Waste Connections' gross revenues paid by customers in the District, which may differ from the total annual revenue requirement used for the purpose of calculating the annual rate adjustment. Therefore, the franchise fee amounts shown here may differ from the actual franchise fee amounts paid to the District. However, over time, the rate revenue reconciliation (described below) will have the effect of correcting for differences between the franchise fee amounts included in the annual rate adjustment methodology and amounts actually paid to the District.

Total 2026 Revenue Requirement

The 2026 total revenue requirement is the sum of the 2026 compensation for collection services, post-collection services, profit allowance, and franchise fee as listed in the prior sections. For 2026, the total revenue requirement in the District is \$1,468,665, an increase of \$71,699 from the 2025 total revenue requirement of \$1,396,966.

Calculation of 2026 Index-Based Rate Adjustment

The overall index-based rate adjustment is calculated as a function of the 2026 total revenue requirement (\$1,468,665) divided by the 2025 total revenue requirement (\$1,396,966), minus 100%, rounded to the nearest hundredth of a percent. For 2026, the resulting index-based rate adjustment applicable to solid waste rates in the District is 5.13% effective January 1, 2026.

Next Steps in Future Years

For future index-based rate adjustments, the District should continue to monitor accurate implementation of the annual rate setting methodology by following the processes outlined in the Amendment and further described in this report.

Additionally, starting with the 2027 index-based rate adjustment (which is due for application by Waste Connections by August 30, 2026) a new “rate revenue reconciliation” element will be included in the calculation of total annual revenue requirement. The rate revenue reconciliation element is to reconcile any differences between the total annual revenue requirement for the prior year (i.e., for 2025, \$1,396,966) compared to actual total 2025 compensation paid to Waste Connections by its customers in the District. This is not applicable to the 2026 index-based rate adjustment because actual total 2025 compensation paid to Waste Connections can't be known until the year is over and financial reconciliations are completed.

When Waste Connections makes its 2027 index-based rate adjustment application to the District, the calculation of total 2027 revenue requirement will include a line item for the 2025 rate revenue reconciliation. To verify the accuracy of the revenue reconciliation, the District should request that Waste Connection provides its system generated report of revenues collected from District solid waste customers – the difference between that figure and the 2025 total revenue requirement of \$1,396,966 is the 2025 rate revenue reconciliation item to be included in the 2027 index-based rate adjustment application.

Finally, the District should be aware that although the CPI value applicable to collection services and post-collection services in 2026 is between the 2% minimum and a 5% maximum rate cap, in future years, the CPI value could be below the 2% minimum or 5% maximum values. In those cases, the District should review and follow the carryforward methodology included in the Amendment, wherein CPI amounts below the minimum or above the maximum carryforward to subsequent year's index-based rate adjustments.



Oceano Community Services District

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

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

Date: November 12, 2025

To: Board of Directors

From: Carey Casciola, Business and Accounting Manager

Subject: **Agenda Item #8(D): Consider a Resolution of Intention to approve an amendment to the Contract between the Board of Administration of California Public Employees' Retirement System and the Board of Directors of the Oceano Community Services District.**

Recommendation

It is recommended that the Oceano Community Services Board review and adopt the attached Resolution of Intention to approve an amendment to the Contract between the Board of Administration, California Public Employees' Retirement System, and the Board of Directors of the Oceano Community Services District, as previously agreed to as part of the Fire Divestiture terms.

Discussion

Measures A-20 and A-22 were placed on the 2020 and 2022 elections, which gave Oceano voters the choice to approve a special parcel tax to increase funding for emergency medical and fire protection services, and both measures fell short of the required 66.7% voter approval. Through December 2024, the Oceano Community Services District (District) provided services through an extension of the 2023 Contract with the Five Cities Fire Authority (FCFA), and as of January 1, 2025, the County has assumed management and fiscal responsibility for providing fire services within Oceano, using and modifying the FCFA JPA.

The District approved [Resolution 2023-03](#), initiating the proceedings through the Local Agency Formation Commission (LAFCO) for divestiture of Fire Protection Services on January 11, 2023. By activating the transfer of services to the County of San Luis Obispo (County), a Plan for Service was developed with the District and included specific OCSD assets and liabilities to be transferred to the County, and was adopted with [Resolution 2024-11](#). On October 17, 2024, LAFCO held a Public Hearing on the OCSD divestiture from the FCFA. Followed by a protest hearing on November 21, 2024, where the LAFCO Commission approved the District's divestiture.

Before FCFA served the community of Oceano, providing medical and fire protection services, the Oceano Fire Department (OFD) operated until 2010. When FCFA was created with the Cities of Arroyo Grande and Grover Beach, OFD employees, equipment, and operations were transferred to the FCFA JPA. The OFD employees' retirement benefits earned from 1983 to 2010, before the creation of FCFA, were provided through the California Public Employees' Retirement System. Since the District divested emergency medical and fire protection services to the County of San Luis Obispo, this plan must be closed and paid out with the District's General Fund reserves.



Oceano Community Services District

Board of Directors Meeting

Once adopted, the attached Resolution of Intent will be transmitted to CalPERS, and the Final Resolution will be brought back to the Board at the December 10th meeting.

Other Agency Involvement

The District engaged with several agencies regarding the Plan for Service for emergency medical and fire services for the community, including LAFCO, the County of San Luis Obispo, the Five Cities Fire Authority, and the Cities of Arroyo Grande and Grover Beach.

Financial Considerations

CalPERS provided the Final Termination valuation report for the District's safety plan. The Unfunded Liability and cost to terminate the plan is \$189,270. This will be paid out of the District's General Fund reserves of \$216,709, leaving a remaining balance of \$27,439.

Results

Providing a resolution endorsing these actions allows the District to complete full divestiture and all requisite terms therein.

Attachments:

1. Resolution of Intent
2. Amended Contract
3. CalPERS Safety Plan Termination Report

**RESOLUTION OF INTENTION
TO APPROVE AN AMENDMENT TO CONTRACT
BETWEEN THE
BOARD OF ADMINISTRATION
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
AND THE
BOARD OF DIRECTORS
OCEANO COMMUNITY SERVICE DISTRICT**

WHEREAS, the Public Employees' Retirement Law permits the participation of public agencies and their employees in the Public Employees' Retirement System by the execution of a contract, and sets forth the procedure by which said public agencies may elect to subject themselves and their employees to amendments to said Law; and

WHEREAS, one of the steps in the procedures to amend this contract is the adoption by the governing body of the public agency of a resolution giving notice of its intention to approve an amendment to said contract, which resolution shall contain a summary of the change proposed in said contract; and

WHEREAS, the following is a statement of the proposed change:

To provide for a termination of the fire member group and transfer of accumulated contributions to the terminated agency pool, the accumulated contributions shall be held in the terminated agency pool for the exclusive benefit of each member of the fire member group in relation to the credited service of each fire member. The local fire member classification of the Public Agency no longer has active employees as of the effective date of this amendment to the contract.

NOW, THEREFORE, BE IT RESOLVED that the governing body of the above agency does hereby give notice of intention to approve an amendment to the contract between said public agency and the Board of Administration of the Public Employees' Retirement System, a copy of said amendment being attached hereto, as an "Exhibit" and by this reference made a part hereof.

By: _____
Presiding Officer

Title

Date adopted and approved



EXHIBIT

California
Public Employees' Retirement System



AMENDMENT TO CONTRACT

Between the
Board of Administration
California Public Employees' Retirement System
and the
Board of Directors
Oceano Community Service District



The Board of Administration, California Public Employees' Retirement System, hereinafter referred to as Board, and the governing body of the above public agency, hereinafter referred to as Public Agency, having entered into a contract effective August 21, 1983, and witnessed August 10, 1983, and as amended effective February 13, 1992, July 14, 2002, and July 23, 2006, which provides for participation of Public Agency in said System, Board and Public Agency hereby agree as follows:

- A. Paragraphs 1 through 13 are hereby stricken from said contract as executed effective July 23, 2006, and hereby replaced by the following paragraphs numbered 1 through 17 inclusive:
1. All words and terms used herein which are defined in the Public Employees' Retirement Law shall have the meaning as defined therein unless otherwise specifically provided. "Normal retirement age" shall mean age 55 for classic local miscellaneous members, age 62 for new local miscellaneous members, age 50 for classic local safety members, and age 57 for new local safety members.
 2. Public Agency shall participate in the Public Employees' Retirement System from and after August 21, 1983, making its employees as hereinafter provided, members of said System subject to all provisions of the Public Employees' Retirement Law except such as apply only on election of a contracting agency and are not provided for herein and to all amendments to said Law hereafter enacted except those, which by express provisions thereof, apply only on the election of a contracting agency.

4. Employees of Public Agency in the following classes shall become members of said Retirement System except such in each such class as are excluded by law or this agreement:
 - a. Local Fire Fighters (herein referred to as local safety members);
 - b. Employees other than local safety members (herein referred to as local miscellaneous members).
5. In addition to the classes of employees excluded from membership by said Retirement Law, the following classes of employees shall not become members of said Retirement System:
 - a. **ELECTED OFFICIALS;**
 - b. **EMPLOYEES WHO ARE MEMBERS OF THE LOCAL RETIREMENT SYSTEM AND WHO DID NOT WAIVE THEIR RIGHTS UNDER THAT SYSTEM PRIOR TO AUGUST 21, 1983; AND**
 - c. **POLICE OFFICERS**
6. As of the effective date of this amendment to contract, the local fire member classification of the Public Agency no longer has active employees. Upon termination of the fire member group and transfer of accumulated contributions to the terminated agency pool, the accumulated contributions shall be held in the terminated agency pool for the exclusive benefit of each member of the fire member group in relation to the credited service of each fire member.
7. Assets heretofore accumulated with respect to members under the local retirement system who waived their rights under that system have been transferred to the Public Employees' Retirement System and applied against the liability for prior service incurred thereunder. That portion of assets so transferred which represent the accumulated contributions (plus interest thereof) required of the employees under said local system have been credited to the individual membership account of each such employee under the Public Employees' Retirement System.
8. The percentage of final compensation to be provided for each year of credited prior and current service as a classic local miscellaneous member shall be determined in accordance with Section 21354 of said Retirement Law (2% at age 55 Full).
9. The percentage of final compensation to be provided for each year of credited prior and current service as a new local miscellaneous member shall be determined in accordance with Section 7522.20 of said Retirement Law (2% at age 62 Full).

10. The percentage of final compensation to be provided for each year of credited prior and current service as a classic local safety member shall be determined in accordance with Section 21369 of said Retirement Law (2% at age 55 Full).
11. The percentage of final compensation to be provided for each year of credited prior and current service as a new local safety member shall be determined in accordance with Section 7522.25(b) of said Retirement Law (2% at age 57 Full).
12. Public Agency elected and elects to be subject to the following optional provisions:
 - a. Section 20965 (Credit for Unused Sick Leave) for local miscellaneous members only.
 - b. Section 21574.5 (Indexed Level of 1959 Survivor Benefits) for local safety members only.
13. Public Agency, in accordance with Government Code Section 20834, shall not be considered an "employer" for purposes of the Public Employees' Retirement Law. Contributions of the Public Agency shall be fixed and determined as provided in Government Code Section 20834, and such contributions hereafter made shall be held by the Board as provided in Government Code Section 20834.
14. Public Agency shall contribute to said Retirement System the contributions determined by actuarial valuations of prior and future service liability with respect to local miscellaneous members and local safety members of said Retirement System.
15. Public Agency shall also contribute to said Retirement System as follows:
 - a. Contributions required per covered member on account of the 1959 Survivor Benefits provided under Section 21574.5 of said Retirement Law. (Subject to annual change.) In addition, all assets and liabilities of Public Agency and its employees shall be pooled in a single account, based on term insurance rates, for survivors of all local safety members.
 - b. A reasonable amount, as fixed by the Board, payable in one installment within 60 days of date of contract to cover the costs of administering said System as it affects the employees of Public Agency, not including the costs of special valuations or of the periodic investigation and valuations required by law.
 - c. A reasonable amount, as fixed by the Board, payable in one installment as the occasions arise, to cover the costs of special valuations on account of employees of Public Agency, and costs of the periodic investigation and valuations required by law.

- 16. Contributions required of Public Agency and its employees shall be subject to adjustment by Board on account of amendments to the Public Employees' Retirement Law, and on account of the experience under the Retirement System as determined by the periodic investigation and valuation required by said Retirement Law.
- 17. Contributions required of Public Agency and its employees shall be paid by Public Agency to the Retirement System within fifteen days after the end of the period to which said contributions refer or as may be prescribed by Board regulation. If more or less than the correct amount of contributions is paid for any period, proper adjustment shall be made in connection with subsequent remittances. Adjustments on account of errors in contributions required of any employee may be made by direct payments between the employee and the Board.

