

FISCAL YEAR 2000 / 01 BUDGET



Central Coast Water Authority

A California
Joint Powers Authority

CENTRAL COAST WATER AUTHORITY

ANNUAL BUDGET

FISCAL YEAR 2000/01

PREFACE

On December 2, 1999, the Association of California Water Agencies (ACWA) awarded CCWA its 1999 Theodore Roosevelt Environmental Award for Excellence in Natural Resources Management. CCWA received the award for its entry entitled "Environmental Mitigation and Protection Program for Constructing State Water Regional Treatment and Distribution Facilities for San Luis Obispo and Santa Barbara Counties."

ACWA is a statewide organization whose 480 member agencies collectively deliver about 90% of all domestic and agricultural water in California. Its Theodore Roosevelt Award Program is designed to recognize exemplary programs in natural resources management that benefit the environment while meeting public needs. The award is named after Theodore Roosevelt to reflect his philosophy of wise use of natural resources.

CCWA Chairman Robert Puddicombe and Executive Director Dan Masnada were presented the award during a luncheon at ACWA's Fall 1999 Conference – entitled "H2O 4 Y2K" – in San Diego. CCWA's winning entry was one of fourteen in the "over \$100,000" category. The conference drew more than 1,800 water officials from throughout the state.

CCWA's entry described the comprehensive environmental mitigation and monitoring program it implemented during construction and initial operation of its State Water Project (SWP) pipeline and regional treatment plant. It also explains how SWP water is providing Santa Barbara County the "ultimate" environmental benefit by reducing groundwater overdraft.

In a press release issued on the day of the award, Chairman Puddicombe stated: "We at CCWA are extremely grateful that ACWA has chosen to recognize our environmental program with this award. The program was truly the product of years of hard work by CCWA staff and its consultants and contractors. Literally hundreds of personnel were involved on the CCWA project – from surveying crews and heavy equipment operators to biologists and engineers. The success of the program resulted from their uncompromised commitment to treat environmental protection with the same high priority as the traditional project management goals of quality, schedule and cost. We will proudly display the award in CCWA's boardroom to honor their invaluable contribution in preserving the environment while completing the CCWA project under budget and on time."

Santa Barbara County is considered by many to be the birthplace of the national environmental movement that resulted from the 1969 offshore oil spill. Fittingly thirty years later, CCWA, Santa Barbara County's SWP contractor, received the Theodore Roosevelt Award from its peers throughout the state touting the excellence of its environmental program. In recognition of this momentous event, a photograph of the award is featured on this year's budget cover. Also, photographs of threatened and endangered species in San Luis Obispo and Santa Barbara Counties from CCWA's Endangered Species Educational Program CD-ROM/web site are included throughout the budget document to promote public awareness of the Central Coast's natural treasures and CCWA's commitment to protecting them.





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO
Central Coast Water Authority,
California

For the Fiscal Year Beginning
July 1, 1999


President


Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Budget Presentation to the Central Coast Water Authority for its annual budget for the fiscal year beginning July 1, 1999.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communication device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

*California Society of
Municipal Finance Officers*

Certificate of Award
Excellence in Operational Budgeting 1999-2000

Presented to
Central Coast Water Authority

This certificate recognizes the achievement of Excellence in Operational Budgeting and reflects an outstanding budget document and the underlying budgeting process through which the budget is implemented.

February 28, 2000



[Signature]
Chair, Budgeting & Financial Management
[Signature]
Vice-Chair, Budgeting & Financial Management

Dedicated to Excellence in Municipal Financial Management

Central Coast Water Authority

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Central Coast Water Authority
Reader's Guide
Fiscal Year 2000/01 Budget

The organization and presentation of the Central Coast Water Authority's fiscal year budget is designed to satisfy the needs of citizens, ratepayers, public officials and Authority employees. It is organized and structured to meet external and internal managerial needs. As a comprehensive management and balanced financial plan, this document describes the programs, services and resources being provided by the Authority as well as policies and long-term financial plans.

The Authority's budget is divided into eight (8) major sections as follows with sub-sections included in each major section:

- I. **BUDGET FORWARD** An introductory section that contains the transmittal letter from the Authority's Executive Director to the Board of Directors; narrative discussion on the financial policies, goals and objectives of the Authority; and narrative discussion on the budget process.
- II. **BUDGET SUMMARY** A past, present and future overview of the Authority's budget and financial plans.
- III. **REVENUES AND SOURCES OF CASH** Narrative, graphs and spreadsheets describing the Authority's revenue and other sources of cash for the past and present fiscal year and revenue projections.
- IV. **DEPARTMENT OF WATER RESOURCES (DWR)** Narrative, graphs and spreadsheets describing the DWR charges which are paid by the member agencies and other project participants of the Authority.
- V. **OPERATING EXPENSES** The operating expense section of the budget is comprised of the Administration, Water Treatment Plant and Distribution departments and includes narrative discussion on the operating expenses for each department as well as graphs and spreadsheets.
- VI. **NON-OPERATING EXPENSES** The non-operating expense section of the budget is comprised of Capital Improvement Projects, Debt Management and Reserves and Cash Management. The section includes narrative, graphs and tables on each section.
- VII. **FOUR YEAR FINANCIAL PLAN** The four year financial plan section of the budget provides the four year pro forma projections for each project participant.
- VIII. **APPENDIX** The appendix includes a glossary of terms and other items relevant to the Authority's budget.

To aid the reader in finding specific information quickly, a Table of Contents is provided at the beginning of this document. Additionally, an index is included in the Appendix of this document.



April 27, 2000

Board of Directors
Central Coast Water Authority

Dear Members of the Board:

Submitted herewith is the Fiscal Year (FY) 2000/01 Budget for the Central Coast Water Authority. This letter of transmittal presents the budget highlights and addresses the main points and major decisions made in compiling this document. As CCWA's representatives, you play an important role in making decisions regarding the direction the organization will take in FY 2000/01.

The basic purpose of the budgetary process is to approve CCWA activities and projects to be undertaken and identify resources and revenues available to fund them. In addition, the budget is more than just a financial document. The budget represents a total process through which CCWA policies are implemented and the direction in which CCWA will pursue for the ensuing year is established.

Financial control is the traditional function of a budget. A budget also contains a vast amount of other information. Such data includes manpower requirements, equipment needs and programs and services being provided. This level of detail provides the Board an opportunity to identify all the resources needed to accomplish CCWA's goals and objectives.

The budget also serves as a guide for policy implementation, making it a thorough and valuable document.

For three consecutive years CCWA has received the Government Finance Officers Association (GFOA) "Distinguished Budget Presentation" award and the California Society of Municipal Finance Officers (CSMFO) "Award of Excellence in Operational Budgeting." We will also submit the FY 2000/01 Budget for consideration of both of these awards.

An Overview of Last Fiscal Year

FY 1999/00 proved to be an exciting and challenging year for CCWA. The year's major highlights are as follows:

Water Deliveries

During FY 1999/00, estimated deliveries by CCWA to the Santa Barbara and San Luis Obispo County project participants will be about 29,300 acre-feet. The graph on the following page shows water deliveries since CCWA commenced operations in August 1997.

Robert W. Puddicombe
Chairman

Sam Arca
Vice Chairman

Dan Masnada
Executive Director

Hatch & Parent
General Counsel

Member Agencies

City of Buellton

Carpinteria Valley
Water District

City of Guadalupe

City of Santa Barbara

City of Santa Maria

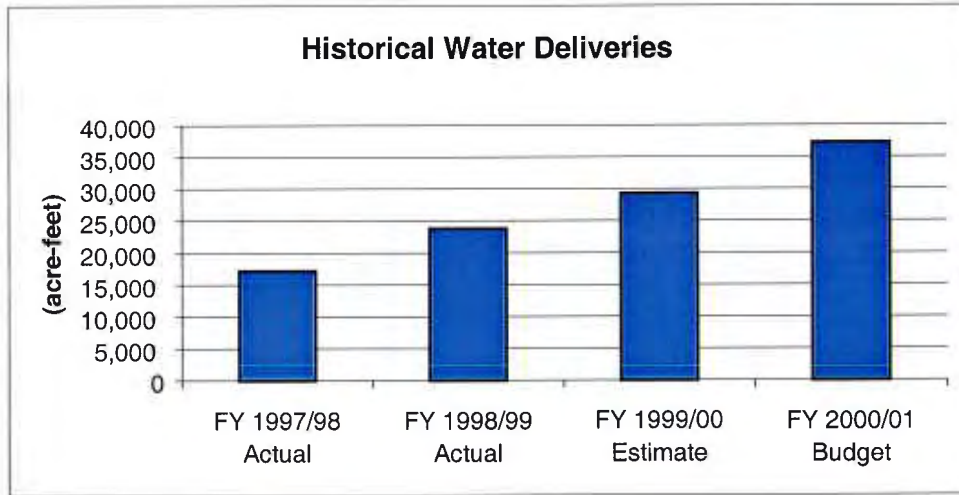
Goleta Water District

Montecito Water District

Santa Ynez River Water
Conservation District,
Improvement District #1

Associate Member

La Cumbre Mutual
Water Company



Y2"OK"

As the year 2000 was being ushered in, all CCWA facilities and computer systems were fully operational and we experienced no Y2K (Year 2000) setbacks. I commend Thomas Fischetti, CCWA Project Engineer, for his diligent efforts in the successful and smooth transition to the year 2000 for the CCWA computer systems, communication components and system instrumentation.

DWR Off-Peak Pumping Credit

Design and construction of the Coastal Branch Phase II project by the Department of Water Resources (DWR) included additional capacity in certain reaches to eliminate the need to pump water during "on-peak" electrical demand periods. In addition, DWR originally proposed and commenced design of a power plant in the vicinity of San Luis Obispo County. The cost of both these project features are borne by all State water contractors, not just CCWA (and San Luis Obispo County), because the attendant decreases in electrical power costs serve to reduce the melded State power rate all contractors pay.

During final construction and initial operation of the Coastal Branch Phase II project, DWR included in CCWA's annual Statement of Charges a credit for the off-peak pumping capacity based on an estimated capital cost of about \$19 million. In November 1999, CCWA successfully concluded a 1½ year-long negotiation process with DWR and the State Water Contractors (SWC) to increase the annual credit based on actual project costs. We also convinced DWR and SWC to include in the annual credit amortization of the sunk costs of the San Luis Obispo Power Plant, which was deleted from the project when DWR determined the plant was uneconomic to build. As a result, the capital cost basis for the annual credit was increased by almost \$12 million. This action reduced CCWA's and San Luis Obispo County's 2000 Statements of Charges by \$2.3 million. Also, starting next year, it will reduce the combined Statement of Charges by \$0.5 million annually for the remainder of the State water contract term.

DWR Costs

During FY 2000/01 CCWA will continue its oversight and review of DWR costs. We will scrutinize Reach 33A costs in particular because they are almost entirely paid by CCWA project participants. As a result, it is important that we closely monitor the O&M expenses incurred by DWR and demand accountability for costs paid by our project participants.

Amendment 19 to the State Water Contract

Amendment 19, which will be presented to the CCWA Board of Directors before the end of 2000, clarifies a number of issues resulting from the implementation of the Monterey Amendment (Amendment 16) to the State Water Contract. Its principal benefit to CCWA is that it will provide additional protection of CCWA's share of rate management funds made available through the Monterey Amendment (these funds serve to reduce CCWA's annual DWR Statement of Charges by \$3.2 million per year). It also will provide additional operating and financial flexibility to all State water contractors.

Permitting for Project Operations

CCWA and its environmental consultants continue to work with state and federal regulatory agencies to obtain the remaining permits for operating and maintaining project facilities. While coordination and timely response from these agencies continue to challenge CCWA staff and consultants, we are committed to completing the process and having the permits in hand before the end of FY 2000/01.

FY 2000/01 BUDGET SUMMARY

The CCWA FY 2000/01 Budget calls for total project participant payments of \$40.0 million. This amount includes \$15.0 million in CCWA charges and \$29.4 million in DWR and Warren Act charges, which are partially offset by credits to project participants of \$4.4 million.

CCWA FY 2000/01 Budget

The FY 2000/01 operating expense budget is \$4,273,625, which is about \$50,000 higher than the FY 1999/00 operating expense budget. The following is a list of the major highlights of the operating expense budget. Additional highlights and detailed explanations are available in the departmental sections of the budget.

Water Deliveries

Increase in requested water deliveries from 33,949 acre feet for FY 1999/00 to 37,252 acre feet for FY 2000/01, an increase of 3,303 acre-feet.

Personnel Expenses

Increase in personnel expenses of about \$87,000, which includes the following changes from the prior year:

- The FY 2000/01 budget includes a \$74,621 salary pool for employee salary treatment.
- The personnel expense budget excludes funding for the vacant Administrative Assistant position, resulting in savings of approximately \$45,000 (fully burdened cost).

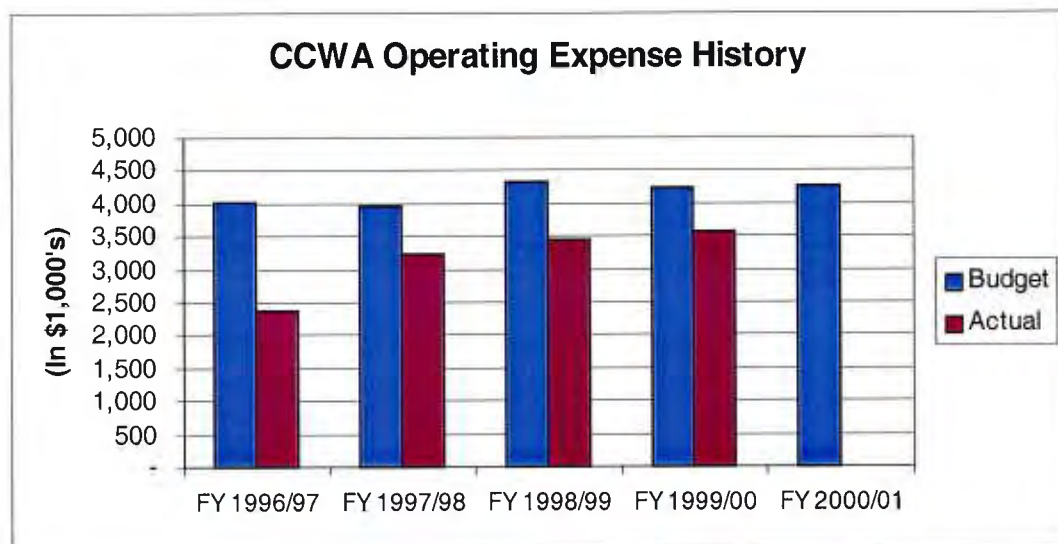
Supplies and Equipment

The supplies and equipment expense budget is decreasing by about \$121,000 due to a decrease in chemical costs from \$14 to \$12 per acre-foot coupled with a decrease in the spare parts account of \$25,000.

Utilities Budget

The utilities expense budget is increasing by approximately \$82,000 for increased water deliveries into Lake Cachuma for the South Coast project participants.

The graph on the following page shows the budgeted and actual CCWA operating expenses by fiscal year.

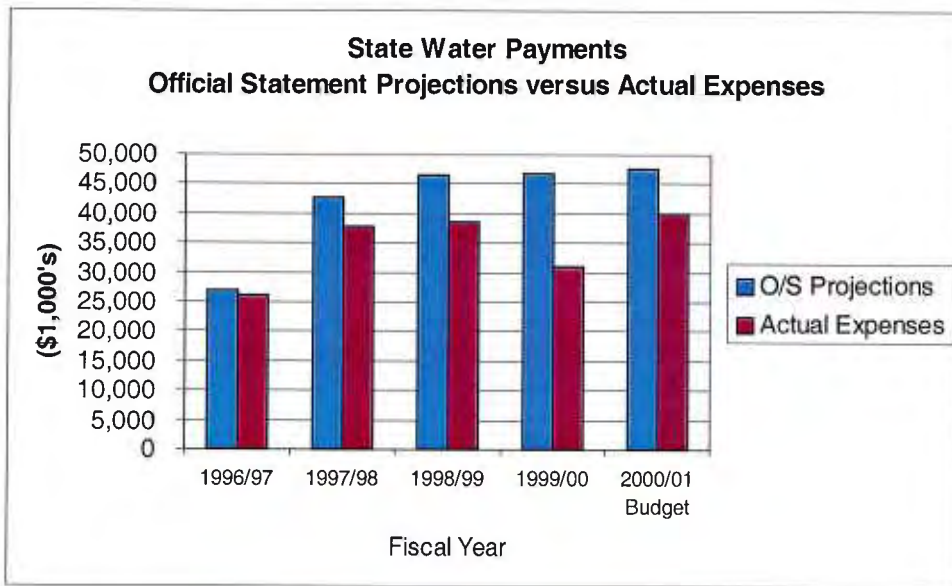


1996 Revenue Bond Debt Service

The FY 2000/01 debt service budget is based on the November 1996 revenue bond refinancing and totals \$10.4 million, which is \$2.2 million higher than the FY 1999/00 payments. This increase is attributed to FY 1999/00 credits for capitalized interest (\$871,000) and gain on sale of the reserve fund investments and excess reserve fund balances (\$1,487,000).

Comparison of State Water Payment Projections

We are proud of the fact that actual State water payments have been less than the projections presented in the 1996 Refunding Revenue Bond Official Statement. The following graph shows the Official Statement projections compared to the actual payments by fiscal year.



Santa Ynez Exchange Agreement Adjustments and Regional Treatment Plant Cost Allocation

The gross CCWA operating expense budget of \$4.4 million is adjusted for the effect of the Santa Ynez Exchange Agreement. These adjustments result in an overall reduction of about \$322,000 for Santa Ynez Pumping Facility power costs and Warren Act charges.

The effect of the regional water treatment plant allocation formula (CCWA Resolutions 92-16 and 95-13) is also addressed in the budget for project participant billing purposes. The formula does not affect the budget bottom line; however, it does affect the allocation of certain treatment plant costs to project participants.

FY 2000/01 DWR COSTS

The DWR charges for the first half of FY 2000/01 are based on the 2000 Statement of Charges. The DWR charges for the second half of FY 2000/01 are based on forecasts prepared by the DWR State Water Project Analysis Office.

The FY 2000/01 DWR budget calls for project participant payments of \$29.1 million compared to the FY 1999/00 budget of \$26.3 million, a \$2.8 million increase. This increase is attributed to increases in the following categories, which are partially offset by reductions in certain other categories:

- Transportation Capital increase of \$1.1 million for the conclusion of the deferral of charges negotiated with DWR.
- Transportation Minimum OMP&R increase of \$1.3 million for increased DWR O&M expenses mainly on Reach 33A, which includes a one-shot adjustment for calendar year 2000.
- Water System Revenue Bond Surcharge increase of \$1.1 million due to bond cover credits applied against the FY 1999/00 charges.

The FY 2000/01 budget also includes a change in the allocation of the DWR off-aqueduct charges for calendar year 2001. Previously, off-aqueduct charges were allocated in proportion to the requested water deliveries for the calendar year. However, DWR bills, and CCWA pays, the off-aqueduct charges based on the full 45,486 AF of entitlement. Therefore, off-aqueduct charges are now allocated on an entitlement basis and reconciled at the close of each fiscal year based on actual deliveries for the year.

The FY 2001/02 DWR charges will increase by about \$1.1 million for the anticipated repayment of the 1997-2000 deferral of charges. This repayment will continue for five years at which time an anticipated increase in the Coastal Branch Phase II Transportation Capital charges will commence due to deferring principal payments on the Coastal Branch Phase II bonds.

CCWA Credits

The FY 2000/01 charges are offset by about \$4.4 million in credits for certain project participants. These credits include State water prepayments, credits for unused debt service credits and FY 1998/99 unexpended O&M assessment credits and interest income.

CONCLUSION

I am proud of the accomplishments achieved during the previous fiscal year by CCWA's skilled and dedicated staff. Once again, I look forward to the challenges and opportunities which lay ahead for FY 2000/01.

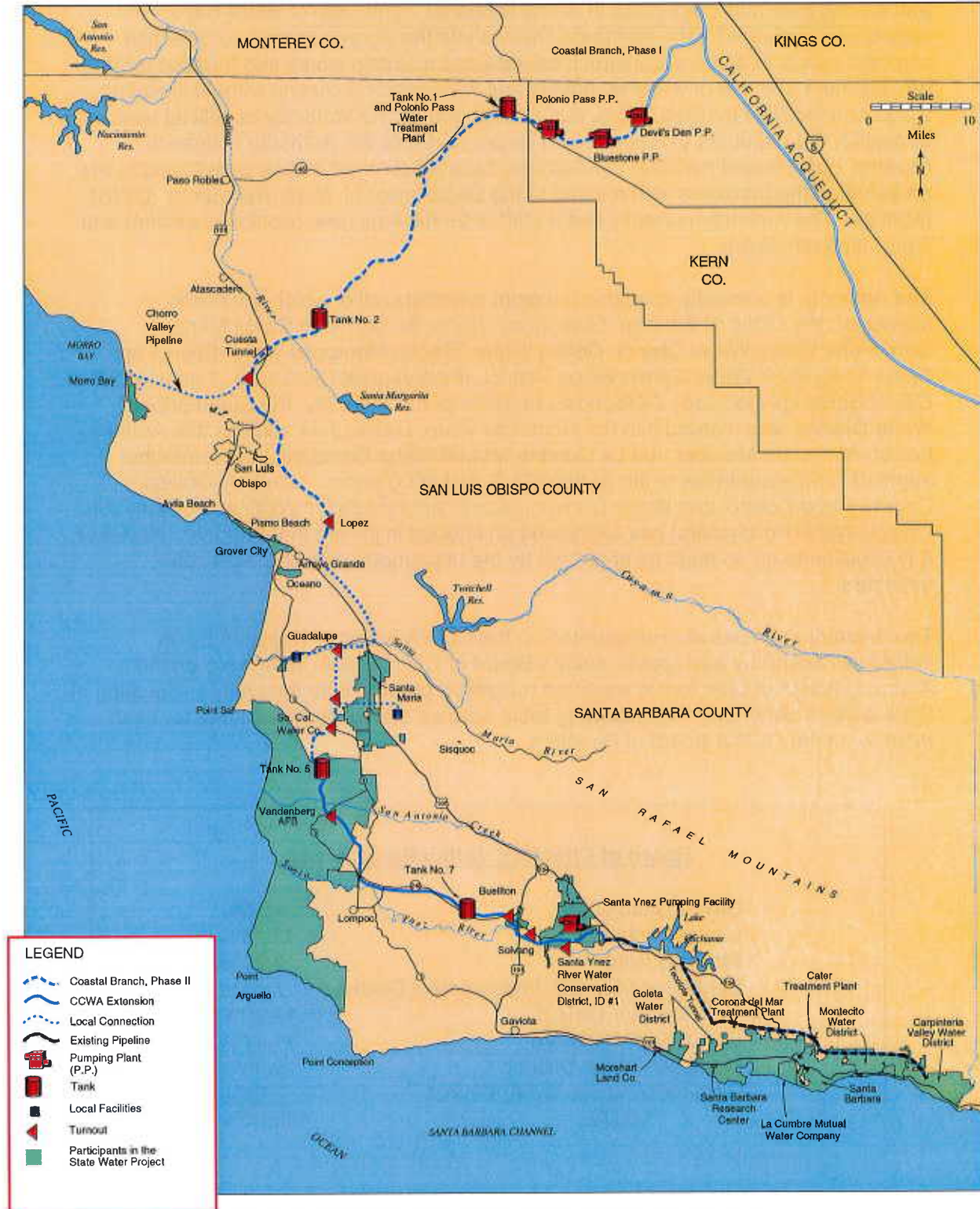
Sincerely,



Dan Masnada
Executive Director

RAS

Project Map



PROJECT MAP OF COASTAL BRANCH PHASE II

Central Coast Water Authority
Organization Overview, Structure and Staffing
 Fiscal Year 2000/01 Budget

The Authority is a public entity duly organized and existing under a Joint Exercise of Powers Agreement – Central Coast Water Authority, dated as of August 1, 1991, by and among nine public agencies in Santa Barbara County, two of which have subsequently merged. The members entered into the Agreement to exercise their common power to acquire, construct, operate and maintain works and facilities for the development and use of water resources and water rights including without limitation, works and facilities to divert, store, pump, treat and deliver water for beneficial uses. In particular, the members expressed their desire to create the Authority to finance, develop, operate and maintain the Authority facilities for their mutual benefit and to act on behalf of the members with respect to the Department of Water Resources (DWR) facilities. The Authority currently has a staff of 26 full-time (one position is vacant) and 1 part-time employee.

The Authority is presently composed of eight members, all of which are public agencies: the Cities of Buellton, Guadalupe, Santa Barbara and Santa Maria, Carpinteria Valley Water District, Goleta Water District, Montecito Water District and Santa Ynez River Water Conservation District, Improvement District No. 1 (in which the City of Solvang is located). (A founding member of the Authority, the Summerland Water District, was merged into the Montecito Water District.) In addition, the Authority has an Associate Member, the La Cumbre Mutual Water Company. Each member appoints a representative to the Authority's Board of Directors. San Luis Obispo County Flood Control and Water Conservation District (SLOCFCWCD and/or San Luis Obispo Water Purchasers) has expressed an interest in joining the Authority. However, any decision to do so must be approved by the unanimous vote of the present members.

The member agencies are represented on the CCWA Board of Directors by an individual chosen by each public entity's Board or City Council. Each vote on the Authority Board of Directors is weighted roughly in proportion to the entity's allocation of State water entitlement. The following table outlines the voting percentage for each member of the CCWA Board of Directors.

<u>Board of Directors Voting Percentages</u>	
City of Guadalupe	1.15%
City of Santa Maria	43.19%
City of Buellton	2.21%
Santa Ynez RWCD, Improvement District #1	7.64%
Goleta Water District	17.20%
City of Santa Barbara	11.47%
Montecito Water District	9.50%
Carpinteria Valley Water District	<u>7.64%</u>
TOTAL	100.00%

Central Coast Water Authority
Organization Overview, Structure and Staffing
 Fiscal Year 2000/01 Budget

CCWA Committees

There are five Authority committees. They consist of the Finance Committee, Personnel Committee, Policy Committee, Operating Committee and Water Treatment Plant Advisory Committee.

The Operating Committee is composed of the general managers, city administrators and water supply managers of the various water agencies and cities served by the Authority. The Operating Committee typically meets once a month to act on matters such as project construction, operations and financial issues and recommends actions to the Authority Board of Directors.

Santa Barbara County Project Participants

Each Santa Barbara County project participant is a water purveyor or user located in Santa Barbara County which obtained contractual rights to receive water from the State Water Project prior to 1991. Those rights have been assigned to the Authority pursuant to the terms of the Water Supply Agreements.

Santa Barbara County Project Participant Entitlement

<u>Agency</u>	<u>Entitlement ⁽¹⁾</u>
City of Buellton	578
Carpinteria Valley Water District	2,000
Goleta Water District	4,500
City of Guadalupe	550
La Cumbre Mutual Water Company	1,000
Montecito Water District	3,000
Morehart Land Company	200
City of Santa Barbara	3,000
Raytheon Systems Company (SBRC)	50
City of Santa Maria	16,200
Santa Ynez River W.C.D., ID #1	2,000
Southern California Water Company	500
Vandenberg Air Force Base	<u>5,500</u>
TOTAL	39,078

(1) In acre-feet per year. The amounts do not include the Authority's 3,908 acre-feet per year "drought buffer" entitlement and 2,500 acre-feet per year additional entitlement which has been acquired by Goleta Water District.

Central Coast Water Authority
Organization Overview, Structure and Staffing
 Fiscal Year 2000/01 Budget

San Luis Obispo County Water Purchasers

Each San Luis Obispo County water purchaser is a water purveyor or user located in San Luis Obispo County which obtained contractual rights from San Luis Obispo County Flood Control and Water Conservation District (SLOCFCWCD) to receive water from the State Water Project.

<u>San Luis Obispo County Project Participant Entitlement</u>	
<u>Agency</u>	<u>Entitlement</u>
Avila Beach Community Services District	100
Avila Valley Mutual Water Co., Inc.	20
California Mens Colony (State)	400
County of SLO C.S.A. No. 16, I.D. #1	100
County of SLO (Op. Center & Reg. Park)	425
City of Morro Bay	1,313
Oceano Community Services District	750
City of Pismo Beach	1,240
San Luis Coastal Unified School District	7
San Miguelito Mutual Water Company	275
SLO Co. Comm. Coll. District (Cuesta College)	<u>200</u>
TOTAL	4,830

Water Supply Agreements

Each Santa Barbara County project participant has entered into a Water Supply Agreement with the Authority in order to provide for the development, financing, construction, operation and maintenance of the Authority facilities and to designate the Authority to act on behalf of the Santa Barbara County project participants with respect to the DWR facilities. The purpose of the Water Supply Agreements is to assist in carrying out the purposes of the Authority with respect to the Authority project by (1) requiring the Authority to sell, and the Santa Barbara County project participants to buy, a specified amount of project allotment from the Authority, and (2) assigning the Santa Barbara County project participants' entitlement rights in the State Water Project to the Authority.

Local Water Treatment Agreements

Each San Luis Obispo County water purchaser has entered into a Local Water Treatment Agreement with SLOCFCWCD and SLOCFCWCD has entered into the Master Water Treatment Agreement with the Authority to cause the Authority to provide for the development, financing, construction, operation and maintenance of the Authority facilities. The purpose of the Local Water Treatment Agreements is to provide the terms

Central Coast Water Authority
Organization Overview, Structure and Staffing
Fiscal Year 2000/01 Budget

and conditions of the treatment of the San Luis Obispo County water purchaser's water to be delivered from the State Water Project and to provide for the financing of certain local improvements.

State Water Project

The State Water Project is one of the largest water supply projects undertaken in the history of water development. It encompasses a complex of reservoirs, pumping plants, power plants, canals and tunnels owned and operated by the DWR. State water, which primarily originates north of the Sacramento-San Joaquin Delta, is transported from the Delta to serve water contractors in the San Francisco Bay area, the San Joaquin Valley and Southern California. All of the initially planned 642-mile aqueduct and pipeline system is operational with the last 100 miles of the Coastal Branch Phase II substantially completed and placed into operation in August 1997.

DWR has previously completed what is known as the Coastal Branch Phase I, which branches off the California Aqueduct in the southwestern corner of Kings County near Interstate 5. The Coastal Branch Phase I is a 15-mile canal that ends near Devils Den in northwestern Kern County.

The Coastal Branch Phase II pipeline, which was recently constructed by DWR to supply State water to San Luis Obispo and Santa Barbara Counties, runs from the Coastal Branch Phase I terminus over the coastal mountains to and through the County of San Luis Obispo to a terminus in northern Santa Barbara County. Its largest diameter is 57 inches between the Devils Den Pumping Plant and Tank 1 and its smallest diameter is 42 inches along the southerly-most 48 miles.

The CCWA Extension begins at a diameter of 39 inches at Tank 5, continuing south to a point near Lompoc where it turns east, reducing to a diameter of 30 inches along the way. Water flows by gravity to the Santa Ynez Pumping Plant. At this facility, the chloramines used for disinfection are removed (a process called dechloramination) and the water is then pumped into Lake Cachuma through a 30 inch diameter pipe that was originally used to deliver Cachuma Project water to the Santa Ynez River Water Conservation District, Improvement District No. 1.

The water treatment plant receives raw water from the Coastal Branch Phase II and, after treatment, returns the water to the Coastal Branch Phase II. The plant is sized at 43 million gallons per day, and is sized to accommodate the maximum annual entitlement. The plant uses conventional modern treatment units for filtration and disinfection of surface water in conformance with the relevant regulations of the California Department of Health Services.

Central Coast Water Authority
Budget Process
Fiscal Year 2000/01 Budget

Fiscal Year Budget

The Authority fiscal year budget is one of the most important documents prepared by the Authority. Through the process of planning and preparing the budget, the Authority is given the opportunity to reassess its plans and goals for the coming and future years. The process also provides direction for management and staff.

In December of each year, the Authority staff prepares a list of goals and objectives by department and general area of responsibility. The annual goals and objectives are reviewed by the Executive Director and refined as appropriate. The goals are then presented to the Board of Directors at the January regular Board meeting.

Four Year Financial Plan

The Four Year Financial Plan is prepared to provide the project participants pro forma projections of the Authority's expenditures and includes projections for both the CCWA and DWR portions of the budget. DWR provides projections for each of these years for both the fixed and variable costs, and the CCWA expenses are generally projected with a 3% inflation factor to all operating expenses.

The Four Year Financial Plan is prepared as an informational tool only and is not formally adopted by the Board of Directors. The financial plan is presented to the Operating Committee and is used by the member agencies and other project participants for their planning and long term budgeting purposes. *A condensed version of the Four Year Financial Plan is found in the Appendix to this document.*

The various components of the budget are compiled, including "pass-through" charges from the Department of Water Resources (DWR) and Warren Act charges paid to the U.S. Bureau of Reclamation (*see the Revenues and Sources of Cash section for a description of Warren Act Charges*). While these expenditures are not considered expenses for the Authority, the charges are collected by the Authority and paid to the respective agencies; therefore, they are included in the budget.

The requested budget is prepared recognizing the Board approved organization-wide and departmental goals. All Authority goals must be funded within the budget to allow each goal to be accomplished. Stated another way, there are no unfunded mandates.

Committee Review of the Budget

The initial review of the budget is presented to the Finance and Operating Committees each March. Each of these Committees provides input to staff regarding the requested budget. As required by California's Brown Act and Public Records Act, both meetings are posted at least 72 hours, and typically one week, in advance of the meetings inviting the public to attend and provide input regarding the proposed budget.

Central Coast Water Authority
Budget Process
Fiscal Year 2000/01 Budget

Board Adoption of the Fiscal Year Budget

Initial review of the preliminary budget by the Board of Directors occurs during its March regular meeting. The Board reviews the proposed budget and makes changes as it deems appropriate. After staff amends the budget reflecting the Board's direction, the amended budget is then resubmitted to the Board for final review and adoption. This process may continue until staff and the Board have reached a budget suitable for Board approval. Approval of the final budget typically occurs at the April regular Board meeting. The budget is approved by motion and majority vote by the Board. All of these meetings are posted for public participation.

Budget Amendment Process

The budget may be amended during the year by Board action only. This process involves requests by staff to the Board for additional funding. The Board considers the requests of staff at regularly scheduled meetings and approves or rejects the requests by motion and majority vote.

CCWA Financial Schedule FY 2000/01

The Financial Schedule on the following page provides a graphical overview of the major financial milestones that occur for the budget preparation and the corresponding revenue and expenditure cycles.