B. This amendment shall be effective on the _____ day of _____, _____.

BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BOARD OF DIRECTORS
OCEANO COMMUNITY SERVICES DISTRICT

BY _____
MELODY BENAVIDES, CHIEF
PENSION CONTRACTS AND PREFUNDING
PROGRAMS DIVISION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY _____
PRESIDING OFFICER

PLEASE DO NOT SIGN "EXHIBIT ONLY"

PLEASE DO NOT SIGN "EXHIBIT ONLY"

Witness Date

Attest:

Clerk

**FINAL TERMINATION
ACTUARIAL VALUATION
With Frozen Annual Compensation**

**September 30, 2025
for the
Safety Fire Plan
of
Oceano Community Services District
(EMPLOYER # 7544014130)**



CalPERS

California Public Employees' Retirement System

400 Q Street

Sacramento, CA 94229-2709

1-888-CalPERS (225-7377)

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- **ACTUARIAL CERTIFICATION**
- **SECTION 1 – PLAN SPECIFIC INFORMATION**
- **SECTION 2 – RISK POOL ACTUARIAL VALUATION INFORMATION**

Actuarial Certification

Section 1 of this final termination actuarial valuation of the Safety Fire Plan of Oceano Community Services District of the California Public Employees' Retirement System (CalPERS) was performed by CalPERS' staff actuaries as of September 30, 2025 in order to:

- set forth the termination liabilities and assets of this plan as of September 30, 2025; and
- establish the amount of assets owed CalPERS as of September 30, 2025.

Section 2 of this report was prepared by the Pool Actuary in order to:

- set forth the actuarial assets and funding liabilities of the Risk Pool to which this plan belonged, as of June 30, 2024; and
- set forth information (such as the risk pool's normal cost) to be used in determining the required employer contributions for plans participating in that risk pool.

Use of this report for other purposes may be inappropriate.

Section 1 of this report is based on the member and financial data as of June 30, 2024, and roll-forwarded to September 30, 2025 provided by various CalPERS databases and benefits under this contract with CalPERS. Section 2 of this report is based on the member and financial data as of June 30, 2024 provided by employers participating in the risk pool to which the plan belonged prior to termination which are contained in our records.

It is my opinion that the valuation has been performed in accordance with generally accepted actuarial principles, in accordance with standards of practice prescribed by the Actuarial Standards Board, and that the assumptions and methods are internally consistent and reasonable for this plan, as prescribed by the CalPERS Board of Administration according to provisions set forth in the California Public Employees' Retirement Law.



Eddie W. Lee, ASA, EA, FCA, MAAA
Senior Actuary, CalPERS

Section 1

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

**Plan Specific Information for
The Safety Fire Plan
of
Oceano Community Services District
(EMPLOYER # 7544014130)**

Purpose of the Report

Section 1 of this final termination actuarial valuation of the Safety Fire Plan of Oceano Community Services District of the California Public Employees’ Retirement System (CalPERS) was performed by CalPERS’ staff actuaries as of September 30, 2025 in order to:

- set forth the termination liabilities and assets of this plan as of September 30, 2025;
- establish the amount owed, if exist, to CalPERS as of September 30, 2025.

Use of this report for other purposes is inappropriate.

Numbers in exhibits may not add due to rounding.

Termination Liabilities and Assets

Based on our methods and assumptions, the employer owes CalPERS \$189,270 as of September 30, 2025.

This amount will be owed to CalPERS plus applicable interest to the date of settlement.

Funded Status of the Plan

Valuation Date	Termination Accrued Liability	Market Value of Assets	Unfunded Liability	Funded Status	Annual Covered Payroll	Investment Return Assumption
September 30, 2025	\$728,981	\$539,711	\$189,270	74.04%	\$0	4.90%

Actuarial Assumptions and Methods

Actuarial Assumptions - Assumptions used are those in effect and used for the June 30, 2024 public agency actuarial valuations, except for the following:

- The asset allocation adopted by the CalPERS Board of Administration for the Terminated Agency Pool is significantly different than the asset allocation shown in the actuarial valuations for ongoing plans. This difference leads to the lower investment return assumption described below.
- The discount rate (which is also the investment return assumption) used in the calculation of the termination liability is 4.90%.
- The rate of inflation assumption used in the calculation of the termination liability is 2.50%.

Methods - The overall method for determining termination assets and liabilities is as follows:

- Liability calculation date - Liabilities in this report generally reflect benefits effective on September 30, 2025, the contract termination effective date.
- Service, salaries, and benefit levels used in the calculation of the termination liabilities are as of September 30, 2025.
- The September 30, 2025 termination liabilities are increased by 5.0% to provide for expected future mortality improvements.
- The market value of assets used in the calculation is the plan's share of the pool's market value of assets as of June 30, 2024 (net of arrears contributions) rolled forward to September 30, 2025, reflecting actual contributions and benefit payments between June 30, 2024 and September 30, 2025. The investment return from July 1, 2024 to June 30, 2025 is 11.60%, and an assumed 1.66% investment return reduced by the estimated administrative expense after Fiscal Year 2024-25.
- The amount of assets owed CalPERS is the deficiency of market value of assets less adjusted termination liabilities.
- Investment return will be credited to the amount owed from Oceano Community Services District to CalPERS from September 30, 2025 to the date of settlement.

General Information:

Members Included in Valuation:	Termination Valuation as of September 30, 2025
Active Members	0
Transfers	0
Vested Terminations	6
Receiving Payments	<u>2</u>
Total	8

Market Value of Assets:

1. Plan's Share of Pool's Assets as of June 30, 2024:	\$490,083
2. Benefit Payments from July 1, 2024 to September 30, 2025:	\$18,970
3. Refunds from July 1, 2024 to September 30, 2025:	\$0
4. UAL Payment from July 1, 2024 to September 30, 2025:	\$3,656
5. Investment Return from July 1, 2024 to September 30, 2025:	\$64,942
6. Plan's Market Value of Assets as of September 30, 2025, (1)-(2)-(3)+(4)+(5):	\$539,711

Plan's Unfunded Termination Liability:

Active Participants	\$0
Transfer Participants	\$0
Separated Participants	\$290,516
Retired Participants	<u>\$403,752</u>
1. Total Plan Termination Liability as of September 30, 2025:	\$694,268
2. Plan's Share of Pool's Assets at Market Value as of September 30, 2025:	\$539,711
3. Plan Termination Liability with 5% Contingency Load, (1) x 1.05:	\$728,981
4. Plan's Unfunded Termination Liability as of September 30, 2025, (3)-(2):	\$189,270

Transferred Members

Distribution of Transfers to Other CalPERS Plans by Age and Service

Attained Age	Years of Service at Valuation Date						Total	Average Salary
	0-4	5-9	10-14	15-19	20-24	25+		
15-24	0	0	0	0	0	0	0	\$0
25-29	0	0	0	0	0	0	0	0
30-34	0	0	0	0	0	0	0	0
35-39	0	0	0	0	0	0	0	0
40-44	0	0	0	0	0	0	0	0
45-49	0	0	0	0	0	0	0	0
50-54	0	0	0	0	0	0	0	0
55-59	0	0	0	0	0	0	0	0
60-64	0	0	0	0	0	0	0	0
65 and Over	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	\$0

Terminated Members

Distribution of Terminated Participants with Funds on Deposit by Age and Service

Attained Age	Years of Service at Valuation Date						Total	Average Salary
	0-4	5-9	10-14	15-19	20-24	25+		
15-24	0	0	0	0	0	0	0	\$0
25-29	0	0	0	0	0	0	0	0
30-34	0	0	0	0	0	0	0	0
35-39	0	0	0	0	0	0	0	0
40-44	3	1	0	0	0	0	4	149,487
45-49	1	0	0	0	0	0	1	23,878
50-54	1	0	0	0	0	0	1	49,630
55-59	0	0	0	0	0	0	0	0
60-64	0	0	0	0	0	0	0	0
65 and Over	0	0	0	0	0	0	0	0
Total	5	1	0	0	0	0	6	\$111,909

Retired Members and Beneficiaries

Distribution of Retirees and Beneficiaries by Age and Retirement Type

Attained Age	Service Retirement	Non-Industrial Disability	Industrial Disability	Non-Industrial Death	Industrial Death	Death After Retirement	Total
Under 30	0	0	0	0	0	0	0
30-34	0	0	0	0	0	0	0
35-39	0	0	0	0	0	0	0
40-44	0	0	0	0	0	0	0
45-49	0	0	0	0	0	0	0
50-54	1	0	0	0	0	0	1
55-59	0	0	0	0	0	0	0
60-64	0	0	0	0	0	0	0
65-69	1	0	0	0	0	0	1
70-74	0	0	0	0	0	0	0
75-79	0	0	0	0	0	0	0
80-84	0	0	0	0	0	0	0
85 and Over	0	0	0	0	0	0	0
All Ages	2	0	0	0	0	0	2

Distribution of Total Annual Amounts for Retirees and Beneficiaries by Age and Retirement Type

Attained Age	Service Retirement	Non-Industrial Disability	Industrial Disability	Non-Industrial Death	Industrial Death	Death After Retirement	Average
Under 30	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30-34	0	0	0	0	0	0	0
35-39	0	0	0	0	0	0	0
40-44	0	0	0	0	0	0	0
45-49	0	0	0	0	0	0	0
50-54	9,399	0	0	0	0	0	9,399
55-59	0	0	0	0	0	0	0
60-64	0	0	0	0	0	0	0
65-69	9,475	0	0	0	0	0	9,475
70-74	0	0	0	0	0	0	0
75-79	0	0	0	0	0	0	0
80-84	0	0	0	0	0	0	0
85 and Over	0	0	0	0	0	0	0
All Ages	\$9,437	\$0	\$0	\$0	\$0	\$0	\$9,437

Section 2

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

**Section 2 may be found on the CalPERS website
(www.calpers.ca.gov) in the Forms and
Publications section**



Oceano Community Services District

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

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

Date: November 12, 2025

To: Board of Directors

From: Carey Casciola, Business and Accounting Manager

Subject: **Agenda Item #8(E): Review of the District's Budget Status as of September 30, 2025**

Recommendation

It is recommended that the Oceano Community Services District Board review and discuss the District's budget status as of September 30, 2025.

Discussion

The attached worksheets have been prepared for your review of the status of this year's budget, and they include the following:

- ✓ Current fiscal year adopted budget
- ✓ Current fiscal year actual revenues and expenditures as of September 30, 2025
- ✓ Current percentage of the adopted budget
- ✓ Estimated total on June 30, 2026

When reviewing the worksheets (Attachment A), items of significance can be identified and are listed by fund. The column showing the percentage of the FY 2025-26 budget utilized in the first quarter of the fiscal year helps illustrate the estimated revenues and costs at the end of the fiscal year.

Expenditures:

Several expenses are front-loaded and paid at the beginning of each fiscal year. The budget worksheets indicate that the District has spent more than 25% of the overall budget on these items. The worksheets also show that the year-end cost estimate is within budget.

The front-loaded expenses are as follows:

1. CalPERS Unfunded Accrued Liability (UAL) for the Public Employees' Pension Reform Act (Classic and PEPR) Miscellaneous Plan members
2. Permit, Fees & Licenses (SLO County Public Works Annual Encroachment Permit, Municode License, and the State Water Resource Control Board Permits)
3. Local Agency Formation Commission Expense (LAFCO)
4. Liability Insurance



Oceano Community Services District

Board of Directors Meeting

- 5. Membership Expense (California Special District Association and Cal Rural Water Association)
- 6. Boot Allowance Expense
- 7. Annual Software Maintenance

Other expenses appear to be running high in the Administration, Water, and Solid Waste funds, but are expected to level out during the fiscal year, including the following:

Administration Fund

- 1. Office Expense – The District was awarded a Rose Grant of \$2,390 to purchase and install a new server in the office to host the District’s documents and software.

Budget:	Expensed @ 9/30:	Estimate - Year End:	(Over)/Under:
\$8,530	\$6,919 (81%)	\$10,032	\$(1,502)

Water Fund

- 2. Maintenance: Structures/ Improvements—R Baker Pipeline and Utility Construction replaced a broken 6-inch valve on Paul Place, replaced two service lines with new meters on Wilmar, and installed an angle stop to a meter in the first quarter.

Budget:	Expensed @ 9/30:	Estimate - Year End:	(Over)/Under:
\$19,295	\$30,762(159%)	\$67,849	\$(48,554)

Solid Waste Fund

- 3. Trash Cans – The District installed two new trash cans through the [Adopt-A-Can Program](#). The Oceano Elementary School PTA sponsored a dual can on 19th St, and the Girl Scout Troop 45313 sponsored a dual can on Pier Ave.

Budget:	Expensed @ 9/30:	Estimate – Year End:	(Over)/ Under
\$2,000	\$10,857 (543%)	\$10,857	\$(8,857)

Revenues:

Certain revenues appear to be higher than budgeted in the Facilities, Water, and Garbage Funds for the first quarter. These revenues arise from the timing of the September 30th review and the contracts the District holds with the County of SLO and South County Sanitary Services (SCSS):

- 1. Facilities Utility Reimbursement – The new Sheriff Substation lease requires the District to schedule, coordinate, and pay the first \$17,000 of maintenance at the Substation. The District then submits reimbursement requests to the County. The revenue is offset by the expenditures.



2. Water Rate Revenue—Water Sales are tracking slightly over budget since two of the six billing periods were recorded in the first quarter, which included the warmer months of May—September. The revenue comparisons between the targeted and actual revenue are attached from 2022 to January 2025.
3. Landfill Saving Payment – each year, SCSS issues the District a landfill savings payment to recognize the capital improvement savings at the landfill by entering into the Franchise Agreement.

Other Agency Involvement

The County of San Luis Obispo and SCSS.

Other Financial Considerations

Last year, the District initiated proceedings through LAFCO to divest fire and emergency services and transfer responsibility to the County. LAFCO approved the District’s divestiture on January 14, 2025, and the final outstanding contract is the termination of the District’s CalPERS agreement for the Safety Plan related to the Oceano Fire Department. Based on the CalPERS termination report, costs are expected to be \$189,270 from General reserves.

In the Enterprise Funds, the District held a Prop 218 hearing for Wastewater and Water rate studies completed in 2025. It established a new five-year rate schedule to adequately fund capital Improvement projects, labor, and construction cost escalations. In the Solid Waste Fund, the District will collect franchisee fees of 10% instead of 5% from SCSS, per Resolution 2024-15, which will help the fund balance and reserves recover to match ongoing expenses. The District and neighboring agencies recently engaged an independent company, R3 Consultant Group, Inc., to review and confirm that SSCS correctly applied the calculations permitted under the new Rate Setting Manual. Beginning January 1, 2026, the solid waste rates will increase by 5.13%.

Results

Establishing good budget monitoring procedures helps ensure that the District’s costs are managed in a financially prudent manner and promotes community engagement with the current FY 2025-26 budget.

Attachments: Attachment #1 - Budget Worksheets
Attachment #2 – Water Revenues
Attachment #3- FY 2025-26 Budget Adjustments

FY 2025-2026 OCSD q1 BUDGET Review



BUDGET SUMMARY





GENERAL FUND





**OCEANO COMMUNITY SERVICES DISTRICT
GENERAL FUND
SUMMARY**

ACCOUNT NO.	GENERAL FUND (GF)	2025/26 FINAL BUDGET	2025/26		2025/26 CURRENT BUDGET	ACTUAL AT 9/30/2025	ESTIMATED FY 2025/26	2025/26 EST. BUDGET VARIANCE	
			ADOPTED BUDGET	APPROVED ADJUSTMENTS					
SOURCES OF FUNDS									
Fire		\$0	\$0	\$0	\$0	\$0	0%	\$0	\$0
Lighting		\$0	\$0	\$0	\$0	\$0	0%	\$0	\$0
Parks & Recreation		\$0	\$0	\$0	\$0	\$0	0%	\$0	\$0
Facilities		\$14,200	\$14,200	\$0	\$14,200	\$11,324	80%	\$29,000	\$14,800
Admin		\$1,584,921	\$1,584,921	\$0	\$1,584,921	\$469,119	30%	\$1,373,237	\$217,283
Total Sources of Funds		\$1,599,121	\$1,599,121	\$0	\$1,599,121	\$480,443	30%	\$1,402,237	\$232,083
USES OF FUNDS									
Fire		\$0	\$0	\$0	\$0	\$0	0%	\$0	\$0
Lighting		\$56,838	\$56,838	\$0	\$56,838	\$12,526	22%	\$46,998	\$9,840
Parks & Recreation		\$16,489	\$16,489	\$0	\$16,489	\$4,082	25%	\$11,330	\$5,159
Facilities		\$31,321	\$31,321	\$0	\$31,321	\$18,760	60%	\$42,213	(\$10,892)
Admin		\$1,521,403	\$1,521,403	\$0	\$1,521,403	\$413,250	27%	\$1,306,919	\$214,484
Total Expenditures		\$1,626,051	\$1,626,051	\$0	\$1,626,051	\$448,618	28%	\$1,407,460	\$218,590
OPERATING SURPLUS/(DEFICIT)									
Fire		\$0	\$0	\$0	\$0	\$0		\$0	\$0
Lighting		(\$56,838)	(\$56,838)	\$0	(\$56,838)	(\$12,526)		(\$46,998)	(\$9,840)
Parks & Recreation		(\$16,489)	(\$16,489)	\$0	(\$16,489)	(\$4,082)		(\$11,330)	(\$5,159)
Facilities		(\$17,121)	(\$17,121)	\$0	(\$17,121)	(\$7,436)		(\$13,213)	\$25,692
Admin		\$63,518	\$63,518	\$0	\$63,518	\$55,868		\$66,317	\$2,799
OPERATING SURPLUS/(DEFICIT)		(\$26,930)	(\$26,929)	\$0	(\$26,930)	\$31,825		(\$5,224)	\$13,492
TRANSFERS & ENCUMBRANCES									
Transfers In		39,000	39,000		39,000			39,000	0
(Transfers Out)		0	0		0			0	0
Encumbrances - Sources of Funding		0	0		0			0	0
Encumbrances - (Designated Funds)		(3,846)	(3,846)		(3,846)			(3,846)	0
NET TRANSFERS & ENCUMBRANCES		\$35,154	\$35,154	\$0	\$35,154	\$0		\$35,154	\$0



ADMINISTRATIVE BUDGET





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

ACCOUNT NO.	GENERAL FUND (GF) ADMINISTRATIVE DEPARTMENT - 01	2025/26 FINAL BUDGET	2025/26		2025/26 CURRENT BUDGET	ACTUAL AT 9/30/2025		ESTIMATED FY 2025/26	2025/26 EST. BUDGET VARIANCE
			ADOPTED BUDGET	APPROVED ADJUSTMENTS					
SOURCES OF FUNDS									
	Revenues	\$63,518	\$63,518	\$0	\$63,518	\$55,868	88%	\$66,317	\$2,799
	Other Sources of Funds	\$1,521,403	\$1,521,403	\$0	\$1,521,403	\$413,250	27%	\$1,306,919	\$214,484
	Total Sources of Funds	\$1,584,921	\$1,584,921	\$0	\$1,584,921	\$469,119	30%	\$1,373,237	\$217,283
USES OF FUNDS									
PERSONNEL SERVICES									
	Salaries & Wages	\$515,500	\$515,500	\$0	\$515,500	\$111,415	22%	\$445,661	\$69,839
	Benefits	\$219,800	\$219,800	\$0	\$219,800	\$72,056	33%	\$212,082	\$7,718
	Personnel Services	\$735,300	\$735,300	\$0	\$735,300	\$183,472	25%	\$657,744	\$77,556
	Services & Supplies	\$484,853	\$484,853	\$0	\$484,853	\$149,746	31%	\$400,254	\$84,599
	Operating Crew Benefits Allocation	\$301,250	\$301,250	\$0	\$301,250	\$80,032	27%	\$248,921	\$52,329
	Administrative Cost	\$0	\$0	\$0	\$0	\$0	0%	\$0	\$0
	Total Expenditures	\$1,521,403	\$1,521,403	\$0	\$1,521,403	\$413,250	27%	\$1,306,919	\$214,484
	OPERATING SURPLUS/(DEFICIT)	\$63,518	\$63,518	\$0	\$63,518	\$55,868		\$66,317	\$2,799
	TRANSFERS & ENCUMBRANCES								
	Transfers In - From Facilities Fund	0	0	0	0	0		0	0
	(Transfers Out) - Fire, Lighting, Parks & Rec (Property Taxes)	(73,327)	(73,327)	0	(73,327)	(16,926)		(64,232)	(9,632)
	Encumbrances - Sources of Funding	0	0	0	0	0		0	0
	Encumbrances - (Designated Funds)	(3,846)	(3,846)	0	(3,846)	0		(3,846)	0
	NET TRANSFERS & ENCUMBRANCES	(\$77,173)	(\$77,173)	\$0	(\$77,173)	(\$16,926)		(\$68,078)	(\$9,632)



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

ACCOUNT NO.	GENERAL FUND (GF) ADMINISTRATIVE DEPARTMENT - 01	FINAL BUDGET 2025/26	2025/26		2025/26 CURRENT BUDGET	ACTUAL AT 9/30/2025	25%	ESTIMATED FY 2025/26	2025/26 EST. BUDGET VARIANCE
			ADOPTED BUDGET	APPROVED ADJUSTMENTS					
SOURCES OF FUNDS									
REVENUES									
01-4-3100-000	Property Taxes: Current Year - Secured	56,135	56,135		56,135	48,529	86%	56,135	0
01-4-3101-000	Property Taxes: Current Year - Unsecured	0	0		0	357		357	357
01-4-3105-000	Penalties & Interest	0	0		0	52		52	52
01-4-3300-000	Interest Income	7,383	7,383		7,383	4,541	62%	7,383	0
01-4-3900-012	Grant Revenue - Rose Grant	0	0		0	2,390		2,390	2,390
Total Revenues		\$63,518	\$63,518	\$0	\$63,518	\$55,868	88%	\$66,317	\$2,799
OTHER SOURCES OF FUNDS									
01-54100-376	Allocated Administrative Overhead	1,220,153	1,220,153		1,220,153	333,218	27%	1,057,998	162,155
01-54100-376	Allocated Operating Crew Overhead	301,250	301,250		301,250	80,032	27%	248,921	52,329
Total Other Sources of Funds		\$1,521,403	\$1,521,403	\$0	\$1,521,403	\$413,250	27%	\$1,306,919	\$214,484
Total Sources of Funds		\$1,584,921	\$1,584,921	\$0	\$1,584,921	\$469,119	30%	\$1,373,237	\$217,283
USES OF FUNDS									
PERSONNEL SERVICES									
SALARIES & WAGES									
01-5-4100-010	Salary & Wages	507,000	507,000		507,000	111,415	22%	445,661	61,339
01-5-4100-020	Overtime	8,500	8,500		8,500	0	0%	0	8,500
Total Salaries & Wages		\$515,500	\$515,500	\$0	\$515,500	\$111,415	22%	\$445,661	\$69,839
BENEFITS									
01-5-4100-061	PERS Contribution	68,000	68,000		68,000	18,470	27%	73,878	(5,878)
01-5-4100-062	PERS UAL Payment	31,460	31,460		31,460	31,460	100%	31,460	0
01-5-4100-070	SUI	2,285	2,285		2,285	0	0%	0	2,285
01-5-4100-071	Medicare	8,295	8,295		8,295	2,382	29%	9,528	(1,233)
01-5-4100-072	FICA	2,870	2,870		2,870	593	21%	2,372	498
01-5-4100-075	Compensation Insurance	5,790	5,790		5,790	1,653	29%	6,611	(821)
01-5-4100-090	Insurance	99,600	99,600		99,600	17,124	17%	86,734	12,866
01-5-4100-097	Cell Phone Allowance	1,500	1,500		1,500	375	25%	1,500	0
Total Benefits		\$219,800	\$219,800	\$0	\$219,800	\$72,056	33%	\$212,082	\$7,718
Total Personnel Services		\$735,300	\$735,300	\$0	\$735,300	\$183,472	25%	\$657,744	\$77,556
SERVICES & SUPPLIES									
01-5-4100-110	Communications	11,800	11,800		11,800	2,359	20%	9,434	2,366
01-5-4100-150	Insurance	48,000	48,000		48,000	36,998	77%	48,000	0
01-5-4100-170	Maintenance: Equipment	3,962	3,962		3,962	0	0%	0	3,962
01-5-4100-173	Maint: Structures/ Improvements	14,050	14,050		14,050	1,145	8%	4,580	9,470
01-5-4100-180	Memberships	9,900	9,900		9,900	2,988	30%	9,900	0
01-5-4100-193	Bank Fees	6,450	6,450		6,450	1,499	23%	5,997	453
01-5-4100-200	Office Expense	8,530	8,530		8,530	6,919	81%	10,032	(1,502)
01-5-4100-202	Office Lease	119,051	119,051		119,051	29,359	25%	119,051	0
01-5-4100-205	Outside UB Mail Service	1,000	1,000		1,000	0	0%	0	1,000
01-5-4100-210	Postage	2,680	2,680		2,680	0	0%	0	2,680
01-5-4100-218	Audit	28,080	28,080		28,080	0	0%	28,080	0
01-5-4100-220	Professional Services	38,750	38,750		38,750	10,492	27%	41,966	(3,216)
01-5-4100-221	Information Technology	5,000	5,000		5,000	0	0%	0	5,000
01-5-4100-223	Legal Services	88,400	88,400		88,400	13,623	15%	54,490	33,910
01-5-4100-225	Board Stipends	9,400	9,400		9,400	400	4%	1,600	7,800
01-5-4100-226	Annual Software Maintenance	27,820	27,820		27,820	20,560	74%	27,820	0
01-5-4100-230	Required Legal Notice	1,250	1,250		1,250	0	0%	0	1,250
01-5-4100-235	Books/ Journals/ Subscriptions/ Software	5,200	5,200		5,200	0	0%	0	5,200
01-5-4100-247	LAFCO Annual Charge	14,050	14,050		14,050	15,803	112%	15,803	(1,753)
01-5-4100-248	Permits, Fees, Licenses	6,760	6,760		6,760	2,935	43%	6,760	0
01-5-4100-280	Private Vehicle/ Mileage Expense	1,100	1,100		1,100	738	67%	2,951	(1,851)
01-5-4100-283	Job Advertising Expense	1,250	1,250		1,250	795	64%	1,250	0
01-5-4100-285	Classes/ Seminars/ Training Fee	15,050	15,050		15,050	577	4%	2,306	12,744
01-5-4100-286	Board Member Travel	2,290	2,290		2,290	0	0%	0	2,290
01-5-4100-290	Utilities	13,520	13,520		13,520	2,559	19%	10,234	3,286
01-5-4100-297	Pass-thru: Delinquent Garbage/ Tax Roll	1,510	1,510		1,510	0	0%	0	1,510
Total Services & Supplies		\$484,853	\$484,853	\$0	\$484,853	\$149,746	31%	\$400,254	\$84,599
Operating Crew Benefits & Direct Labor Cost Allocations									
01-5-4100-600	Leave time	76,050	76,050		76,050	33,097	44%	65,679	10,371
01-5-4100-605	Salaries & Wages (Admin)	3,000	3,000		3,000	595	20%	2,380	620
01-5-4100-601	PERS Contribution	48,000	48,000		48,000	6,183	13%	24,731	23,269
01-5-4100-602	Medicare	7,050	7,050		7,050	1,029	15%	4,115	2,935
01-5-4100-606	P/R Fed & State Taxes	4,680	4,680		4,680	0	0%	0	4,680
01-5-4100-607	SUI	2,170	2,170		2,170	0	0%	0	2,170
01-5-4100-603	Insurance	128,400	128,400		128,400	30,737	24%	122,950	5,450
01-5-4100-080	Boot Allowance	1,500	1,500		1,500	1,500	100%	1,500	0
01-5-4100-100	Clothing	8,500	8,500		8,500	1,612	19%	6,448	2,052
01-5-4100-604	Standby	21,900	21,900		21,900	5,280	24%	21,120	780
Total Operating Crew Benefits		\$301,250	\$301,250	\$0	\$301,250	\$80,032	27%	\$248,921	\$52,329
Total Expenditures		\$1,521,403	\$1,521,403	\$0	\$1,521,403	\$413,250	27%	\$1,306,919	\$214,484
OPERATING SURPLUS/(DEFICIT)		\$63,518	\$63,518	\$0	\$63,518	\$55,868		\$66,317	\$2,799
TRANSFERS & ENCUMBRANCES									
Transfers In		0	0		0	0		0	0
(Transfers Out) - Lighting, Parks & Rec (Property Taxes)		(73,327)	(73,327)		(73,327)	(16,926)		(63,695)	(9,632)
Encumbrances - Sources of Funding		0	0		0	0		0	0
Encumbrances - (Designated Funds)		(3,846)	(3,846)		(3,846)	0		(3,846)	0
NET TRANSFERS & ENCUMBRANCES		(\$77,173)	(\$77,173)	\$0	(\$77,173)	(\$16,926)		(\$67,541)	(\$9,632)