Photos © Jeff Hirschbuhl

California Red-Legged Frog

Legal Status:	Federal Threatened Species California Species of Special Concern
Range:	Scattered populations from San Benito and Monterey Counties to northwest Baja California
Habitat:	Edges of freshwater streams and pools
Size:	Approximately 1.5 to 5 inches long

CCWA FINANCIAL SCHEDULE

FISCAL YEAR 2000/2001

	FY 1999/00												FY 2000/01											
	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M
BUDGET	Budget Planning Cycle												Budget Expenditure Cycle											
1.0																								
1.1	Receive DWR Statement of Charges (for following calendar year)																							
1.2	Prepare Project Participant Delivery Forecast																							
1.3	Submit 5-YR Delivery Forecast to DWR																							
1.4	Submit Delivery Forecast and Warren Act Payment to USBR																							
1.5	Prepare Draft Budget**																							
1.6	Submit Preliminary Budget to Operating Committee for Review / Action																							
1.7	Submit Preliminary Budget to Finance Committee for Review / Action																							
1.8	Submit Preliminary Budget to Board for Review																							
1.9	Board Approval of Final Budget																							
REVENUE																								
2.0																								
2.1	Project Participant Assessment Billings (CCWA Fixed Expenses)																							
2.2	SLO WTP and Coastal Branch Phase II Billing (CCWA Fixed Expenses)																							
2.3	Project Participant DWR Billings (Fixed Expenses)																							
2.4	Project Participant Bond Payment Billings																							
2.5	CCWA and DWR Variable Cost Billings (Project Participants)																							
2.6	CCWA Variable Cost Billings (SLO)																							
EXPENSES																								
3.0																								
3.1	CCWA Expenses																							
3.1.1	Administration / O&M Payments																							
3.1.2	Warren Act Payment																							
3.1.3	MOU Trust Fund Payments																							
3.2	CCWA Project Revenue Bond Funds																							
3.2.1	Semi-Annual Bond Payments																							
3.3	DWR Payments																							
3.3.1	Semi-Annual DWR Capital Cost Payments																							
3.3.2	Semi-Annual DWR Coastal Branch Extension Payments																							
3.3.3	Monthly DWR Minimum and Variable OMP&R Cost																							
4.0	WATER TRANSFERS AND SALES																							
4.1	CCWA Turnback Pool Sales																							
4.2	DWR Turnback Pool Sales																							

**Contains the FY 2000/2001 Budget and the 4-Year Financial Plan for FY 2001/02 through FY 2003/04

- ★ CCWA Board / Committee Milestone
- ◆ Project Participant Milestone
- ▼ CCWA Staff Milestone

- ← CCWA Revenue Bond Payment/Period
- ← Participant Bond Payment Due Date/Period
- ← Participant Assessment Due Date/Period
- ← SLO WTP Billing Due Date/Period
- ← CCWA Expense Period/Payment
- ← Participant DWR Billing Due Date/Period
- ← DWR Payment/Period

Central Coast Water Authority
Financial Reporting Basis
Fiscal Year 2000/01 Budget

Budget Reporting

For budgetary reporting purposes, the Central Coast Water Authority uses the modified accrual basis of accounting.

Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recognized in the accounting period in which the liability is incurred. Non-cash expense items such as depreciation expense for fixed assets and accrued compensated absences are excluded from the budget.

The Authority operates under one fund for budgetary purposes. However, the Authority's various departments and budget preparation are segregated into subsections as follows:

Administration

Water Treatment Plant

Distribution

CCWA Reaches

Mission Hills II
Santa Ynez I
Santa Ynez II

DWR Reaches

Reach 33B
Reach 34
Reach 35
Reach 37
Reach 38

For further information on the various cost centers within the Distribution Department subsection, please see the discussion of financial reaches in the section titled "Distribution Department."

Financial Statement Reporting

The Authority operates as a proprietary fund-type. All proprietary fund-types are accounted for on a flow of economic resources measurement focus. Under this measurement focus, all assets and liabilities associated with the operation of these funds are included on the balance sheet. Where appropriate, net total assets (i.e., fund equity) is segregated into contributed capital and retained earnings. Proprietary fund-type operating statements present increases (revenues) and decreases (expenses) in net total assets.

Central Coast Water Authority
Budget Policy and Strategy
Fiscal Year 2000/01 Budget

The Fiscal Year 2000/01 Budget document has been prepared after analyzing, evaluating and justifying both the financial and non-financial objectives and goals of the Authority for the current year and beyond. The Authority's budget is a comprehensive document which enables the Board of Directors and Authority staff to evaluate where the Authority has been in the past and where it is going in the future.

The Authority's management believes that a successful budget should contain the following ingredients for it to be useful to the individuals using the information:

1. **Worthy Purpose** There should be clear goals for the budget. The goals and objectives of the Authority should dictate the Authority's budget.
2. **Participative Ownership** Budget ownership and the motivation to make it work will only occur when there is significant decision making involvement at the levels of implementation.
3. **Reporting System** A good budgeting system must be fully integrated with the Authority's reporting (i.e., accounting) system. That is, the accounting system and the budgeting system should be consistent in account classifications and methods of accounting for data, time periods, etc. Ease of understanding is enhanced when the budgeted data and the accounting system mirror each other.
4. **Support of Management** In any well-organized budgeting system, support from top management is essential for the system to be effective. By being involved in establishing the budget concepts and procedures as well as reviewing budget variations, the Board will lend support to the rest of the Authority and create acceptance and promote effective use of the budgeting system by all.

BUDGET POLICIES

- The primary budgetary objective is to provide the highest possible level of service to the Authority's project participants without impairing the Authority's sound financial condition. Continual efforts will be made to improve productivity, lower costs and enhance services.
- The Authority will endeavor to keep current expenditures less than current revenues. Current expenditures are defined as operating expenses, debt payments and capital improvement expenditures. The Authority will strive to operate within the approved budgetary amounts to avoid subsequent billings to the member agencies and other project participants for over-expenditures.
- The Authority will maintain a budgetary control system to ensure adherence to the budget and will prepare regular reports comparing actual revenues and expenditures/expenses to budgeted amounts.

Central Coast Water Authority
Budget Policy and Strategy
Fiscal Year 2000/01 Budget

- Laws and policies limiting revenue sources and expenditures must be explicitly addressed in the budget process.
- No Unfunded Mandates The Board of Directors will not establish a goal or policy without also providing the necessary funding to accomplish those goals or policies.
- Budget Change Policy The adopted budget may only be changed by Board action. Budget change requests may be made by staff to the Board of Directors at a regularly scheduled Board meetings. The Board will then consider the requests based on staff's recommendations and approve or deny the requests by a majority vote.
- Bond Coverage Policy The project participants have covenanted to collect sufficient revenues to maintain net revenues of 125% of all State water payments made to the Central Coast Water Authority. Net revenues are defined as gross revenues minus operating expenses and excluding depreciation. The Authority staff will assist project participants in guaranteeing compliance with this covenant.
- Reconciliation of Charges The Authority will endeavor to reconcile differences between actual expenditures incurred and amounts billed to the member agencies and other project participants in a timely manner. Under-expenditures in the budget will be returned to project participants as credits in subsequent billings.
- Investment Income Allocation The Authority will endeavor to provide timely allocation of investment income to the member agencies and other project participants for payments covering 1996 revenue bond debt service and DWR charges.
- DWR Charges and Credits The Authority will endeavor to provide sufficient information to the member agencies and other project participants regarding the DWR charges to enable them to gain a full understanding of the charges. Additionally, the Authority will provide credits given by DWR on the next available billing sent to the project participants.
- Four Year Financial Plan In conjunction with preparation of the fiscal year budget, the Authority will also prepare and make available a four year financial plan which provides estimates of the total State water costs for the four-year period.
- Annual Allocation of Recurring Expenditures (Non-Annual Recurring Expenses – i.e., “NARES”) The Authority will endeavor to identify non-annual recurring operating expenses and capital expenditures and allocate a portion of such expenditures over a number of years prior to the anticipated expenditure to eliminate large variances in the annual operating assessments to the project participants.

Central Coast Water Authority
Budget Policy and Strategy
Fiscal Year 2000/01 Budget

- Distribution Department Financial Reach Allocation Percentages The Authority will amend the Distribution Department financial reach allocation percentages for fixed O&M costs based on the actual costs incurred by financial reach. These percentages will be based on the actual percentages from the Yearend Budget Report two years prior to the current budget year.
- Spare Parts Inventory The Authority will track the purchase of spare parts inventory greater than \$2,000 and allocate costs to the appropriate financial reach when the spare parts are actually used at a specific location or financial reach.
- Appropriated Contingency No expenditure will be made from the Appropriated Contingency account without prior approval from the Board of Directors.

CAPITAL IMPROVEMENTS POLICY

- Long-Range CIP Plan The Authority will identify long-range capital projects and capital improvements of all types which will be coordinated with the annual operating budget to maintain full utilization of available revenue sources.
- CIP Paid from Current Revenues When appropriate, capital improvements will be paid through current revenue sources rather than financing capital projects over a period of time.

DEBT POLICY

- Debt Financing The Authority will use debt financing when it is judged to be appropriate based on the long-term capital needs of the Authority and the Authority's ability to repay the indebtedness has been evaluated in light of all sources and uses of cash.
- Long-Term Debt The Authority will only incur long-term debt for the financing of capital improvements that are not expected to recur and are long-lived. Conversely, if the capital requirements are recurring, of relative small scale or are for short-lived improvements, the cost of these improvements should be paid from current revenues.

RESERVE POLICY

- The Authority will maintain an Operations and Maintenance Reserve Fund in the amount of \$2 million. Monies held in the O&M Reserve Fund may be expended only upon authorization of the Board of Directors for unanticipated operating and maintenance activities.

Central Coast Water Authority
Budget Policy and Strategy
Fiscal Year 2000/01 Budget

INVESTMENT POLICY

- The Authority will operate its idle cash investments under the prudent person rule which states: "...in investing...property for the benefit of another, a trustee shall exercise judgment and care, under the circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs..."
- The criteria for selecting investments and the order of priority are:
 - (1) Safety, which refers to the potential loss of principal, interest or a combination of the two.
 - (2) Liquidity, which refers to the ability to "cash-in" at any moment in time with a minimal chance of losing some portion of principal or interest.
 - (3) Yield is the potential dollar earnings an investment can provide, and sometimes is described as the rate of return.

For further information on the Authority's investment policy, please refer to the Appendix section of this document.

ACCOUNTING, AUDITING AND FINANCIAL REPORTING POLICIES

- Monthly Budget Reports The Authority's Controller will produce monthly budget reports covering the activity for the current period.
- Independent Audit The Authority will employ an independent accounting firm to perform an annual audit of the Authority financial statements, and make the audit available to all required and interested parties.
- Budget Preparation The Authority will prepare an annual budget document that provides a basic understanding of the Authority's planned financial operations for the coming fiscal year. Copies of the proposed and final budget will be made available to all interest parties and opportunities will be provided for customer input prior to final adoption of the budget.
- Accounting System The accounting system will maintain records on a basis consistent with accepted standards for local government accounting. The Authority will strive to receive the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers' Association.
- Budget Awards The Authority will annually submit its budget to the Government Finance Officers' Association for consideration of the Distinguished Budget Presentation Award and to the California Society of Municipal Finance Officers for its Excellence in Operational Budgeting award.



Central Coast Water Authority

Budget Summary

Fiscal Year 2000/01 Budget

	FY 1999/00		FY 1999/00		Change from	Change from
	FY 1998/99 Actual	FY 1999/00 Budget	Estimated Actual	FY 2000/01 Budget	FY 1999/00 Budget	FY 1999/00 Actual
Beginning Cash Balance	\$ 2,000,000	\$ 2,217,802	\$ 2,217,802	\$ 2,389,422		
SOURCES OF CASH						
CCWA Operating Expenses	4,325,085	4,223,736	4,223,736	4,273,625	49,889	49,889
Debt Service Payments	8,645,310	8,167,168	8,167,168	10,425,454	2,258,286	2,258,286
Capital Improvement Projects	88,522	81,409	81,409	54,299	(27,110)	(27,110)
Non-Annual Recurring Expenses	217,801	222,602	222,602	202,115	(20,487)	(20,487)
Investment Income	224,091	-	200,000	-	-	(200,000)
CCWA Credits	-	(8,349,112)	(8,349,112)	(4,485,326)	3,863,786	3,863,786
Subtotal Revenues	13,500,809	4,345,803	4,545,803	10,470,166	6,124,363	5,924,363
<u>Pass-Through Expenses</u>						
DWR Fixed Costs	24,992,759	23,437,298	23,715,137	26,892,863	3,455,565	3,177,727
DWR Variable Costs	1,592,872	2,903,317	1,050,829	2,241,193	(662,124)	1,190,364
Warren Act Charges	2,685	185,368	10,000	275,152	89,784	265,152
Subtotal Pass-Through Expenses	26,588,316	26,525,983	24,775,966	29,409,208	2,883,225	4,633,242
TOTAL SOURCES OF CASH	40,089,125	30,871,786	29,321,769	39,879,374	9,007,588	10,557,605
USES OF CASH						
<u>CCWA Operating Expenses</u>						
Personnel	1,929,120	1,982,047	1,974,215	2,069,203	87,156	94,988
Office Expenses	19,772	23,600	24,189	22,100	(1,500)	(2,089)
Supplies and Equipment	371,758	662,812	359,111	541,362	(121,450)	182,251
Monitoring Expenses	97,294	100,500	61,553	87,000	(13,500)	25,447
Repairs and Maintenance	235,965	160,705	160,465	161,125	420	660
Professional Services	274,513	472,867	571,588	479,847	6,980	(91,742)
General and Administrative	123,381	136,733	116,573	134,421	(2,312)	17,849
Utilities	172,714	374,670	202,301	456,690	82,020	254,389
Other Expenses	225,293	309,803	193,650	321,877	12,074	128,227
Total Operating Expenses	3,449,810	4,223,737	3,663,646	4,273,625	49,888	609,979
<u>Other Expenditures</u>						
Warren Act Charges	2,685	185,368	10,000	275,152	89,784	265,152
Capital Improvement Projects ⁽¹⁾	164,843	132,391	132,391	121,710	(10,681)	(10,681)
CCWA Credits	-	(8,349,112)	(8,349,112)	(4,485,326)	3,863,786	3,863,786
1996 Revenue Bond Debt Service	8,645,310	8,167,168	8,167,168	10,425,454	2,258,286	2,258,286
Unexpended O&M Assessments	1,023,044	-	760,090	-	-	-
Total Other Expenditures	9,835,882	135,815	720,537	6,336,989	6,201,174	6,376,542
Total CCWA Expenditures	13,285,692	4,359,552	4,384,183	10,610,614	6,251,062	6,986,521
<u>DWR Charges</u>						
Fixed DWR Charges	24,992,759	23,437,298	26,406,030	26,892,863	3,455,565	486,833
Variable DWR Charges	1,592,872	2,903,317	2,039,146	2,241,193	(662,124)	202,047
DWR Credits	-	-	(3,679,210)	-	-	-
Total DWR Charges	26,585,631	26,340,615	24,765,966	29,134,056	2,793,441	688,880
TOTAL USES OF CASH	39,871,323	30,700,167	29,150,149	39,744,670	9,044,503	7,675,401
Ending Fund Balance	\$ 2,217,802	\$ 2,389,421	\$ 2,389,422	\$ 2,524,126	\$ 134,705	134,704
Non-Annual Recurring Balance	217,801	389,420	389,422	524,126		
Operating Reserve Balance	2,000,000	2,000,000	2,000,000	2,000,000		
General Fund Balance	\$ -	\$ -	\$ -	\$ -		

(1) Excludes bond fund and capital deposit funded CIP expenditures.

Central Coast Water Authority
Total Expenditures Summary
 Fiscal Year 2000/01 Budget

Project Participant	Unadjusted CCWA Operating Expense (1)	Exchange Agreement Adjustment SYPF Power	Exchange Agreement Adjustment Cap. & Fixed	Exchange Agreement Adjustment Variable	Regional WTP Allocation		Warren Act Charges (3)	1996 Revenue		Subtotal FY 2000/01 CCWA	Non-Annual Recurring Expenses	Total FY 2000/01 CCWA
					Regional WTP Allocation	WTP Credit		Bond Debt Service	Service			
Guadalupe	44,964	-	-	-	\$17,085	\$0	\$62,049	165,761	\$227,810	2,260	221,772	
Santa Maria	1,337,727	-	-	-	\$499,843	\$0	1,837,570	-	1,837,570	67,706	(973,034)	
SCWC	41,886	-	-	-	\$15,527	\$0	57,413	-	57,413	2,090	45,835	
Vandenberg AFB	508,948	-	-	-	\$170,860	\$0	679,809	-	679,809	24,665	603,684	
Buellton	61,505	-	-	-	\$17,842	\$0	79,347	293,816	373,163	2,892	349,698	
Santa Ynez (Solvang)	155,575	-	-	-	\$45,459	\$0	201,033	620,488	821,521	7,504	805,528	
Santa Ynez	54,799	-	-	31,227	\$100,126	\$0	475,887	232,325	708,212	2,501	509,656	
Goleta	855,392	(127,335)	-	-	\$74,905	(\$283,764)	269,689	2,839,161	3,284,575	24,625	3,114,490	
Morehart Land	27,931	-	-	-	\$5,966	(\$21,731)	12,166	91,347	108,617	1,094	89,202	
La Cumbre	158,257	-	-	-	\$30,336	(\$111,986)	76,607	437,209	554,416	5,472	498,980	
Raytheon (SBRC)	9,344	-	-	-	\$1,552	(\$5,855)	5,040	27,319	35,550	274	32,671	
Santa Barbara	324,525	-	-	-	\$87,155	(\$309,059)	102,621	1,746,069	1,848,890	16,417	1,814,874	
Montecito	386,698	(22,955)	-	-	\$77,022	(\$275,875)	119,909	1,436,913	1,585,033	16,417	1,286,072	
Carpinteria	259,994	(13,510)	-	-	\$52,364	(\$187,773)	84,605	1,171,661	1,278,587	10,943	825,313	
Shandon	4,402	-	-	-	-	-	4,402	13,535	17,936	335	18,266	
Chorro Valley	128,715	-	-	-	-	-	128,715	1,058,831	1,187,547	8,242	1,195,666	
Lopez	131,195	-	-	-	-	-	131,195	291,019	422,213	8,679	305,777	
TOTAL:	4,491,856	(\$163,800)	\$0	(\$0)	\$1,196,043	(\$1,196,043)	\$4,328,056	\$10,425,454	\$15,028,662	\$202,115	\$10,745,450	

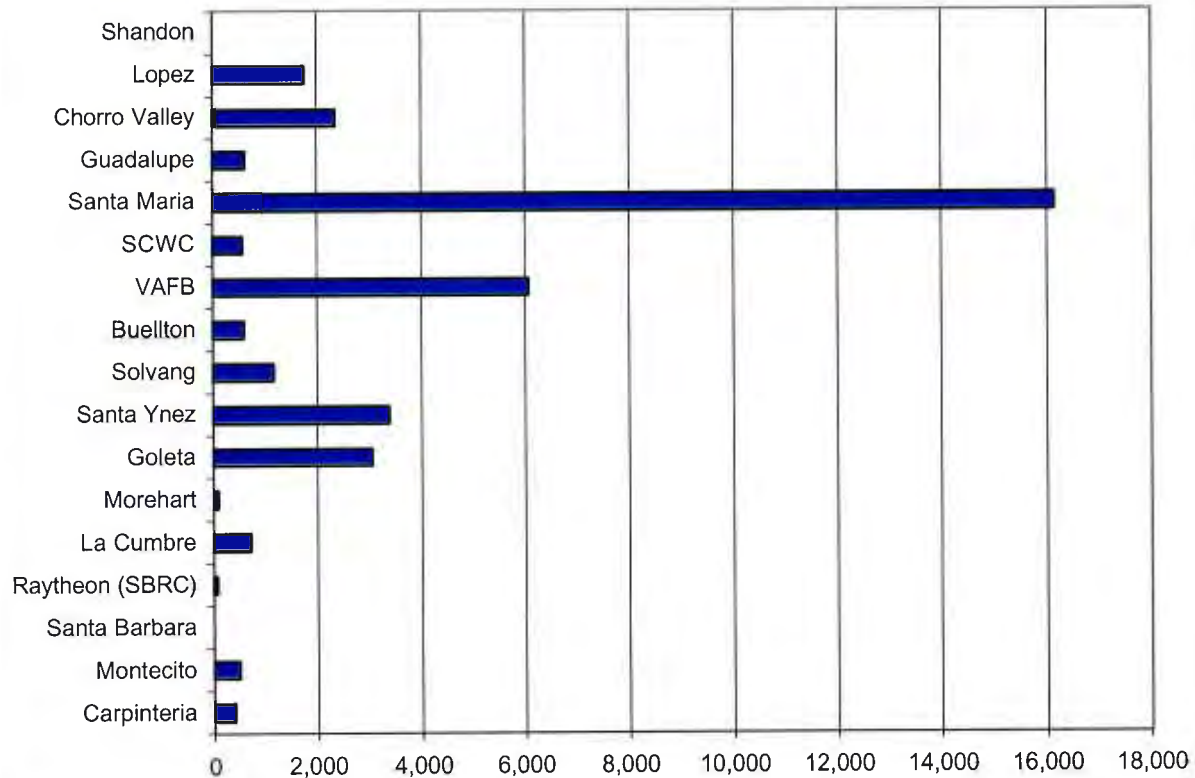
(1) Includes capital improvement projects.
 (2) Adjusted for Santa Ynez Exchange Agreement modifications.

Project Participant	DWR FIXED CHARGES			DWR VARIABLE CHARGES			DWR Interest Income	Total DWR Charges	TOTAL DWR and CCWA				
	Transportation Capital Reach 35	Transportation Capital Reach 37	Transportation Capital Reach 38	Transportation Minimum OMP&R	Water System Revenue Bond	Delta Water Charges				Total Fixed	Off-Aqueduct Charges	Variable OMP&R	Total Variable
Guadalupe	\$ 279,882	\$ -	\$ -	\$ 49,666	\$ 19,736	\$ 12,926	\$ 392,211	\$ 27,701	\$ 20,379	\$ 48,080	\$ (6,497)	\$ 401,764	\$ 623,268
Santa Maria	8,212,970	346,972	-	1,462,901	581,308	380,735	10,984,887	679,745	480,420	1,160,165	(2,489,882)	11,895,190	10,922,156
SCWC	254,333	10,709	-	45,151	17,942	11,751	339,886	-	11,998	11,998	(7,131)	344,754	390,588
Vandenberg AFB	2,799,145	117,799	193,164	496,664	197,358	129,262	3,933,392	185,092	169,576	354,668	(90,215)	4,197,845	4,801,529
Buellton	294,927	12,380	20,300	52,195	20,741	13,589	414,131	34,086	14,756	48,842	(9,174)	453,799	803,496
Santa Ynez (Solvang)	756,468	32,127	52,681	131,272	52,869	32,048	1,057,465	-	53,062	53,062	(5,069)	1,105,458	1,911,986
Goleta	261,388	10,709	17,560	49,333	18,897	14,956	372,844	12,191	170,912	12,191	(11,040)	373,994	883,651
Morehart Land	2,294,990	96,381	158,043	406,361	161,475	105,760	3,223,010	89,285	289	280,188	(78,288)	3,404,920	6,519,410
La Cumbre	101,171	4,284	7,024	18,061	7,177	4,700	142,417	2,397	21,270	2,686	(1,016)	144,084	233,286
Raytheon (SBRC)	510,209	21,418	35,121	90,303	35,883	23,502	716,436	1,600	1,224	21,270	(7,653)	730,052	1,229,032
Santa Barbara	24,411	1,071	1,756	4,515	1,794	1,175	34,723	63,453	1,224	2,824	(8,258)	36,445	69,116
Montecito	1,528,364	64,254	105,362	270,908	107,650	70,506	2,147,044	74,806	54,821	63,453	(6,258)	2,202,239	4,017,113
Carpinteria	1,527,282	64,254	105,362	270,908	107,650	70,506	2,145,942	54,494	17,634	129,627	(55,247)	2,220,321	3,506,393
Shandon	1,016,943	42,836	70,241	180,805	71,766	47,004	1,429,396	54,494	17,634	72,129	(22,751)	1,478,774	2,304,087
Chorro Valley	20,484	-	-	60,384	10,104	53,414	144,386	-	-	-	-	144,386	18,266
TOTAL:	\$ 19,882,949	\$ 825,193	\$ 766,615	\$ 3,589,227	\$ 1,412,349	\$ 971,836	\$ 27,448,168	\$ 1,224,852	\$ 1,016,341	\$ 2,241,193	\$ (555,305)	\$ 29,134,056	\$ 39,879,374

Central Coast Water Authority
FY 2000/01 Delivery Requests (Acre Feet)

Project Participant	Requested Deliveries	Exchange Deliveries	Actual Deliveries
Shandon	-	-	-
Lopez	1,735	-	1,735
Chorro Valley	2,338	-	2,338
Guadalupe	605	-	605
Santa Maria	16,134	-	16,134
SCWC	550	-	550
VAFB	6,050	-	6,050
Buellton	578	-	578
Solvang	1,150	-	1,150
Santa Ynez	638	2,730	3,368
Goleta	5,152	(2,122)	3,030
Morehart	88	-	88
La Cumbre	700	-	700
Raytheon (SBRC)	55	-	55
Santa Barbara	-	-	-
Montecito	869	(383)	486
Carpinteria	610	(225)	385
TOTAL:	37,252	-	37,252

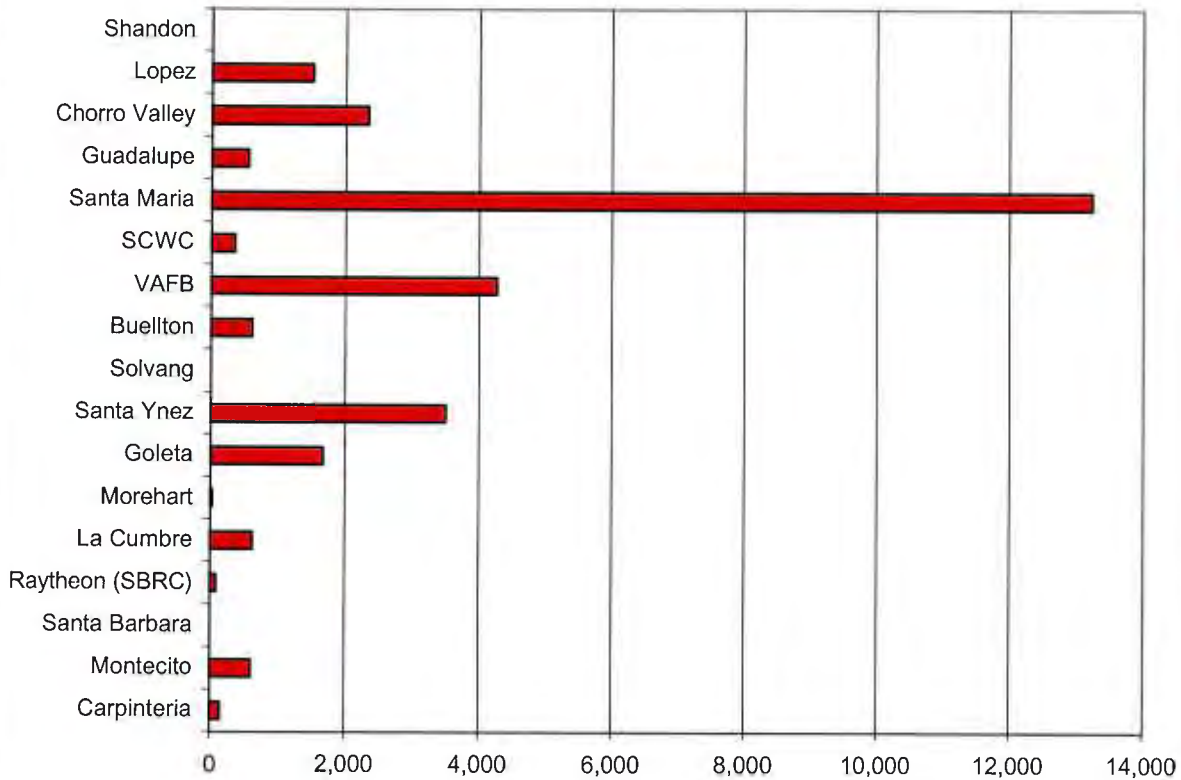
FY 2000/01 Deliveries (Acre Feet)



Central Coast Water Authority
FY 1999/00 Estimated Actual Deliveries (Acre Feet)

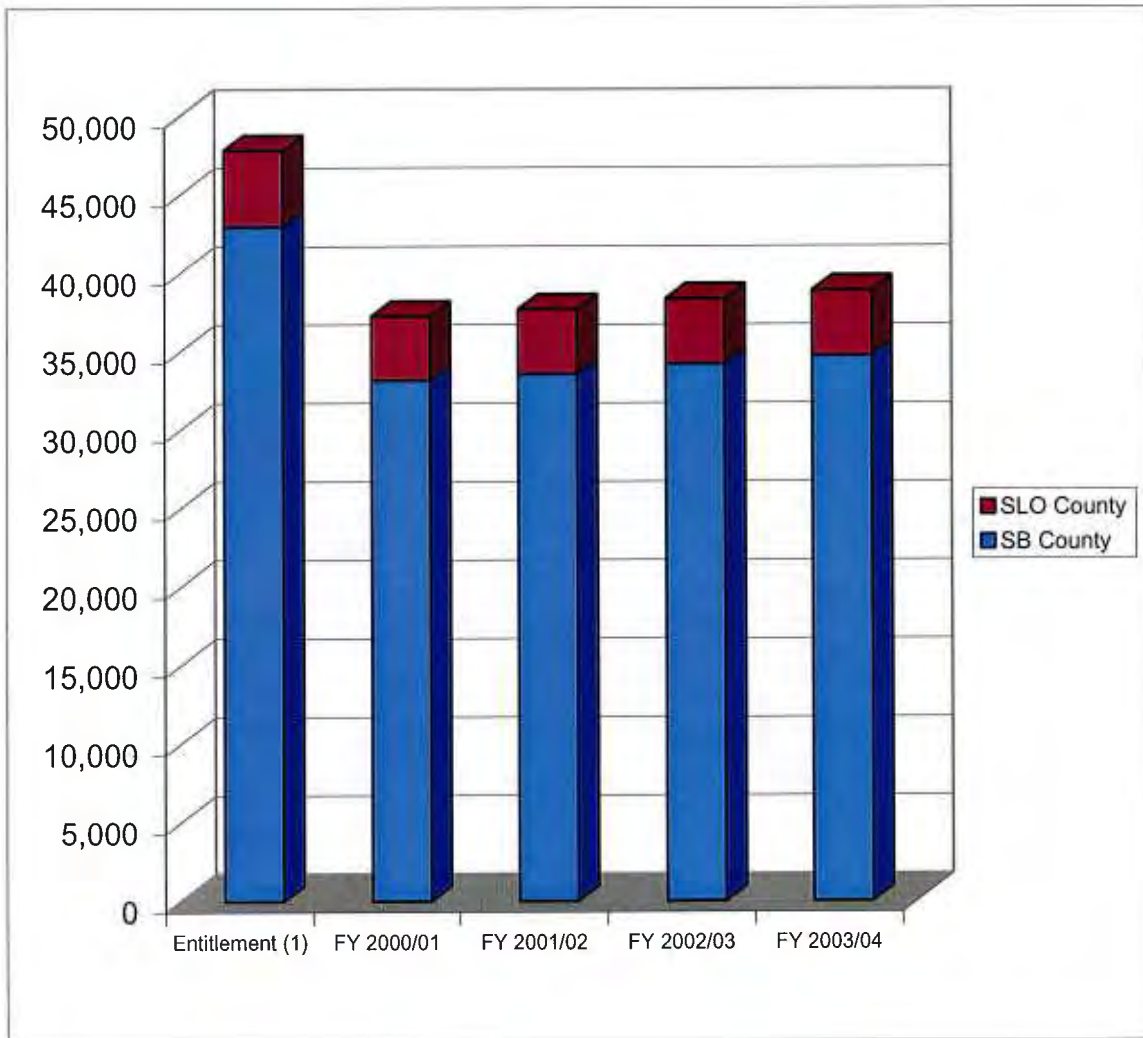
Project Participant	Est. Actual Deliveries	Exchange Deliveries	Est. Actual Deliveries
Shandon	-	-	-
Lopez	1,492	-	1,492
Chorro Valley	2,322	-	2,322
Guadalupe	541	-	541
Santa Maria	13,226	-	13,226
SCWC	341	-	341
VAFB	4,260	-	4,260
Buellton	606	-	606
Solvang	-	-	-
Santa Ynez	726	2,767	3,493
Goleta	3,811	(2,149)	1,662
Morehart	19	-	19
La Cumbre	619	-	619
Raytheon (SBRC)	70	-	70
Santa Barbara	-	-	-
Montecito	863	(269)	594
Carpinteria	489	(349)	140
TOTAL:	29,385	-	29,385

FY 1999/00 Estimated Actual Deliveries (Acre Feet)



Central Coast Water Authority
Requested State Water Deliveries
 FY 2000/01 to FY 2003/04

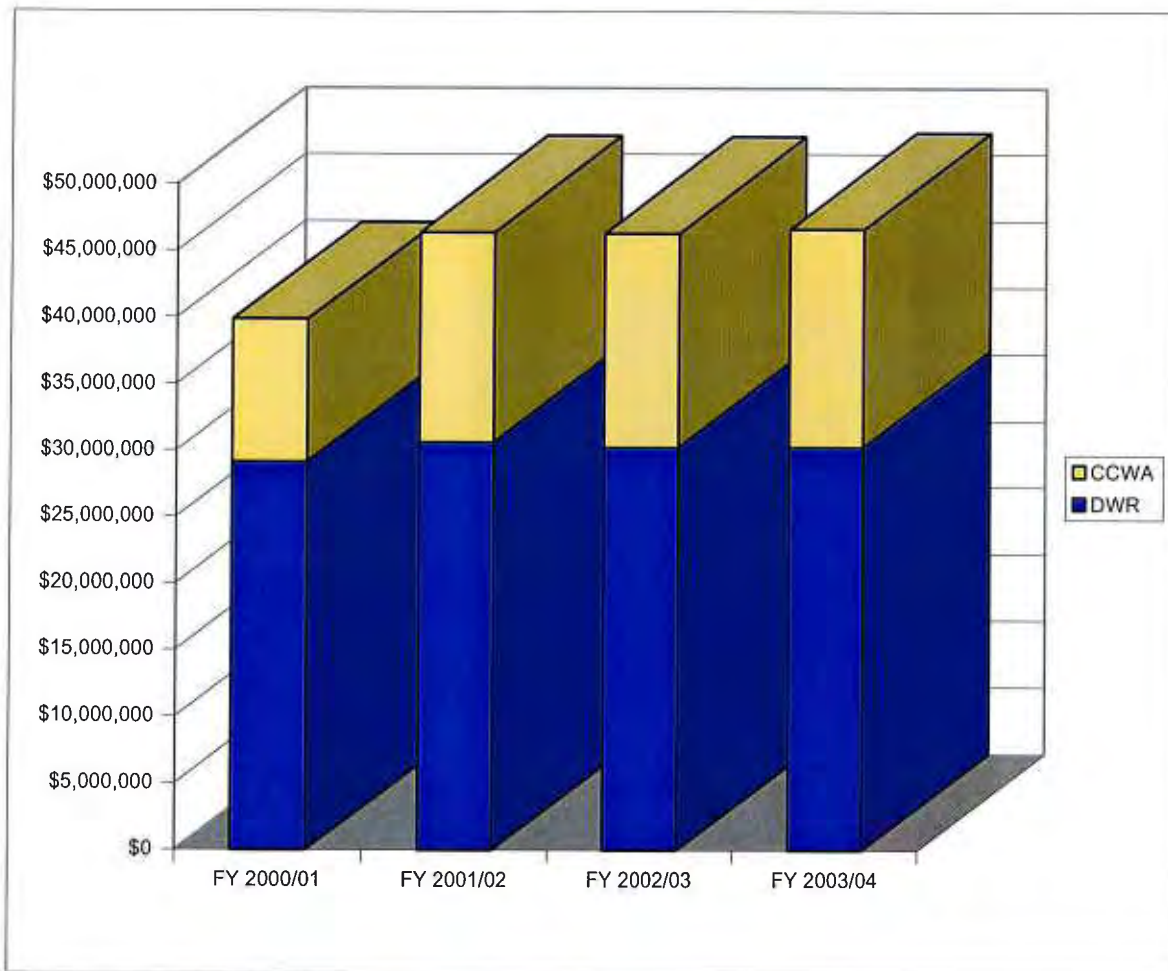
Entitlement ⁽¹⁾	47,816 AF
FY 2000/01	37,252 AF
FY 2001/02	37,685 AF
FY 2002/03	38,343 AF
FY 2003/04	38,876 AF



(1) Consists of 39,078 AF of Santa Barbara participant entitlement allocations, 3,908 AF drought buffer and 4,830 AF San Luis Obispo County entitlement. Does not include 2,500 AF additional Goleta Water District entitlement.