LIGHTING BUDGET



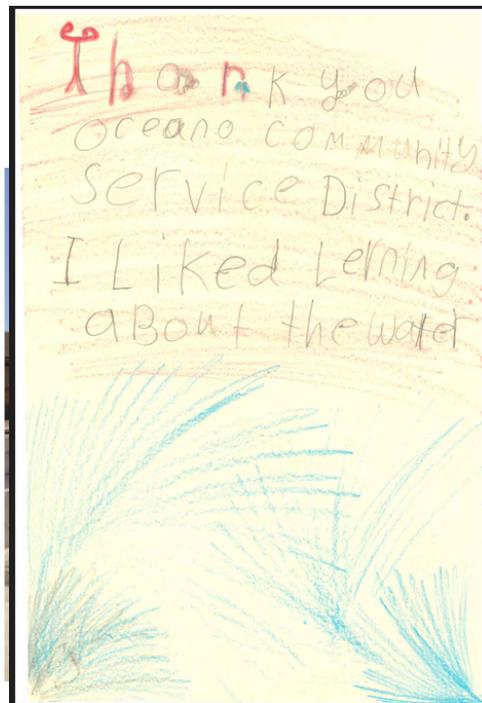


OCEANO COMMUNITY SERVICES DISTRICT FUND LEVEL ANALYSIS LIGHTING - GENERAL FUND - 01									
ACCOUNT NO.	GENERAL FUND (GF) LIGHTING - 01	2025/26 ADOPTED BUDGET	2025/26		2025/26 CURRENT BUDGET	ACTUAL AT 9/30/2025	ESTIMATED FY 2025/26	2025/26 EST. BUDGET VARIANCE	
			ADOPTED BUDGET	APPROVED ADJUSTMENTS					
SOURCES OF FUNDS									
	Revenues	\$0	\$0	\$0	\$0	\$0	0%	\$0	\$0
	Other Sources of Funds	\$0	\$0	\$0	\$0	\$0	0%	\$0	\$0
	Total Sources of Funds	\$0	\$0	\$0	\$0	\$0	0%	\$0	\$0
USES OF FUNDS									
PERSONNEL SERVICES									
	Salaries & Wages	\$2,050	\$2,050	\$0	\$2,050	\$0	0%	\$0	\$2,050
	Benefits	\$1,506	\$1,506	\$0	\$1,506	\$400	27%	\$1,245	\$262
	Personnel Services	\$3,556	\$3,556	\$0	\$3,556	\$400	11%	\$1,245	\$2,312
	Services & Supplies	\$41,080	\$41,080	\$0	\$41,080	\$8,793	21%	\$35,173	\$5,907
	Capital Outlay	\$0	\$0	\$0	\$0	\$0	0%	\$0	\$0
	Administrative Cost	\$12,202	\$12,202	\$0	\$12,202	\$3,332	27%	\$10,580	\$1,622
	Total Expenditures	\$56,838	\$56,838	\$0	\$56,838	\$12,526	22%	\$46,998	\$9,840
OPERATING SURPLUS/(DEFICIT)		(\$56,838)	(\$56,838)	\$0	(\$56,838)	(\$12,526)		(\$46,998)	\$9,840
TRANSFERS & ENCUMBRANCES									
	Transfers In - From General Fund	56,838	56,838	0	56,838	12,639		47,743	(9,095)
	(Transfers Out)	0	0	0	0	0		0	0
	Encumbrances - Sources of Funding	0	0	0	0	0		0	0
	Encumbrances - (Designated Funds)	0	0	0	0	0		0	0
	NET TRANSFERS & ENCUMBRANCES	\$56,838	\$56,838	\$0	\$56,838	\$12,639		\$47,743	(\$9,095)

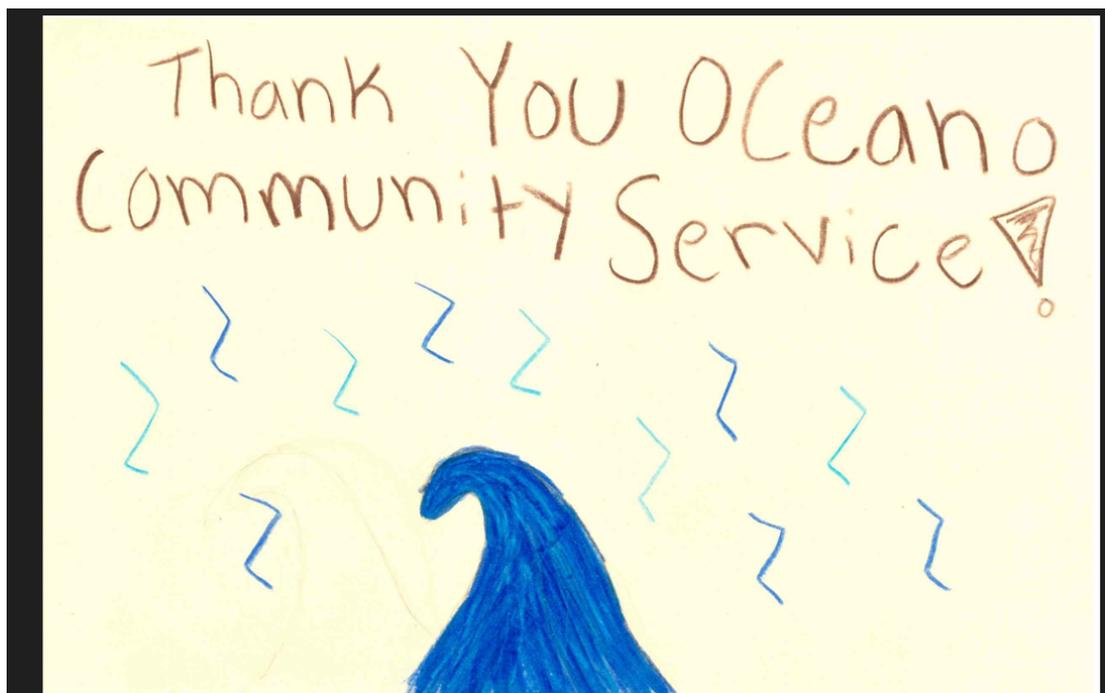


**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
LIGHTING - GENERAL FUND - FUND 01**

ACCOUNT NO.	GENERAL FUND (GF) LIGHTING - 01	FINAL BUDGET FY 2025/26	2025/26		2025/26 CURRENT BUDGET	ACTUAL AT 9/30/2025		ESTIMATED FY 2025/26	2025/26 EST. BUDGET VARIANCE
			ADOPTED BUDGET	APPROVED ADJUSTMENTS		25%			
SOURCES OF FUNDS									
REVENUES									
Total Revenues		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OTHER SOURCES OF FUNDS									
Total Other Sources of Funds		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Sources of Funds		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
USES OF FUNDS									
PERSONNEL SERVICES									
SALARIES & WAGES									
01-5-4195-010	Salaries & Wages	2,050	2,050		2,050	0	0%	0	2,050
Total Salaries & Wages		\$2,050	\$2,050	\$0	\$2,050	\$0	0%	\$0	\$2,050
BENEFITS									
Operating Crew Benefits Allocation		1,506	1,506	0	1,506	400	27%	1,245	262
Total Benefits		\$1,506	\$1,506	\$0	\$1,506	\$400	27%	\$1,245	\$262
Total Personnel Services		\$3,556	\$3,556	\$0	\$3,556	\$400	11%	\$1,245	\$2,312
SERVICES & SUPPLIES									
01-5-4195-175	Operating Supplies	2,600	2,600		2,600	0	0%	0	2,600
01-5-4195-295	Street Lighting	38,480	38,480		38,480	8,793	23%	35,173	3,307
Total Services & Supplies		\$41,080	\$41,080	\$0	\$41,080	\$8,793	21%	\$35,173	\$5,907
CAPITAL OUTLAY									
Total Capital Outlay		\$0	\$0	\$0	\$0	\$0		\$0	\$0
ADMINISTRATIVE COST ALLOCATION									
01-5-4195-376	Administrative Cost Allocation	12,202	12,202		12,202	3,332	27%	10,580	1,622
Total Administrative Cost Allocation		\$12,202	\$12,202	\$0	\$12,202	\$3,332	27%	\$10,580	\$1,622
Total Expenditures		\$56,838	\$56,838	\$0	\$56,838	\$12,526	22%	\$46,998	\$9,840
OPERATING SURPLUS/(DEFICIT)		(\$56,838)	(\$56,838)	\$0	(\$56,838)	(\$12,526)		(\$46,998)	\$9,840
TRANSFERS & ENCUMBRANCES									
Transfers In - Property Taxes		56,838	56,838		56,838	12,639		47,743	(9,095)
[Transfers Out]		0	0		0	0		0	0
Encumbrances - Sources of Funding		0	0		0	0		0	0
Encumbrances - (Designated)		0	0		0	0		0	0
NET TRANSFERS & ENCUMBRANCES		\$56,838	\$56,838	\$0	\$56,838	\$12,639		\$47,743	(\$9,095)



PARKS & RECREATION BUDGET





OCEANO COMMUNITY SERVICES DISTRICT FUND LEVEL ANALYSIS PARKS & RECREATION - GENERAL FUND - 01										
ACCOUNT NO.	GENERAL FUND (GF) PARKS AND RECREATION DEPARTMENT - 01	FINAL BUDGET FY 2025/26	2025/26		2025/26 CURRENT BUDGET	ACTUAL AT 9/30/2025		ESTIMATED FY 2025/26	2025/26	
			ADOPTED BUDGET	APPROVED ADJUSTMENTS		25%			EST. BUDGET	VARIANCE
SOURCES OF FUNDS										
	Revenues	\$0	\$0	\$0	\$0	\$0	0%	\$0	\$0	\$0
	Other Sources of Funds	\$0	\$0	\$0	\$0	\$0	0%	\$0	\$0	\$0
	Total Sources of Funds	\$0	\$0	\$0	\$0	\$0	0%	\$0	\$0	\$0
USES OF FUNDS										
	Salaries & Wages	\$0	\$0	\$0	\$0	\$0	0%	\$0	\$0	\$0
	Benefits	\$0	\$0	\$0	\$0	\$0	0%	\$0	\$0	\$0
	Personnel Services	\$0	\$0	\$0	\$0	\$0	0%	\$0	\$0	\$0
	Services & Supplies	\$4,287	\$4,287	\$0	\$4,287	\$750	17%	\$750	\$3,537	\$3,537
	Capital Overlay	\$0	\$0	\$0	\$0	\$0	0%	\$0	\$0	\$0
	Administrative Cost Allocation	\$12,202	\$12,202	\$0	\$12,202	\$3,332	27%	\$10,580	\$1,622	\$1,622
	Total Expenditures	\$16,489	\$16,489	\$0	\$16,489	\$4,082	25%	\$11,330	\$5,159	\$5,159
	OPERATING SURPLUS/(DEFICIT)	(\$16,489)	(\$16,489)	\$0	(\$16,489)	(\$4,082)		(\$11,330)	\$5,159	\$5,159
TRANSFERS & ENCUMBRANCES										
	Transfers In - Property Taxes	20,335	20,335	0	20,335	4,287		20,335	(4,383)	(4,383)
	(Transfers Out)	0	0	0	0	0		0	0	0
	Encumbrances - Sources of Funding	0	0	0	0	0		0	0	0
	Encumbrances - (Designated Funds)	(3,846)	(3,846)	0	(3,846)	0		(3,846)	0	0
	NET TRANSFERS & ENCUMBRANCES	\$16,489	\$16,489	\$0	\$16,489	\$4,287		\$16,489	(\$4,383)	(\$4,383)