Central Coast Water Authority
Total SWP Charges DWR and CCWA
 FY 2000/01 to 2003/04

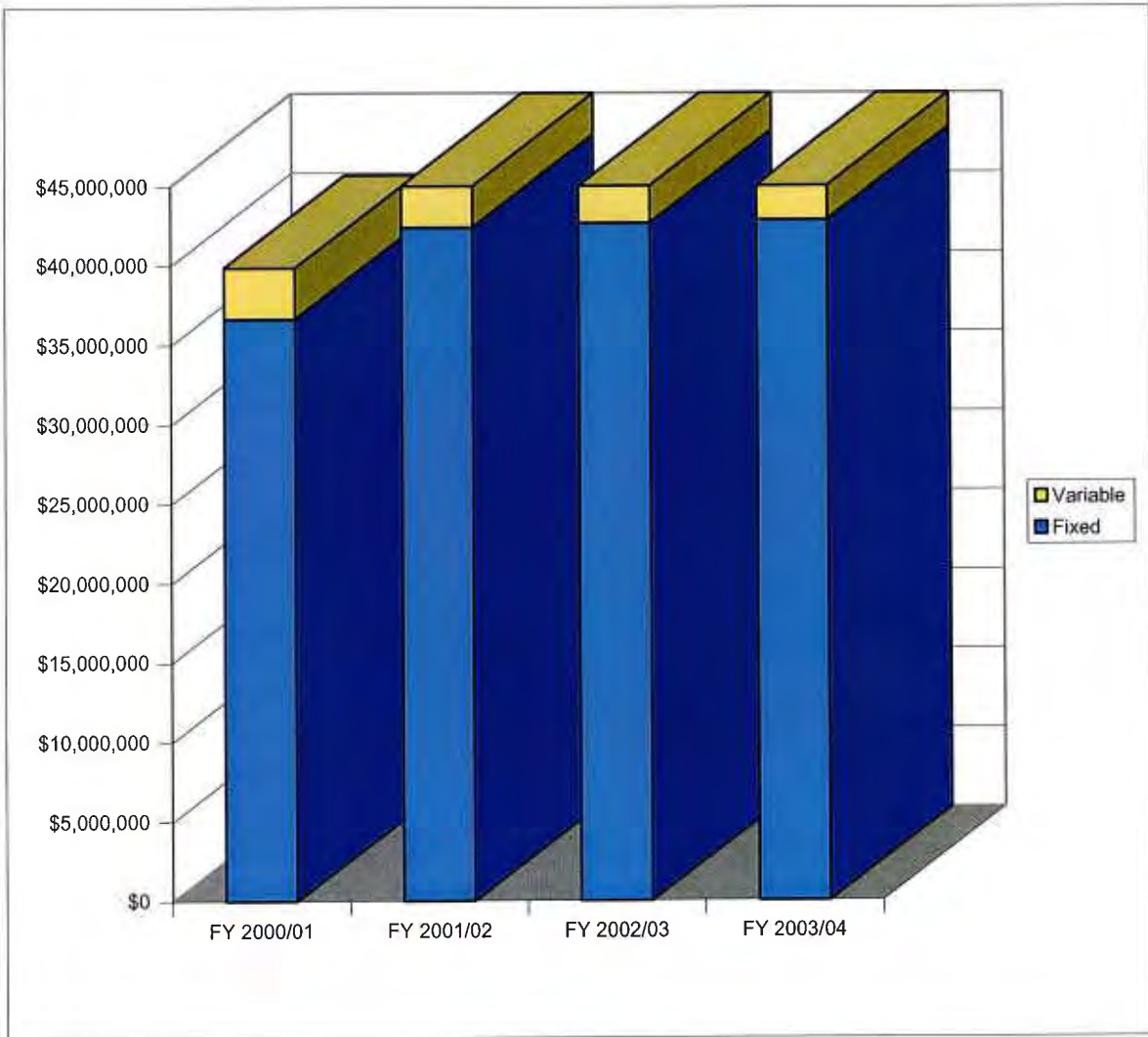
<u>Fiscal Year</u>	<u>DWR</u>	<u>CCWA</u>	<u>Total</u>
FY 2000/01	\$29,134,056	\$10,745,450	\$39,879,374
FY 2001/02	\$30,616,243	\$15,768,339	\$46,384,582
FY 2002/03	\$30,263,012	\$16,054,202	\$46,317,214
FY 2003/04	\$30,269,185	\$16,360,657	\$46,629,842



FY 2000/01 charges net of CCWA credits.

Central Coast Water Authority
Total DWR and CCWA Charges Fixed and Variable
 FY 2000/01 through 2003/04

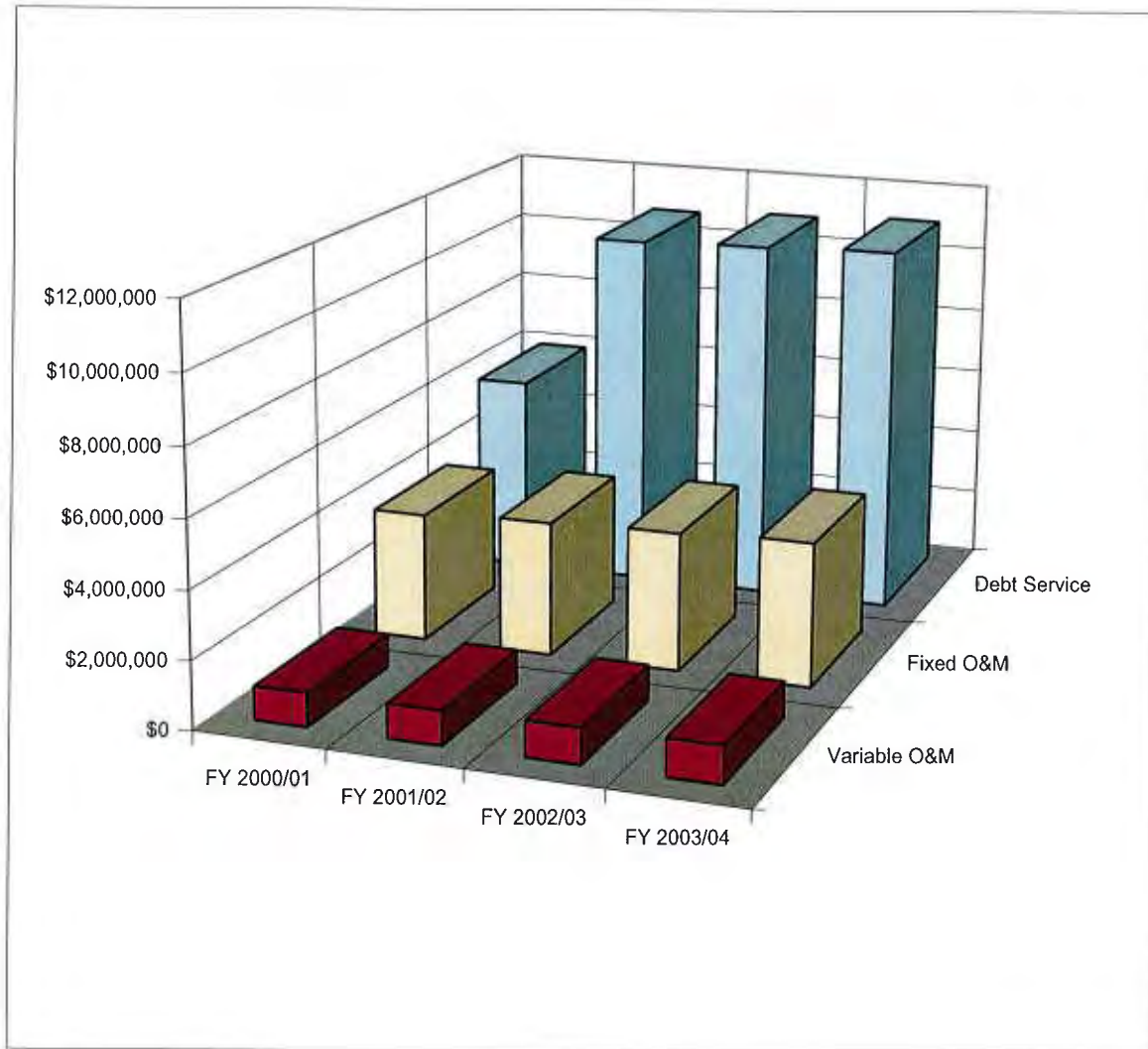
<u>Fiscal Year</u>	<u>Fixed</u>	<u>Variable</u>	<u>Total</u>
FY 2000/01	\$36,651,002	\$3,228,505	\$39,879,374
FY 2001/02	\$42,403,557	\$3,981,024	\$46,384,582
FY 2002/03	\$42,644,577	\$3,672,637	\$46,317,214
FY 2003/04	\$42,842,504	\$3,787,338	\$46,629,842



FY 2000/01 charges net of CCWA credits.

Central Coast Water Authority
CCWA Estimated Charges
 FY 2000/01 to 2003/04

Fiscal Year	Variable O&M	Fixed O&M	Debt Service	Total
FY 2000/01	\$987,312	\$3,818,011	\$5,940,127	\$10,745,318
FY 2001/02	\$1,004,568	\$3,996,905	\$10,766,866	\$15,768,339
FY 2002/03	\$1,055,603	\$4,117,848	\$10,880,751	\$16,054,202
FY 2003/04	\$1,088,123	\$4,264,660	\$11,007,874	\$16,360,657



FY 2000/01 charges net of CCWA credits.

Central Coast Water Authority
Revenues and Sources of Cash
 Fiscal Year 2000/01 Budget

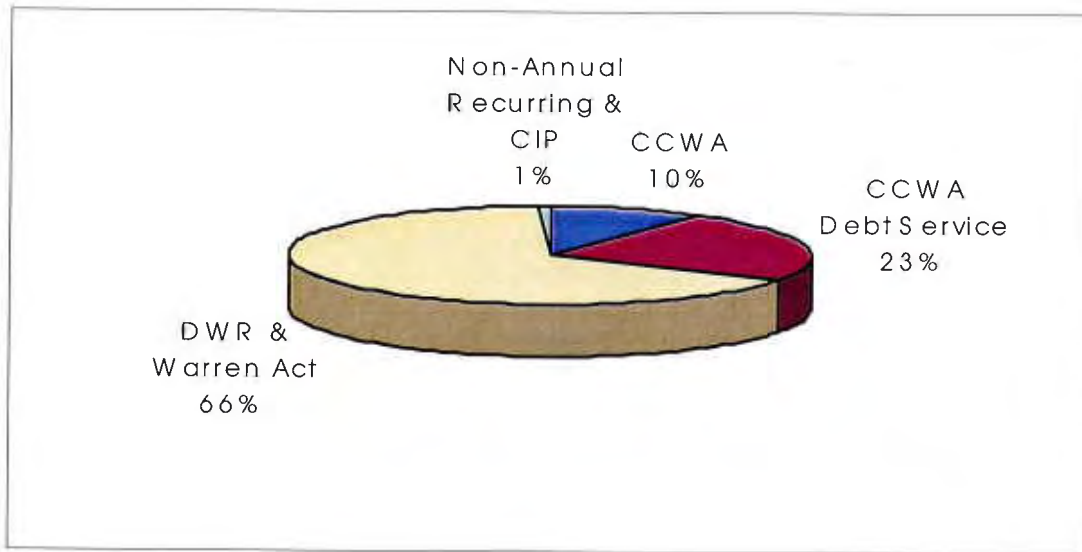
The Authority Revenue budget is comprised of payments made by member agencies and other project participants for Authority operating expenses, debt service on the Authority revenue bonds and investment income. Additionally, there are other payments made by the project participants that are treated as pass-through expenses. These pass-through expenses represent payments for the Department of Water Resources and Warren Act charges paid to the U.S. Bureau of Reclamation; they are not considered revenues for the Authority. These payments are collected by the Authority and paid directly to the two agencies by the Authority.

Revenues and Other Sources of Cash

Revenues	FY 1999/00		
	FY 1998/99 Actual	Estimated Actual	FY 2000/01 Budget
CCWA Operating Expenses ⁽¹⁾	\$ 4,325,085	\$ 4,223,736	\$ 4,273,625
Debt Service Payments	8,645,310	8,167,168	10,425,454
Capital Improvement Projects (CIP)	88,522	81,409	54,299
Non-Annual Recurring Expenses	217,801	222,602	202,115
Investment Income	224,091	200,000	-
Subtotal Revenues	13,500,809	12,894,915	14,955,492
Pass-Through Expenses			
DWR Fixed Costs	24,992,759	23,715,137	27,448,168
DWR Variable Costs	1,592,872	1,050,829	2,241,193
DWR Account Interest	-	-	(555,305)
Warren Act Charges ⁽¹⁾	2,685	10,000	275,152
Subtotal Pass Through Expenses	26,588,316	24,775,966	29,409,208
CCWA Credits	-	(8,349,112)	(4,485,326)
TOTAL SOURCES OF CASH	\$ 40,089,125	\$ 29,321,769	\$ 39,879,374

(1) Adjusted for Santa Ynez Exchange Agreement modifications.

Central Coast Water Authority
Revenues and Sources of Cash
Fiscal Year 2000/01 Budget



FY 1999/00 Actual Cash Receipts

The actual cash receipts for FY 1999/00 were less than the actual expenditures for the year because of credits given to the project participants for (1) unexpended operating expense assessments for FY 1998/99, (2) interest income for FY 1998/99, (3) differences between the DWR actual fixed payments and the budgeted fixed payments and (4) debt service credits from the project closeout.

CCWA Operating Expense Revenues

The Authority operating expense revenues are billed directly to project participants in accordance with their Water Supply Agreements. After the total operating expense budget has been determined, it is adjusted based on the "Santa Ynez Exchange Agreement" modifications (*see the Appendix to this document for further information on the Exchange Agreement*). These Exchange Agreement modifications decrease the electrical costs at the Santa Ynez Pumping Facility. This modified amount is billed to the affected member agencies.

The amounts billed to the member agencies and other Santa Barbara County project participants are further adjusted for the "WTP Regional Allocation" (*see the Appendix to this document for further information on the WTP Regional Allocation*). The WTP Regional Allocation does not adjust the total revenues received by the Authority, but it does affect the amount of the payments by the various member agencies and other project participants.

Central Coast Water Authority
Revenues and Sources of Cash
 Fiscal Year 2000/01 Budget

The following table shows the Authority operating expense budget modified as a result of the Santa Ynez Exchange Agreement, resulting in the net revenues to the Authority.

Project Participant	Original CCWA Operating Expenses ⁽¹⁾	Regional WTP Allocation	Regional WTP Allocation Credit	Exchange Agreement Adjustment SYPF Power	Exchange Agreement Adjustment Cap. and Fixed	Exchange Agreement Adjustment Variable	Adjusted CCWA Operating Expenses
Guadalupe	\$ 44,964	\$ 17,085	\$ -	\$ -	\$ -	\$ -	\$ 62,049
Santa Maria	1,337,727	499,843	-	-	-	-	1,837,570
SCWC	41,886	15,527	-	-	-	-	57,413
Vandenberg AFB	508,948	170,860	-	-	-	-	679,809
Buellton	61,505	17,842	-	-	-	-	79,347
Santa Ynez (Solvang)	155,575	45,459	-	-	-	-	201,033
Santa Ynez	54,799	100,126	-	-	289,735	31,227	475,887
Goleta	855,392	74,905	(283,764)	(127,335)	(225,234)	(24,275)	269,689
Morehart Land	27,931	5,966	(21,731)	-	-	-	12,166
La Cumbre	158,257	30,336	(111,986)	-	-	-	76,607
Raytheon (SBRC)	9,344	1,552	(5,855)	-	-	-	5,040
Santa Barbara	324,525	87,155	(309,059)	-	-	-	102,621
Montecito	386,698	77,022	(275,875)	(22,955)	(40,604)	(4,376)	119,909
Carpinteria	259,994	52,364	(187,773)	(13,510)	(23,896)	(2,575)	84,605
Shandon	4,402	-	-	-	-	-	4,402
Chorro Valley	128,715	-	-	-	-	-	128,715
Lopez	131,195	-	-	-	-	-	131,195
TOTAL:	\$ 4,491,724	\$ 1,196,043	(\$ 1,196,043)	(\$ 163,800)	\$ -	\$ -	\$ 4,327,924

(1) Includes \$448,440 for the gross Santa Ynez Pumping Facility power costs and \$54,229 in capital expenditures.

The adjusted total CCWA Operating Expense revenues, including capital improvement projects for Fiscal Year 2000/01, are **\$4,327,924**.

Debt Service Payments

The debt service payments on the 1996 Revenue Bonds issued by the Authority are paid entirely by the financing participants based on their proportional share of the project capital costs. Payments by the financing participants for debt service are treated as revenue by the Authority.

Central Coast Water Authority
Revenues and Sources of Cash
 Fiscal Year 2000/01 Budget

For Fiscal Year 2000/01, total revenue for debt service payments will be \$10,425,454, or \$2,258,286 more than the FY 1999/00 payment. The following table shows each financing participant's share of the debt service.

Financing Participant	FY 1999/00	FY 2000/01	
	Actual Debt Service Payments	Debt Service Revenue	Difference
Avila Beach	\$ 11,556	\$ 14,244	\$ 2,688
California Men's Colony	97,827	120,581	22,755
County of SLO	104,201	128,438	24,237
Cuesta College	48,917	60,295	11,378
Morro Bay	608,077	749,517	141,440
Oceano	84,644	104,333	19,689
Pismo Beach	139,840	172,442	32,602
Shandon	10,981	13,535	2,554
Guadalupe	134,512	165,761	31,248
Buellton	238,228	293,816	55,587
Santa Ynez (Solvang)	470,206	620,488	150,282
Santa Ynez	176,056	232,325	56,269
Goleta	2,302,078	2,839,161	537,083
Morehart Land	62,772	91,347	28,575
La Cumbre	300,624	437,209	136,586
Raytheon (SBRC)	22,151	27,319	5,168
Santa Barbara	1,415,728	1,746,069	330,341
Montecito	987,418	1,436,913	449,494
Carpinteria	951,352	1,171,661	220,309
TOTAL:	\$ 8,167,168	\$ 10,425,454	\$ 2,258,286

The increase in revenue bond debt service revenue is attributed to extraordinary credits given to the financing participants in FY 1999/00. These credits included capitalized interest payments (\$871,000) and excess reserve fund interest earnings and gains on the sale of reserve fund investments (\$1,487,000).

Central Coast Water Authority
Revenues and Sources of Cash
 Fiscal Year 2000/01 Budget

FY 2000/01 CCWA Credits

The following table shows a summary of the FY 2000/01 credits for each project participant. Certain project participants have elected to apply their credits against CCWA assessments over a number of years.

Project Participant	CCWA O&M Credits	O&M Reserve Fund Interest Credits	Rate Coverage Reserve Fund Interest Credit	Prepayments and Miscellaneous Interest Credits	Total CCWA Credits
Guadalupe	\$849	\$1,161	\$ 6,288	\$ -	\$8,298
Santa Maria	-	34,130	-	2,844,180	2,878,310
SCWC	12,614	1,054	-	-	13,668
Vandenberg AFB	89,165	11,625	-	-	100,790
Buellton	25,135	1,222	-	-	26,357
Santa Ynez (Solvang)	19,328	3,170	-	-	22,498
Santa Ynez	200,000	1,057	-	-	201,057
Goleta	185,201	9,509	-	-	194,710
Morehart Land	6,476	423	-	13,610	20,509
La Cumbre	46,048	2,110	12,751	-	60,909
Raytheon (SBRC)	73	104	-	2,976	3,153
Santa Barbara	43,869	6,363	-	-	50,232
Montecito	300,000	15,377	-	-	315,377
Carpinteria	460,000	4,216	-	-	464,216
Shandon	5	-	-	-	5
Oceano CSD	-	-	-	125,000	125,000
Chorro Valley	123	-	-	-	123
Lopez	115	-	-	-	115
TOTAL:	\$1,389,001	\$91,520	\$19,039	\$2,985,766	\$4,485,326

Investment Income and Cash Management

The Authority does not include investment income in the revenue budget. However, all cash balances are invested by the Treasurer and investment earnings are allocated to the various project participants depending on the funds being invested.

The Authority's Treasurer is responsible for the investment of all Authority funds within the parameters of the Board adopted Investment Policy (*see the Appendix for a copy of the CCWA Investment Policy*).

Central Coast Water Authority
Revenues and Sources of Cash
Fiscal Year 2000/01 Budget

Bank Account Cash Balances

The Authority has three demand deposit bank accounts and one general account at the California Local Agency Investment Fund (LAIF). All these accounts earn interest income based on the average outstanding balance for each period the funds are available. Interest income associated with these accounts is allocated by financial reach (*see the Distribution Department section for information on financial reaches*) based on the average outstanding balance for the month.

Debt Service Payments

Payments made by the financing participants for debt service payments on the 1996 Revenue Bonds are held in a separate account and invested in accordance with the Authority Investment Policy with investment maturities corresponding to the debt service payment dates. Investment income within this account is allocated to the financing participants based on the proportional amount initially paid.

Investment Income

Investment income associated with the debt service payments and DWR payments are not treated as investment income for CCWA. It is instead recorded as a liability to the project participants until the income is paid to the participants.

DWR Payment Investments

Payments made by project participants for subsequent payment to DWR are held in a separate account and invested in accordance with CCWA Investment Policy with investment maturities corresponding to the anticipated payment dates to DWR. Investment income in this account is allocated to the various project participants based on their proportional amount initially paid. Investment income associated with the DWR payments is not treated as investment income for the Authority but is instead recorded as a liability to the project participants until paid to them.

CCWA Operating Expense Revenue

Revenues from assessments for the Authority operating expense budget are invested in the Local Agency Investment Fund and money market accounts with the Authority's bank. Investment income from these accounts is treated as investment income for the Authority.

Central Coast Water Authority
Revenues and Sources of Cash
 Fiscal Year 2000/01 Budget

Pass-Through Expenses

Certain amounts paid to the Authority by the project participants are treated as “pass-through” expenses for purposes of the budget. These expenses include payments to DWR and Warren Act charges.

As these expenses are paid by the project participants to the Authority, they are recorded as a liability, payable to the respective project participants. They are not considered revenues.

Warren Act Charges

Warren Act charges represent the cost of wheeling water through Cachuma Project facilities. These costs are paid to the U.S. Bureau of Reclamation for each acre-foot of water delivered to the lake.

There are two components to the Warren Act charges: (1) Trust Fund payments of \$43 an acre-foot and (2) Warren Act charges of \$15 per acre foot. For Fiscal Year 2000/01, the charges are based on deliveries to Lake Cachuma of 4,744 acre feet.

The following table represents the Fiscal Year 2000/01 DWR and Warren Act charges to be collected and paid by the Authority (*see the Department of Water Resources section of this document for further information on the DWR charges*).

Project Participant	FY 2000/01 DWR Fixed Charges	FY 2000/01 DWR Variable Charges	DWR Account Interest Income	FY 2000/01 Warren Act Charges ⁽¹⁾	Total Pass-Through Expenses
Guadalupe	\$362,211	\$48,080	(\$8,497)	\$ -	\$401,794
Santa Maria	10,984,887	1,160,165	(249,862)	-	11,895,190
SCWC	339,886	11,998	(7,131)	-	344,754
Vandenberg AFB	3,933,392	354,668	(90,215)	-	4,197,845
Buellton	414,131	48,842	(9,174)	-	453,799
Santa Ynez (Solvang)	1,057,465	53,062	(5,069)	-	1,105,458
Santa Ynez	372,844	12,191	(11,040)	-	373,994
Goleta	3,367,396	260,198	(78,288)	175,725	3,725,032
Morehart Land	142,417	2,686	(1,018)	5,104	149,188
LaCumbre	716,436	21,270	(7,653)	40,600	770,652
Raytheon (SBRC)	34,723	2,824	(1,101)	3,190	39,635
Santa Barbara	2,147,044	63,453	(8,258)	-	2,202,239
Montecito	2,145,942	129,627	(55,247)	28,212	2,248,533
Carpinteria	1,429,396	72,129	(22,751)	22,321	1,501,095
Shandon	-	-	-	-	-
Chorro Valley	-	-	-	-	-
Lopez	-	-	-	-	-
TOTAL:	\$27,448,168	\$2,241,193	(\$555,305)	\$275,152	\$29,409,208

(1) Adjusted for Santa Ynez Exchange Agreement modifications.

Central Coast Water Authority
Revenues and Sources of Cash
Fiscal Year 2000/01 Budget

Authority Billing Procedures

All expenses of the Authority including operating expenses, debt service payment, capital purchases and pass-through expenses are paid by the Authority's project participants.

The Water Supply Agreements provide guidelines to be followed when billing the Santa Barbara County project participants for CCWA charges. The Master Water Treatment Agreement, the Agreement for Construction, Operation and Maintenance of the Chorro Valley and Lopez Turnouts and the Agreement for Coastal Branch Operations and Maintenance provide the guidelines to be followed when billing the San Luis Obispo County project participants for the CCWA charges.

The agreements stipulate that the fixed Authority and DWR costs will be billed to the project participants once a year and be due and payable on June 1st of each year. The Variable charges, which are based on the requested deliveries by each project participant, are billed three months in advance on a quarterly basis.

The project participants are billed for the CCWA expenses based on the Board adopted fiscal year budget. Additionally, the fixed portion of the DWR charges are billed based on the most recent calendar year Statement of Charges and DWR projections.

DWR prepares its Statement of Charges on a calendar year basis. The DWR State Water Project Analysis Office (SWPAO) also supplies the Authority with projected estimates of the following calendar year charges. The current calendar year Statement of Charges and the SWPAO estimated charges are used to calculate the amount payable by the project participants for the budgeted fiscal year.

At the close of each fiscal year, a reconciliation is prepared comparing the actual expenditures for the Authority to the amount billed to the project participants. Under-expenditures in the budget including investment income are refunded to each project participant based on the actual results for the year. Over-expenditures are charged to each participant based on the actual results for the year.



Camatta Canyon Amole

Legal Status: Federal Proposed Threatened Species
California Listed Rare

Range: La Panza range within San Luis Obispo County
Habitat: Occurs in grasslands, oak woodlands, and oak savannahs
Size: Ranges from 4 to 8 inches tall

Central Coast Water Authority
Revenues and Sources of Cash
 Fiscal Year 2000/01 Budget

The following table provides a breakdown of the various revenues and pass-through expenses for Fiscal Year 2000/01 for each project participant.

Project Participant	FY 2000/01 CCWA Operating Expenses ⁽¹⁾	FY 2000/01 Non-Annual Recurring	FY 2000/01 Debt Service Payments	FY 2000/01 DWR Costs	FY 2000/01 Warren Act Charges ⁽²⁾	FY 2000/01 CCWA Credits	FY 2000/01 Total Payments
Guadalupe	\$62,049	\$2,260	\$ 165,761	\$401,794	\$0	\$ (8,298)	\$623,566
Santa Maria	1,837,570	67,706	-	11,895,190	-	(2,878,310)	10,922,156
SCWC	57,413	2,090	-	344,754	-	(13,668)	390,588
Vandenberg AFB	679,809	24,665	-	4,197,845	-	(100,790)	4,801,529
Buellton	79,347	2,892	293,816	453,799	-	(26,357)	803,496
Santa Ynez (Solvan)	201,033	7,504	620,488	1,105,458	-	(22,498)	1,911,986
Santa Ynez	475,887	2,501	232,325	373,994	-	(201,057)	883,651
Goleta	269,689	24,625	2,839,161	3,549,306	175,725	(194,710)	6,663,796
Morehart Land	12,166	1,094	91,347	144,084	5,104	(20,509)	233,286
La Cumbre	76,607	5,472	437,209	730,052	40,600	(60,909)	1,229,032
Raytheon (SBRC)	5,040	274	27,319	36,445	3,190	(3,153)	69,116
Santa Barbara	102,621	16,417	1,746,069	2,202,239	-	(50,232)	4,017,113
Montecito	119,909	16,417	1,436,913	2,220,321	28,212	(315,377)	3,506,393
Carpinteria	84,605	10,943	1,171,661	1,478,774	22,321	(464,216)	2,304,087
Shandon	4,402	335	13,535	N/A	-	(5)	18,266
Chorro Valley	128,715	8,242	1,058,831	N/A	-	(123)	1,195,666
Lopez	131,195	8,679	291,019	N/A	-	(125,115)	305,777
TOTAL:	\$4,327,924	\$202,115	\$10,425,454	\$29,134,056	\$275,152	(\$4,485,326)	\$39,879,374

(1) Adjusted for Santa Ynez Exchange Agreement Modifications and Regional WTP Treatment Allocation.

(2) Adjusted for Santa Ynez Exchange Agreement Modifications.



Central Coast Water Authority
Department of Water Resources Charges
Fiscal Year 2000/01 Budget

The Authority holds a contract with the Department of Water Resources (DWR) to purchase up to 45,486 acre-feet of water per year. The costs for this water are charged to the various project participants through the Authority.

The DWR charges include both fixed and variable components. The fixed costs represent costs that must be paid independent of the amount of water requested by the project participants. The variable costs vary based on delivery amounts and are comprised primarily of power costs.

DWR Billing Procedures

The DWR prepares its annual bill ("Statement of Charges") on a calendar year basis and submits the bill to the Authority. The variable portion of the bill is based on the requested deliveries of the Authority project participants, which CCWA provides to DWR in October of the prior year. The fixed portion of the bill is based on the Authority's State water entitlement. The Delta Water Charge is billed by DWR net of Table A entitlement reductions (*see the sections entitled "Delta Water Charges" and "Table A Entitlement Reductions"*).

When the Authority receives the State of Charges from DWR, the charges are allocated on a financial reach basis (*see the Distribution Department section of this budget for further information on financial reaches*). Invoices are then prepared by the Authority and forwarded to the various project participants.

Summary of FY 2000/01 DWR Charges

The DWR charges for the first half of FY 2000/01 are based on the 2000 Statement of Charges. The DWR charges for the second half of FY 2000/01 are based on forecasts prepared by the DWR State Water Project Analysis Office. DWR transportation capital charges starting in 1998 are based on a Coastal Branch Phase II project cost of \$481 million. Coastal Branch Extension capital charges are based on debt service from DWR's November 1996 Series Q revenue bond financing and include deferral of principal through 2008.

The fixed DWR charges are allocated to the various project participants based on their State water entitlement allocation. The variable DWR charges are allocated based on project participant requested deliveries. San Luis Obispo County pays DWR directly for its DWR costs. The table on page 55 shows fixed and variable DWR costs for each project participant.



Arroyo Southwestern Toad

Legal Status:	Federal Threatened Species California Species of Special Concern
Range:	Scattered populations from Monterey County to San Diego County
Habitat:	Slow-moving creeks or washes with intermittent streams
Size:	Approximately 2 to 3 inches long

Central Coast Water Authority
Department of Water Resources Charges
Fiscal Year 2000/01 Budget

The FY 2000/01 DWR fixed charges total \$27,448,168, which is \$3,504,797 more than the FY 1999/00 Budget.

- Transportation capital charges are increasing by approximately \$1,111,000 because of the repayment of the 1997-2000 deferred charges commencing in 2001.
- Coastal Branch Phase II transportation charges are decreasing by about \$279,000 compared to the FY 1999/00 amount. This decrease is attributed to an additional \$279,000 amount paid during FY 1999/00 for return of bond cover (DWR requires that one full year of bond cover be held at all times).
- Transportation Minimum OMP&R charges are increasing by about \$1,335,000 over the prior year budget due to an increase in DWR O&M staff performing work principally on the Reach 33A portion of the Coastal Branch Phase II project and additional charges during 2000 for actual 1999 expenses which were higher than the amounts previously billed to CCWA.
- Water System Revenue Bond Charges are greater by approximately \$1,124,000 because of credits applied against the FY 1999/00 charges for the return of bond cover and other extraordinary credits for FY 1998/99.
- Delta Water Charges are increasing by approximately \$213,000 primarily due to credits for water sold in the DWR 1999 Turnback Pools.