OCEANO COMMUNITY SERVICES DISTRICT
 FUND LEVEL ANALYSIS
 PARKS & RECREATION - GENERAL FUND - FUND 01

ACCOUNT NO.	GENERAL FUND (GF) PARKS & RECREATION - 01	FINAL BUDGET FY 2025/26	2025/26 ADOPTED BUDGET	2025/26 APPROVED ADJUSTMENTS	2025/26 CURRENT BUDGET	ACTUAL AT 9/30/2025	ESTIMATED FY 2025/26	2025/2026 EST. BUDGET VARIANCE
SOURCES OF FUNDS								
REVENUES								
Total Revenues		\$0	\$0	\$0	\$0	\$0	\$0	\$0
OTHER SOURCES OF FUNDS								
Total Other Sources of Funds		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Sources of Funds		\$0	\$0	\$0	\$0	\$0	\$0	\$0
USES OF FUNDS								
PERSONNEL SERVICES								
SALARIES & WAGES								
01-5-4850-010	Salaries & Wages	0	0	0	0	0	0	0
Total Salaries & Wages		\$0	\$0	\$0	\$0	\$0	\$0	\$0
BENEFITS								
01-5-4850-377	Operating Crew Benefits Allocation	0	0	0	0	0	0	0
Total Benefits		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Personnel Services		\$0	\$0	\$0	\$0	\$0	\$0	\$0
SERVICES & SUPPLIES								
Oceano Parks & Recreation		4,287	4,287	4,287	4,287	750 17%	750	3,537
Total Services & Supplies		\$4,287	\$4,287	\$0	\$4,287	\$750 17%	\$750	\$3,537
CAPITAL OUTLAY								
Total Capital Outlay		\$0	\$0	\$0	\$0	\$0	\$0	\$0
ADMINISTRATIVE COST ALLOCATION								
01-5-4850-376	Administrative Cost Allocation	12,202	12,202	12,202	12,202	3,332 27%	10,580	1,622
Total Administrative Cost Allocation		\$12,202	\$12,202	\$0	\$12,202	\$3,332 27%	\$10,580	\$1,622
Total Expenditures		\$16,489	\$16,489	\$0	\$16,489	\$4,082 25%	\$11,330	\$5,159
OPERATING SURPLUS/(DEFICIT)		(\$16,489)	(\$16,489)	\$0	(\$16,489)	(\$4,082)	(\$11,330)	\$5,159
TRANSFERS & ENCUMBRANCES								
Transfers In - Property Taxes		20,335	20,335	20,335	20,335	4,287	15,952	(4,383)
(Transfers Out)		0	0	0	0	0	0	0
Encumbrances - Sources of Funding		0	0	0	0	0	0	0
Encumbrances - (Designated)		(3,846)	(3,846)	(3,846)	(3,846)	0	(3,846)	0
NET TRANSFERS & ENCUMBRANCES		\$16,489	\$16,489	\$0	\$16,489	\$4,287	\$12,106	(\$4,383)



FACILITIES FUND





OCEANO COMMUNITY SERVICES DISTRICT									
FUND LEVEL ANALYSIS									
FACILITIES - FUND 10									
ACCOUNT NO.	GENERAL FUND (GF) FACILITIES - 10	FINAL BUDGET FY 2025/26	2025/26		2025/26 CURRENT BUDGET	ACTUAL AT 9/30/2025		ESTIMATED FY 2025/26	2025/26 EST. BUDGET VARIANCE
			ADOPTED BUDGET	APPROVED ADJUSTMENTS					
SOURCES OF FUNDS									
	Revenues	\$14,200	\$14,200	\$0	\$14,200	\$11,324	80%	\$29,000	\$14,800
	Other Sources of Funds	\$0	\$0	\$0	\$0	\$0	0%	\$0	\$0
	Total Sources of Funds	\$14,200	\$14,200	\$0	\$14,200	\$11,324	80%	\$29,000	\$14,800
USES OF FUNDS									
	Salaries & Wages	\$4,500	\$4,500	\$0	\$4,500	\$1,276	28%	\$5,102	(\$602)
	Benefits	\$4,519	\$4,519	\$0	\$4,519	\$1,200	27%	\$3,734	\$785
	Personnel Services	\$9,019	\$9,019	\$0	\$9,019	\$2,476	27%	\$8,836	\$183
	Services & Supplies	\$4,000	\$4,000	\$0	\$4,000	\$11,286	282%	\$17,507	(\$13,507)
	Capital Outlay	\$0	\$0	\$0	\$0	\$0	0%	\$0	\$0
	Administrative Cost	\$18,302	\$18,302	\$0	\$18,302	\$4,998	27%	\$15,870	\$2,432
	Total Expenditures	\$31,321	\$31,321	\$0	\$31,321	\$18,760	60%	\$42,213	(\$10,892)
	OPERATING SURPLUS/(DEFICIT)	(\$17,121)	(\$17,121)	\$0	(\$17,121)	(\$7,436)		(\$13,213)	\$3,908
TRANSFERS & ENCUMBRANCES									
	Transfers In - From Water Fund	39,000	39,000	0	39,000	0		39,000	0
	(Transfers Out)	0	0	0	0	0		0	0
	Encumbrances - Sources of Funding	0	0	0	0	0		0	0
	Encumbrances - (Designated Funds)	0	0	0	0	0		0	0
	NET TRANSFERS & ENCUMBRANCES	\$39,000	\$39,000	\$0	\$39,000	\$0		\$39,000	\$0



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

ACCOUNT NO.	GENERAL FUND (GF) FACILITIES - 10	FINAL BUDGET FY 2025/26	2025/26		2025/26 CURRENT BUDGET	ACTUAL AT 9/30/2025	25%	ESTIMATED FY 2025/26	2025/26 EST. BUDGET VARIANCE
			ADOPTED BUDGET	APPROVED ADJUSTMENTS					
SOURCES OF FUNDS									
REVENUES									
10-4-3257-000	Utility Reimbursement	2,200	2,200		2,200	8,324	378%	17,000	14,800
10-4-3258-000	Old Fire Station Rent	12,000	12,000		12,000	3,000	25%	12,000	0
Total Revenues		\$14,200	\$14,200	\$0	\$14,200	\$11,324	80%	\$29,000	\$14,800
OTHER SOURCES OF FUNDS									
Total Other Sources of Funds		\$0	\$0	\$0	\$0	\$0		\$0	\$0
Total Sources of Funds		\$14,200	\$14,200	\$0	\$14,200	\$11,324	80%	\$29,000	\$14,800
USES OF FUNDS									
SALARIES & WAGES									
10-5-4300-010	Salary & Wages	4,500	4,500		4,500	1,276	28%	5,102	(602)
Total Salaries & Wages		\$4,500	\$4,500	\$0	\$4,500	\$1,276	28%	\$5,102	(\$602)
BENEFITS									
	Operating Crew Overhead	4,519	4,519		4,519	1,200	27%	3,734	785
Total Benefits		\$4,519	\$4,519	\$0	\$4,519	\$1,200	27%	\$3,734	\$785
Total Personnel Services		\$9,019	\$9,019	\$0	\$9,019	\$2,476	27%	\$8,836	\$183
SERVICES & SUPPLIES									
10-5-4300-163	Maint: Structure/ Improvements	3,000	3,000		3,000	11,159	372%	17,000	(14,000)
10-5-4300-173	So: Maint. Structures/ Improvements	1,000	1,000		1,000	127	13%	507	493
Total Services & Supplies		\$4,000	\$4,000	\$0	\$4,000	\$11,286	282%	\$17,507	(\$13,507)
CAPITAL OUTLAY									
Total Capital Outlay		-	-	\$0	\$0	\$0		\$0	\$0
ADMINISTRATIVE COST ALLOCATION									
10-5-4300-376	Admin Allocation	18,302	18,302		18,302	4,998	27%	15,870	2,432
Total Administrative Cost Allocation		\$18,302	\$18,302	\$0	\$18,302	\$4,998	27%	\$15,870	\$2,432
Total Expenditures		\$31,321	\$31,321	\$0	\$31,321	\$18,760	60%	\$42,213	(\$10,892)
OPERATING SURPLUS/(DEFICIT)		(\$17,121)	(\$17,121)	\$0	(\$17,121)	(\$7,436)		(\$13,213)	\$3,908
TRANSFERS & ENCUMBRANCES									
	Transfers In - From Water Fund	39,000	39,000		39,000	0		39,000	0
	(Transfers Out)	0	0		0	0		0	0
	Encumbrances - Sources of Funding	0	0		0	0		0	0
	Encumbrances - (Designated Funds)	0	0		0	0		0	0
NET TRANSFERS & ENCUMBRANCES		\$39,000	\$39,000	\$0	\$39,000	\$0		\$39,000	\$0



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

ACCOUNT NO.	ENTERPRISE FUNDS	FINAL BUDGET FY 2025/26	2025/26		2025/26 CURRENT BUDGET	ACTUAL AT 9/30/2025	ESTIMATED ACTUAL	2025/26 EST. BUDGET VARIANCE	
			ADOPTED BUDGET	APPROVED ADJUSTMENTS					
SOURCES OF FUNDS									
	Water Rate Revenue	\$3,819,985	\$3,819,985	\$0	\$3,819,985	\$1,335,650	35%	\$3,839,158	\$19,173
	Wastewater Rate Revenue	\$871,354	\$871,354	\$0	\$871,354	\$237,771	27%	\$870,354	(\$1,000)
	Solid Waste Franchisee Fee Revenue	\$129,819	\$129,819	\$0	\$129,819	\$46,848	36%	\$172,827	\$53,940
	Equipment (Funded by the three Enterprise Funds)	\$27,944	\$27,944	\$0	\$27,944	\$5,328	19%	\$9,239	(\$18,705)
	Total Sources of Funds	\$4,849,102	\$4,849,102	\$0	\$4,849,102	\$1,625,598	34%	\$4,891,578	\$53,409
USES OF FUNDS									
	Water	\$3,715,978	\$3,715,978	\$131,314	\$3,847,292	\$1,084,364	28%	\$3,597,585	\$249,707
	Wastewater	\$801,724	\$801,724	\$0	\$801,724	\$148,253	18%	\$599,145	\$202,579
	Solid Waste	\$136,996	\$136,996	\$0	\$136,996	\$37,479	61.2%	\$109,229	\$27,767
	Equipment	\$23,920	\$23,920	\$0	\$23,920	\$1,303	0%	\$5,214	\$18,706
	Total Expenditures	\$4,678,618	\$4,678,618	\$131,314	\$4,809,932	\$1,271,399	31%	\$4,311,173	\$498,759
OPERATING SURPLUS/(DEFICIT)									
	Water	\$104,007	\$104,007	(\$131,314)	(\$27,307)	\$251,286		\$241,573	(\$230,533)
	Wastewater	\$69,630	\$69,630	\$0	\$69,630	\$89,518		\$271,209	(\$203,579)
	Solid Waste	(\$7,177)	(\$7,177)	\$0	(\$7,177)	\$9,369		\$63,597	\$26,174
	Equipment	\$4,024	\$4,024	\$0	\$4,024	\$4,025		\$4,025	(\$37,411)
	OPERATING SURPLUS/(DEFICIT)	\$170,484	\$170,484	(\$131,314)	\$39,170	\$354,198		\$580,405	(\$445,350)
TRANSFERS & ENCUMBRANCES									
	Transfers In	0	0	0	0	0		0	0
	(Transfers Out)	(66,944)	(66,944)	0	(66,944)	(44,328)		(66,944)	0
	Encumbrances - Sources of Funding	600,000	600,000	0	600,000	0		600,000	0
	Encumbrances - (Designated Funds)	(1,072,409)	(1,072,409)	0	(1,072,409)	(286,428)		(1,072,409)	0
	NET TRANSFERS & ENCUMBRANCES	(\$539,353)	(\$539,353)	\$0	(\$539,353)	(\$330,757)		(\$539,353)	\$0



WATER FUND





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

ACCOUNT NO.	WATER FUND WATER DEPARTMENT - 02	FINAL BUDGET FY 2025/26	2025/26		2025/26 CURRENT BUDGET	ACTUAL AT 9/30/2025	ESTIMATED FY 2025/26	2025/26 EST. BUDGET VARIANCE	
			ADOPTED BUDGET	APPROVED ADJUSTMENTS					
SOURCES OF FUNDS									
	Revenues (Water Rate Revenue)	\$3,819,985	\$3,819,985	\$0	\$3,819,985	\$1,335,650	35%	\$3,839,158	\$19,173
	Other Sources of Funds	\$0	\$0	\$0	\$0	\$0	0%	\$0	\$0
	Total Sources of Funds	\$3,819,985	\$3,819,985	\$0	\$3,819,985	\$1,335,650	35%	\$3,839,158	\$19,173
USES OF FUNDS									
	Salaries & Wages	\$305,250	\$305,250	\$0	\$305,250	\$49,101	16%	\$196,404	\$108,846
	Benefits	\$200,700	\$200,700	\$0	\$200,700	\$53,534	27%	\$168,564	\$32,136
	Personnel Services	\$505,950	\$505,950	\$0	\$505,950	\$102,635	20%	\$364,969	\$140,981
	Services & Supplies	\$2,193,890	\$2,193,890	\$0	\$2,193,890	\$773,787	35%	\$2,182,458	\$11,432
	Capital Outlay	\$230,046	230,046	\$131,314	\$361,360	\$0	0%	\$361,360	\$0
	Debt Service	\$54,000	54,000	\$0	\$54,000	\$8,010	15%	\$54,000	\$0
	Administrative Cost	\$732,092	\$732,092	\$0	\$732,092	\$199,931	27%	\$634,799	\$97,293
	Total Expenditures	\$3,715,978	\$3,715,978	\$131,314	\$3,847,292	\$1,084,364	28%	\$3,597,585	\$249,707
	OPERATING SURPLUS/(DEFICIT)	\$104,007	\$104,007	(\$131,314)	(\$27,307)	\$251,286		\$241,573	\$268,880
	TRANSFERS & ENCUMBRANCES								
	Transfers In - From General & Solid Waste Funds	0	0	0	0	0		0	0
	(Transfers Out) - To General, Solid Waste, Equipment	(54,894)	(54,894)	0	(54,894)	(42,031)		(54,894)	0
	Encumbrances - Sources of Funding	600,000	600,000	0	600,000	0		600,000	0
	Encumbrances - (Designated Funds)	(893,715)	(893,715)	0	(893,715)	(253,141)		(893,715)	0
	NET TRANSFERS & ENCUMBRANCES	(\$348,609)	(\$348,609)	\$0	(\$348,609)	(\$295,172)		(\$348,609)	\$0