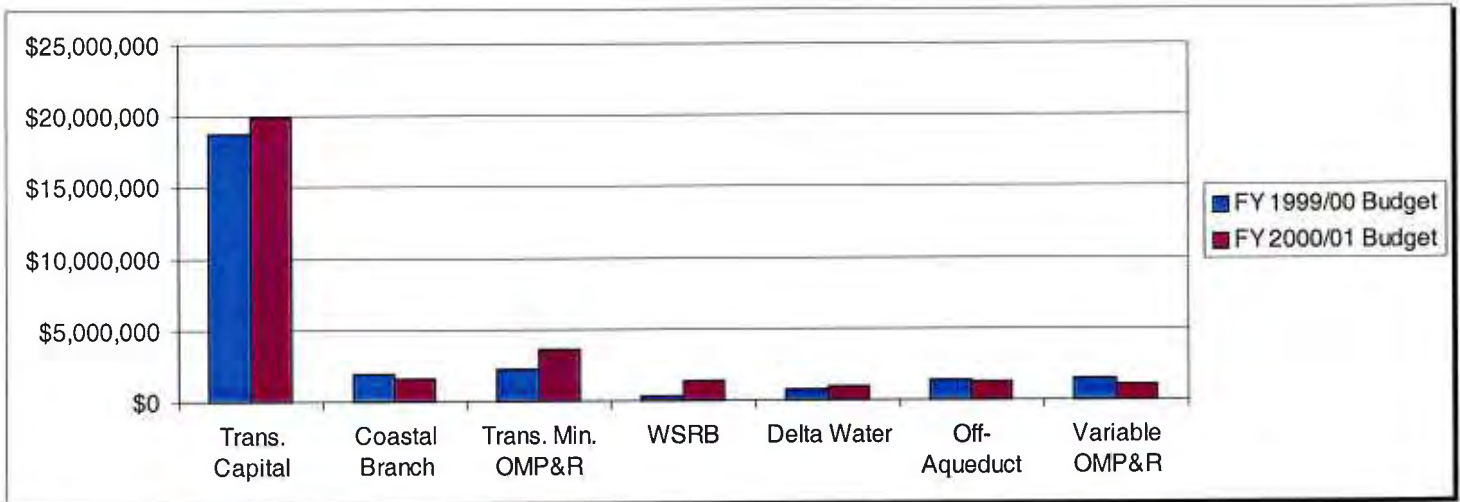
The DWR variable charges for FY 2000/01 total \$2,241,193, which is \$662,124 lower than the FY 1999/00 budgeted variable payments.

- Off-aqueduct charges are decreasing by about \$186,000 due to (1) return of off-aqueduct bond cover from the prior year, (2) credits for prior year payments in excess of the actual amount incurred for the year and (3) surplus money fund interest payments from DWR.
- Variable OMP&R charges are decreasing by approximately \$475,000 due to credits from DWR for 1998 power sales and lower-than-projected DWR expenses for 1999.

Central Coast Water Authority
Department of Water Resources Charges
 Fiscal Year 2000/01 Budget

The following table provides a comparison of the FY 1999/00 and FY 2000/01 DWR budget. The FY 2000/01 charges are also partially offset by \$555,305 in investment income earned in the DWR account during FY 1999/00 compared to the prior year credit amount of \$506,072, an increase of \$49,233.

DWR Fixed and Variable Cost Comparison			
Cost Component	FY 1999/00 Budget	FY 2000/01 Budget	Increase (Decrease)
Transportation Capital	\$ 18,771,419	\$ 19,882,949	\$ 1,111,530
Coastal Branch Phase II	1,871,107	1,591,808	(279,299)
Transportation Minimum OMP&R	2,253,770	3,589,227	1,335,457
Water System Revenue Bond	288,464	1,412,349	1,123,885
Delta Water Charges	758,611	971,836	213,225
Subtotal Fixed DWR Charges	<u>23,943,371</u>	<u>27,448,168</u>	<u>3,504,797</u>
Off-Aqueduct Charges	1,411,083	1,224,852	(186,231)
Variable OMP&R	1,492,234	1,016,341	(475,893)
Subtotal Variable DWR Charges	<u>2,903,317</u>	<u>2,241,193</u>	<u>(662,124)</u>
DWR Account Investment Income	(506,072)	(555,305)	(49,233)
Total DWR Charges	<u>\$ 26,340,616</u>	<u>\$ 29,134,056</u>	<u>\$ 2,793,440</u>



Central Coast Water Authority
Department of Water Resources Charges
Fiscal Year 2000/01 Budget

F Y 2000/01 Budget

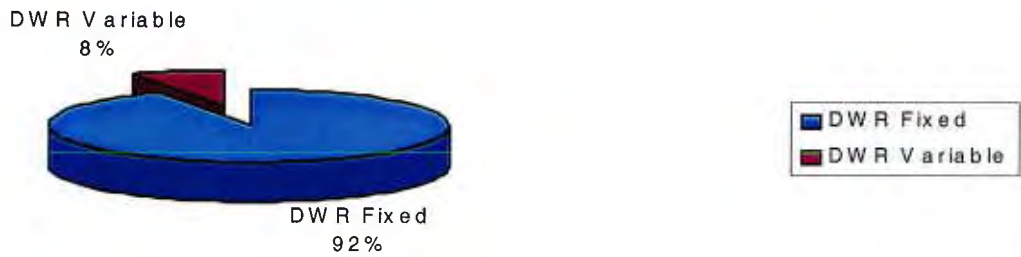


Photo: © RLB/CNPS

Lompoc Yerba Santa

Legal Status: Federal Endangered Species
California Rare Species

Range: Santa Ynez Mountains in Santa Barbara County

Habitat: Occurs in chaparral and closed-cone coniferous pine communities

Size: Grows up to 8 feet tall

Central Coast Water Authority
Department of Water Resources Charges
 Fiscal Year 2000/01 Budget

Detail of DWR Fixed Costs

The DWR fixed costs are comprised of the following cost components. (All amounts presented for the Santa Ynez River Water Conservation District, Improvement District #1 (Santa Ynez) and the City of Solvang have been adjusted for the portion of costs associated with the Solvang drought buffer entitlement which has been transferred to and is being paid for by Santa Ynez.)

Transportation Capital Costs The Transportation Capital Cost component covers the use of facilities to transport water to the vicinity of each State water contractor's turnout. Generally, the charge represents each contractor's proportionate share of the reimbursable capital costs and fixed operating costs.

The following table shows the Transportation Capital Costs for Reaches 1 through 35 for FY 2000/01 by project participant.

TRANSPORTATION CAPITAL CHARGES

Project Participant	Entitlement	Percentage	Reaches 1 to 35 ⁽¹⁾	Deferral of Charges	One-Shot Adjustment	Rate Management Funds Credit	FY 1999/00 (Credits) Additional Charge ⁽²⁾	FY 2000/01 Transportation Capital Charges
Guadalupe	550	1.41%	\$ 321,711	\$ 198	\$ (1,303)	\$ (40,155)	\$ (569)	\$ 279,882
Santa Maria	16,200	41.46%	9,475,841	5,825	(38,374)	(1,182,741)	(47,581)	8,212,970
SCWC	500	1.28%	292,464	180	(1,184)	(36,504)	(622)	254,333
VAFB	5,500	14.07%	3,217,107	1,978	(13,028)	(401,548)	(5,363)	2,799,145
Buellton	578	1.48%	338,089	208	(1,369)	(42,199)	199	294,927
Santa Ynez (Solvang) ⁽³⁾	1,500	3.84%	869,576	539	(3,553)	(108,462)	(1,632)	756,468
Santa Ynez ⁽³⁾	500	1.28%	300,281	180	(1,184)	(37,556)	(334)	261,388
Goleta	4,500	11.52%	2,632,178	1,618	(10,659)	(328,539)	393	2,294,990
Morehart	200	0.51%	116,986	72	(474)	(14,602)	(811)	101,171
La Cumbre	1,000	2.56%	584,928	360	(2,369)	(73,009)	299	510,209
Raytheon (SBRC)	50	0.13%	29,246	18	(118)	(3,650)	(1,084)	24,411
Santa Barbara	3,000	7.68%	1,754,785	1,079	(7,106)	(219,026)	(1,368)	1,528,364
Montecito	3,000	7.68%	1,754,785	1,079	(7,106)	(219,026)	(2,470)	1,527,262
Carpinteria	2,000	5.12%	1,169,857	719	(4,738)	(146,017)	(2,878)	1,016,943
Subtotal:	39,078	100.00%	\$ 22,857,835	\$ 14,052	\$ (92,567)	\$ (2,853,035)	\$ (63,821)	\$ 19,882,465
Goleta Additional Entitlement	2,500	5.50%	23,839	8		(3,362)		20,484
CCWA Drought Buffer	3,908							
TOTAL:	45,486		\$ 22,881,674	\$ 14,060	\$ (92,567)	\$ (2,856,397)	\$ (63,821)	\$ 19,882,949

(1) Reach 36 was deleted during project design. DWR Reaches to the end of Coastal Branch Phase II consist of Reaches 1 to 35. The Coastal Branch extension consists of Reaches 37 and 38.

(2) Credits or additional amount due from FY 1999/00 transportation capital reconciliation.

(3) Adjusted for transfer of the Solvang 150 acre foot drought buffer entitlement to Santa Ynez.

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Transportation Charges - Reaches 37 and 38 This represents the debt service for the Coastal Branch Extension bonds issued by DWR for the Coastal Branch Extension facilities in Santa Barbara County south of the Santa Maria River.

The following table shows the Coastal Branch Extension Transportation Capital charges for Reaches 37 and 38. The charges are allocated according to DWR's estimated construction costs for the project with 51.84% allocated to Reach 37 and 48.16% allocated to Reach 38.

TRANSPORTATION CAPITAL-COASTAL BRANCH EXTENSION					
Reach 37					
Project Participant	Entitlement	Percentage	Transportation Capital	Reach 37 Credits ⁽¹⁾	Net Reach 37 Transp. Costs
Guadalupe	-	0.00%	-	-	\$ -
Santa Maria	16,200	42.05%	492,579	(139,539)	353,040
SCWC	500	1.30%	15,203	(4,307)	10,896
VAFB	5,500	14.28%	167,234	(47,374)	119,859
Buellton	578	1.50%	17,575	(4,979)	12,596
Santa Ynez (Solvang)	1,500	3.89%	45,609	(12,920)	32,689
Santa Ynez	500	1.30%	15,203	(4,307)	10,896
Goleta	4,500	11.68%	136,828	(38,761)	98,067
Morehart	200	0.52%	6,081	(1,723)	4,359
La Cumbre	1,000	2.60%	30,406	(8,614)	21,793
Raytheon (SBRC)	50	0.13%	1,520	(431)	1,090
Santa Barbara	3,000	7.79%	91,218	(25,841)	65,378
Montecito	3,000	7.79%	91,218	(25,841)	65,378
Carpinteria	2,000	5.19%	60,812	(17,227)	43,585
Total:	38,528	100.00%	1,171,487	(331,861)	\$ 839,626

Project Participant	Reach 38					FY 1999/00		FY 2000/01	
	Entitlement	Percentage	Transportation Capital	Reach 37 Credits ⁽¹⁾	Net Reach 38 Transp. Costs	Charge (Credit)	Transportation Capital Charges		
Guadalupe	-	0.00%	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
Santa Maria	-	0.00%	-	-	-	(5,345)	-	-	347,695
SCWC	-	0.00%	-	-	-	(2,227)	-	-	8,669
VAFB	5,500	25.20%	274,225	(77,683)	196,542	(7,119)	-	-	309,283
Buellton	578	2.65%	28,819	(8,164)	20,655	(866)	-	-	32,385
Santa Ynez (Solvang)	1,500	6.87%	74,789	(21,186)	53,602	(0)	-	-	86,291
Santa Ynez	500	2.29%	24,930	(7,062)	17,867	(470)	-	-	28,293
Goleta	4,500	20.62%	224,366	(63,559)	160,807	(6,073)	-	-	252,801
Morehart	200	0.92%	9,972	(2,825)	7,147	(44)	-	-	11,462
La Cumbre	1,000	4.58%	49,859	(14,124)	35,735	(344)	-	-	57,184
Raytheon (SBRC)	50	0.23%	2,493	(706)	1,787	0	-	-	2,876
Santa Barbara	3,000	13.74%	149,578	(42,373)	107,205	(0)	-	-	172,583
Montecito	3,000	13.74%	149,578	(42,373)	107,205	(2,575)	-	-	170,008
Carpinteria	2,000	9.16%	99,718	(28,248)	71,470	(2,776)	-	-	112,279
Total:	21,828	100.00%	1,088,326	(308,303)	\$ 780,023	\$ (27,841)	\$ -	\$ -	1,591,808

(1) Includes repayment of the Deferral of Charges, \$1,049, and credits for the return of bond cover, \$451,963, and Rate Management Funds Credits, \$189,250.

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Transportation Charge-Minimum Operation, Maintenance, Power and Replacement (OMP&R) Costs These are operating costs incurred by DWR that do not depend on or vary with quantities of water delivered to the Authority.

The following table shows the Transportation Charge-Minimum OMP&R charges for FY 2000/01.

TRANSPORTATION CAPITAL MINIMUM OMP&R

Project Participant	Entitlement	Percentage	Reaches 1 to 35	One-Shot Adjustment	FY 2000/01	
						Transportation Minimum OMP&R
Guadalupe	550	1.41%	49,666	-	\$	49,666
Santa Maria	16,200	41.46%	1,462,901	-		1,462,901
SCWC	500	1.28%	45,151	-		45,151
VAFB	5,500	14.07%	496,664	-		496,664
Buellton	578	1.48%	52,195	-		52,195
Santa Ynez (Solvang) ⁽¹⁾	1,500	3.84%	131,272	-		131,272
Santa Ynez ⁽¹⁾	500	1.28%	49,333	-		49,333
Goleta	4,500	11.52%	406,361	-		406,361
Morehart	200	0.51%	18,061	-		18,061
La Cumbre	1,000	2.56%	90,303	-		90,303
Raytheon (SBRC)	50	0.13%	4,515	-		4,515
Santa Barbara	3,000	7.68%	270,908	-		270,908
Montecito	3,000	7.68%	270,908	-		270,908
Carpinteria	2,000	5.12%	180,605	-		180,605
Subtotal:	39,078	100.00%	\$ 3,528,843	\$ -	\$	3,528,843
Goleta Additional Entitlement	2,500	-	60,384	-	\$	60,384
CCWA Drought Buffer	3,908					
TOTAL:	45,486		\$ 3,589,227	\$ -	\$	3,589,227

(1) Adjusted for the transfer of 150 acre feet drought buffer entitlement from Solvang to Santa Ynez.

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Water System Revenue Bond Surcharge The surcharge is the difference between the total project charges collected at the project interest rate for a project and the annual financing costs of the water system revenue bonds issued for that project. The project interest rate is the melded financing cost for projects not financed with water system revenue bonds.

The following table shows the Water System Revenue Bond Surcharge for FY 2000/01.

WATER SYSTEM REVENUE BOND SURCHARGE

Project Participant	Entitlement	Percentage	Gross WSRB Charges	Return of Bond Cover	FY 1999/00 WSRB Credits ⁽²⁾	FY 2000/01 WSRB Charges
Guadalupe	550	1.41%	\$ 31,161	\$ (11,425)	\$ -	\$ 19,736
Santa Maria	16,200	41.46%	917,832	(336,524)	-	581,308
SCWC	500	1.28%	28,328	(10,387)	-	17,942
VAFB	5,500	14.07%	311,610	(114,252)	-	197,358
Buellton	578	1.48%	32,747	(12,007)	-	20,741
Santa Ynez (Solvang) ⁽¹⁾	1,500	3.84%	83,475	(30,606)	-	52,869
Santa Ynez ⁽¹⁾	500	1.28%	29,837	(10,940)	-	18,897
Goleta	4,500	11.52%	254,953	(93,479)	-	161,475
Morehart	200	0.51%	11,331	(4,155)	-	7,177
La Cumbre	1,000	2.56%	56,656	(20,773)	-	35,883
Raytheon (SBRC)	50	0.13%	2,833	(1,039)	-	1,794
Santa Barbara	3,000	7.68%	169,969	(62,319)	-	107,650
Montecito	3,000	7.68%	169,969	(62,319)	-	107,650
Carpinteria	2,000	5.12%	113,313	(41,546)	-	71,766
Subtotal	39,078	100.00%	\$ 2,214,016	\$ (811,771)	\$ -	\$ 1,402,245
Goleta Additional Entitlement	2,500	-	\$ 15,954	(5,851)	\$ -	\$ 10,104
CCWA Drought Buffer	3,908					
TOTAL:	45,486		\$ 2,229,970	\$ (817,621)	\$ -	\$ 1,412,349

(1) Adjusted for the transfer of Solvang 150 acre foot drought buffer entitlement to Santa Ynez.
 (2) WSRB credits include \$761,173 return of bond cover from FY 1998/99 and DWR SMIF interest and other credits of \$80,324 paid in FY 1998/99.

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Delta Water Charges This is a unit charged applied to each acre-foot of State water entitlement net of Table A entitlement reductions (see "Table A Entitlement Reductions" in the section discussing "Other DWR Charges and Credits"). The unit charge covers repayment of all outstanding reimbursable costs of the DWR Project Conservation Facilities, with appropriate interest, by the end of the State water contract repayment period (2035).

For calendar year 2000, no Table A entitlement reductions were granted by DWR. Consequently, no Table A entitlement reductions are assumed for FY 2000/01.

The following table shows the Delta Water Charges for FY 2000/01.

DELTA WATER CHARGE

Project Participant	Entitlement Including Drought Buffer ⁽¹⁾	Percentage	Gross Delta Water Charges	Rate Management Funds Credit	FY 2000/01 Delta Water Charges
Guadalupe	605	1.41%	\$ 14,488	(1,562)	\$ 12,926
Santa Maria	17,820	41.46%	426,737	(46,002)	380,735
SCWC	550	1.28%	13,171	(1,420)	11,751
VAFB	6,050	14.07%	144,880	(15,618)	129,262
Buellton	636	1.48%	15,230	(1,642)	13,589
Santa Ynez (Solvang)	1,500	3.49%	35,921	(3,872)	32,048
Santa Ynez	700	1.63%	16,763	(1,807)	14,956
Goleta	4,950	11.52%	118,538	(12,778)	105,760
Morehart	220	0.51%	5,268	(568)	4,700
La Cumbre	1,100	2.56%	26,342	(2,840)	23,502
Raytheon (SBRC)	55	0.13%	1,317	(142)	1,175
Santa Barbara	3,300	7.68%	79,025	(8,519)	70,506
Montecito	3,300	7.68%	79,025	(8,519)	70,506
Carpinteria	2,200	5.12%	52,684	(5,679)	47,004
Subtotal	42,986	100.00%	\$ 1,029,390	\$ (110,968)	\$ 918,422
Goleta Additional Entitlement	2,500	5.50%	\$ 59,868	(6,454)	\$ 53,414
TOTAL:	45,486		\$ 1,089,257	\$ (117,422)	\$ 971,836

(1) No Table A entitlement reductions for calendar years 2000 or 2001.

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DWR Variable Costs The DWR variable costs are comprised of the following types of charges:

Off Aqueduct Charges This is bond debt service, cover and reserves for transmission costs allocated to off-aqueduct power facilities (power cost which includes both fixed and variable cost elements).

The following table shows the Off-Aqueduct charges for FY 2000/01.

OFF-AQUEDUCT CHARGES

Project Participant	Calendar Year 2000 Deliveries ⁽¹⁾			Delivery Allocation			Entitlement Allocation ⁽²⁾			FY 1999/00 (Credits) Charges ⁽³⁾	TOTAL FY 2000/01 Off-Aqueduct	
	Requested Delivery	SYID#1 Exchanges	Net Deliveries	Delivery Percentage	2000 Off-Aqueduct ⁽⁴⁾	One-Half Year	Allocation Percentage	2001 Off-Aqueduct ⁽⁴⁾	One-Half Year			
Guadalupe	605	-	605	1.93%	\$ 29,908	\$ 14,954	605	1.33%	\$ 23,266	\$ 11,633	\$ 1,114	\$ 27,701
Santa Maria	15,963	-	15,963	51.00%	789,129	394,565	17,820	39.18%	685,294	342,647	(57,466)	679,745
SCWC	350	-	350	1.12%	17,302	8,651	550	1.21%	21,151	10,576	(42,288)	-
VAFB	6,050	-	6,050	19.33%	299,081	149,541	6,050	13.30%	232,662	116,331	(80,779)	185,092
Buellton	578	-	578	1.85%	28,573	14,287	636	1.40%	24,458	12,229	7,570	34,086
Santa Ynez (Solvang) ⁽⁶⁾	750	-	750	2.40%	37,076	18,538	1,500	3.30%	57,685	28,842	(71,923)	-
Santa Ynez ⁽⁷⁾	700	2,578	3,278	2.24%	34,604	17,302	700	1.54%	26,920	13,460	(18,571)	12,191
Goleta	4,500	(1,887)	2,613	14.38%	222,457	111,229	7,450	16.38%	286,501	143,250	(165,193)	89,285
Morehart	100	-	100	0.32%	4,943	2,472	220	0.48%	8,460	4,230	(4,304)	2,397
La Cumbre	400	-	400	1.28%	19,774	9,887	1,100	2.42%	42,302	21,151	(40,418)	-
Raytheon (SBRC)	55	-	55	0.18%	2,719	1,359	55	0.12%	2,115	1,058	(817)	1,600
Santa Barbara	-	-	-	0.00%	-	-	3,300	7.25%	126,906	63,453	-	63,453
Montecito	550	(270)	280	1.76%	27,189	13,595	3,300	7.25%	126,906	63,453	(2,242)	74,806
Carpinteria	700	(421)	279	2.24%	34,604	17,302	2,200	4.84%	84,604	42,302	(5,110)	54,494
	31,301	-	31,301	100.00%	\$ 1,547,362	\$ 773,681	45,486	100.00%	\$ 1,749,230	\$ 874,615	\$ (480,428)	\$ 1,224,852

- (1) Off-aqueduct charges are billed to the project participants in four equal installments based on the calendar year DWR charges. Requested water deliveries shown for calendar year 2000 based on the October 1998 delivery requests.
- (2) Source: DWR Invoice dated July 1, 1999. Total charges based on requested deliveries for calendar year 2000.
- (3) Beginning with calendar year 2001, off-aqueduct charges are allocated on an entitlement basis paid in four equal installments.
- (4) Source: Attachment #3, July 1, 1999 DWR Invoice.
- (5) Credits for reconciliation of 1999 off-aqueduct charges, return of bond cover and SMIF interest.
- (6) In October 1998, Solvang requested that 750 AF be available for sale to an outside buyer in 2000. Solvang must pay the off-aqueduct charges associated with this request.
- (7) Pursuant to the Exchange Agreement, Santa Ynez only pays off-aqueduct charges on its entitlement deliveries. The South Coast project participants which participate in the Exchange Agreement pay the off-aqueduct charges for exchange water they accept.

DWR calculates the Off-Aqueduct charges based on the requested deliveries submitted by the Authority on a calendar year basis. The resulting total is paid by the Authority in twelve equal payments throughout the calendar year. Additionally, in May of each year, DWR provides an amended Off-Aqueduct bill based on the actual water deliveries and power costs for the first six months of the year.

The total calendar year Off-Aqueduct bill to the CCWA project participants is divided into four equal payments to match the cash flow requirements of the payments to DWR.

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The following tables shows the off-aqueduct credits applied against the FY 2000/01 off-aqueduct charges.

Project Participant	4th Quarter	Calendar		Return	
	FY 1999/00 Credits Remaining	Year 1999 Off-Aqueduct Reconciliation	DWR Interest 1-99 to 6-99	of Bond Cover 1-98 to 6-98	TOTAL (Credits) Charges
Guadalupe	\$ -	\$ 2,544	\$ (350)	\$ (1,081)	\$ 1,114
Santa Maria	-	(5,889)	(9,023)	(42,554)	(57,466)
SCWC	(41,932)	123	(168)	(311)	(42,288)
VAFB	-	(64,947)	(3,497)	(12,335)	(80,779)
Buellton	-	10,206	(334)	(2,301)	7,570
Santa Ynez (Solvang)	-	(71,056)	(867)	-	(71,923)
Santa Ynez	(24,021)	11,003	(405)	(5,149)	(18,571)
Goleta	(94,122)	(60,199)	(2,600)	(8,271)	(165,193)
Morehart	(773)	(3,489)	(43)	-	(4,304)
La Cumbre	(44,834)	4,648	(231)	-	(40,418)
Raytheon (SBRC)	(1,726)	941	(32)	-	(817)
Santa Barbara	-	-	-	-	-
Montecito	(4,104)	2,435	(87)	(487)	(2,242)
Carpinteria	(1,059)	(1,943)	(346)	(1,763)	(5,110)
	\$ (212,571)	\$ (175,623)	\$ (17,982)	\$ (74,252)	\$ (480,428)

Beginning with calendar year 2001, the off-aqueduct charges will be allocated to the CCWA project participants on an entitlement basis, including drought buffer. This change is being implemented because DWR bills, and CCWA pays, the off-aqueduct payments on the full 45,486 acre-feet entitlement rather than on the requested deliveries for the year. Reconciliation of actual off-aqueduct expenses after the close of each calendar year will still be based on actual deliveries for the calendar year.

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Variable OMP&R These are charges by DWR for the costs that are based on and vary with the amount of State water deliveries (i.e., power costs).

The following table shows the Variable OMP&R charges for FY 2000/01.

VARIABLE OMP&R CHARGES										
	July 1, 2000 to Dec 31, 2000			\$42.95/AF ⁽¹⁾	Jan 1, 2001 to June 30, 2001			\$47.84/AF ⁽²⁾	TOTAL	
Project Participant	Requested Delivery	SYID#1 Exchanges	Net Deliveries	2000 Var OMP&R	Requested Delivery	SYID#1 Exchanges	Net Deliveries	2001 Var OMP&R	FY 1999/00 Credits ⁽³⁾	FY 2000/01 Var. OMP&R
Guadalupe	315		315	\$ 13,531	290		290	\$ 13,874	\$ (7,025)	\$ 20,379
Santa Maria	8,376		8,376	359,787	7,758		7,758	371,150	(250,517)	480,420
SCWC	285		285	12,242	265		265	12,678	(12,922)	11,998
VAFB	3,285		3,285	141,106	2,765		2,765	132,280	(103,810)	169,576
Buellton	303		303	13,015	275		275	13,156	(11,415)	14,756
Santa Ynez (Solvang)	400		400	17,182	750		750	35,881	-	53,062
Santa Ynez ⁽⁴⁾	638	1,235	1,873	27,405	-	1,495	1,495	-	(50,898)	-
Goleta	2,679	(854)	1,825	115,075	2,473	(1,268)	1,205	118,311	(62,473)	170,912
Morehart	38		38	1,632	50	-	50	2,392	(3,736)	288
La Cumbre	393		393	16,881	307	-	307	14,687	(10,298)	21,270
Raytheon (SBRC)	25		25	1,074	30	-	30	1,435	(1,285)	1,224
Santa Barbara	-		-	-	-		-	-	-	-
Montecito	617	(244)	373	26,503	252	(139)	113	12,056	16,262	54,821
Carpinteria	460	(137)	323	19,759	150	(88)	62	7,176	(9,301)	17,634
Total	17,814	-	17,814	\$ 765,191	15,365	-	15,365	\$ 735,075	\$ (507,418)	\$ 1,016,341

(1) Source: DWR invoice dated July 1, 1999, Attachment 5.

(2) Source: DWR Bulletin 132-98 page B-104.

(3) Credits for FY 1999/00 actual deliveries compared to budgeted deliveries and DWR Variable OMP&R credits.

(4) Pursuant to the Exchange Agreement, Santa Ynez only pays Variable OMP&R charges on its entitlement deliveries. The South Coast project participants which participate in the Exchange Agreement pay the Variable OMP&R charges for exchange water they accept.

Other DWR Charges and Credits

Deferral of Coastal Branch Phase II Debt Service Payments The Coastal Branch Phase II portion of the pipeline constructed by DWR is higher than originally projected by DWR in 1992.

In order to partially offset the near-term impact of the increased costs of the DWR facilities, DWR agreed to defer payments of \$1,250,000 per year in 1997, 1998, 1999 and 2000 (the amount of the deferral is shared proportionately on the basis of allocated costs among the Santa Barbara and San Luis Obispo County project participants). DWR will recover the deferred amounts with interest by increasing the amount which would have otherwise been payable to it over five years commencing 2001.

Table A Entitlement Reductions Represent elections by certain project participants to temporarily decrease their entitlement allocation. This election eliminates the Delta Water Charge associated with the amount of State water entitlement that has been reduced. DWR has not approved any Table A entitlement reductions for 2000.

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Turnback Pool Sales This represents elections by project participants to “turnback” a portion of their State water in a given year. The initial amount of the turnback water, designated as Pool A, must be submitted for sale by February 15 of each year. The water is then sold by DWR to other State water contractors by March 1. The sellers receive half the Delta Water Rate (about \$11.97 per AF) for each acre-foot of water sold in Pool A. Any water that is not sold in Pool A is placed in Pool B for possible sale, unless the sellers indicate otherwise.

The second “pool” of water to be sold, designated as Pool B, must be submitted for sale by March 15 of each year and is sold by DWR by April 1. The sellers receive one-fourth of the Delta Water Rate (about \$5.99 per AF) for each acre-foot sold in Pool B. Any water that is not sold in Pool B to other State water contractors or purchased by DWR is sold by DWR to the highest bidder.

Rate Management Funds Credit This is a credit given to project participants by DWR and represents a return of revenue bond reserves that are no longer required by revenue bond covenants and other credits from DWR as provided in the Monterey Amendment to the State Water Contract (Amendment No. 16 to the Santa Barbara County Flood Control and Water Conservation District State Water Contract).

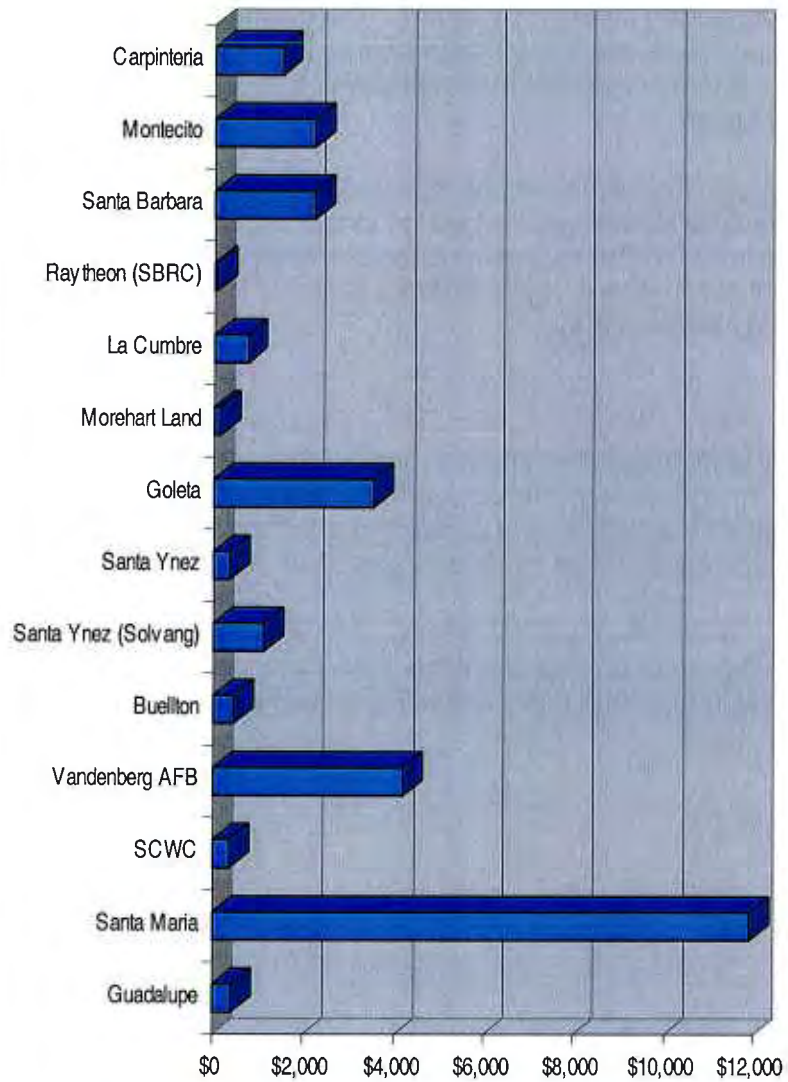
CCWA Turnback Pool

In FY 1997/98, the Authority implemented an internal turnback pool program similar to the DWR program. The Authority’s pool is utilized during those years when (1) less than 100% of State water entitlement is available and (2) filling the Authority’s project participant delivery requests is only possible by acquiring unused entitlement from other project participants.

Any water that is not sold in the Authority’s turnback pool is sold in the DWR turnback pool. The price for water sold in the Authority’s turnback pool is the same as that sold in the DWR pool.