OCEANO COMMUNITY SERVICES DISTRICT
 FUND LEVEL ANALYSIS
 WATER FUND - 02

ACCOUNT NO.	WATER FUND WATER DEPARTMENT - 02	FINAL BUDGET FY 2025/26	2025/26		2025/26 CURRENT BUDGET	ACTUAL AT 9/30/2025	25%	ESTIMATED FY 2025/26	2025/26 EST. BUDGET VARIANCE
			ADOPTED BUDGET	APPROVED ADJUSTMENTS					
SOURCES OF FUNDS									
REVENUES									
02-4-3200-000	Water Rate Revenue - PROP 218	3,571,834	3,571,834		3,571,834	1,274,704	36%	3,571,834	0
02-4-3206-000	Front Footage Fees	24,480	24,480		24,480	0	0%	24,480	0
02-4-3207-000	Sales/ U/B Courtesy Notice	3,700	3,700		3,700	1,109	30%	4,435	735
02-4-3208-000	Delinquent U/B Acct Fees	65,000	65,000		65,000	12,457	19%	74,741	9,741
02-4-3209-000	Capacity Charges	40,704	40,704		40,704	0	0%	40,704	0
02-4-3210-000	Meter Fees	8,100	8,100		8,100	0	0%	8,100	0
02-4-3211-000	Lopez Connection Fees	6,000	6,000		6,000	0	0%	6,000	0
02-4-3212-000	New Account Setup Fee	4,500	4,500		4,500	1,650	37%	4,950	450
02-4-3217-297	Wheeling/Fire Protection	25,000	25,000		25,000	11,287	45%	33,862	8,862
02-4-3230-350	Reimbursement - New Development	11,150	11,150		11,150	0	0%	11,150	0
02-4-3255-000	Inspection Fees	300	300		300	0	0%	300	0
02-4-3300-000	Interest Income	54,217	54,217		54,217	33,346	62%	54,217	0
02-4-3224-000	Backflow Fees	5,000	5,000		5,000	1,096	22%	4,385	(615)
Total Revenues		\$3,819,985	\$3,819,985	\$0	\$3,819,985	\$1,335,650	35%	\$3,839,158	\$19,173
OTHER SOURCES OF FUNDS									
Total Other Sources of Funds		\$0	\$0	\$0	\$0	\$0		\$0	\$0
Total Sources of Funds		\$3,819,985	\$3,819,985	\$0	\$3,819,985	\$1,335,650	35%	\$3,839,158	\$19,173
USES OF FUNDS									
PERSONNEL SERVICES									
UTILITIES STAFF: SALARIES & WAGES									
02-5-4400-010	Salaries and Wages	265,000	265,000		265,000	44,916	17%	179,665	85,335
02-5-4400-020	Overtime	40,250	40,250		40,250	4,185	10%	16,739	23,511
Total Salaries & Wages		\$305,250	\$305,250	\$0	\$305,250	\$49,101	16%	\$196,404	\$108,846
UTILITIES STAFF: BENEFITS									
02-5-4400-075	Workers Compensation Insurance	7,900	7,900		7,900	2,314	29%	9,255	(1,355)
	Operating Crew Benefits Allocation	192,800	192,800		192,800	51,221	27%	159,310	33,490
Total Benefits		\$200,700	\$200,700	\$0	\$200,700	\$53,534	27%	\$168,564	\$32,136
Total Personnel Services		\$505,950	\$505,950	\$0	\$505,950	\$102,635	20%	\$364,969	\$140,981
SERVICES & SUPPLIES									
02-5-4400-110	Communications	3,120	3,120		3,120	600	19%	2,400	720
02-5-4400-163	Maint: Structures/ Improvements	19,295	19,295		19,295	30,762	159%	67,849	(48,554)
02-5-4400-164	Paving	5,410	5,410		5,410	0	0%	0	5,410
02-5-4400-170	Maintenance - Equipment	3,640	3,640		3,640	698	19%	2,793	847
02-5-4400-173	Maint: Shared Structures/ Improvements	10,400	10,400		10,400	0	0%	0	10,400
02-5-4400-175	System Parts/ Operating Supplies	19,590	19,590		19,590	7,413	38%	15,942	3,648
02-5-4400-176	Water Meters	50,000	50,000		50,000	1,463	3%	50,000	0
02-5-4400-177	Safety Expense	1,095	1,095		1,095	85	8%	341	754
02-5-4400-178	Chemicals	7,500	7,500		7,500	0	0%	0	7,500
02-5-4400-180	Membership	3,900	3,900		3,900	676	17%	2,705	1,195
02-5-4400-200	Office Expense	1,050	1,050		1,050	98	9%	393	657
02-5-4400-205	Outside UB Mail Service	10,815	10,815		10,815	2,680	25%	10,718	97
02-5-4400-220	Professional Services	42,640	42,640		42,640	7,962	19%	31,849	10,791
02-5-4400-221	Information Technology	600	600		600	0	0%	0	600
02-5-4400-222	Contracted Engineering	5,200	5,200		5,200	1,286	25%	5,144	56
02-5-4400-226	Engineering & Other Reimbursements	14,900	14,900		14,900	4,425	30%	17,700	(2,800)
02-5-4400-230	Legal Notices	1,040	1,040		1,040	1,258	121%	1,258	(218)
02-5-4400-241	Rents/ Leases - Equipment	1,450	1,450		1,450	0	0%	0	1,450
02-5-4400-248	Permits, Fees, Licenses	21,850	21,850		21,850	1,949	9%	21,850	0
02-5-4400-250	Small Tools and Instruments	1,200	1,200		1,200	0	0%	0	1,200
02-5-4400-285	Classes/ Seminars	3,200	3,200		3,200	100	3%	400	2,800
02-5-4400-261	Water Supply - Lopez	608,955	608,955		608,955	297,847	49%	608,955	0
02-5-4400-262	Water Supply - State Water	1,222,915	1,222,915		1,222,915	395,235	32%	1,222,915	0
02-5-4400-290	Utilities - Groundwater Pumping	36,400	36,400		36,400	9,301	26%	37,206	(806)
02-5-4400-297	Pass-Thru: Crest/Christie/AG	23,455	23,455		23,455	5,430	23%	21,720	1,735
02-5-4400-380	NCMA TG	60,320	60,320		60,320	4,519	7%	60,320	0
02-5-4400-387	Interest Expense - Interfund	2,500	2,500		2,500	0	0%	0	2,500
02-5-4400-499	Claim & Settlements	11,450	11,450		11,450	0	0%	0	11,450
Total Services & Supplies		\$2,193,890	\$2,193,890	\$0	\$2,193,890	\$773,787	35%	\$2,182,458	\$11,432
CAPITAL OUTLAY									
	Annual CIP Projects	230,046	230,046		230,046	0	0%	230,046	0
	Budget Adjustment Approved August 13, 2025 - Cannon CM Contract	0	0	11,314	11,314	0	0%	11,314	0
	Budget Adjustment Approved October 8, 2025 - Emergency Valves Railroad	0	0	120,000	120,000	0	0%	120,000	0
Total Capital Outlay		\$230,046	\$230,046	\$131,314	\$361,360	\$0	0%	\$361,360	\$0
DEBT SERVICE									
02-5-4400-310	CalPERS UAL Funding	54,000	54,000		54,000	8,010	15%	54,000	0
Total Debt Service		\$54,000	\$54,000	\$0	\$54,000	\$8,010	15%	\$54,000	\$0
ADMINISTRATIVE COST ALLOCATION									
02-5-4400-376	Administrative Cost Allocation	732,092	732,092		732,092	199,931	27%	634,799	97,293
Total Administrative Cost Allocation		\$732,092	\$732,092	\$0	\$732,092	\$199,931	27%	\$634,799	\$97,293
Total Expenditures		\$3,715,978	\$3,715,978	\$131,314	\$3,847,292	\$1,084,364	28%	\$3,597,585	\$249,707
OPERATING SURPLUS/(DEFICIT)		\$104,007	\$104,007	(\$131,314)	(\$27,307)	\$251,286		\$241,573	\$268,880
TRANSFERS & ENCUMBRANCES									
	Transfers In- From General & Solid Waste Fund	0	0		0	0		0	0
	(Transfers Out) - To General, Solid Waste, Equipment	(54,894)	(54,894)		(54,894)	(42,031)		(54,894)	0
	Encumbrances - Sources of Funding	600,000	600,000		600,000	0		600,000	0
	Encumbrances - (Designated Funds)	(893,715)	(893,715)		(893,715)	(253,141)		(893,715)	0
NET TRANSFERS & ENCUMBRANCES		(\$348,609)	(\$348,609)	\$0	(\$348,609)	(\$295,172)		(\$348,609)	\$0



Waste water FUND





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

ACCOUNT NO.	WASTEWATER FUND WASTEWATER DEPARTMENT - 03	FINAL BUDGET FY 2025/26	ADOPTED BUDGET	2025/26 APPROVED ADJUSTMENTS	2025/26 CURRENT BUDGET	ACTUAL AT 9/30/2025	2025/26 FINAL BUDGET	2025/26 EST. BUDGET VARIANCE	
SOURCES OF FUNDS									
	Revenues (Wastewater Rates)	\$871,354	\$871,354	\$0	\$871,354	\$237,771	27%	\$870,354	(\$1,000)
	Other Sources of Funds	\$0	\$0	\$0	\$0	\$0	0%	\$0	\$0
	Total Sources of Funds	\$871,354	\$871,354	\$0	\$871,354	\$237,771	27%	\$870,354	(\$1,000)
USES OF FUNDS									
PERSONNEL SERVICES									
	Salaries & Wages	\$118,840	\$118,840	\$0	\$118,840	\$11,719	10%	\$46,877	\$71,963
	Benefits	\$76,900	\$76,900	\$0	\$76,900	\$20,530	27%	\$65,030	\$11,870
	Personnel Services	\$195,740	\$195,740	\$0	\$195,740	\$32,249	37%	\$111,907	\$83,833
	Services & Supplies	\$86,360	\$86,360	\$0	\$86,360	\$3,704	4%	\$20,314	\$66,046
	Capital Outlay	\$20,000	\$20,000	\$0	\$20,000	\$0	0%	\$20,000	\$0
	Debt Service	\$103,074	\$103,074	\$0	\$103,074	\$4,005	4%	\$103,074	\$0
	Administrative Cost	\$396,550	\$396,550	\$0	\$396,550	\$108,296	27%	\$343,849	\$52,700
	Total Expenditures	\$801,724	\$801,724	\$0	\$801,724	\$148,253	18%	\$599,145	\$202,579
	OPERATING SURPLUS/(DEFICIT)	\$69,630	\$69,630	\$0	\$69,630	\$89,518		\$271,209	\$201,579
TRANSFERS & ENCUMBRANCES									
	Transfers In	0	0	0	0	0		0	0
	(Transfers Out) - To Equipment Fund	(11,090)	(11,090)	0	(11,090)	(2,115)		(11,090)	0
	Encumbrances - Sources of Funding	0	0	0	0	0		0	0
	Encumbrances - (Designated Funds)	(174,693)	(174,693)	0	(174,693)	(33,241)		(174,693)	0
	NET TRANSFERS & ENCUMBRANCES	(\$185,783)	(\$185,783)	\$0	(\$185,783)	(\$35,356)		(\$185,783)	\$0