Central Coast Water Authority
Department of Water Resources Charges
Fiscal Year 2000/01 Budget

Total FY 2000/01 DWR Costs (in \$1,000's)



Central Coast Water Authority
DWR Charges
 Fiscal Year 2000/01 Budget

Project Participant	DWR FIXED CHARGES				DWR VARIABLE CHARGES						Total DWR Charges	
	Transportation Capital Through Reach 35 (1)	Transportation Capital Reach 37	Transportation Capital Reach 38	Transportation Minimum OMP&R	Water System Revenue Bond	Delta Water Charges	Total Fixed	Off-Aqueduct Charges	Variable OMP&R	Total Variable		DWR Account Interest
Guadalupe	\$ 279,882	\$ -	\$ -	\$ 49,666	\$ 19,736	\$ 12,926	\$ 362,211	\$ 27,701	\$ 20,379	\$ 48,080	\$ (8,497)	\$ 401,794
Santa Maria	8,212,970	346,972	-	1,462,901	591,308	380,735	10,984,887	679,745	480,420	1,160,165	(249,862)	11,895,190
SCWC	254,333	10,709	-	45,151	17,942	11,751	339,886	-	11,998	11,998	(7,131)	344,754
Vandenberg AFB	2,799,145	117,799	193,164	496,664	197,358	129,262	3,933,392	185,092	169,576	354,668	(90,215)	4,197,845
Buellton	294,927	12,380	20,300	52,195	20,741	13,589	414,131	34,086	14,756	48,842	(9,174)	453,799
Santa Ynez (Solvang)	756,468	32,127	52,681	131,272	52,869	32,048	1,057,465	-	53,062	53,062	(5,069)	1,105,458
Santa Ynez	261,388	10,709	17,560	49,333	18,897	14,956	372,844	12,191	-	12,191	(11,040)	373,994
Goleta	2,294,990	96,381	158,043	406,361	161,475	105,760	3,223,010	89,285	170,912	260,198	(78,288)	3,404,920
Morehart Land	101,171	4,284	7,024	18,061	7,177	4,700	142,417	2,397	288	2,686	(1,016)	144,084
La Cumbre	510,209	21,418	35,121	90,303	35,883	23,502	716,436	-	21,270	21,270	(7,653)	730,052
Raytheon (SBRC)	24,411	1,071	1,756	4,515	1,794	1,175	34,723	1,600	1,224	2,824	(1,101)	36,445
Santa Barbara	1,528,364	64,254	105,362	270,908	107,650	70,506	2,147,044	63,453	-	63,453	(8,258)	2,202,239
Montecito	1,527,262	64,254	105,362	270,908	107,650	70,506	2,145,942	74,806	54,821	129,627	(65,247)	2,220,321
Carpinteria	1,016,943	42,636	70,241	180,605	71,766	47,004	1,429,396	54,494	17,634	72,129	(22,751)	1,478,774
Goleta 2500 AF	20,484	-	-	60,384	10,104	53,414	144,386	-	-	-	-	144,386
Total	\$ 19,882,949	\$ 825,193	\$ 766,615	\$ 3,589,227	\$ 1,412,349	\$ 971,636	\$ 27,448,168	\$ 1,224,852	\$ 1,016,341	\$ 2,241,193	\$ (555,305)	\$ 29,134,056

(1) Reach 36 was deleted during project design.



Central Coast Water Authority
Operating Expense Overview
Fiscal Year 2000/01 Budget

The Operating Expense section of the Authority's budget includes all expenses for the day-to-day operations of the Authority. These expenses include personnel, office expenses, supplies and equipment, monitoring expenses, repairs and maintenance, professional services, general and administrative and other expenses. The operating expense budget does not include capitalized purchases, debt or reserve payments.

The Central Coast Water Authority's Operating Expense budget is separated into three (3) departments: Administration, Water Treatment Plant, and Distribution.

Administration The **Administration Department** includes all expenses associated with the administration of the Authority including salaries and benefits for administration employees, auditing and legal fees, insurance, office expenses and all other operating expenses for the administration department.

Operations and Maintenance The operations and maintenance section of the budget is comprised of the **Water Treatment Plant Department** and the **Distribution Department**.

The Operations and Maintenance staff comprise the bulk (20) of the 26.75 Authority employees. They are charged with the mission of providing San Luis Obispo and Santa Barbara Counties with reliable, high quality supplemental water and the objectives of protecting the environment, cost effectively operating and maintaining all facilities and ensuring the water supply meets or exceeds health and safety standards. All operations and maintenance activities for the Authority are overseen by the Operations Manager.

Operating Expense Budget and Exchange Agreement Modifications

The Operating Expense Budget presented in this document represents the anticipated expenses to operate the Authority for Fiscal Year 2000/01. These expenses are billed to the project participants based on the individual Water Supply Agreements for each agency (*see the Revenues and Sources of Cash section of this document for further information on billings*).

When the anticipated expenses for the fiscal year have been determined, certain adjustments are made to the budget based on the "Santa Ynez Exchange Agreement" (*see the Appendix to this document for further information about the exchange agreement*). These adjustments reduce the variable costs (chemicals and electrical) in the budget based on the provisions of the Exchange Agreement. The project participants are billed for the Authority operating expenses budget based on the adjusted expenses which include the Exchange Agreement modifications. These adjustments are not reflected in the Operating Expense departmental budgets that follow.

Central Coast Water Authority
Operating Expense Overview
Fiscal Year 2000/01 Budget

The Santa Ynez Exchange Agreement modifications for the Fiscal Year 2000/01 budget are as follows:

- Decrease in electrical costs at the Santa Ynez Pumping Facility of \$163,800.
- Decrease in Warren Act charges of \$158,340 (Warren Act charges are not included in the Operating Expense budget).

Fixed and Variable Operating Expenses

The Authority Operating Expense budget is separated by department and further subdivided into Fixed and Variable O&M costs.

Fixed O&M Costs refer to all costs of the Authority that do not vary with the amount of water processed. Examples of these expenses include personnel costs, professional services and general and administrative costs.

Variable O&M Costs refer to all costs that vary with the amount of water processed. These costs include all chemical and electrical costs for the Water Treatment Plant and Distribution Departments.



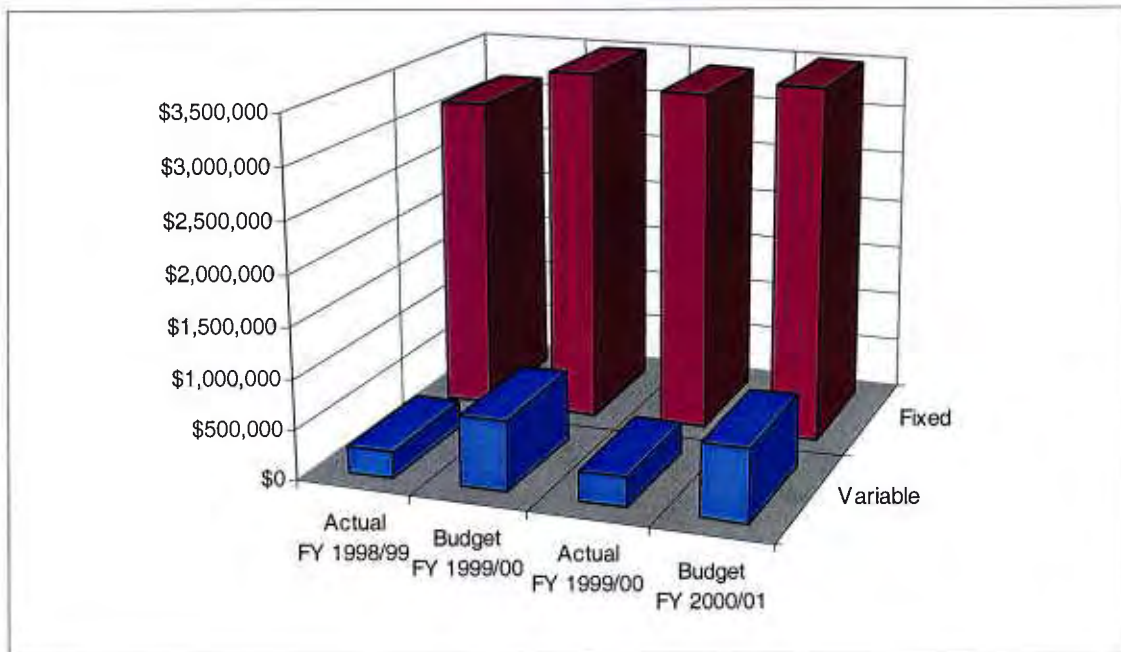
Chorro Creek Bog Thistle

Legal Status:	Federal Endangered Species California Endangered Species
Range:	Eight sites within San Luis Obispo County
Habitat:	Occurs in seeps and bogs on serpentine substrates
Size:	Can grow up to 3.3 feet in diameter (basal rosette) and 7 feet tall (stem)

Central Coast Water Authority
Operating Expense Overview
 Fiscal Year 2000/01 Budget

The following table and chart shows the allocation of fixed and variable costs for all departments for the fiscal years indicated.

	FY 1998/99	FY 1999/00	FY 1999/00	FY 2000/01
	Actual	Budget	Actual	Budget
Fixed O&M	\$ 3,128,391	\$ 3,527,566	\$ 3,364,696	\$ 3,561,465
Variable O&M	261,537	696,170	298,950	712,160
Total:	<u>\$ 3,389,928</u>	<u>\$ 4,223,736</u>	<u>\$ 3,663,646</u>	<u>\$ 4,273,625</u>



The Fiscal Year 2000/01 Consolidated Departmental Operating Expense Budget totals \$4,273,625, which is \$49,888 higher than the Fiscal Year 1999/00 Budget, a 1.18% increase. Explanations for the various changes within the budget are found in the departmental operating expense budgets that follow.

Approximately 46% of the \$4,273,625 million budget represents personnel expenses. This is followed by 12% for supplies and equipment, 11% for professional services, 10% for utilities and the balance comprised of other expenses.

The chart on page 62 provides a detailed breakdown of the components of the FY 2000/01 budget.

Central Coast Water Authority
Operating Expense Overview
 Fiscal Year 2000/01 Budget

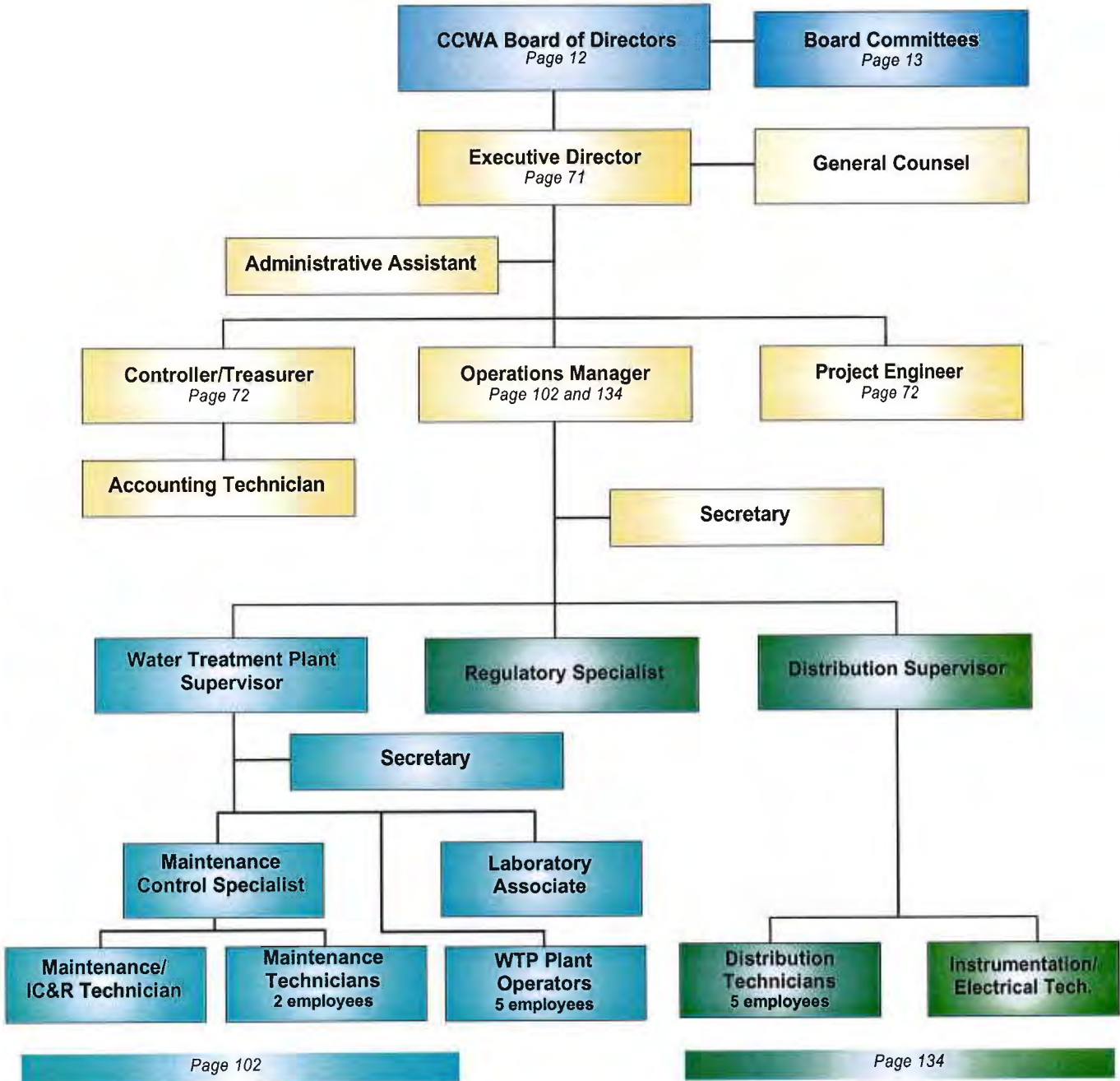
Non-Annual Recurring Expenses

As part of the budget process, certain expenses which occur periodically are identified and charged to the project participants over a number of years to minimize fluctuations in the annual assessments. The following table shows the FY 2000/01 non-annual recurring expenses by department. Please refer to the departmental tabs for further information regarding non-annual recurring expenses.

Consolidated Departments
FY 2000/01 Non-Annual Recurring Expenses

Financing Participant	Water Treatment				FY 1999/00	FY 2000/01
	Administration Department	Plant Department	Distribution Department	Interest Income	Non-Annual Recurring Expenses	
Shandon	\$ -	\$ 363	\$ 30	\$ (58)	\$ 335	
Chorro Valley	-	8,489	705	(952)	8,242	
Lopez	-	8,685	991	(997)	8,679	
Guadalupe	215	1,997	300	(251)	2,260	
Santa Maria	6,319	58,821	10,104	(7,538)	67,706	
So Cal Water Co.	195	1,815	312	(233)	2,090	
VAFB	2,145	19,970	5,315	(2,765)	24,665	
Buellton	225	2,099	898	(331)	2,892	
Santa Ynez (Solvang)	585	5,446	2,331	(858)	7,504	
Santa Ynez	195	1,815	777	(286)	2,501	
Goleta	1,755	16,339	9,340	(2,810)	24,625	
Morehart Land	78	726	415	(125)	1,094	
La Cumbre	390	3,631	2,076	(624)	5,472	
Raytheon (SBRC)	20	182	104	(31)	274	
Santa Barbara	1,170	10,893	6,227	(1,873)	16,417	
Montecito	1,170	10,893	6,227	(1,873)	16,417	
Carpinteria	780	7,262	4,151	(1,250)	10,943	
TOTAL:	\$ 15,243	\$ 159,426	\$ 50,301	\$ (22,855)	\$ 202,115	

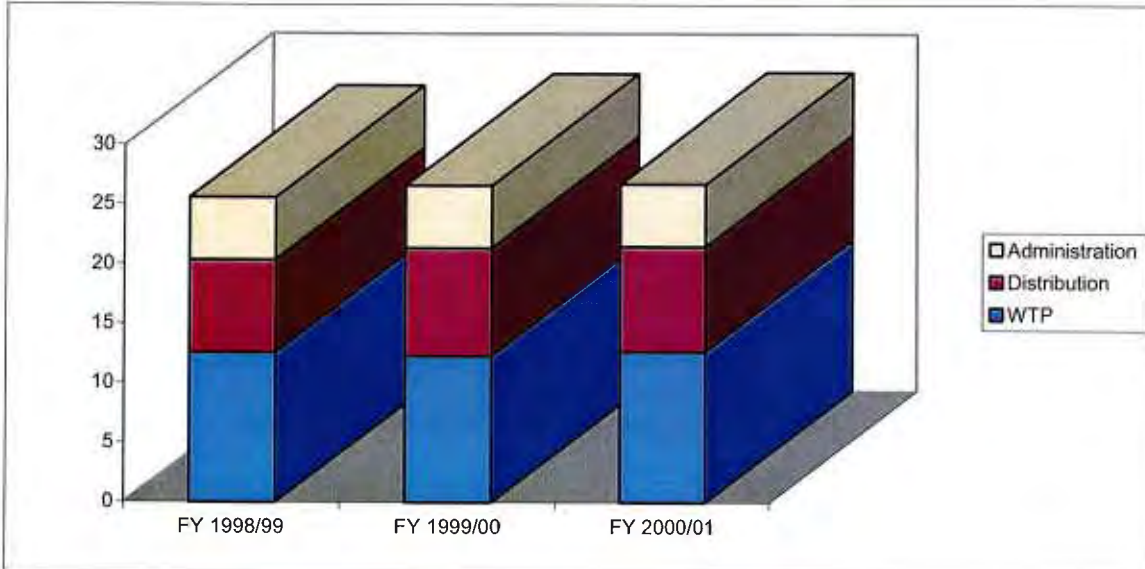
Central Coast Water Authority
Organization Chart
 Fiscal Year 2000/01



Central Coast Water Authority
Personnel Count Summary
All Departments
 Fiscal Year 2000/01 Budget

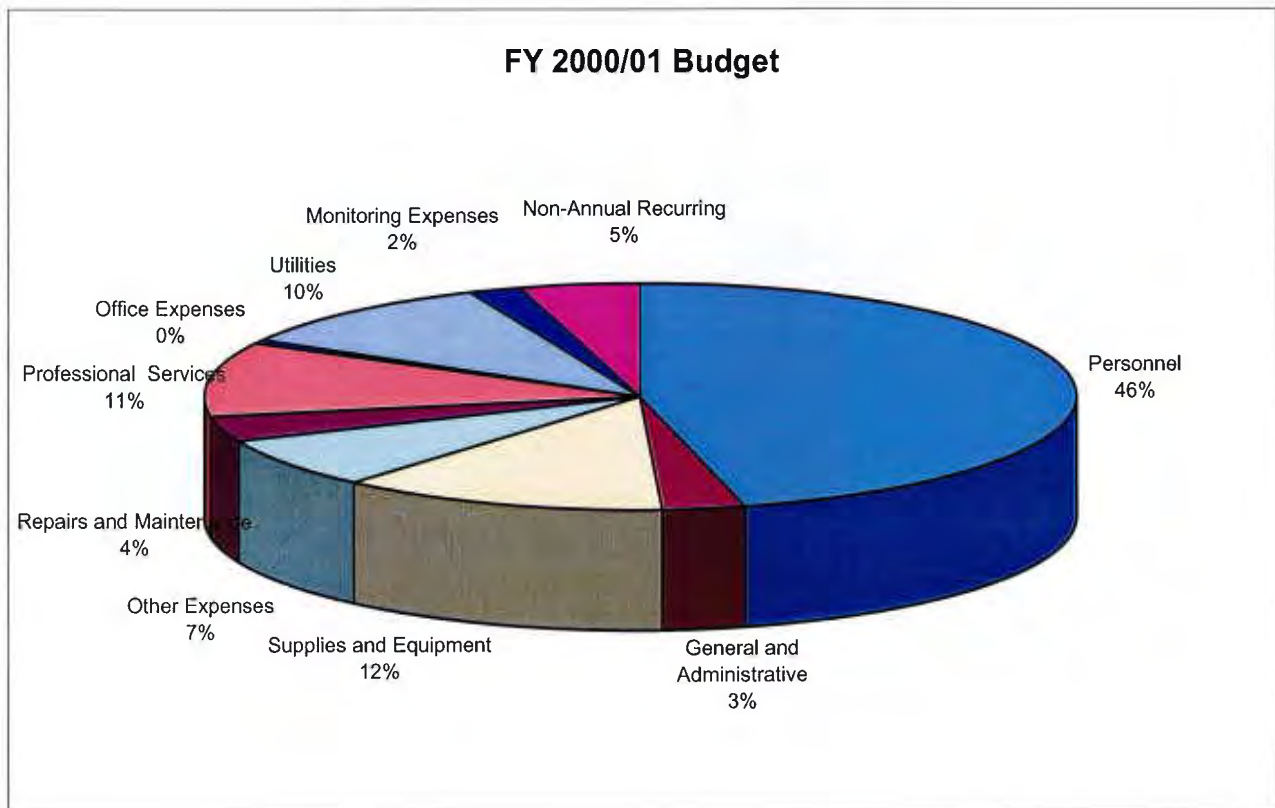
PERSONNEL COUNT SUMMARY					
Position Title	Number	Number	Number	Change	Change
	Authorized FY 1998/99	Authorized FY 1999/00	Requested FY 2000/01	Over FY 1998/99	Over FY 1999/00
Executive Director	1	1	1	0	0
Operations Manager	1	1	1	0	0
Controller and Treasurer	1	1	1	0	0
Project Engineer	1	1	1	0	0
Regulatory Specialist	0	1	1	1	0
Accounting Technician	1	1	1	0	0
Administrative Assistant ⁽¹⁾	1	1	1	0	0
Secretary	1.60	1.60	1.75	0.15	0.15
WTP Supervisor	1	1	1	0	0
Distribution Supervisor	1	1	1	0	0
Maintenance Control Specialist	1	1	1	0	0
Laboratory Associate	1	1	1	0	0
Instrumentation Technician	1	1	1	0	0
Maintenance Technician	2	2	2	0	0
Maintenance/IC&R Technician	0	0	1	1	1
WTP Operator	6	6	5	-1	-1
Distribution Technician	5	5	5	0	0
TOTAL:	25.6	26.6	26.75	1.15	0.15

(1) The Administrative Assistant Position is vacant as of 12/1/99.



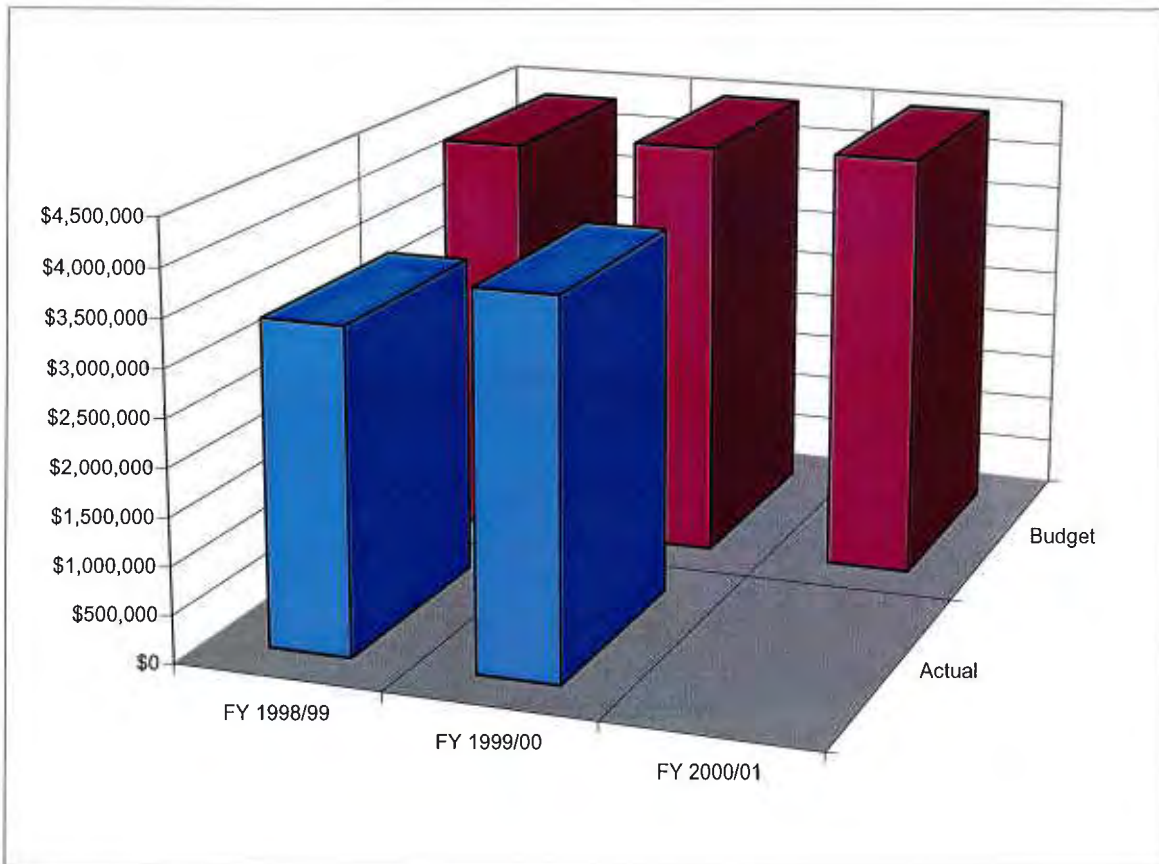
Central Coast Water Authority
Consolidated Department Operating Expenses
 Fiscal Year 2000/01 Budget

Item	FY 2000/01 Budget
Personnel	\$ 2,069,203
Office Expenses	22,100
Supplies and Equipment	541,362
Monitoring Expenses	87,000
Repairs and Maintenance	161,125
Professional Services	479,847
General and Administrative	134,421
Utilities	456,690
Other Expenses	321,877
Non-Annual Recurring	202,115
TOTAL:	\$ 4,475,739



Central Coast Water Authority
Consolidated Department Operating Expenses
 Fiscal Year 2000/01 Budget

Item	FY 1998/99	FY 1998/99	FY 1999/00	FY 1999/00	FY 2000/01
	Budget	Actual	Budget	Estimated Actual	Budget
Personnel	\$ 1,925,712	\$ 1,923,295	\$ 1,982,047	\$ 1,974,215	\$ 2,069,203
Office Expenses	24,550	19,772	23,600	24,189	22,100
Supplies and Equipment	822,047	371,758	662,812	359,111	541,362
Monitoring Expenses	127,000	97,294	100,500	61,553	87,000
Repairs and Maintenance	143,300	235,965	160,705	160,465	161,125
Professional Services	383,697	274,513	472,867	571,588	479,847
General and Administrative	114,402	123,381	136,733	116,573	134,421
Utilities	405,520	172,714	374,670	202,301	456,690
Other Expenses	378,857	171,235	309,803	193,650	321,877
Subtotal	\$ 4,325,084	\$ 3,389,928	\$ 4,223,736	\$ 3,663,646	\$ 4,273,625
Non-Annual Recurring	\$ 217,801	\$ 217,801	\$ 222,602	\$ 222,602	\$ 202,115
TOTAL:	\$ 4,542,885	\$ 3,607,729	\$ 4,446,338	\$ 3,886,248	\$ 4,475,739



Central Coast Water Authority
Consolidated Department Operating Expenses
 Fiscal Year 2000/01 Administration/O&M Budget

Account Number	Account Name	FY 1998/99	FY 1998/99	FY 1999/00	FY 1999/00	FY 2000/01	Change from		Percent Change from FY 1999/00 Budget
		Budget	Actual	Budget	Estimated Actual	Budget	FY 1999/00 Budget	FY 1999/00 Budget	
		\$ 1,379,197	\$ 1,362,201	\$ 1,437,512	\$ 1,404,987	\$ 1,477,275	\$	\$ 39,763	2.77%
5000.10	Full-Time Regular Wages	68,802	86,032	69,999	64,100	72,028		2,029	2.90%
5000.20	Overtime	9,500	12,071	12,500	12,637	6,000		(6,500)	-52.00%
5000.40	Standby Pay	15,000	10,648	11,000	11,362	11,000		-	0.00%
5000.50	Shift Differential Pay	211,017	208,364	198,578	197,375	197,014		(1,563)	-0.79%
5100.10	PERS Retirement	20,996	21,844	21,859	22,361	22,465		606	2.77%
5100.15	Medicare Taxes	109,806	105,825	111,825	132,560	140,982		29,157	26.07%
5100.20	Health Insurance	34,900	26,375	24,492	33,649	30,612		6,120	24.99%
5100.25	Workers' Compensation	3,000	2,168	4,320	2,443	4,320		-	0.00%
5100.30	Vehicle Expenses	8,000	16,044	8,000	15,765	16,000		8,000	100.00%
5100.35	IRC-457-Employer Paid	11,528	11,162	11,279	9,819	8,677		(2,602)	-23.07%
5100.40	Cafeteria Plan Benefits	29,064	39,223	30,313	31,588	31,563		1,250	4.12%
5100.45	Dental/Vision Plan	9,954	8,624	8,670	8,618	8,900		230	2.65%
5100.50	Long-Term Disability	5,858	6,236	7,279	7,041	7,250		(29)	-0.39%
5100.55	Life Insurance	2,340	1,115	2,470	2,247	2,470		-	0.00%
5100.60	Employee Physicals	5,000	4,391	17,500	17,257	28,195		10,695	61.11%
5000.30	Temporary Services	-	-	2,700	-	2,700		-	0.00%
5100.70	Safety Incentive Program	1,750	972	1,750	406	1,750		-	0.00%
5100.65	Employee Education Reimbursement	1,925,712	1,923,295	1,982,047	1,974,215	2,069,203		87,156	4.40%
	Total Personnel Expenses:								

Central Coast Water Authority
Consolidated Department Operating Expenses
 Fiscal Year 2000/01 Administration/O&M Budget

Account Number	Account Name	FY 1998/99 Budget	FY 1998/99 Actual	FY 1999/00 Budget	FY 1999/00 Estimated Actual	FY 2000/01 Budget	Change from FY 1999/00 Budget	Percent Change from FY 1999/00 Budget
<u>OFFICE EXPENSES</u>								
5200.10	Administrative Costs	250	573	-	227	-	-	N/A
5200.20	Office Supplies	20,100	15,162	18,800	19,283	16,800	(2,000)	-10.64%
5200.30	Misc. Office Expenses	4,200	4,036	4,800	4,678	5,300	500	10.42%
Total Office Expenses:		24,550	19,772	23,600	24,189	22,100	(1,500)	-6.36%

SUPPLIES AND EQUIPMENT

5500.10	Uniform Expenses	12,547	13,749	15,092	14,044	15,092	0	0.00%
5500.15	Minor Tools and Equipment	12,000	17,721	16,000	21,815	17,000	1,000	6.25%
5500.20	Spare Parts	80,000	38,870	50,000	12,843	25,000	(25,000)	-50.00%
5500.25	Landscape Equip. and Supplies	2,500	2,048	5,000	886	3,500	(1,500)	-30.00%
5500.30	Chemicals-Fixed	-	-	-	5,376	-	-	N/A
5500.31	Chemicals-Variable	656,000	242,258	496,970	233,588	410,520	(86,450)	-17.40%
5500.35	Maintenance Supplies/Hardware	22,000	19,822	22,000	27,147	22,000	-	0.00%
5500.40	Safety Supplies	8,500	10,342	10,500	4,896	8,000	(2,500)	-23.81%
5500.45	Fuel and Lubricants	22,500	23,062	24,750	27,542	24,750	-	0.00%
5500.50	Seed/Erosion Control Supplies	5,000	3,886	22,000	10,975	15,000	(7,000)	-31.82%
5500.55	Backflow Prevention Supplies	1,000	-	500	-	500	-	0.00%
Total Supplies and Equipment:		822,047	371,758	662,812	359,111	541,362	(121,450)	-18.32%

MONITORING EXPENSES

5600.10	Lab Supplies	36,000	28,706	30,000	25,448	27,000	(3,000)	-10.00%
5600.20	Lab Tools and Equipment	6,000	2,909	5,500	2,937	5,000	(500)	-9.09%
5600.30	Lab Testing	85,000	65,679	65,000	33,168	55,000	(10,000)	-15.38%
Total Monitoring Expenses:		127,000	97,294	100,500	61,553	87,000	(13,500)	-13.43%

Central Coast Water Authority
Consolidated Department Operating Expenses
 Fiscal Year 2000/01 Administration/O&M Budget

Account Number	Account Name	FY 1998/99	FY 1998/99	FY 1999/00	FY 1999/00	FY 2000/01	Change from		Percent Change from FY 1999/00 Budget
		Budget	Actual	Budget	Estimated Actual	Budget	FY 1999/00 Budget	FY 2000/01 Budget	
<u>REPAIRS AND MAINTENANCE</u>									
5700.10	Equipment Repairs and Maintenance	101,300	195,215	110,925	125,737	109,725	(1,200)		-1.08%
5700.20	Vehicle Repairs and Maintenance	13,500	12,947	13,500	8,503	11,500	(2,000)		-14.81%
5700.30	Building Maintenance	26,000	19,452	32,400	19,627	32,600	200		0.62%
5700.40	Landscape Maintenance	2,500	8,351	3,880	6,598	7,300	3,420		88.14%
	Total Repairs and Maintenance:	143,300	235,965	160,705	160,465	161,125	420		0.26%
<u>PROFESSIONAL SERVICES</u>									
5400.10	Professional Services	52,000	75,930	197,120	206,097	186,100	(11,020)		-5.59%
5400.20	Legal Services	195,000	139,250	170,000	284,490	170,000	-		0.00%
5400.30	Engineering Services	22,500	-	50,000	9,364	40,000	(10,000)		-20.00%
5400.40	Permits	17,000	7,857	10,500	8,767	9,000	(1,500)		-14.29%
5400.50	Non-Contractual Services	69,600	29,301	20,900	39,023	49,900	29,000		138.76%
5400.60	Accounting Services	23,847	19,479	24,347	23,847	24,847	500		2.05%
5400.70	Payroll Service	3,750	2,696	-	-	-	-		N/A
	Total Professional Services:	383,697	274,513	472,867	571,588	479,847	6,980		1.48%

Central Coast Water Authority
Consolidated Department Operating Expenses
 Fiscal Year 2000/01 Administration/O&M Budget

Account Number	Account Name	FY 1998/99 Budget	FY 1998/99 Actual	FY 1999/00 Budget	FY 1999/00 Estimated Actual	FY 2000/01 Budget	Change from FY 1999/00 Budget	Percent Change from FY 1999/00 Budget
<u>GENERAL AND ADMINISTRATIVE</u>								
5300.10	Meeting and Travel	29,400	33,640	34,600	30,798	37,000	2,400	6.94%
5300.20	Mileage Reimbursement	2,250	865	2,250	163	850	(1,400)	-62.22%
5300.30	Dues and Memberships	41,982	45,495	46,913	48,105	42,751	(4,162)	-8.87%
5300.40	Publications	5,770	5,203	4,770	7,138	5,520	750	15.72%
5300.50	Training	18,000	22,751	31,500	20,088	31,500	-	0.00%
5300.60	Advertising	900	805	900	-	900	-	0.00%
5300.70	Printing and Binding	6,000	6,037	6,000	6,000	6,000	-	0.00%
5300.80	Postage	10,100	8,586	9,800	4,280	9,900	100	1.02%
Total General and Administrative:		114,402	123,381	136,733	116,573	134,421	(2,312)	-1.69%
<u>UTILITIES</u>								
5800.10	Other Utilities	-	1,842	-	1,623	2,500	(800)	N/A
5800.20	Natural Gas	5,000	88,897	3,300	85,961	96,300	(12,400)	-11.41%
5800.30	Electric-Fixed	135,700	19,279	108,700	65,362	301,640	102,440	51.43%
5800.35	Electric-Variable	200,100	1,943	199,200	2,789	3,420	1,140	50.00%
5800.40	Water	2,100	57,175	2,280	42,779	47,640	(6,360)	-11.78%
5800.50	Telephone	52,800	3,578	54,000	3,788	5,190	(2,000)	-27.82%
5800.60	Waste Disposal	9,820	172,714	7,190	202,301	456,690	82,020	21.89%
Total Utilities:		405,520	172,714	374,670	202,301	456,690	82,020	21.89%

Central Coast Water Authority
Consolidated Department Operating Expenses
 Fiscal Year 2000/01 Administration/O&M Budget

Account Number	Account Name	FY 1998/99 Budget	FY 1998/99 Actual	FY 1999/00 Budget	FY 1999/00 Estimated Actual	FY 2000/01 Budget	Change from FY 1999/00 Budget	Percent Change from FY 1999/00 Budget
OTHER EXPENSES								
5900.10	Insurance	108,195	77,394	108,195	108,195	111,100	2,905	2.68%
5900.20	Insurance Claim Deductibles	5,000	-	5,000	-	5,000	-	0.00%
5900.30	Facilities Rent	93,384	44,514	-	-	-	-	N/A
5900.40	Equipment Rental	29,510	20,066	28,830	23,927	30,330	1,500	5.20%
5900.50	Non-Capitalized Equipment	21,000	2,879	40,000	33,051	35,000	(5,000)	-12.50%
5900.60	Computer Expenses	16,300	32,473	24,760	28,477	36,212	11,452	46.25%
5900.70	Appropriated Contingency	105,468	(6,092)	103,018	-	104,235	1,217	1.18%
	Total Other Expenses:	378,857	171,235	309,803	193,650	321,877	12,074	3.90%
	TOTAL OPERATING EXPENSES	\$ 4,325,084	\$ 3,389,928	\$ 4,223,736	\$ 3,663,646	\$ 4,273,625	\$ 49,888	1.18%

Central Coast Water Authority
Operating Expense Allocation by Department
 FY 2000/01 Budget

Project Participant	Administration Department				Water Treatment Plant Department Fixed Costs				Total Fixed WTP Costs
	Entitlement	Percentage	Administration Expenses		WTP Fixed	WTP Fixed and Capital Retirement	Exchange Fixed and Capital Adjustments	Total Fixed WTP Costs	
			Entitlement	Percentage					
Shandon	-	-	\$ -	100	3,513	-	-	3,513	
Chorro Valley	-	-	-	2,338	82,144	-	-	82,144	
Lopez	-	-	-	2,392	84,042	-	-	84,042	
Guadalupe	550	1.41%	10,434	550	15,978	-	-	35,302	
Santa Maria	16,200	41.46%	307,325	16,200	470,635	-	-	1,039,812	
Southern California Water Co.	500	1.28%	9,485	500	17,567	-	-	32,093	
VAFB	5,500	14.07%	104,339	5,500	193,239	-	-	353,023	
Buellton	578	1.48%	10,965	578	20,308	-	-	37,099	
Santa Ynez (Solvang)	1,500	3.84%	28,456	1,500	52,702	-	-	96,279	
Santa Ynez	500	1.28%	9,485	500	17,567	289,735	-	401,138	
Goleta	4,500	11.52%	85,368	4,500	158,105	(225,234)	-	(243,007)	
Morehart Land	200	0.51%	3,794	200	7,027	-	-	(7,767)	
La Cumbre	1,000	2.56%	18,971	1,000	35,134	(73,968)	-	(38,834)	
Raytheon (SBRC)	50	0.13%	949	50	1,757	(3,698)	-	(1,942)	
Santa Barbara	3,000	7.68%	56,912	3,000	105,403	(221,904)	-	(116,501)	
Montecito	3,000	7.68%	56,912	3,000	105,403	(193,605)	(40,604)	(128,806)	
Carpinteria	2,000	5.12%	37,941	2,000	70,269	(131,281)	(23,896)	(84,909)	
TOTAL:	39,078	100.00%	\$ 741,335	43,908	1,542,682	\$ (0)	0	\$ 1,542,682	

Project Participant	Distribution Department Fixed Costs										Total Fixed Operating Costs
	Reach 33B	Reach 34	Reach 35	Reach 37	Reach 38	Mission Hills II	Santa Ynez I	Santa Ynez II	Total Fixed Distribution Costs	Total Fixed Operating Costs	
Shandon	766	-	-	-	-	-	-	-	766	4,279	
Chorro Valley	17,901	-	-	-	-	-	-	-	17,901	100,045	
Lopez	18,315	6,854	-	-	-	-	-	-	25,168	109,210	
Guadalupe	4,211	1,576	1,820	-	-	-	-	-	7,607	53,343	
Santa Maria	124,037	46,417	53,608	32,547	-	-	-	-	256,609	1,603,745	
Southern California Water Co.	3,828	1,433	1,655	1,005	-	-	-	-	7,920	49,498	
VAFB	42,111	15,759	18,200	11,050	-	-	-	-	134,971	592,332	
Buellton	4,426	1,656	1,913	1,161	13,763	8,623	-	-	22,807	70,871	
Santa Ynez (Solvang)	11,485	4,298	4,964	3,014	1,446	22,377	-	-	59,187	183,922	
Santa Ynez	3,828	1,433	1,655	1,005	3,754	9,297	-	-	19,729	430,353	
Goleta	34,455	12,894	14,891	9,041	11,261	7,459	-	-	237,202	79,563	
Morehart Land	1,531	573	662	402	500	67,131	59,640	-	10,542	6,570	
La Cumbre	7,657	2,865	3,309	2,009	1,240	2,984	2,651	-	13,253	32,849	
Raytheon (SBRC)	383	143	165	100	310	746	663	-	2,636	1,642	
Santa Barbara	22,970	8,596	9,927	6,027	7,507	44,754	39,760	-	158,135	98,546	
Montecito	22,970	8,596	9,927	6,027	7,507	44,754	39,760	-	158,135	86,241	
Carpinteria	15,313	5,731	6,618	4,018	5,005	29,836	26,507	-	105,423	58,456	
TOTAL:	336,185	118,823	129,314	77,405	54,622	135,284	243,580	182,235	1,277,448	3,561,465	

Central Coast Water Authority
Operating Expense Allocation by Department
 FY 2000/01 Budget

Project Participant	Distribution Department Variable Costs										Total Distribution Variable Costs	
	Reach 33B	Reach 34	Reach 35	Reach 37	Reach 38	Mission Hills II	Santa Ynez I	Santa Ynez II				
Shandon	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Chorro Valley	23	-	-	-	-	-	-	-	-	-	-	23
Lopez	17	18	-	-	-	-	-	-	-	-	-	35
Guadalupe	6	6	-	-	-	-	-	-	-	-	-	19
Santa Maria	156	166	175	178	-	-	-	-	-	-	-	676
Southern California Water Co.	5	6	66	6	-	-	-	-	-	-	-	23
VAFB	58	62	66	67	137	137	-	-	-	-	-	527
Buellton	5	6	6	6	13	13	21	-	-	-	-	72
Santa Ynez (Solvang)	11	12	12	13	26	26	42	-	-	-	-	142
Santa Ynez	6	7	7	7	14	14	23	-	-	-	-	79
Goleta	50	53	56	57	117	117	188	181,785	-	-	-	182,423
Morehart Land	1	1	1	1	2	2	3	5,280	-	-	-	5,291
La Cumbre	7	7	8	8	16	16	26	42,000	-	-	-	42,087
S.B. Research	1	1	1	1	1	1	2	3,300	-	-	-	3,307
Santa Barbara	-	-	-	-	-	-	-	-	-	-	-	-
Montecito	8	9	9	10	20	20	32	29,185	-	-	-	29,292
Carpinteria	6	6	7	7	14	14	22	23,090	-	-	-	23,166
TOTAL:	\$ 360	\$ 360	\$ 360	\$ 360	\$ 360	\$ 360	\$ 360	\$ 284,640	\$ 360	\$ 360	\$ 284,640	\$ 287,160

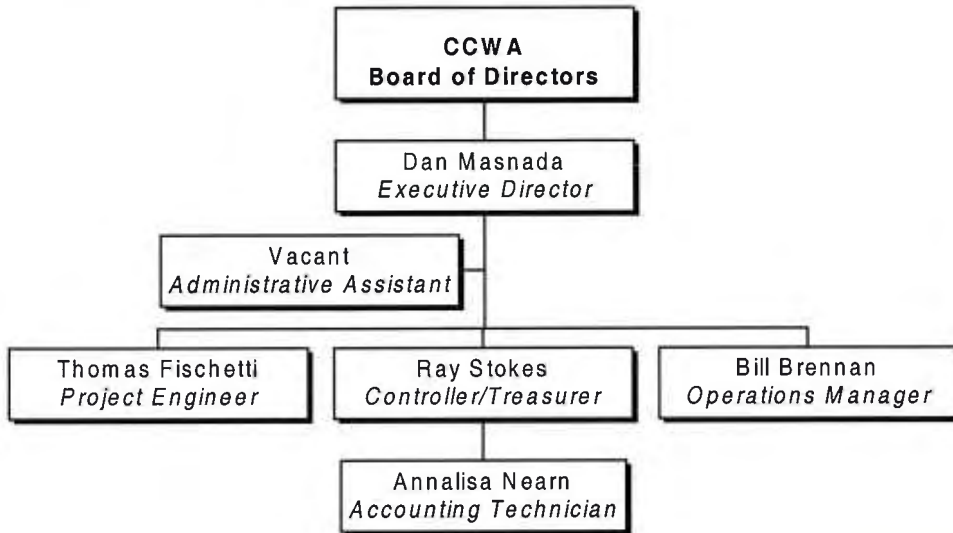
Project Participant	Water Treatment Plant Variable Costs					Total Variable Operating Costs	TOTAL FIXED AND VARIABLE OPERATING COSTS
	WTP Variable	WTP Variable Retirement	WTP Variable Exchange Adjustments	Total WTP Variable Costs			
Shandon	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Chorro Valley	26,109	-	-	26,109	26,132	126,177	126,177
Lopez	19,374	-	-	19,374	19,409	128,619	128,619
Guadalupe	6,920	1,107	-	8,027	8,046	61,389	61,389
Santa Maria	184,548	29,208	-	213,757	214,432	1,818,178	1,818,178
Southern California Water Co.	6,291	1,002	-	7,293	7,316	56,814	56,814
VAFB	69,203	11,077	-	80,280	80,807	673,139	673,139
Buellton	6,611	1,050	-	7,662	7,733	78,605	78,605
Santa Ynez (Solvang)	13,154	1,881	-	15,036	15,178	199,100	199,100
Santa Ynez	7,298	6,290	31,227	44,815	44,894	475,246	475,246
Goleta	58,931	(32,981)	(24,275)	1,675	184,097	263,660	263,660
Morehart Land	1,007	(972)	-	35	5,326	11,895	11,895
La Cumbre	8,007	(7,682)	-	325	42,411	75,260	75,260
S.B. Research	629	(605)	-	24	3,331	4,973	4,973
Santa Barbara	-	-	0	-	-	98,546	98,546
Montecito	9,940	(5,249)	(4,376)	315	29,607	115,848	115,848
Carpinteria	6,977	(4,127)	(2,575)	275	23,441	81,897	81,897
TOTAL:	\$ 425,000	\$ 0	\$ -	425,000	712,160	4,273,625	4,273,625



Central Coast Water Authority
Administration Department
 Fiscal Year 2000/01 Budget

The Administration Department is comprised of the Executive Director, Accounting and Finance, Engineering and support staff. The department is responsible for administration of the Authority and provides support to the (1) Board of Directors and various Authority committees and (2) operations and maintenance departments of the Authority.

CCWA Administrative Staff



EXECUTIVE DIRECTOR

The Executive Director is the chief executive officer and administrative head of the Authority, with the responsibility for planning, organizing, staffing, coordinating, budgeting and directing the administrative activities and operations of the Authority. The Executive Director is appointed by and serves at the pleasure of the Authority Board of Directors. The Executive Director appoints the directors of all departments and is responsible for implementation of policies established by the Board of Directors.

The Executive Director is responsible for providing and exercising overall supervision and disciplinary control over the necessary administrative and operating staff to carry out official Board policies. The Executive Director is responsible for the execution of contracts and other documents on behalf of the Authority to the extent provided by the Board of Directors and also serves as Secretary to the Board.

The Executive Director's office is staffed by the Executive Director and one (1) full-time Administrative Assistant (this position is currently vacant).



Photo: © David Magney/CNPS

Gaviota Tarplant

Legal Status: Federal Proposed Threatened Species
 California Endangered Species

Range: Southern Santa Barbara County
Habitat: Occurs in annual grassland in association with coastal sage scrub.

Size: Ranges from 12 to 35 inches tall

Central Coast Water Authority
Administration Department
Fiscal Year 2000/01 Budget

ACCOUNTING AND FINANCE

The Authority's Department of Accounting and Finance has three main functions: Finance, which is the central fiscal control and accounting agency of the Authority; Treasury, which invests all cash balances of the Authority; and Administrative Services, which coordinates and administers the employee benefits program and the Authority's auto, property and liability insurances.

The Controller and Treasurer serves as the chief financial officer, Treasurer and coordinator of the employee benefits program for the Authority. The department deals with daily finance/accounting activities including payrolls and audits, preparing the operating and capital budgets, preparing the comprehensive financial reports, investments, debt management, risk management, cash management and bank relations.

In addition, the department is responsible for the workers' compensation program and the employee benefits program which includes health insurance, life insurance, dental and vision insurance, deferred compensation, Section 125 cafeteria plan and the Public Employees' Retirement System (PERS) for the Authority. The Accounting and Finance department includes a staff of one full-time Controller and Treasurer and one full-time Accounting Technician.



Photo: © Malcolm McLeod/CNPS

Nipomo Mesa Lupine

Legal Status: Federal Proposed Threatened Species
California Endangered Species

Range: One population in Western San Luis Obispo County
Habitat: Occurs on coastal dunes
Size: Ranges from 6 to 8 inches tall; 19 to 24 inches wide

ENGINEERING

The Engineering Department consists of a Project Engineer. This department is responsible for evaluating, designing and implementing operational and capital improvements for the Authority. Engineering projects involve oversight of professional consultants and detailed analysis and design for work performed in-house. Additionally, the Project Engineer is charged with the responsibility for construction contract administration and management. Additional secondary duties include in-house administration and maintenance of the computer network system.

1999 ACCOMPLISHMENTS AND 2000 GOALS

The following pages list all of the Authority's 1999 goals and their status (i.e., "Accomplishments") and the Authority's 2000 goals. The 1999 accomplishments and 2000 goals that are the responsibility of the Water Treatment Plant and Distribution Departments are repeated in the Water Treatment Plant and Distribution Department sections of this budget. Also included is a table of performance indicators ("Service Efforts and Accomplishments") for the Administration Department.

Central Coast Water Authority
Administration Department
 Fiscal Year 2000/01 Budget

1999 ACCOMPLISHMENTS

<u>Goal</u>	<u>Status</u>
	<u>Administration</u>
Implement project costing module for Solomon accounting system [1/99]	Deferred to 2000.
Develop formal policies and procedures for risk management [4/99]	Deferred to 2000.
Remodel Suites B and C of the Buellton office building to accommodate Distribution O&M staff [5/99]	Completed 7/99 (Notice of Completion approved 11/99).
Prepare the FY 1999/00 Administration/O&M Budget in conformance with Government Finance Officers Association (GFOA) standards and submit it to GFOA for the "Distinguished Budget Presentation" award [7/99]	Submitted to GFOA 7/99.
Prepare a Comprehensive Annual Financial Report for FY 1998/99 in conformance with GFOA standards and submit it to GFOA for the "Excellence in Financial Reporting" award [11/99]	Submitted to GFOA 10/99.
Participate and represent CCWA's interests in State Water Contractors Association [ongoing]	Ongoing.
Protect CCWA's interest with regard to the following lawsuits:	
<ul style="list-style-type: none"> • CCWA v. Gardner (appeal of condemnation) • Michael Petretta v. City of Solvang, CCWA et al • Solvang v. SYRWCD, ID#1 appeal • Resolve attorneys fees for one remaining eminent domain action for Coastal Branch project (Miossi) [6/99] 	<p>Appeal has been dropped.</p> <p>Summary judgment granted in favor of Solvang, CCWA, et al 3/99. Subsequent appeal filed by Petretta was dismissed 12/99. Awaiting setting of date for oral argument before Santa Barbara Court of Appeal. Attorneys fees issue resolved 6/99.</p>
-	Developed standard procedures and forms for considering requests for encroachment permits and leases of CCWA property 8/99.

Central Coast Water Authority
Administration Department
 Fiscal Year 2000/01 Budget

Goal

Status

Administration (continued)

—

Received ACWA Joint Powers Insurance Authority President’s Special Recognition Award on 11/99 for achieving a low ratio of “Paid Claims and Case Reserves” to “Deposit Premiums” in the Property Program during 4/1/95 – 3/31/98.

—

Made presentation on 12/99 to the Santa Barbara County Board of Supervisors highlighting CCWA financial statements, FY 1999/00 budget and compliance with Transfer of Financial Responsibility Agreement and Water Supply Agreement covenants.

Contracts

Consider Table A entitlement reduction and, if appropriate, implement a State Water Contract amendment in accordance with Amendment 19 [4/99]

No Table A entitlement reductions granted by DWR during 1999.

Obtain final approval of and implement Amendment 19 to the State Water Contract [6/99]

DWR has delayed execution of Amendment 19 in order to include Phase 2 (previously “Phase 1A”) issues into one comprehensive amendment.

Work with Department of Water Resources and the State Water Contractors to address “Phase 1A” State Water Contract issues and, if appropriate, implement a State Water Contract amendment [6/99]

DWR and SWC have negotiated a statement of principals addressing Phase 2 (previously “Phase 1A” issues) and will incorporate same into a revised Amendment 19 for execution in 2000.

Central Coast Water Authority
Administration Department
 Fiscal Year 2000/01 Budget

Goal

Status

Design and Construction

Compile project records, final reports and as-built drawings [4/99]

CCWA records completed 9/98. CCWA as-builts completed 6/99. Compilation of DWR data deferred to 2000.

Complete instrumentation and control system [7/99]

Done 10/99. Final testing to be completed 1/00.

Complete comprehensive electrical survey of Polonio Pass Water Treatment Plant and make any necessary modifications [7/99]

Survey completed 5/99. Only minor modifications are required. Will complete suggested minor modifications 2000.

Update CCWA as-built drawings to reflect project start-up and subsequent modifications [9/99]

Deferred to 2000.

—

Completed Cachuma discharge tower inspection and minor repairs 4/99.

—

Completed Buellton turnout repairs and upgrade 7/99 (Notice of Completion approved 11/99).

—

Completed Bradbury Dam outlet works repair 9/99.

DWR Coordination

Work with DWR to minimize Coastal Branch Phase II project costs:

- Change order dispute resolution [9/99]
- Complete Reach 2 arbitration [ongoing]

- Disputes on all contracts resolved except for Reach 2.
- Reach 2 arbitrator has been selected.

Review DWR final project costs and allocation of said costs to CCWA:

- Coastal Branch Phase II off-peak pumping credits [4/99]

- Completed 9/99. Basis for off-peak pumping credit has been increased by \$8 million (i.e., allocation of Coastal Branch Phase II costs to Coastal contractors reduced by this amount).

Central Coast Water Authority
Administration Department
 Fiscal Year 2000/01 Budget

Goal

Status

DWR Coordination (continued)

- | | |
|---|---|
| <ul style="list-style-type: none"> • San Luis Obispo Power Plant credits [4/99] • Other project costs and allocations [12/99] | <ul style="list-style-type: none"> • Completed 11/99. Obtained credit of \$3.6 million (i.e., allocation of Coastal Branch Phase II costs to Coastal contractors reduced by this amount). • Currently considering review of DWR project costs and allocation. |
|---|---|

Environmental and Safety

- | | |
|--|---|
| <p>Develop a schedule to ensure quarterly inspection of pipeline right-of-way and treatment plant areas [3/99]</p> | <p>Done 3/99.</p> |
| <p>Complete HCP (Habitat Conservation Plan) and Section 10 permitting for red legged frogs and other endangered species [7/99 - 8/99]</p> | <p>Awaiting comments from Department of Fish and Game. Anticipate completing 2000.</p> |
| <p>Ensure United States Bureau of Reclamation obtains Section 7 permit for release of State water from Lake Cachuma Project facilities to Santa Ynez River [6/99]</p> | <p>Final draft complete and being reviewed by regulatory agencies. Anticipate completing 2000.</p> |
| <p>Develop a Risk Assessment Plan for the water treatment plant [7/99]</p> | <p>Done 6/99.</p> |
| <p>Apply for the Association of California Water Agencies' Theodore Roosevelt Environmental Award of Excellence in Conservation and Natural Resources Management for CCWA's project environmental mitigation program [10/99]</p> | <p>Award application submitted 10/1/99. CCWA finished first of fourteen agencies which applied in the "over \$100,000" category and was presented the award on 12/2/99 at the Fall ACWA Conference.</p> |
| <p>Complete remedial revegetation [6/99] and continue five-year monitoring program for Reaches 1-6 [ongoing]</p> | <p>Remedial revegetation complete. Five-year monitoring program on schedule.</p> |
| <p>Continue five-year monitoring program for Schedules A, B and C [ongoing]</p> | <p>Ongoing.</p> |

Central Coast Water Authority
Administration Department
 Fiscal Year 2000/01 Budget

<u>Goal</u>	<u>Post 1999 Goals</u>	<u>Status</u>
Complete resolution of all DWR construction claims	Will be completed during 2000.	
Implement water transfers as requested by project participants	Sold 4,587 AF through DWR Turnback Pool A and 9,484 AF through DWR Turnback Pool B during 1999. No buyer(s) has been identified for 1,500 AF of 1999 entitlement proposed for sale by Solvang.	
Identify and implement opportunities to firm up water supply reliability as needed		-

Service Efforts and Accomplishments

	Actual FY 1998/99	Estimated Actual FY 1999/00	Projected FY 2000/01
Workload			
Public presentations on State Water	12	9	9
State Water Contractor meetings attended	12	16	18
Maximum investment portfolio (millions)	\$ 107	\$ 66	\$ 61
Efficiency			
Annual return on investment portfolio	5.43%	5.48%	5.75%
# of months investment policy not in compliance with investment policy	0	5	0
Operating cost per employee (thousands)	\$ 148	\$ 130	\$ 141
Total budget cost per employee (all departments in millions)	\$ 1.57	\$ 1.10	\$ 1.50
Consulting expense as a percent of O&M budget	8%	16%	11%
Effectiveness			
GFOA Certificate of Achievement Awarded	Yes	Yes	Yes
GFOA Distinguished Budget Presentation Awarded	Yes	Yes	Yes
CSMFO Excellence in Operational Budgeting Awarded	Yes	Yes	Yes
Receive ACWA Theodore Roosevelt Environmental Award (one time only)	N/A	Yes	N/A

Central Coast Water Authority
Administration Department
Fiscal Year 2000/01 Budget

2000 GOALS

Administration and Accounting

Implement project costing module for Solomon accounting system [1/00]

Prepare and submit FY 1998/99 report of continuing disclosure to Bond Trustee [3/00]

Review and implement recommended changes to CCWA data and information security policy [4/00]

Prepare the FY 2000/01 Administration/O&M Budget in conformance with Government Finance Officers Association (GFOA) standards and submit it to GFOA for the "Distinguished Budget Presentation" award [7/00]

Complete closeout of remaining revenue bond fund and capital deposit expenditures [7/00]

Review and, if appropriate, implement interest rate swap of a portion of CCWA's revenue bond debt service [7/00]

Prepare a Comprehensive Annual Financial Report for FY 1999/00 in conformance with GFOA standards and submit it to GFOA for the "Excellence in Financial Reporting" award [11/00]

Present annual financial overview to the Santa Barbara County Board of Supervisors [11/00]

Develop Accounting Department policies and procedures manual (including risk management policies and procedures) [12/00]

Participate and represent CCWA's interests in State Water Contractors Association [ongoing]

Protect CCWA's interest with regard to the following lawsuits:

- Solvang v. SYRWCD, ID#1 appeal
- Mountain Cascade, Inc. v. Zurich Insurance Company
- Adam v. City of Santa Maria et al and related cases (Santa Maria groundwater basin litigation)

Central Coast Water Authority
Administration Department
Fiscal Year 2000/01 Budget

Contracts

Obtain approval of and implement Amendment 19 to the State Water Contract (including "Phase 2" issues) [6/00]

Consider Table A entitlement reduction and, if appropriate, implement a State Water Contract amendment in accordance with Amendment 19 [6/00]

Design and Construction

Complete final test of Water Treatment Plant and Distribution control system [2/00]

Compile DWR project records, final reports and as-built drawings [4/00]

Complete minor electrical modifications of Polonio Pass Water Treatment Plant [5/00]

Update CCWA as-built drawings to reflect project start-up and subsequent modifications [9/00]

Participate in technical advisory committee regarding Bradbury Dam outlet works [ongoing]

Cooperate with Santa Barbara County et. al. in Santa Rosa Creek restoration project [ongoing]

DWR Coordination

Complete stenciling of mile markers on Reach 1-6 vaults [5/00]

Complete resolution of Reach 2 construction claims [12/00]

Review DWR final project costs and allocation of said costs to CCWA [12/00]

Make necessary changes and modifications to Valve Vault Facility that were not made by DWR or its contractors [12/00]

Central Coast Water Authority
Administration Department
Fiscal Year 2000/01 Budget

Environmental and Safety

Complete annual review and, if required, modifications of all safety plans and procedures [4/00]

Review and revise as appropriate environmental field requirements, staffing and tasks [4/00]

Complete HCP (Habitat Conservation Plan) and Section 10 permitting for red legged frogs and other endangered species [6/00]

Provide First Responder Training to all required personnel [7/00]

Institute and conduct annual safety review of all facilities with all recommendations to be reviewed by the Regulatory Specialist and management [6/00] and implement recommended corrections [8/00]

Update all safety and hazmat plans to comply with regulatory changes [9/00]

Ensure United States Bureau of Reclamation obtains Section 7 permit for release of State water from Lake Cachuma Project facilities to Santa Ynez River [11/00]

Continue five-year monitoring program for DWR Reaches 1-6 and CCWA Schedules A, B and C [ongoing]

Post 2000 Goals

Implement water transfers as requested by project participants

Identify and implement opportunities to firm up water supply reliability as needed

Central Coast Water Authority
Administration Department
Fiscal Year 2000/01 Budget

ADMINISTRATION DEPARTMENT OPERATING EXPENSE OVERVIEW

The Administration Department expenses are treated as fixed expenses for purposes of billing to the project participants. All project participants pay the Administration Department expenses based primarily on their proportional share of entitlement.

The Administration Department operating expense budget for Fiscal Year 2000/01 is decreasing by \$144,584, or 16.32% when compared to the FY 1999/00 Budget. The total FY 2000/01 budget is \$741,335 compared to the FY 1999/00 budget of \$885,919. The following items represent the major changes in the Administration Department budget.

Personnel Expenses Total personnel expenses are decreasing approximately \$25,000 due to the vacant Administrative Assistant position, which is partially offset by possible salary increases for FY 2000/01.

Professional Services The professional services budget is decreasing by \$109,500. The following is an explanation of the changes in the professional services budget:

- Decrease in Legal Services budget in the amount of \$100,000 due to the allocation of the Zurich storm damage claim legal expenses to the Water Treatment Plant and Distribution Departments.
- Decrease in the Engineering Services budget of \$10,000 for services provided by Penfield & Smith (CCWA Engineer).

Central Coast Water Authority
Administration Department
 Fiscal Year 2000/01 Budget

Non-Annual Recurring Expenses

As part of the budget process, certain expenses which occur periodically are identified and charged to the project participants over a number of years to minimize fluctuations in the annual O&M assessments. The assessment of the non-annual recurring expenses are charged to the project participants on an entitlement and financial reach basis.

FY 2000/01 Non-Annual Recurring Expenses

The FY 2000/01 Administration Department non-annual recurring expenses total \$15,243 for the replacement of vehicles based on the Authority's ten-year vehicle replacement schedule (\$11,243) and future computer replacement (\$4,000).

The following table shows the allocation of the FY 2000/01 non-annual recurring expenses for the Administration Department.

Administration Department
FY 2000/01 Non-Annual Recurring Expenses

Financing Participant	Entitlement	Percentage	FY 2000/01 Non-Annual Recurring Expenses
Guadalupe	550	1.41%	\$ 215
Santa Maria	16,200	41.46%	6,319
SCWC	500	1.28%	195
VAFB	5,500	14.07%	2,145
Buellton	578	1.48%	225
Santa Ynez (Solvang)	1,500	3.84%	585
Santa Ynez	500	1.28%	195
Goleta	4,500	11.52%	1,755
Morehart Land	200	0.51%	78
La Cumbre	1,000	2.56%	390
Raytheon (SBRC)	50	0.13%	20
Santa Barbara	3,000	7.68%	1,170
Montecito	3,000	7.68%	1,170
Carpinteria	2,000	5.12%	780
TOTAL:	39,078	100.00%	\$ 15,243

Central Coast Water Authority
Personnel Services Summary
Administration Department
Fiscal Year 2000/01 Budget

PERSONNEL COUNT SUMMARY					
Position Title	Number	Number	Number	Change	Change
	Auth. FY 1998/99	Auth. FY 1999/00	Requested FY 2000/01	Over FY 1998/99	Over FY 1999/00
Executive Director	1	1	1	0	0
Controller/Treasurer	1	1	1	0	0
Project Engineer ⁽¹⁾	0.25	0.25	0.25	0	0
Accounting Technician	1	1	1	0	0
Administrative Assistant ⁽²⁾	1	1	1	0	0
Secretary	1	1	1	0	0
TOTAL:	5.25	5.25	5.25	0	0

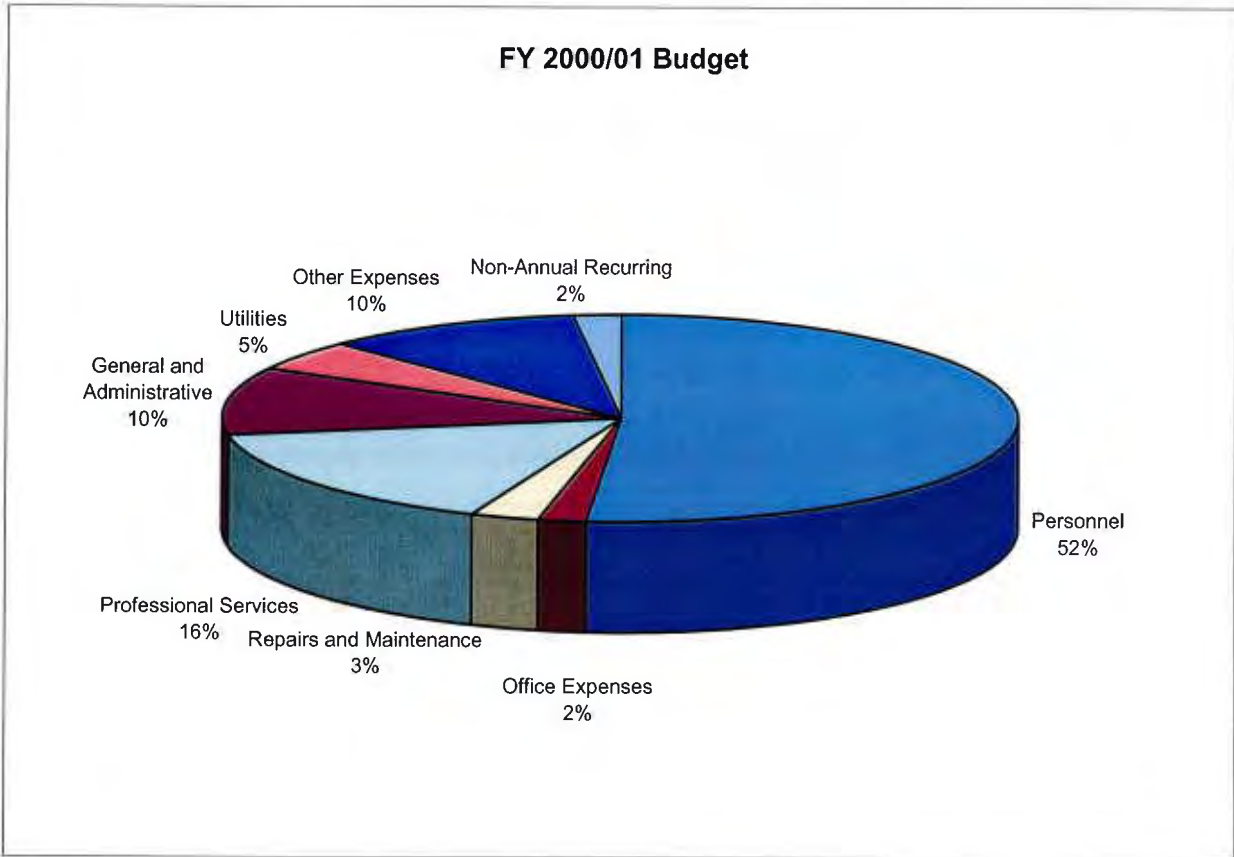
PERSONNEL WAGE SUMMARY				
Position Title	Position Classification	Maximum Monthly Salary	FY 1999/00	
			Current Salary	
Executive Director	N/A	N/A	\$ 119,851	
Controller/Treasurer	24	\$ 7,503	\$ 78,499	
Project Engineer ⁽¹⁾	23	\$ 7,106	\$ 18,777	
Accounting Technician	9	\$ 3,323	\$ 36,109	
Administrative Assistant ⁽²⁾	7	\$ 2,981	\$ -	
Secretary	5	\$ 2,674	\$ 28,496	
FY 2000/01 Salary Pool			\$ 14,988	
TOTAL:			\$ 296,720	

(1) The Project Engineer is allocated to Administration (25%), Water Treatment Plan (20%) and Distribution (55%).

(2) The Administrative Assistant position is vacant as of 12/1/99.