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

ACCOUNT NO.	WASTEWATER FUND WASTEWATER DEPARTMENT - 03	2025/26 FINAL BUDGET	2025/26		2025/26 CURRENT BUDGET	ACTUAL AT 9/30/2025		ESTIMATED FY 2025/26	2025/26 EST. BUDGET VARIANCE
			ADOPTED BUDGET	APPROVED ADJUSTMENTS		25%	25%		
SOURCES OF FUNDS									
REVENUES									
03-4-3210-000	Wastewater Rate Revenue - PROP 218	810,548	810,548		810,548	204,907	25%	810,548	0
03-4-3211-000	Wastewater Connections	2,000	2,000		2,000	0	0%	2,000	0
03-4-3255-000	Inspection Fees	100	100		100	0	0%	100	0
03-4-3256-000	FOG Program	8,200	8,200		8,200	1,800	22%	7,200	(1,000)
03-4-3257-000	Interest Income	50,506	50,506		50,506	31,064	62%	50,506	0
	Total Revenues	\$871,354	\$871,354	\$0	\$871,354	\$237,771	27%	\$870,354	(\$1,000)
OTHER SOURCES OF FUNDS									
	Total Other Sources of Funds	\$0	\$0	\$0	\$0	\$0		\$0	\$0
	Total Sources of Funds	\$871,354	\$871,354	\$0	\$871,354	\$237,771	27%	\$870,354	(\$1,000)
USES OF FUNDS									
PERSONNEL SERVICES									
UTILITIES STAFF: SALARIES & WAGES									
03-5-4500-010	Salaries and Wages	101,575	101,575		101,575	9,919	10%	39,675	61,900
03-5-4500-020	Overtime	17,265	17,265		17,265	1,800	10%	59,742	12,559
	Total Salaries & Wages	\$118,840	\$118,840	\$0	\$118,840	\$11,719	10%	\$46,877	\$71,963
UTILITIES STAFF: BENEFITS									
03-5-4500-075	Workers Compensation Insurance	4,600	4,600		4,600	1,322	29%	5,289	(689)
	Operating Crew Benefits Allocation	72,300	72,300		72,300	19,208	27%	59,742	12,559
	Total Benefits	\$76,900	\$76,900	\$0	\$76,900	\$20,530	27%	\$65,030	\$11,870
	Total Personnel Services	\$195,740	\$195,740	\$0	\$195,740	\$32,249	16%	\$111,907	\$83,833
SERVICES & SUPPLIES									
03-5-4500-110	Communication	550	550		550	98	18%	390	160
03-5-4500-163	Maint: Sewer Structures/ Improvements	10,400	10,400		10,400	120	1%	480	9,920
03-5-4500-170	Maintenance: Equipment	5,000	5,000		5,000	0	0%	0	5,000
03-5-4500-171	Maintenance: Vehicles	3,745	3,745		3,745	0	0%	0	3,745
03-5-4500-172	Gas and Oil	3,640	3,640		3,640	0	0%	0	3,640
03-5-4500-173	Maint: Structures/ Improvements	7,655	7,655		7,655	0	0%	0	7,655
03-5-4500-175	System Parts/ Operating Supplies	8,570	8,570		8,570	35	0%	139	8,431
03-5-4500-177	Safety Expense	15,000	15,000		15,000	85	1%	341	14,659
03-5-4500-180	Memberships	475	475		475	151	32%	605	(130)
03-5-4500-200	Office Expense	555	555		555	0	0%	0	555
03-5-4500-205	Outside UB Mailing Expense	10,000	10,000		10,000	2,677	27%	10,706	(706)
03-5-4500-220	Professional Services	1,100	1,100		1,100	0	0%	0	1,100
03-5-4500-222	Contracted Engineering	3,000	3,000		3,000	130	4%	519	2,481
03-5-4500-241	Rents & Leases/ Equipment	3,120	3,120		3,120	0	0%	0	3,120
03-5-4500-248	Regulatory Permits & Fees	5,500	5,500		5,500	0	0%	5,500	0
03-5-4500-285	Classes/ Seminars/ Training Fees	2,950	2,950		2,950	0	0%	0	2,950
03-5-4500-290	Utilities	2,775	2,775		2,775	409	15%	1,634	1,141
03-5-4500-390	Bad Debt Expense	350	350		350	0	0%	0	350
03-5-4500-499	Claims & Settlements	1,975	1,975		1,975	0	0%	0	1,975
	Total Services & Supplies	\$86,360	\$86,360	\$0	\$86,360	\$3,704	4%	\$20,314	\$66,046
CAPITAL OUTLAY									
03-5-4500-320	CIP - Beach St. Sewer Lateral Replacement	20,000	20,000		20,000	0	0%	20,000	0
	Total Capital Outlay	\$20,000	\$20,000	\$0	\$20,000	\$0		\$20,000	\$0
DEBT SERVICE									
03-5-4500-310	CalPERS UAL Funding	26,980	26,980		26,980	4,005	15%	26,980	0
	Vehicle Loan - Cleaning Truck	76,094	76,094		76,094	0	0%	76,094	0
	Total Debt Service	\$103,074	\$103,074	\$0	\$103,074	\$4,005	4%	\$103,074	\$0
ADMINISTRATIVE COST ALLOCATION									
03-5-4500-376	Administrative Cost Allocation	396,550	396,550		396,550	108,296	27%	343,849	52,700
	Total Administrative Cost Allocation	\$396,550	\$396,550	\$0	\$396,550	\$108,296	27%	\$343,849	\$52,700
	Total Expenditures	\$801,724	\$801,724	\$0	\$801,724	\$148,253	18%	\$599,145	\$202,579
	OPERATING SURPLUS/(DEFICIT)	\$69,630	\$69,630	\$0	\$69,630	\$89,518		\$271,209	\$201,579
TRANSFERS & ENCUMBRANCES									
	Transfers In	0	0		0			0	0
	(Transfers Out) - Equipment Fund	(11,090)	(11,090)		(11,090)	(2,115)		(11,090)	0
	Encumbrances - Sources of Funding	0	0		0			0	0
	Encumbrances - (Designated Funds)	(174,693)	(174,693)		(174,693)	(33,241)		(174,693)	0
	NET TRANSFERS & ENCUMBRANCES	(\$185,783)	(\$185,783)	(\$185,783)	(\$185,783)	(\$35,356)		(\$185,783)	\$0



Solid Waste FUND





OCEANO COMMUNITY SERVICES DISTRICT
 FUND LEVEL ANALYSIS
 SOLID WASTE FUND - 06

ACCOUNT NO.	SOLID WASTE FUND SOLID WASTE DEPARTMENT - 06	FINAL BUDGET FY 2025/26	ADOPTED BUDGET	2025/26 APPROVED ADJUSTMENTS	2025/26 CURRENT BUDGET	ACTUAL AT 9/30/2025	ESTIMATED FY 2025/26	2025/26 EST. BUDGET VARIANCE	
SOURCES OF FUNDS									
	Revenues (Franchisee Fees)	\$129,819	\$129,819	\$0	\$129,819	\$46,848	36%	\$172,827	\$53,940
	Other Sources of Funds	\$0	\$0	\$0	\$0	\$0	0%	\$0	\$0
	Total Sources of Funds	\$129,819	\$129,819	\$0	\$129,819	\$46,848	36%	\$172,827	\$53,940
USES OF FUNDS									
	Salaries & Wages	\$34,000	\$34,000	\$0	\$34,000	\$4,353	13%	\$17,410	\$16,590
	Benefits	\$31,625	\$31,625	\$0	\$31,625	\$8,304	26%	\$26,094	\$5,531
	Personnel Services	\$65,625	\$65,625	\$0	\$65,625	\$12,656	39%	\$43,504	\$22,121
	Services & Supplies	\$20,565	\$20,565	\$0	\$20,565	\$637	3%	\$12,548	\$8,017
	Capital Outlay	\$2,000	\$2,000	\$0	\$2,000	\$10,857	543%	\$10,857	(\$8,857)
	Administrative Cost	\$48,806	\$48,806	\$0	\$48,806	\$13,329	27%	\$42,320	\$6,486
	Total Expenditures	\$136,996	\$136,996	\$0	\$136,996	\$37,479	\$6	\$109,229	\$27,767
OPERATING SURPLUS/(DEFICIT)		(\$7,177)	(\$7,177)	\$0	(\$7,177)	\$9,369		\$63,597	\$81,707
TRANSFERS & ENCUMBRANCES									
	Transfers In - From Water Fund	0	0	0	0	0		0	0
	(Transfers Out) - Equipment Fund	(960)	(960)	0	(960)	(183)		(960)	0
	Encumbrances - Sources of Funding	0	0	0	0	0		0	0
	Encumbrances - (Designated Funds)	(4,001)	(4,001)	0	(4,001)	(46)		(4,001)	0
	NET TRANSFERS & ENCUMBRANCES	(\$4,961)	(\$4,961)	\$0	(\$4,961)	(\$229)		(\$4,961)	\$0



**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
SOLID WASTE FUND - 06**

ACCOUNT NO.	SOLID WASTE FUND SOLID WASTE DEPARTMENT - 06	2025/26 FINAL BUDGET	2025/26		2025/26 CURRENT BUDGET	ACTUAL AT 9/30/2025	25%	ESTIMATED FY 2025/26	2025/26 EST. BUDGET VARIANCE
			ADOPTED BUDGET	APPROVED ADJUSTMENTS					
SOURCES OF FUNDS									
REVENUES									
06-4-3300-003	Interest Income	7,894	7,894		7,894	4,855	62%	4,855	7,894
06-4-3501-000	Franchise Fees	110,000	110,000		110,000	30,128	27%	120,513	10,513
06-4-3501-741	Landfill Savings Payment	11,925	11,925		11,925	11,865	99%	47,458	35,533
Total Revenues		\$129,819	\$129,819	\$0	\$129,819	\$46,848	36%	\$172,827	\$53,940
OTHER SOURCES OF FUNDS									
Total Other Sources of Funds		\$0	\$0	\$0	\$0	\$0		\$0	\$0
Total Sources of Funds		\$129,819	\$129,819	\$0	\$129,819	\$46,848	36%	\$172,827	\$53,940
USES OF FUNDS									
PERSONNEL SERVICES									
UTILITIES STAFF: SALARIES & WAGES									
06-5-4900-010	Salaries & Wages	34,000	34,000		34,000	4,353	13%	17,410	16,590
Total Salaries & Wages		\$34,000	\$34,000	\$0	\$34,000	\$4,353	13%	\$17,410	\$16,590
UTILITIES STAFF: BENEFITS									
06-5-4900-075	Compensation Insurance	1,500	1,500		1,500	300	20%	1,202	298
	Operating Crew Benefits Allocation	30,125	30,125		30,125	8,003	27%	24,892	5,233
Total Benefits		\$31,625	\$31,625	\$0	\$31,625	\$8,304	26%	\$26,094	\$5,531
Total Personnel Services		\$65,625	\$65,625	\$0	\$65,625	\$12,656	19%	\$43,504	\$22,121
SERVICES & SUPPLIES									
06-5-4900-110	Communication	1,050	1,050		1,050	45	4%	180	870
06-5-4900-173	Maint - Shared Structures/ Improvements	575	575		575	0	0%	0	575
06-5-4900-175	Operating Supplies	315	315		315	12	4%	48	267
06-5-4900-200	Office Expense	315	315		315	0	0%	0	315
06-5-4900-210	Postage	315	315		315	0	0%	0	315
06-5-4900-220	Professional Services	7,400	7,400		7,400	580	8%	2,320	5,080
06-5-4900-290	Utilities	595	595		595	0	0%	0	595
06-5-4900-291	School Outreach Programs	10,000	10,000		10,000	0	0%	10,000	0
Total Services & Supplies		\$20,565	\$20,565	\$0	\$20,565	\$637	3%	\$12,548	\$8,017
CAPITAL OUTLAY									
06-5-4900-320	Trash Cans	2,000	2,000		2,000	10,857	543%	10,857	(8,857)
Total Capital Outlay		\$2,000	\$2,000	\$0	\$2,000	\$10,857	543%	\$10,857	(\$8,857)
ADMINISTRATIVE COST ALLOCATION									
06-5-4900-376	Administrative Cost Allocation	48,806	48,806		48,806	13,329	27%	42,320	6,486
Total Administrative Cost Allocation		\$48,806	\$48,806	\$0	\$48,806	\$13,329	27%	\$42,320	\$6,486
Total Expenditures		\$136,996	\$136,996	\$0	\$136,996	\$37,479	27%	\$109,229	\$27,767
OPERATING SURPLUS/(DEFICIT)		(\$7,177)	(\$7,177)	\$0	(\$7,177)	\$9,369		\$63,597	\$81,707
TRANSFERS & ENCUMBRANCES									
	Transfers In - From Water Fund	0	0		0	0		0	0
	(Transfers Out) - Equipment Fund	(960)	(960)		(960)	(183)		(960)	0
	Encumbrances - Sources of Funding	0	0		0	0		0	0
	Encumbrances - (Designated Funds)	(4,001)	(4,001)		(4,001)	(46)		(4,001)	0
NET TRANSFERS & ENCUMBRANCES		(\$4,961)	(\$4,961)	\$0	(\$4,961)	(\$229)		(\$4,961)	\$0