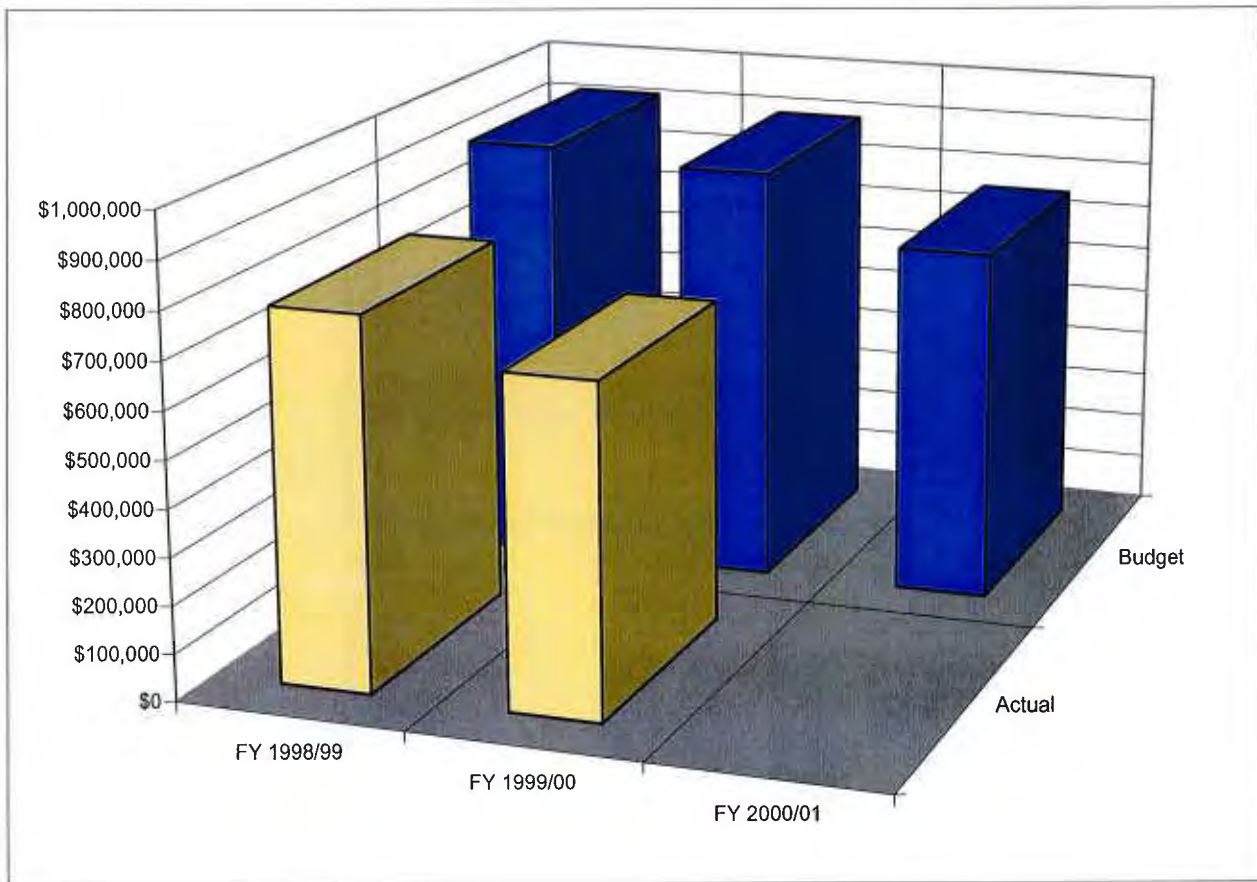
Central Coast Water Authority
Administration Department Operating Expenses
 Fiscal Year 2000/01 Budget

Item	FY 2000/01 Budget
Personnel	\$ 389,421
Office Expenses	14,500
Repairs and Maintenance	20,125
Professional Services	123,247
General and Administrative	78,621
Utilities	36,000
Other Expenses	79,421
Non-Annual Recurring	15,243
TOTAL:	\$ 756,578



Central Coast Water Authority
Administration Department Operating Expenses
 Fiscal Year 2000/01 Budget

Item	FY 1998/99	FY 1998/99	FY 1999/00	FY 1999/00	FY 2000/01
	Budget	Actual	Budget	Est. Actual	Budget
Personnel	\$ 408,949	\$ 412,061	\$ 414,577	\$ 413,618	\$ 389,421
Office Expenses	16,650	13,289	16,000	10,222	14,500
Supplies and Equipment	-	-	-	-	-
Repairs and Maintenance	13,300	12,028	16,925	12,603	20,125
Professional Services	235,197	158,858	232,747	91,902	123,247
General and Administration	74,052	76,548	79,733	83,092	78,621
Utilities	42,720	30,599	41,220	22,745	36,000
Other Expenses	121,662	71,410	84,717	50,273	79,421
Subtotal	\$ 912,529	\$ 774,794	\$ 885,919	\$ 684,455	\$ 741,335
Non-Annual Recurring	\$ 9,290	\$ 9,290	\$ 10,765	\$ 10,765	\$ 15,243
TOTAL:	\$ 921,819	\$ 784,084	\$ 896,684	\$ 695,220	\$ 756,578



Central Coast Water Authority
Administration Department Operating Expenses
 Fiscal Year 2000/01 Administration/O&M Budget

Account Number	Account Name	FY 1998/99		FY 1999/00		FY 2000/01		Change	
		Budget	Actual	Budget	Estimated Actual	Budget	From FY 1999/00 Budget	Budget	Change from FY 1999/00 Budget
<u>PERSONNEL EXPENSES</u>									
5000.10	Full-Time Regular Wages	\$ 304,028	\$ 310,138	\$ 317,537	\$ 314,231	\$ 296,720	\$	(20,817)	-6.56%
5000.20	Overtime	4,000	455	2,000	366	1,000	1,000	(1,000)	-50.00%
5000.40	Standby Pay	-	-	-	-	-	-	-	N/A
5000.50	Shift Differential Pay	-	-	-	-	-	-	-	N/A
5100.10	PERS Retirement	46,516	46,171	43,864	43,405	40,066	40,066	(3,799)	-8.66%
5100.15	Medicare Taxes	4,466	5,078	4,633	5,319	4,317	4,317	(316)	-6.83%
5100.20	Health Insurance	21,244	19,209	18,949	20,650	19,227	19,227	278	1.47%
5100.25	Workers' Compensation	1,483	1,291	1,060	1,651	1,234	1,234	174	16.39%
5100.30	Vehicle Expenses	3,000	2,168	4,320	2,443	4,320	4,320	-	0.00%
5100.35	IRC 457-Employer Paid	8,000	16,044	8,000	15,765	8,000	8,000	-	0.00%
5100.40	Cafeteria Plan Benefits	911	682	825	629	268	268	(557)	-67.50%
5100.45	Dental/Vision Plan	6,563	6,955	6,563	5,681	5,313	5,313	(1,250)	-19.05%
5100.50	Long-Term Disability	2,219	1,949	1,937	1,923	1,810	1,810	(127)	-6.56%
5100.55	Life Insurance	1,269	1,232	1,438	1,291	1,197	1,197	(242)	-16.79%
5100.60	Employee Physicals	-	-	-	-	-	-	-	N/A
5000.30	Temporary Services	5,000	-	2,500	264	5,000	5,000	2,500	100.00%
5100.70	Safety Incentive Program	-	-	700	-	700	700	-	0.00%
5100.65	Employee Education Reimbursement	250	690	250	-	250	250	-	0.00%
Total Personnel Expenses:		408,949	412,061	414,577	413,618	389,421	\$	(25,156)	-6.07%

Central Coast Water Authority
Administration Department Operating Expenses
 Fiscal Year 2000/01 Administration/O&M Budget

Account Number	Account Name	FY 1998/99 Budget	FY 1998/99 Actual	FY 1999/00 Budget	FY 1999/00 Estimated Actual	FY 2000/01 Budget	Change From FY 1999/00 Budget	Percent Change from FY 1999/00 Budget
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OFFICE EXPENSES

5200.10	Administrative Costs	250	573	-	227	-	-	N/A
5200.20	Office Supplies	14,400	10,560	14,000	7,470	12,000	(2,000)	-14.29%
5200.30	Miscellaneous Office Expenses	2,000	2,155	2,000	2,524	2,500	500	25.00%
Total Office Expenses:		16,650	13,289	16,000	10,222	14,500	(1,500)	-9.38%

SUPPLIES AND EQUIPMENT

5500.10	Uniform Expenses	-	-	-	-	-	-	N/A
5500.15	Minor Tools and Equipment	-	-	-	-	-	-	N/A
5500.20	Spare Parts	-	-	-	-	-	-	N/A
5500.25	Landscape Equip. and Supplies	-	-	-	-	-	-	N/A
5500.30	Chemicals-Fixed	-	-	-	-	-	-	N/A
5500.31	Chemicals-Variable	-	-	-	-	-	-	N/A
5500.35	Maintenance Supplies/Hardware	-	-	-	-	-	-	N/A
5500.40	Safety Supplies	-	-	-	-	-	-	N/A
5500.45	Fuel and Lubricants	-	-	-	-	-	-	N/A
5500.50	Seed/Erosion Control Supplies	-	-	-	-	-	-	N/A
5500.55	Backflow Prevention Supplies	-	-	-	-	-	-	N/A
Total Supplies and Equipment:		-	-	-	-	-	-	N/A

MONITORING EXPENSES

5600.10	Lab Supplies	-	-	-	-	-	-	N/A
5600.20	Lab Tools and Equipment	-	-	-	-	-	-	N/A
5600.30	Lab Testing	-	-	-	-	-	-	N/A
Total Monitoring Expenses:		-	-	-	-	-	-	-

Central Coast Water Authority
Administration Department Operating Expenses
 Fiscal Year 2000/01 Administration/O&M Budget

Account Number	Account Name	FY 1998/99	FY 1998/99	FY 1999/00	FY 1999/00	FY 2000/01	Change		Percent Change from FY 1999/00 Budget
		Budget	Actual	Budget	Estimated Actual	Budget	From FY 1999/00 Budget	FY 1999/00 Budget	
REPAIRS AND MAINTENANCE									
5700.10	Equipment Repairs and Maint.	6,300	5,583	5,925	4,098	4,725	(1,200)		-20.25%
5700.20	Vehicle Repairs and Maint.		-	-	-	-	-		N/A
5700.30	Building Maintenance	7,000	6,445	11,000	8,505	15,400	4,400		40.00%
5700.40	Landscape Maintenance		-	-	-	-	-		N/A
	Total Repairs and Maintenance:	13,300	12,028	16,925	12,603	20,125	3,200		18.91%
PROFESSIONAL SERVICES									
5400.10	Professional Services	6,500	5,656	5,000	6,067	5,000	-		0.00%
5400.20	Legal Services	195,000	129,932	170,000	61,159	70,000	(100,000)		-58.82%
5400.30	Engineering Services	2,500	-	30,000	-	20,000	(10,000)		-33.33%
5400.40	Permits		-	-	-	-	-		N/A
5400.50	Non-Contractual Services	3,600	1,095	3,400	829	3,400	-		0.00%
5400.60	Accounting Services	23,847	19,479	24,347	23,847	24,847	500		2.05%
5400.70	Payroll Service	3,750	2,696	-	-	-	-		N/A
	Total Professional Services:	235,197	158,858	232,747	91,902	123,247	(109,500)		-47.05%

Central Coast Water Authority
Administration Department Operating Expenses

Fiscal Year 2000/01 Administration/O&M Budget

Account Number	Account Name	FY 1998/99	FY 1998/99	FY 1999/00	FY 1999/00	FY 2000/01	Change		Percent Change from FY 1999/00 Budget
		Budget	Actual	Budget	Estimated Actual	Budget	From FY 1999/00 Budget	FY 2000/01 Budget	
<u>GENERAL AND ADMINISTRATIVE</u>									
5300.10	Meeting and Travel	12,400	16,011	13,600	20,091	16,000	2,400	17.65%	
5300.20	Mileage Reimbursement	750	370	750	103	350	(400)	-53.33%	
5300.30	Dues and Memberships	40,232	42,709	44,713	47,410	41,351	(3,362)	-7.52%	
5300.40	Publications	2,770	2,965	2,770	3,667	3,020	250	9.03%	
5300.50	Training	3,000	1,761	3,000	2,988	3,000	-	0.00%	
5300.60	Advertising	500	-	500	-	500	-	0.00%	
5300.70	Printing and Binding	6,000	6,037	6,000	6,000	6,000	-	0.00%	
5300.80	Postage	8,400	6,695	8,400	2,833	8,400	-	0.00%	
Total General and Administrative:		74,052	76,548	79,733	83,092	78,621	(1,112)	-1.39%	

UTILITIES

5800.10	Other Utilities	900	299	900	450	-	-	N/A
5800.20	Natural Gas	7,800	5,572	7,800	2,820	7,800	-	0.00%
5800.30	Electric-Fixed	-	-	-	-	-	-	0.00%
5800.35	Electric-Variable	900	1,156	1,080	1,859	2,220	1,140	105.56%
5800.40	Water	31,800	22,094	30,000	16,126	23,640	(6,360)	-21.20%
5800.50	Telephone	1,320	1,477	1,440	1,490	1,440	-	0.00%
5800.60	Waste Disposal	42,720	30,599	41,220	22,745	36,000	(5,220)	-12.66%
Total Utilities:								

Central Coast Water Authority
Administration Department Operating Expenses

Fiscal Year 2000/01 Administration/O&M Budget

Account Number	Account Name	FY 1998/99	FY 1998/99	FY 1999/00	FY 1999/00	FY 2000/01	Change		Percent Change from FY 1999/00 Budget
		Budget	Actual	Budget	Estimated Actual	Budget	From FY 1999/00 Budget	FY 1999/00 Budget	
<u>OTHER EXPENSES</u>									
5900.10	Insurance	18,519	11,167	18,519	18,519	15,962	(2,557)		-13.81%
5900.20	Insurance Claim Deductibles	5,000	-	5,000	-	5,000	-		0.00%
5900.30	Facilities Rent	45,576	24,987	-	-	-	-		N/A
5900.40	Equipment Rental	11,510	11,415	9,830	8,755	9,830	-		0.00%
5900.50	Non-Capitalized Equipment	10,000	965	10,000	142	10,000	-		0.00%
5900.60	Computer Expenses	8,800	22,876	19,760	22,857	20,548	788		3.99%
5900.70	Appropriated Contingency	22,257	-	21,608	-	18,081	(3,526)		-16.32%
	Total Other Expenses:	121,662	71,410	84,717	50,273	79,421	(5,296)		-6.25%
	TOTAL OPERATING EXPENSES	\$ 912,529	\$ 774,794	\$ 885,919	\$ 684,455	\$ 741,335	\$ (144,584)		-16.32%

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5000.10 ACCOUNT TITLE: Full-Time Regular Salaries

Description: Funds for Administration for 4 full-time regular employees and one employee charged 25% to the

FY 00/01 Requested Budget	296,720
FY 99/00 Estimated Actual	314,231
Increase (Decrease)	(17,511)

Administration Department.
Decrease is attributed to not funding the vacant Administrative Assistant position at the Buellton office.

ACCOUNT NUMBER: 5000.20 ACCOUNT TITLE: Overtime

Description: Overtime expenses for non-exempt Administration employees.

FY 00/01 Requested Budget	1,000
FY 99/00 Estimated Actual	366
Increase (Decrease)	634

ACCOUNT NUMBER: 5000.30 ACCOUNT TITLE: Temporary Services

Description: Funds for temporary employee services.

FY 00/01 Requested Budget	5,000
FY 99/00 Estimated Actual	264
Increase (Decrease)	4,736

ACCOUNT NUMBER: 5100.10 ACCOUNT TITLE: PERS Retirement

Description: Funds for the employer and employee portion of PERS retirement system contributions.

FY 00/01 Requested Budget	40,066
FY 99/00 Estimated Actual	43,405
Increase (Decrease)	(3,339)

Based on a 13.503% contribution rate for FY 2000/01.
Decrease is due to a lower employer rate for FY 2000/01 of 6.503% compared to the FY 1999/00 rate of 6.814% and not funding the Administrative Assistant position.

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5100.15 ACCOUNT TITLE: Medicare

Description: Funds for the employer portion of Medicare taxes for the Administration Department. Amount is equal to 1.45% of regular and overtime wages.

FY 00/01 Requested Budget	4,317
FY 99/00 Estimated Actual	5,319
Increase (Decrease)	(1,003)

ACCOUNT NUMBER: 5100.20 ACCOUNT TITLE: Health Insurance

Description: Funds for the employer provided portion of medical insurance coverage for Administration employees. Budget amount is based on actual medical insurance election for the Administration Department.

FY 00/01 Requested Budget	19,227
FY 99/00 Estimated Actual	20,650
Increase (Decrease)	(1,423)

Family: \$5,948
Emp+1: \$4,972
Emp: \$2,182

ACCOUNT NUMBER: 5100.25 ACCOUNT TITLE: Workers' Compensation Insurance

Description: Funds for Workers' Compensation insurance for the Administration Department. Based on \$0.55 per \$100 of covered wages with an X-Mod rate of 75%.

FY 00/01 Requested Budget	1,234
FY 99/00 Estimated Actual	1,651
Increase (Decrease)	(417)

ACCOUNT NUMBER: 5100.30 ACCOUNT TITLE: Vehicle Expenses

Description: Vehicle expenses for the Executive Director in the amount of \$250 per month and \$110 per month for the Administration Department pool car fuel expenses.

FY 00/01 Requested Budget	4,320
FY 99/00 Estimated Actual	2,443
Increase (Decrease)	1,877

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5100.35 ACCOUNT TITLE: Deferred Compensation-Employer Paid

Description: Funds for employer paid deferred compensation contributions. Amount includes \$8,000 to fully fund the Executive Director's deferred compensation account for FY 2000/01. Prior year estimated actual amount included Operations Manager employer paid-deferred compensation which is now allocated to the Water Treatment Plant and Distribution Departments.

FY 00/01 Requested Budget	8,000
FY 99/00 Estimated Actual	15,765
Increase (Decrease)	(7,765)

ACCOUNT NUMBER: 5100.40 ACCOUNT TITLE: Cafeteria Plan Benefits

Description: Funds for the portion of the cafeteria plan benefits which exceed the premium costs for the Administrative employees based on each employee's benefit election.

FY 00/01 Requested Budget	268
FY 99/00 Estimated Actual	629
Increase (Decrease)	(360)

ACCOUNT NUMBER: 5100.45 ACCOUNT TITLE: Dental/Vision Plan

Description: Funds for the self-funded dental/vision plan. The plan provides \$2,500 per year per family for dental and vision expenses. Budgeted amount is \$1,250 per year per employee.

FY 00/01 Requested Budget	5,313
FY 99/00 Estimated Actual	5,681
Increase (Decrease)	(368)

ACCOUNT NUMBER: 5100.50 ACCOUNT TITLE: Long-Term Disability Insurance

Description: Funds for premiums paid for long-term disability insurance. Based on a rate of \$0.61 per \$100 of salary.

FY 00/01 Requested Budget	1,810
FY 99/00 Estimated Actual	1,923
Increase (Decrease)	(113)

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5100.55 ACCOUNT TITLE: Life Insurance

Description: Funds for the employer paid life insurance premiums for each employee. CCWA policy provides life insurance equal to 150% of an employee's annual salary to a maximum of \$100,000. Budgeted amount is lower due to not funding the Administrative Assistant position.

FY 00/01 Requested Budget	1,197
FY 99/00 Estimated Actual	1,291
Increase (Decrease)	(94)

ACCOUNT NUMBER: 5100.65 ACCOUNT TITLE: Employee Education Reimbursement

Description: Funds for reimbursement of employee educational expenses under the policy established by CCWA.

FY 00/01 Requested Budget	250
FY 99/00 Estimated Actual	-
Increase (Decrease)	250

ACCOUNT NUMBER: 5100.70 ACCOUNT TITLE: Safety Incentive Program

Description: Funds to encourage employee safety through safety awards and incentive programs. This program was recommended by JPIA.

FY 00/01 Requested Budget	700
FY 99/00 Estimated Actual	-
Increase (Decrease)	700

ACCOUNT NUMBER: 5200.10 ACCOUNT TITLE: Administrative Costs

Description: _____

FY 00/01 Requested Budget	-
FY 99/00 Estimated Actual	227
Increase (Decrease)	(227)

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5200.20 ACCOUNT TITLE: Office Supplies

Description: Funds for Office supplies for the Administration Department. Based on \$1,000 per month in office supply expenses.

FY 00/01 Requested Budget	12,000
FY 99/00 Estimated Actual	7,470
Increase (Decrease)	4,530

ACCOUNT NUMBER: 5200.30 ACCOUNT TITLE: Miscellaneous Office Expenses

Description: Funds for miscellaneous expenses associated such as picture developing, awards, business cards water system, kitchen supplies, etc.

FY 00/01 Requested Budget	2,500
FY 99/00 Estimated Actual	2,524
Increase (Decrease)	(24)

ACCOUNT NUMBER: 5300.10 ACCOUNT TITLE: Meeting and Travel

Description: Funds for meeting and travel expenses for the Administration Department employees.

FY 00/01 Requested Budget	16,000	\$	2,500	ACWA Conferences
FY 99/00 Estimated Actual	20,091	\$	7,800	Executive Director SWC (\$650 per month)
Increase (Decrease)	(4,091)	\$	2,000	GFOA and CSMFO meetings
		\$	3,700	Other miscellaneous meetings
		\$	16,000	TOTAL

ACCOUNT NUMBER: 5300.20 ACCOUNT TITLE: Mileage Reimbursement

Description: Funds for mileage reimbursement based on the IRS current standard mileage rate.

FY 00/01 Requested Budget	350
FY 99/00 Estimated Actual	103
Increase (Decrease)	453

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5300.30 ACCOUNT TITLE: Dues and Memberships

	Description:	Funds for professional dues.
	\$	20,720 SWC Bay Delta Charges/Urban Account
FY 00/01 Requested Budget	\$	12,281 State Water Contractors Dues
FY 99/00 Estimated Actual	\$	3,250 AWCA
Increase (Decrease)	\$	500 CA Urban Water Conservation Council
	\$	300 California Water Awareness
	\$	300 Water Education Foundation
	\$	4,000 Employee Professional Dues and Misc.
	\$	41,351 TOTAL

ACCOUNT NUMBER: 5300.40 ACCOUNT TITLE: Publications

	Description:	Funds for publications received by CCWA
	\$	720 News clipping service (\$180 quarterly)
FY 00/01 Requested Budget	\$	150 SB News Press (Annual)
FY 99/00 Estimated Actual	\$	900 Personnel related subscriptions
Increase (Decrease)	\$	750 Employee professional publications
	\$	500 Other Publications - General
	\$	3,020 TOTAL

ACCOUNT NUMBER: 5300.50 ACCOUNT TITLE: Training

	Description:	Funds for training of CCWA personnel. Does not include educational reimbursement expenses.
FY 00/01 Requested Budget	3,000	
FY 99/00 Estimated Actual	2,988	
Increase (Decrease)	12	

ACCOUNT NUMBER: 5300.60 ACCOUNT TITLE: Advertising

	Description:	Funds for public relations expenses for CCWA including advertising for open positions and subscription to "Jobs Available."
FY 00/01 Requested Budget	500	
FY 99/00 Estimated Actual	-	
Increase (Decrease)	500	

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5300.70 ACCOUNT TITLE: Printing and Binding

Description: Funds for the printing and binding of CCWA documents including the Board packets, the annual budget, and the Comprehensive Annual Financial Report (CAFR).

FY 00/01 Requested Budget	6,000
FY 99/00 Estimated Actual	6,000
Increase (Decrease)	-

ACCOUNT NUMBER: 5300.80 ACCOUNT TITLE: Postage

Description: Funds for all postal and mail expenses.
 \$ 7,200 Postage meter expenses (\$600 per month)
 \$ 1,200 Overnight and shipping svcs (\$100 per month)
 \$ 8,400 TOTAL

FY 00/01 Requested Budget	8,400
FY 99/00 Estimated Actual	2,833
Increase (Decrease)	5,567

ACCOUNT NUMBER: 5400.10 ACCOUNT TITLE: Professional Services

Description: Funds for miscellaneous consultants and other services.
Includes \$2,500 for Arbitrage/Rebate calculations to be done on the 1996 Revenue Bond issue and \$1,620 for the Administration office alarm system (\$135 per month).

FY 00/01 Requested Budget	5,000
FY 99/00 Estimated Actual	6,067
Increase (Decrease)	(1,067)

ACCOUNT NUMBER: 5400.20 ACCOUNT TITLE: Legal Services

Description: Funds for CCWA legal services.
 \$ 40,000 Hatch & Parent Gen Counsel (\$3,333 per mo)
 \$ 30,000 Solvang litigation
 \$ 70,000 TOTAL
Legal fees associated with the Zurich storm damage claim are allocated to the Distribution and Water Treatment Plant financial reaches.

FY 00/01 Requested Budget	70,000
FY 99/00 Estimated Actual	61,159
Increase (Decrease)	8,841

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5400.30 ACCOUNT TITLE: Engineering Services

Description: Funds for unanticipated engineering services which cannot be performed in-house including services provided by Penfield & Smith (CCWA Engineer).

FY 00/01 Requested Budget	20,000
FY 99/00 Estimated Actual	-
Increase (Decrease)	20,000

ACCOUNT NUMBER: 5400.50 ACCOUNT TITLE: Non-Contractual Services

Description: Funds for miscellaneous non-contractual services such as the Section 125 plan administration fees and the employee assistance program.

FY 00/01 Requested Budget	3,400
FY 99/00 Estimated Actual	829
Increase (Decrease)	2,571

\$	900	IRC 125 Plan administrator fees (\$75 per mo)
\$	1,000	Employee Assistance Program
\$	1,500	Other miscellaneous
\$	3,400	TOTAL

ACCOUNT NUMBER: 5400.60 ACCOUNT TITLE: Accounting Services

Description: Funds for the annual audit of the FY 1999/00 Financial Statements and the State Water Contractors audit fees.

FY 00/01 Requested Budget	24,847
FY 99/00 Estimated Actual	23,847
Increase (Decrease)	1,000

Includes an estimated 10% increase in State Water Contractor audit fees.		
\$	15,847	State Water Contractor audit fees
\$	9,000	Auditing FY 1999/00 financial statements
\$	24,847	TOTAL

ACCOUNT NUMBER: 5700.10 ACCOUNT TITLE: Equipment Repairs and Maintenance

Description: Funds for repairs to administration office equipment including maintenance agreements.

FY 00/01 Requested Budget	4,725
FY 99/00 Estimated Actual	4,098
Increase (Decrease)	627

\$	2,400	Copier maint. agreement (\$600 quarterly)
\$	2,000	Other misc. repairs and maintenance
\$	325	Fax maintenance agreement (annual)
\$	4,725	TOTAL

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5700.30 ACCOUNT TITLE: Building Maintenance

Description: Funds for minor repairs to the Administration office building and janitorial services. Amount is higher due to the purchase of the Administration building.

FY 00/01 Requested Budget	15,400
FY 99/00 Estimated Actual	8,505
Increase (Decrease)	6,895

\$	6,000	Janitorial services
\$	5,000	Building repairs
\$	1,400	HVAC quarterly maintenance
\$	3,000	Landscape maintenance-Buellton
\$	15,400	TOTAL

ACCOUNT NUMBER: 5800.20 ACCOUNT TITLE: Natural Gas

Description: Funds for natural gas service to the Administration building (\$75 per month).

FY 00/01 Requested Budget	900
FY 99/00 Estimated Actual	450
Increase (Decrease)	450

ACCOUNT NUMBER: 5800.30 ACCOUNT TITLE: Electric

Description: Funds for electrical service to the Administration building (\$650 per month).

FY 00/01 Requested Budget	7,800
FY 99/00 Estimated Actual	2,820
Increase (Decrease)	4,980

ACCOUNT NUMBER: 5800.40 ACCOUNT TITLE: Water and Sewer

Description: Funds for water and sewer service for the Administration building (\$185 per month).

FY 00/01 Requested Budget	2,220
FY 99/00 Estimated Actual	1,859
Increase (Decrease)	361

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5800.50 ACCOUNT TITLE: Telephone

Description: Funds for long distance, local and cellular phone service.

FY 00/01 Requested Budget	23,640	\$	3,600	Long distance (\$300 per month)
FY 99/00 Estimated Actual	16,126	\$	18,000	Local long distance (\$1,500 per month)
Increase (Decrease)	7,514	\$	240	Pager airtime (\$20 per month)
		\$	1,800	Cell phone airtime (\$150 per month)
		\$	23,640	TOTAL

ACCOUNT NUMBER: 5800.60 ACCOUNT TITLE: Waste Disposal

Description: Funds for waste disposal services for the Administration building (\$124 per month).

FY 00/01 Requested Budget	1,440
FY 99/00 Estimated Actual	1,490
Increase (Decrease)	(50)

ACCOUNT NUMBER: 5900.10 ACCOUNT TITLE: Insurance

Description: Funds for insurance related expenses.

FY 00/01 Requested Budget	15,962	\$	802	Property and auto insurance based on allocation provided by JPIA
FY 99/00 Estimated Actual	18,519	\$	14,060	General Liability and E&O apportioned by payroll percentages.
Increase (Decrease)	(2,557)	\$	1,100	Employee fidelity bond
		\$	15,962	TOTAL

ACCOUNT NUMBER: 5900.20 ACCOUNT TITLE: Insurance Claim Deductibles

Description: Funds for deductibles on insurance claims.

FY 00/01 Requested Budget	5,000
FY 99/00 Estimated Actual	-
Increase (Decrease)	5,000

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5900.40 ACCOUNT TITLE: Equipment Rental

Description: Funds for rental of equipment.

FY 00/01 Requested Budget	9,830	\$	4,100	Postage meter (\$300 per month) and other
FY 99/00 Estimated Actual	8,755	\$	4,980	Copier lease (\$415 per month)
Increase (Decrease)	1,075	\$	750	Other
		\$	9,830	TOTAL

ACCOUNT NUMBER: 5900.50 ACCOUNT TITLE: Non-Capitalized Equipment

Description: Funds for the purchase of non-capitalized equipment purchases. These equipment purchases are generally under \$1,000 in cost with an estimated useful life under 5 years.

FY 00/01 Requested Budget	10,000
FY 99/00 Estimated Actual	142
Increase (Decrease)	9,858

ACCOUNT NUMBER: 5900.60 ACCOUNT TITLE: Computer Expenses

Description: Funds for computer expenses including minor software purchases, minor equipment purchases and service contracts.

FY 00/01 Requested Budget	20,548			
FY 99/00 Estimated Actual	22,857	\$	1,360	Silicon Beach (Internet \$340 quarterly)
Increase (Decrease)	(2,309)	\$	8,188	Annual service agreements
		\$	11,000	Software upgrades and service expenses
		\$	20,548	TOTAL

ACCOUNT NUMBER: 5900.70 ACCOUNT TITLE: Appropriated Contingency

Description: 2.5% of operating expenses

FY 00/01 Requested Budget	18,081
FY 99/00 Estimated Actual	-
Increase (Decrease)	18,081

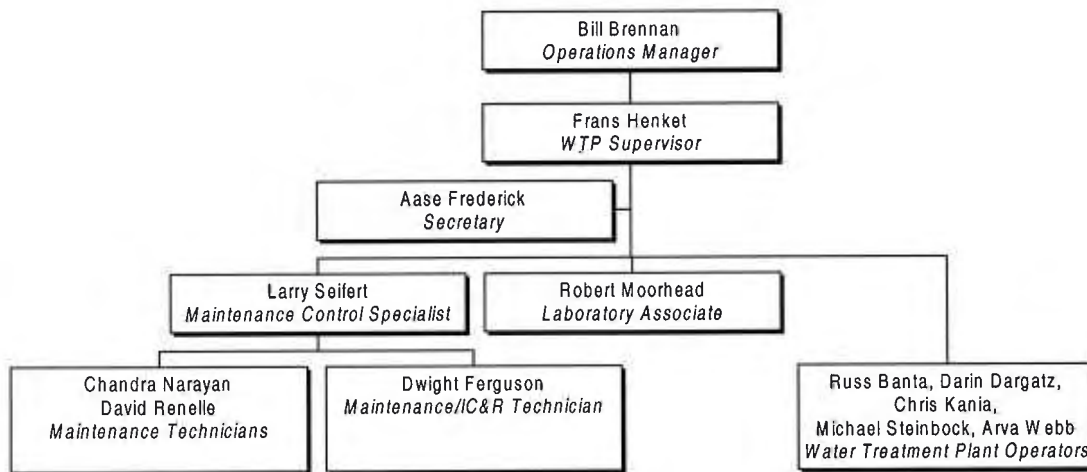


Central Coast Water Authority
Water Treatment Plant Department
 Fiscal Year 2000/01 Budget

The Water Treatment Plant Department receives raw water from DWR, operates and maintains the Polonio Pass Water Treatment Plant and performs all chemical and biologic analyses required by the California Department of Health Services.

The Operations Manager oversees the Water Treatment Plant and Distribution staff. The Operations Manager is responsible for water quality, deliveries, maintenance of all facilities and ensuring the water supply meets or exceeds all applicable health and safety standards. Additional duties include participating in various State Water Contractor committees, preparing the annual O&M budget and exercising expenditure control and coordinating with DWR O&M regarding Coastal Branch operations and deliveries.

CCWA Water Treatment Plant Staff



The department is supervised by the Water Treatment Plant Supervisor who is responsible for the day-to-day treatment plant operations, maintenance and laboratory functions.

The five (5) Plant Operators operate the treatment plant and monitor the distribution pipeline on a full-time 24 hour per day basis. They place raw water orders to DWR based on system demand, treat the water according to current plant operating parameters, perform process chemical analyses, monitor the plant and pipeline Supervisory Control and Data Acquisition (SCADA) system and assist the maintenance and laboratory sections as required.

Central Coast Water Authority
Water Treatment Plant Department
Fiscal Year 2000/01 Budget

The Maintenance Control Specialist is responsible for plant maintenance and supervises the Maintenance/IC&R Technician and two (2) Maintenance Technicians. Together with available operations staff, they keep the treatment plant in full operating condition at all times. Additionally, they perform routine pipeline maintenance along a 30-mile section of Coastal Branch Phase II pipeline immediately downstream of the treatment plant.

The Laboratory Associate operates the plant laboratory. All analyses required by the Environmental Protection Agency, Department of Health Services or plant process requirements are either performed in-house or sent to a contract laboratory by the Laboratory Associate. He also submits all federal and state mandated reports, provides laboratory data to project participants, oversees the water sampling program, maintains all laboratory equipment and trains Operations and Maintenance staff in laboratory safety and procedures.

The Maintenance Instrumentation Calibration and Repair Technician repairs instruments and electronics both at the Water Treatment Plant and along the pipeline.

The following pages list the 1999 accomplishments, performance indicators (“Service Efforts and Accomplishments”) and 2000 goals for the Water Treatment Plant Department.