EQUIPMENT FUND





OCEANO COMMUNITY SERVICES DISTRICT									
FUND LEVEL ANALYSIS									
EQUIPMENT FUND - 12									
ACCOUNT NO.	EQUIPMENT FUND - 12	FINAL BUDGET FY 2025/26	2025/26		2025/ CURRENT BUDGET	ACTUAL AT 9/30/2025	ESTIMATED FY 2025/26	2025/26	
			ADOPTED BUDGET	APPROVED ADJUSTMENTS				EST. BUDGET	VARIANCE
SOURCES OF FUNDS									
	Revenues	\$27,944	\$27,944	\$0	\$27,944	\$5,328	19%	\$9,239	(\$18,705)
	Other Sources of Funds	\$0	\$0	\$0	\$0	\$0	0%	\$0	\$0
	Total Sources of Funds	\$27,944	\$27,944	\$0	\$27,944	\$5,328	19%	\$9,239	(\$18,705)
USES OF FUNDS									
	Salaries & Wages	\$0	\$0	\$0	\$0	\$0	0%	\$0	\$0
	Benefits	\$0	\$0	\$0	\$0	\$0	0%	\$0	\$0
	Personnel Services	\$0	\$0	\$0	\$0	\$0	0%	\$0	\$0
	Services & Supplies	\$23,920	\$23,920	\$0	\$23,920	\$1,303	5%	\$5,214	\$18,706
	Capital Outlay	\$0	\$0	\$0	\$0	\$0	0%	\$0	\$0
	Debt Service	\$0	\$0	\$0	\$0	\$0	0%	\$0	\$0
	Total Expenditures	\$23,920	\$23,920	\$0	\$23,920	\$1,303	0%	\$5,214	\$18,706
OPERATING SURPLUS/(DEFICIT)		\$4,024	\$4,024	\$0	\$4,024	\$4,025		\$4,025	\$1
TRANSFERS & ENCUMBRANCES									
	Transfers In	0	0	0	0	0		0	0
	(Transfers Out)	0	0	0	0	0		0	0
	Encumbrances - Sources of Funding	0	0	0	0	0		0	0
	Encumbrances - (Designated Funds)	0	0	0	0	0		0	0
	NET TRANSFERS & ENCUMBRANCES	\$0	\$0	\$0	\$0	\$0		\$0	\$0



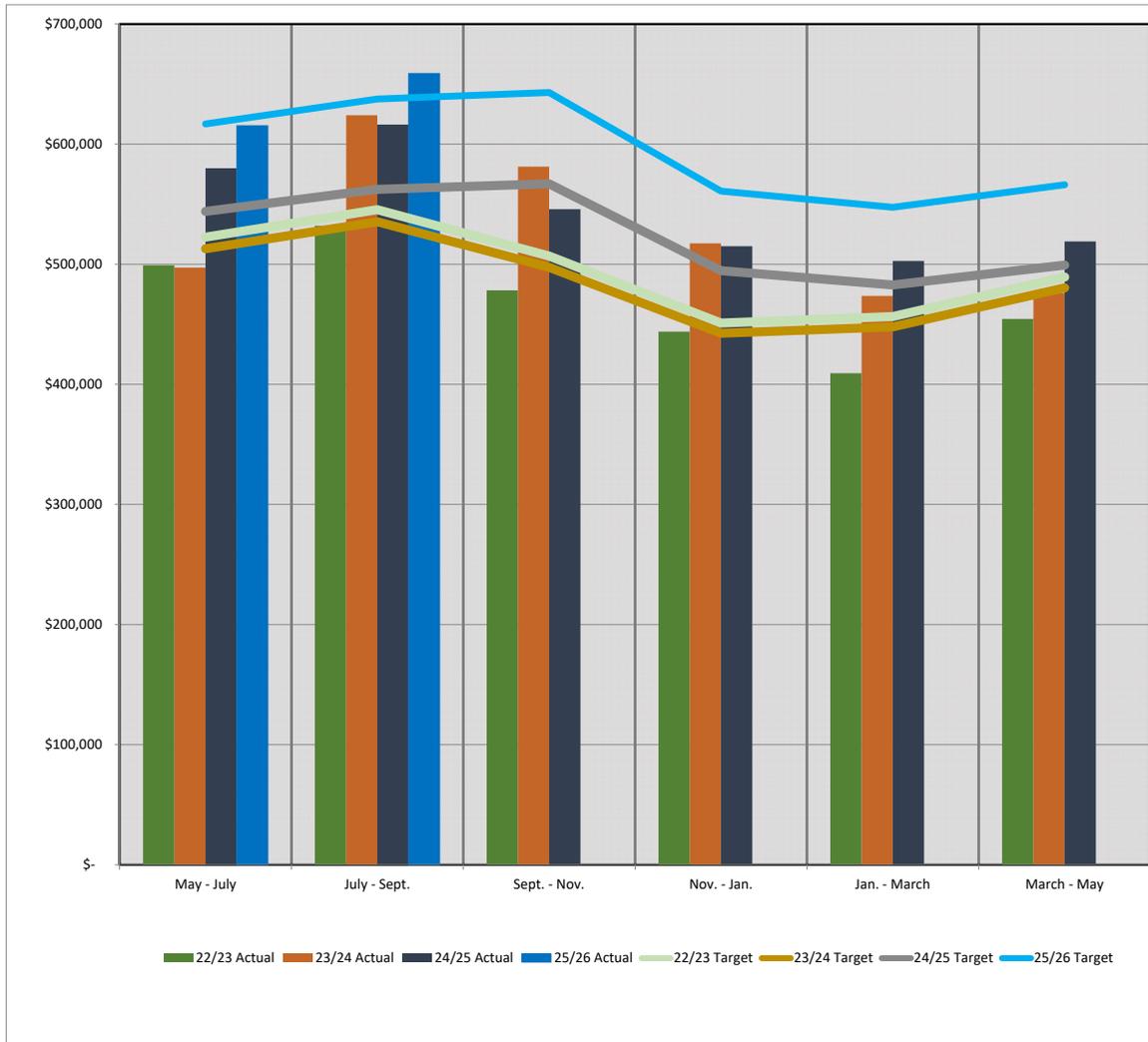
**OCEANO COMMUNITY SERVICES DISTRICT
FUND LEVEL ANALYSIS
EQUIPMENT FUND - 12**

ACCOUNT NO.	EQUIPMENT FUND - 12	FINAL BUDGET FY 2025/26	2025/26 ADOPTED BUDGET	2025/26 APPROVED ADJUSTMENTS	2025/26 CURRENT BUDGET	ACTUAL AT 9/30/2025	25%	ESTIMATED FY 2025/26	2025/26 EST. BUDGET VARIANCE
SOURCES OF FUNDS									
REVENUES									
12-4-3800-001	Lease Revenue from Water	15,894	15,894		15,894	3,031	19%	5,255	(10,639)
12-4-3800-002	Lease Revenue from Sewer	11,090	11,090		11,090	2,115	19%	3,667	(7,423)
12-4-3800-005	Lease Revenue from Garbage	960	960		960	183	19%	317	(643)
Total Revenues		\$27,944	\$27,944	\$0	\$27,944	\$5,328	19%	\$9,239	(\$18,705)
OTHER SOURCES OF FUNDS									
Total Other Sources of Funds		\$0	\$0	\$0	\$0	\$0		\$0	\$0
Total Sources of Funds		\$27,944	\$27,944	\$0	\$27,944	\$5,328	19%	\$9,239	(\$18,705)
USES OF FUNDS									
SALARIES & WAGES									
Total Salaries & Wages		\$0	\$0	\$0	\$0	\$0		\$0	\$0
BENEFITS									
Total Benefits		\$0	\$0	\$0	\$0	\$0		\$0	\$0
Total Personnel Services		\$0	\$0	\$0	\$0	\$0		\$0	\$0
SERVICES & SUPPLIES									
12-5-4350-171	Maintenance - Vehicles	8,320	8,320		8,320	743	9%	2,973	5,347
12-5-4350-172	Fuel	15,600	15,600		15,600	560	4%	2,241	13,359
Total Services & Supplies		\$23,920	\$23,920	\$0	\$23,920	\$1,303	5%	\$5,214	\$18,706
CAPITAL OUTLAY									
Fixed Assets		0	0		0				0
Total Capital Outlay		\$0	\$0	\$0	\$0	\$0		\$0	\$0
DEBT SERVICE									
Total Debt Service		\$0	\$0	\$0	\$0	\$0		\$0	\$0
Total Expenditures		\$23,920	\$23,920	\$0	\$23,920	\$1,303	5%	\$5,214	\$18,706
OPERATING SURPLUS/(DEFICIT)		\$4,024	\$4,024	\$0	\$4,024	\$4,025		\$4,025	\$1
TRANSFERS & ENCUMBRANCES									
Transfers In		0	0		0			0	0
(Transfers Out)		0	0		0			0	0
Encumbrances - Sources of Funding		0	0		0			0	0
Encumbrances - (Designated Funds)		0	0		0			0	0
NET TRANSFERS & ENCUMBRANCES		\$0	\$0	\$0	\$0	\$0		\$0	\$0

Oceano Community Services District
Water Revenue Comparisons - Target to Actual
Billing Periods Ending in:
Fiscal Years 2022/23, 2023/24, 2024/25, 2025/26

	<u>22/23 Target</u>	<u>22/23 Actual</u>	<u>23/24 Target</u>	<u>23/24 Actual</u>	<u>24/25 Target</u>	<u>24/25 Actual</u>	<u>25/26 Target</u>	<u>25/26 Actual</u>
May - July	\$ 522,606	\$ 499,156	\$ 512,889	\$ 497,121	\$ 543,974	\$ 579,926	\$ 616,821	\$ 615,312
July - Sept.	\$ 545,454	\$ 532,132	\$ 535,313	\$ 624,018	\$ 562,325	\$ 616,217	\$ 637,629	\$ 658,902
Sept. - Nov.	\$ 506,828	\$ 478,264	\$ 497,404	\$ 581,282	\$ 567,000	\$ 545,775	\$ 642,930	\$ -
Nov. - Jan.	\$ 450,981	\$ 443,890	\$ 442,595	\$ 517,385	\$ 494,684	\$ 514,958	\$ 560,930	\$ -
Jan. - March	\$ 456,381	\$ 409,222	\$ 447,896	\$ 473,630	\$ 482,743	\$ 502,765	\$ 547,390	\$ -
March - May	\$ 489,411	\$ 454,518	\$ 480,311	\$ 476,059	\$ 499,274	\$ 519,021	\$ 566,134	\$ -
Totals	<u>\$ 2,971,660</u>	<u>\$ 2,817,182</u>	<u>\$ 2,916,408</u>	<u>\$ 3,169,494</u>	<u>\$ 3,150,000</u>	<u>\$ 3,278,662</u>	<u>\$ 3,571,834</u>	<u>\$ 1,274,214</u>
(Shortfall)/Overfall		\$ (154,478)		\$ 253,086		\$ 128,662		\$ 19,763 (*)

\$ 247,034



(*) The comparison between Target vs Actual in the current year only includes the billing cycles that have been recorded.

Oceano Community Services District
 Chronology of Budget Actions
 Fiscal Years 2025-26

Date	Action
FISCAL YEAR 2025-26 BUDGET ADJUSTMENTS	
June 25, 2025	Approved the Preliminary Budget for Fiscal Year 2025-26
August 13, 2025	Approved the Final Budget for Fiscal Year 2025-26
August 13, 2025	Approved a revised professional services agreement for construction management of the Waterline Replacement Project with Cannon Engineering, increasing the original \$37,864 contract by \$11,314, for an amount not to exceed \$49,178 and use previously approved contingencies for the required work
October 8, 2025	Approval of a budget adjustment in the Water Fund to replace 6 broken valves to enable the completion of the waterline replacement construction project and authorize a budget adjustment from water reserves to the project in an amount not to exceed \$120,000.

State Water Resources Control Board

October 30, 2025

Peter Brown, General Manager
Oceano Community Services District
P.O. Box 599
Oceano, CA 93475

FINAL PROJECT REPORT AND DELIVERABLES COMPLETION LETTER

Grant Recipient: Oceano Community Services District (District)
Project Title: Stormwater Capture and Groundwater Recharge Project (Project)
Agreement No. D2112146, FFAST PIN #45966
Fund Source and Title: Proposition 1 Stormwater Grant Program (SWGP)

Dear Mr. Brown:

Thank you for addressing the State Water Resource Control Board's (State Water Board's) comments in the Final Project Report (Report) for the Project. The District has fulfilled all required deliverable and reporting requirements for this Grant Agreement.

Additionally, we are currently processing your final invoice, No.13, in the amount of \$11,495.75. After acceptance of the invoice, you will receive a separate letter from the State Water Board's Program Analyst indicating payment of the final invoice, release of retention, and disencumbering of any remaining (unused) grant funds. This letter will complete the grant disbursement process.

As a reminder, the Grant Agreement requires the District to retain all Project records for a minimum of 36 years for audit purposes. The Grant Agreement also requires that the District operate and maintain the Project to continue to achieve project benefits for a minimum of 20 years following Project completion. Failure to do so may result in the State Water Board demanding repayment of some or all of the grant funds you received.

State Water Board staff may periodically inspect your Project following completion and review operation and maintenance records to confirm ongoing compliance with the Grant Agreement. You should contact the State Water Board if the Project is not operating for a period of time longer than required for normal operation and maintenance activities.

E. JOAQUIN ESQUIVEL, CHAIR | ERIC OPPENHEIMER, EXECUTIVE DIRECTOR

1001 I Street, Sacramento, CA 95814 | Mailing Address: P.O. Box 100, Sacramento, CA 95812-0100 | www.waterboards.ca.gov

If you have any questions, please contact the Project Manager at (916) 319-9226 or Angie.Noorda@waterboards.ca.gov. Thank you for your hard work on successfully completing this important project. This project will reduce pollutant loading from a storm event and protect groundwater quality with a new infiltration gallery filtering and treating stormwater. It was a pleasure working with you and we look forward to working with you again in the future.

Sincerely,

Bridget Chase

Bridget Chase, P.E.
Bonds Section Chief
Division of Financial Assistance

cc: Angie Noorda, Project Manager
Division of Financial Assistance

Taylor Oravillo, Contract Analyst
Division of Financial Assistance

Jennifer Toney, Storm Water Grant Program Manager
Division of Financial Assistance