Gambel's Watercress

Legal Status: Federal Endangered Species
California Threatened Species

Range: Four known populations within San Luis Obispo and Santa Barbara Counties
Habitat: Occurs in coastal freshwater wetlands in sandy soils with high organic content.
Size: Grows up to 6 feet tall

Central Coast Water Authority
Water Treatment Plant Department
Fiscal Year 2000/01 Budget

1999 ACCOMPLISHMENTS

<u>Goal</u>	<u>Status</u>
	<p style="text-align: center;"><u>Operations and Maintenance</u></p>
Complete Y2K (year 2000) compliance for all CCWA equipment [6/99]	Done 7/99 for all facilities and equipment excluding the new instrumentation and control system, which was completed 10/99. All systems performed Y2 "OK" during the transition to the new year.
Identify and pursue all possible cost saving and quality enhancing opportunities with initial concentration on bulk chemicals, communications, electricity, overtime requirements and revegetation and erosion control [ongoing]	<ul style="list-style-type: none">• Bulk chemical bids requests issued 7/99 and contracts awarded 12/99 (\$48,000 per year estimated savings).• Replacement of Administrative Assistant has been deferred and may not be implemented if workload can be accommodated by existing staff plus minimal use of temporary help (\$40,000 per year estimated savings).• Obtained approval from San Luis Obispo County of sludge monofill for the Polonio Pass Water Treatment Plant (\$6,000 to \$10,000 per year estimated savings).
Identify and pursue approaches to maximize and maintain high water quality consistent with project participants' needs [ongoing]	New particle and inline ammonia analyzers installed 7/99.
Assist project participants in preparing to meet new federal and state water quality regulations [ongoing]	During the year CCWA staff have (1) reviewed, evaluated and commented on new state and federal water regulations, (2) aggressively pursued a taste and odor episode in the Santa Maria Valley and (3) participated in the State Water Contractors Municipal Water Quality Investigations Committee and Sanitary Survey Action Committee.

Central Coast Water Authority
Water Treatment Plant Department
 Fiscal Year 2000/01 Budget

Service Efforts and Accomplishments

	Actual	Estimated	
	FY 1998/99	Actual FY 1999/00	
<i>Workload</i>			
Lab analyses completed	65,800	67,000	67,000
Work orders completed - Water Treatment Plant	763	465	475
<i>Efficiency</i>			
Days out of Service - Water Treatment Plant	21	6	7
Number of lab analyses not meeting state/federal stds.	0	0	0
Operating cost per employee (thousands)	\$ 128	\$ 135	\$ 161
Overtime expense as a percent of the O&M budget	1.89%	1.74%	1.76%
Industrial injury lost work days	0	0	0
Top Ops Competition California/Nevada Section Placement	1st Place	3rd Place	Finals

2000 GOALS

Operations and Maintenance

Review overtime usage by O&M personnel for cost effectiveness and make any appropriate changes [4/00]

Incorporate all instrumentation calibration and maintenance into the preventative maintenance program [9/00]

Complete annual cathodic protection survey [11/00]

Meet project participants' delivery needs as requested [ongoing]

Identify and pursue all possible cost saving and quality enhancing opportunities with initial concentration on bulk chemicals, communications, electricity, overtime requirements and revegetation and erosion control [ongoing]

Identify and pursue approaches to maximize and maintain high water quality consistent with project participants' needs [ongoing]

Assist project participants in preparing to meet new federal and state water quality regulations [ongoing]

Central Coast Water Authority
Water Treatment Plant Department
 Fiscal Year 2000/01 Budget

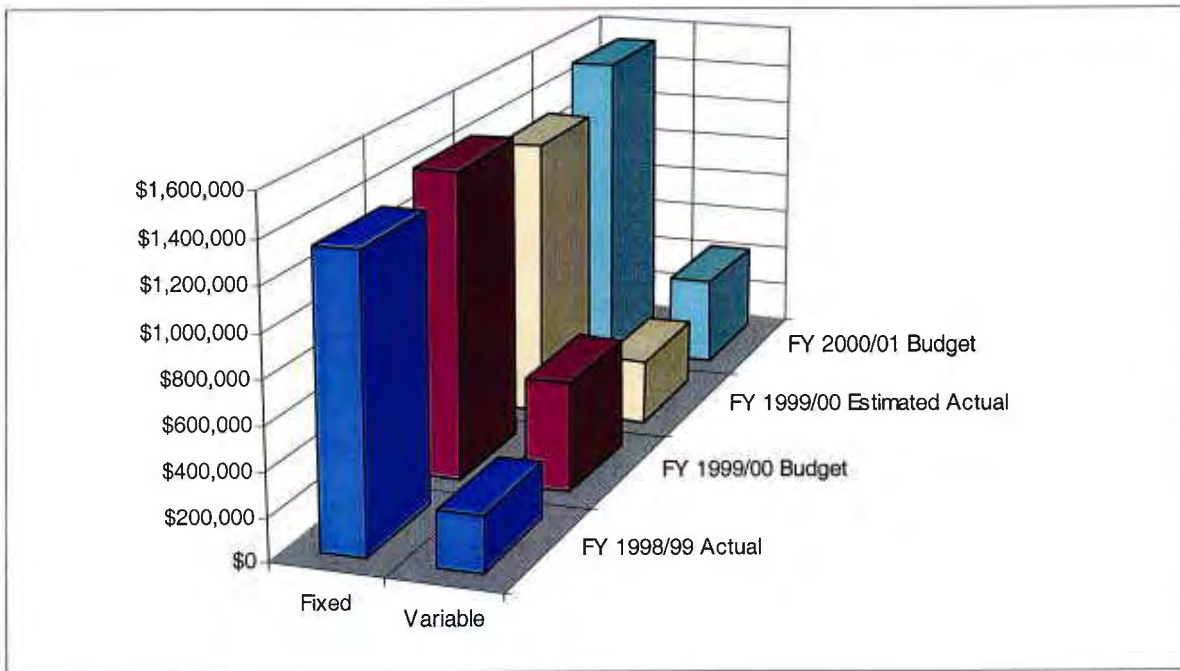
WATER TREATMENT PLANT DEPARTMENT OPERATING EXPENSE OVERVIEW

The expenses associated with operating the Water Treatment Plant are divided into fixed and variable O&M costs.

Fixed O&M Costs are costs of the treatment plant that do not vary with the amount of water processed at the treatment plant. These include personnel costs, professional services, general and administrative costs.

Variable O&M Costs are costs that vary with the amount of water processed at the treatment plant. These costs include chemical and electrical costs.

The following graph shows the allocation of fixed and variable O&M costs at the plant for the fiscal years indicated.



Variable O&M Costs Excluding San Luis Obispo County San Luis Obispo County (SLO) does not pay for costs of dechloraminating water at the Santa Ynez Pumping Facility before the water is discharged into Lake Cachuma.

Allocation of Water Treatment Plant Expenses All project participants pay for fixed costs at the Water Treatment Plant based on their State water entitlement allocation.

Central Coast Water Authority
Water Treatment Plant Department
Fiscal Year 2000/01 Budget

Fiscal Year 2000/01 Operating Expense Budget

The FY 2000/01 water treatment plant operating expense budget is \$1,967,682, which is \$20,054 higher than the previous year's budget of \$1,947,628, a 1.03% increase.

The personnel expense section of the Water Treatment Plant budget represents approximately 46% of the budget. Supplies and equipment comprise 22% with other expenses making up the balance of the budget. The variable O&M expenses are included in the supplies and equipment section of the budget. The chart on page 112 shows the allocation of the various components of the water treatment plant operating expense budget.

Personnel Expenses Personnel expenses are increasing by about \$91,000 for the following reasons:

- Full-time regular salaries are increasing by approximately \$53,000 due to possible salary increases in FY 2000/01 (\$34,239), an increase in the Water Treatment Plant Secretary position from 25 to 30 hours per week (\$4,000) and a 25% allocation of the Regulatory Specialist position to the Water Treatment Plant.
- Health insurance expenses are increasing by about \$15,000 due to an anticipated increase in medical insurance expenses of 10% in 2001.
- Temporary services expenses are increasing by about \$8,300 for the part-time laboratory associate at the Water Treatment Plant.

Supplies and Equipment Supplies and equipment expenses are decreasing by about \$108,000 when compared to the FY 1999/00 budget due to (1) a decrease in the chemical unit cost from \$14 an acre foot to \$12 an acre foot. Additionally, the spare parts account is decreasing by \$20,000 to reflect the actual experience during FY 1999/00.

Monitoring Expenses Monitoring expenses are decreasing by \$13,000 to more accurately reflect anticipated monitoring expenses during FY 2000/01.

Repairs and Maintenance Expenses Repairs and maintenance expenses are decreasing by \$14,700 due to a decrease in the equipment repairs and maintenance and building maintenance accounts to reflect actual expenditures.

Professional Services Professional services expenses are increasing by about \$76,000 due to the following:

- Legal services increase of \$41,560 for the Zurich storm damage insurance claim.
- Non-contractual services expense increase of \$29,000 for a one-time repair to the 60" pipeline downstream of the chlorine contactor.

Central Coast Water Authority
Water Treatment Plant Department
Fiscal Year 2000/01 Budget

Non-Annual Recurring Expenses

As part of the budget process, certain expenses which occur periodically are identified and are charged to the project participants over a number of years to minimize fluctuations in the annual O&M assessments. The assessment of the non-annual recurring expenses are charged to the project participants on an entitlement basis without regard to the water treatment plant allocation or the exchange agreement modifications.

In the year in which the expenditure occurs, the proposed expenditure is allocated to the project participants taking into account the adjustments for the water treatment plant allocation and the exchange agreement. The resulting expenditure is then charged against the payments made by the project participants over the prior years.

FY 2000/01 Non-Annual Recurring Expenses

The FY 2000/01 water treatment plant non-annual recurring expenses total \$159,425 and is comprised of the following expenses.

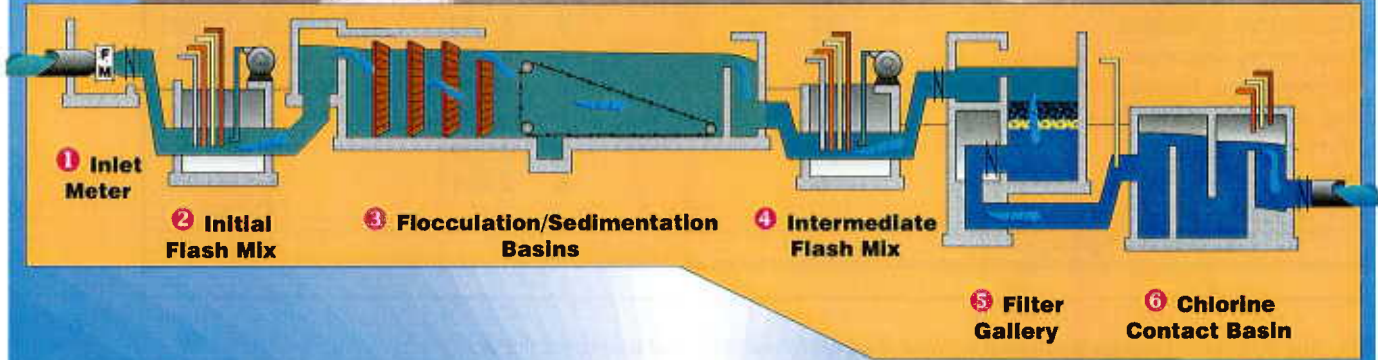
- \$140,000 for the replacement of the granular activated carbon filters. It is estimated that these filters will need to be replaced every five years.
- \$15,926 for the replacement of vehicles at the water treatment plant based on the ten-year vehicle replacement schedule.
- \$3,500 for the future replacement of water treatment plant computers.

Central Coast Water Authority
Water Treatment Plant Department
 Fiscal Year 2000/01 Budget

The following table shows the allocation of the FY 2000/01 non-annual recurring expenses for the water treatment plant.

Water Treatment Plant
FY 2000/01 Non-Annual Recurring Expenses

Financing Participant	Entitlement	Percentage	FY 2000/01 Non-Annual Recurring Expenses
Shandon	100	0.23%	\$ 363
Chorro Valley	2,338	5.32%	8,489
Lopez	2,392	5.45%	8,685
Guadalupe	550	1.25%	1,997
Santa Maria	16,200	36.90%	58,821
So Cal Water Co.	500	1.14%	1,815
VAFB	5,500	12.53%	19,970
Buellton	578	1.32%	2,099
Santa Ynez (Solvang)	1,500	3.42%	5,446
Santa Ynez	500	1.14%	1,815
Goleta	4,500	10.25%	16,339
Morehart Land	200	0.46%	726
La Cumbre	1,000	2.28%	3,631
Raytheon (SBRC)	50	0.11%	182
Santa Barbara	3,000	6.83%	10,893
Montecito	3,000	6.83%	10,893
Carpinteria	2,000	4.55%	7,262
TOTAL:	43,908	100.00%	\$ 159,426



Polonio Pass Water Treatment Plant

Central Coast Water Authority

Central Coast Water Authority
Personnel Services Summary
Water Treatment Plant Department
Fiscal Year 2000/01 Budget

PERSONNEL COUNT SUMMARY					
Position Title	Number	Number	Number	Change	Change
	Auth. FY 1998/99	Auth. FY 1999/00	Requested FY 2000/01	Over FY 1998/99	Over FY 1999/00
Operations Manager ⁽¹⁾	0.75	0.75	0.75	0	0
Project Engineer ⁽²⁾	0.20	0.20	0.20	0	0
WTP Supervisor	1	1	1	0	0
Maintenance Control Specialist	1	1	1	0	0
Regulatory Specialist ⁽³⁾	0	0	0.25	0.25	0.25
Laboratory Associate	1	1	1	0	0
Maintenance Technician	2	2	2	0	0
Maintenance IC&R Technician	0	0.70	0.70	0.7	0
WTP Operators	6	5	5	-1	0
Secretary	0.60	0.60	0.75	0.15	0.15
TOTAL:	12.55	12.25	12.65	0.10	0.40

PERSONNEL WAGE SUMMARY			
Position Title	Position Classification	Maximum Monthly Salary	FY 1999/00 Current Salary
Operations Manager ⁽¹⁾	26	\$ 8,363	\$ 65,629
Project Engineer ⁽²⁾	23	\$ 7,106	\$ 15,022
WTP Supervisor	20	\$ 6,038	\$ 68,598
Maintenance Control Specialist	17	\$ 5,130	\$ 54,496
Regulatory Specialist ⁽³⁾	17	\$ 5,130	\$ 14,524
Laboratory Associate	16	\$ 4,859	\$ 56,992
Maintenance Technicians	14	\$ 4,359	\$ 77,582
Maintenance IC&R Technician	14	\$ 4,359	\$ 39,998
WTP Operators	14	\$ 4,359	\$ 244,754
Secretary	5	\$ 2,674	\$ 20,514
FY 2000/01 Salary Pool			\$ 35,011
TOTAL:			\$ 693,120

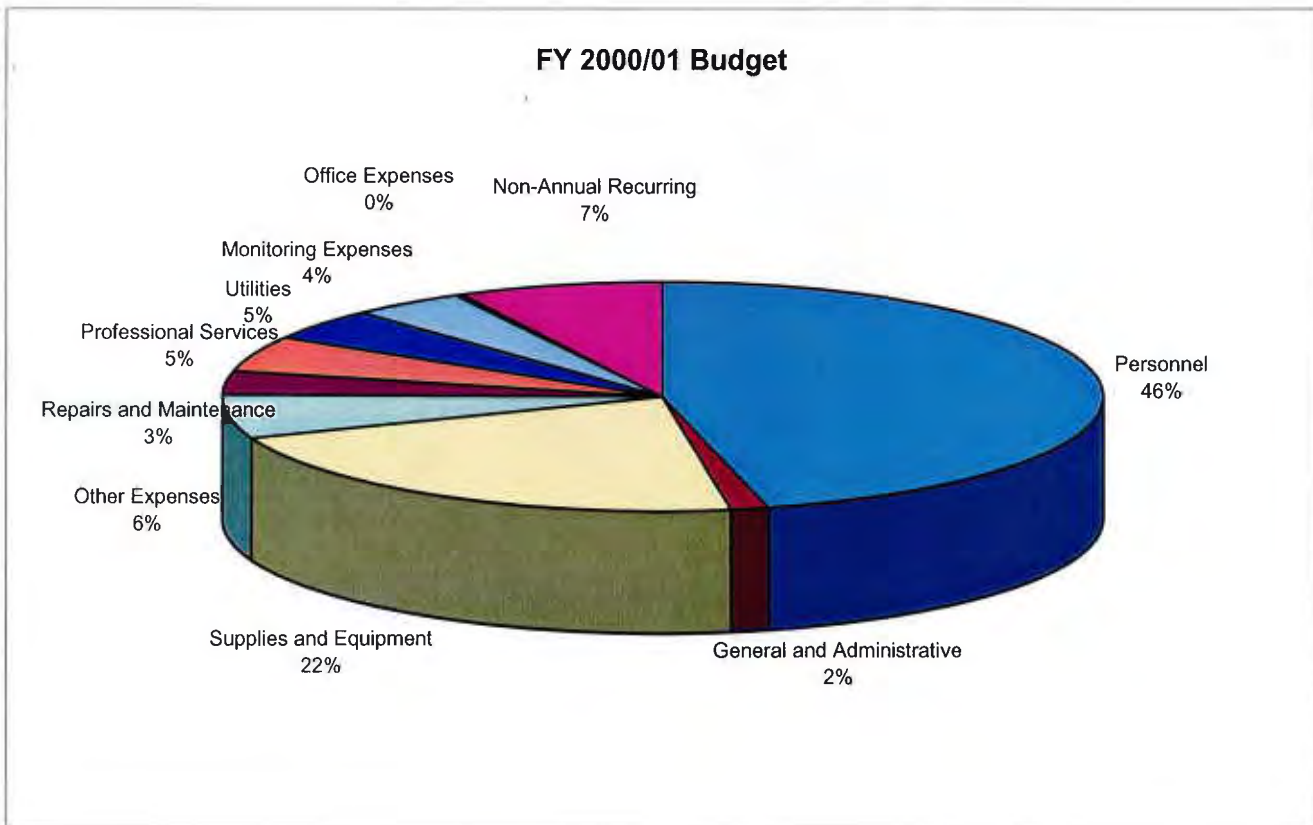
(1) The Operations Manager is allocated to Water Treatment Plant (75%) and Distribution (25%).

(2) The Project Engineer is allocated to Administration (25%), Water Treatment Plant (20%) and Distribution (55%).

(3) The Regulatory Specialist is allocated to Water Treatment Plant (25%) and Distribution (75%).

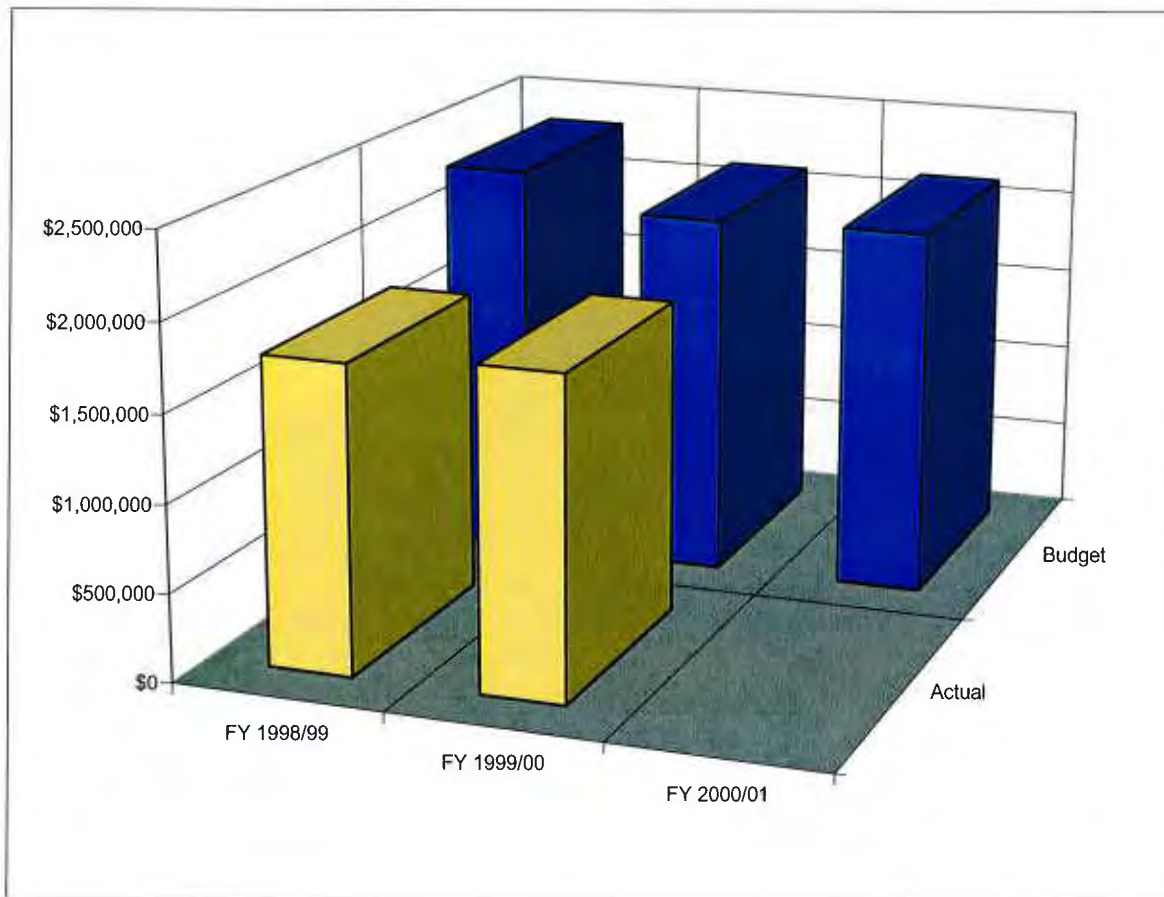
Central Coast Water Authority
Water Treatment Plant Department Operating Expenses
 Fiscal Year 2000/01 Budget

Item	FY 2000/01 Budget
Personnel	\$ 978,012
Office Expenses	5,400
Supplies and Equipment	458,700
Monitoring Expenses	87,000
Repairs and Maintenance	70,700
Professional Services	109,060
General and Administrative	32,400
Utilities	96,200
Other Expenses	130,209
Non-Annual Recurring	159,426
TOTAL:	\$ 2,127,107



Central Coast Water Authority
Water Treatment Plant Department Operating Expenses
 Fiscal Year 2000/01 Budget

Item	FY 1998/99	FY 1998/99	FY 1999/00	FY 1999/00	FY 2000/01
	Budget	Actual	Budget	Estimated Actual	Budget
Personnel	\$ 892,135	\$ 893,894	\$ 887,090	\$ 911,437	\$ 978,012
Office Expenses	5,700	3,122	5,400	6,462	5,400
Supplies and Equipment	747,527	308,005	567,150	293,430	458,700
Monitoring Expenses	125,000	97,294	100,000	61,553	87,000
Repairs and Maintenance	85,000	101,974	85,400	60,711	70,700
Professional Services	38,300	25,091	32,800	132,775	109,060
General and Administrative	22,900	33,155	33,600	19,335	32,400
Utilities	114,500	90,247	111,000	85,588	96,200
Other Expenses	125,791	49,635	125,188	86,300	130,209
Subtotal	\$2,156,853	\$1,602,417	\$1,947,628	\$1,657,591	\$1,967,682
Non-Annual Recurring	\$ 155,391	\$ 155,391	\$ 163,546	\$ 163,546	\$ 159,426
TOTAL:	\$2,312,244	\$1,757,808	\$2,111,174	\$1,821,137	\$2,127,107



Central Coast Water Authority
Water Treatment Plant Department Operating Expenses
 Fiscal Year 2000/01 Administration/O&M Budget

Account Number	Account Name	FY 1998/99 Budget	FY 1998/99 Actual	FY 1999/00 Budget	FY 1999/00 Estimated Actual	FY 2000/01 Budget	Increase Over FY 1999/0 Budget	% Increase (Decrease) FY 1999/00 Budget
PERSONNEL EXPENSES								
5000.10	Full-Time Regular Wages	633,432	636,548	639,972	643,844	693,120	53,148	8.30%
5000.20	Overtime	31,672	30,357	31,999	28,907	34,656	2,657	8.30%
5000.40	Standby Pay	5,000	5,893	6,500	5,584	2,000	(4,500)	-69.23%
5000.50	Shift Differential Pay	15,000	10,648	11,000	11,362	11,000	-	0.00%
5000.10	PERS Retirement	96,915	95,220	88,406	91,447	92,361	3,955	4.47%
5100.15	Medicare Taxes	9,644	10,014	9,744	10,001	10,553	809	8.30%
5100.20	Health Insurance	50,257	51,480	51,179	62,969	66,086	14,907	29.13%
5100.25	Workers' Compensation	19,555	15,305	13,274	19,363	17,128	3,854	29.03%
5100.30	Vehicle Expenses	-	-	-	-	-	-	N/A
5100.35	IRC-457-Employer Paid	-	-	-	-	6,000	6,000	N/A
5100.40	Cafeteria Plan Benefits	7,976	7,771	7,657	8,161	7,351	(306)	-4.00%
5100.45	Dental/Vision Plan	13,063	19,345	13,625	15,049	15,188	1,563	11.47%
5100.50	Long-Term Disability	4,510	4,032	3,805	4,066	4,172	367	9.66%
5100.55	Life Insurance	2,811	3,009	3,299	3,453	3,452	153	4.65%
5100.60	Employee Physicals	1,300	430	1,430	1,007	1,430	-	0.00%
5000.30	Temporary Services	-	3,723	3,000	6,224	11,315	8,315	277.17%
5100.70	Safety Incentive Program	-	-	1,200	-	1,200	-	0.00%
5100.65	Employee Education Reimbursement	1,000	119	1,000	-	1,000	-	0.00%
Total Personnel Expenses:		892,135	893,894	887,090	911,437	978,012	90,922	10.25%

Central Coast Water Authority
Water Treatment Plant Department Operating Expenses
 Fiscal Year 2000/01 Administration/O&M Budget

Account Number	Account Name	FY 1998/99 Budget	FY 1998/99 Actual	FY 1999/00 Budget	FY 1999/00 Estimated Actual	FY 2000/01 Budget	Increase Over FY 1999/00 Budget	% Increase (Decrease) FY 1999/00 Budget
<u>OFFICE EXPENSES</u>								
5200.10	Administrative Costs	-	2,052	-	-	-	-	N/A
5200.20	Office Supplies	4,500	2,052	3,600	4,986	3,600	-	0.00%
5200.30	Misc. Office Expenses	1,200	1,070	1,800	1,476	1,800	-	0.00%
	Total Office Expenses:	5,700	3,122	5,400	6,462	5,400	-	0.00%
<u>SUPPLIES AND EQUIPMENT</u>								
5500.10	Uniform Expenses	8,527	8,099	9,200	7,688	9,200	0	0.00%
5500.15	Minor Tools and Equipment	4,000	7,955	8,000	11,371	9,000	1,000	12.50%
5500.20	Spare Parts	60,000	31,683	30,000	12,233	10,000	(20,000)	-66.67%
5500.25	Landscape Equip. and Supplies	1,000	1,492	2,500	886	1,000	(1,500)	-60.00%
5500.30	Chemicals-Fixed	-	-	-	5,376	-	-	N/A
5500.31	Chemicals-Variable	651,000	242,258	494,450	233,588	408,000	(86,450)	-17.48%
5500.35	Maintenance Supplies/Hardware	12,000	8,534	12,000	13,479	12,000	-	0.00%
5500.40	Safety Supplies	3,500	2,545	4,500	2,291	3,000	(1,500)	-33.33%
5500.45	Fuel and Lubricants	7,500	5,328	6,500	6,518	6,500	-	0.00%
5500.50	Seed/Erosion Control Supplies	-	111	-	-	-	-	N/A
5500.55	Backflow Prevention Supplies	-	-	-	-	-	-	N/A
	Total Supplies and Equipment:	747,527	308,005	567,150	293,430	458,700	(108,450)	-19.12%

Central Coast Water Authority
Water Treatment Plant Department Operating Expenses
 Fiscal Year 2000/01 Administration/O&M Budget

Account Number	Account Name	FY 1998/99 Budget	FY 1998/99 Actual	FY 1999/00 Budget	FY 1999/00 Estimated Actual	FY 2000/01 Budget	Increase Over FY 1999/0 Budget	% Increase (Decrease) FY 1999/00 Budget
<u>MONITORING EXPENSES</u>								
5600.10	Lab Supplies	35,000	28,706	30,000	25,448	27,000	(3,000)	-10.00%
5600.20	Lab Tools and Equipment	5,000	2,909	5,000	2,937	5,000	-	0.00%
5600.30	Lab Testing	85,000	65,679	65,000	33,168	55,000	(10,000)	-15.38%
Total Monitoring Expenses:		125,000	97,294	100,000	61,553	87,000	(13,000)	-13.00%

<u>REPAIRS AND MAINTENANCE</u>								
5700.10	Equipment Repairs and Maint.	65,000	87,601	65,000	49,161	55,000	(10,000)	-15.38%
5700.20	Vehicle Repairs and Maint.	4,500	1,970	2,500	1,929	2,500	-	0.00%
5700.30	Building Maintenance	14,000	11,431	16,400	8,434	12,200	(4,200)	-25.61%
5700.40	Landscape Maintenance	1,500	971	1,500	1,187	1,000	(500)	-33.33%
Total Repairs and Maintenance:		85,000	101,974	85,400	60,711	70,700	(14,700)	-17.21%

<u>PROFESSIONAL SERVICES</u>								
5400.10	Professional Services	10,300	14,421	8,800	10,450	14,500	5,700	64.77%
5400.20	Legal Services	-	-	-	88,474	41,560	41,560	N/A
5400.30	Engineering Services	10,000	-	10,000	2,411	10,000	-	0.00%
5400.40	Permits	12,000	6,670	8,000	8,320	8,000	-	0.00%
5400.50	Non-Contractual Services	6,000	4,000	6,000	23,119	35,000	29,000	483.33%
5400.60	Accounting Services	-	-	-	-	-	-	N/A
5400.70	Payroll Service	-	-	-	-	-	-	N/A
Total Professional Services:		38,300	25,091	32,800	132,775	109,060	76,260	232.50%

Central Coast Water Authority
Water Treatment Plant Department Operating Expenses

Fiscal Year 2000/01 Administration/O&M Budget

Account Number	Account Name	FY 1998/99 Budget	FY 1998/99 Actual	FY 1999/00 Budget	FY 1999/00 Estimated Actual	FY 2000/01 Budget	Increase Over FY 1999/00 Budget	% Increase (Decrease)
<u>GENERAL AND ADMINISTRATIVE</u>								
5300.10	Meeting and Travel	10,000	14,422	12,000	8,482	12,000	-	0.00%
5300.20	Mileage Reimbursement	1,000	494	1,000	60	500	(500)	-50.00%
5300.30	Dues and Memberships	1,000	2,420	1,200	301	700	(500)	-41.67%
5300.40	Publications	2,000	1,680	1,500	2,831	1,500	-	0.00%
5300.50	Training	7,500	11,655	16,500	6,733	16,500	-	0.00%
5300.60	Advertising	200	805	200	-	200	-	0.00%
5300.70	Printing and Binding	-	-	-	-	-	-	N/A
5300.80	Postage	1,200	1,678	1,200	927	1,000	(200)	-16.67%
Total General and Administrative:		22,900	33,155	33,600	19,335	32,400	(1,200)	-3.57%

UTILITIES

5800.10	Other Utilities	-	-	-	-	-	-	N/A
5800.20	Natural Gas	3,500	1,158	2,000	655	1,200	(800)	-40.00%
5800.30	Electric-Fixed	76,000	62,629	76,000	59,261	66,000	(10,000)	-13.16%
5800.35	Electric-Variable	19,000	16,243	19,000	14,537	17,000	(2,000)	-10.53%
5800.40	Water	-	-	-	-	-	-	N/A
5800.50	Telephone	9,000	8,409	9,000	9,313	9,000	-	0.00%
5800.60	Waste Disposal	7,000	1,808	5,000	1,823	3,000	(2,000)	-40.00%
Total Utilities:		114,500	90,247	111,000	85,588	96,200	(14,800)	-13.33%

Central Coast Water Authority
Water Treatment Plant Department Operating Expenses
 Fiscal Year 2000/01 Administration/O&M Budget

Account Number	Account Name	FY 1998/99 Budget	FY 1998/99 Actual	FY 1999/00 Budget	FY 1999/00 Estimated Actual	FY 2000/01 Budget	Increase Over FY 1999/00 Budget	% Increase (Decrease) FY 1999/00 Budget
OTHER EXPENSES								
5900.10	Insurance	53,185	37,638	53,185	53,185	55,885	2,700	5.08%
5900.20	Insurance Claim Deductibles	-	-	-	-	-	-	N/A
5900.30	Facilities Rent	-	-	-	-	-	-	N/A
5900.40	Equipment Rental	10,000	4,265	7,000	9,221	8,500	1,500	21.43%
5900.50	Non-Capitalized Equipment	5,000	849	15,000	21,846	10,000	(5,000)	-33.33%
5900.60	Computer Expenses	5,000	6,883	2,500	2,048	7,832	5,332	213.28%
5900.70	Appropriated Contingency	52,606	-	47,503	-	47,992	489	1.03%
	Total Other Expenses:	125,791	49,635	125,188	86,300	130,209	5,021	4.01%
	TOTAL OPERATING EXPENSES	\$ 2,156,853	\$ 1,602,417	\$ 1,947,628	\$ 1,657,591	\$ 1,967,682	\$ 20,054	1.03%

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5000.10

ACCOUNT TITLE: Full-Time Regular Salaries

Description: Funds for the WTP for 11 full time regular employees and one part time employee. Includes proposed \$34,239 salary pool.

FY 00/01 Requested Budget	693,120
FY 99/00 Estimated Actual	643,844
Increase (Decrease)	49,276

ACCOUNT NUMBER: 5000.20

ACCOUNT TITLE: Overtime

Description: Funds for overtime expenses for non-exempt WTP employees. Overtime is set at 5% of salaries.

FY 00/01 Requested Budget	34,656
FY 99/00 Estimated Actual	28,907
Increase (Decrease)	5,749

ACCOUNT NUMBER: 5000.30

ACCOUNT TITLE: Temporary Services

Description: Temporary services for the Water Treatment Plant Department.

FY 00/01 Requested Budget	11,315
FY 99/00 Estimated Actual	6,224
Increase (Decrease)	5,091

\$	9,984	Lab assistant (16 hours/week)
\$	1,331	Grounds maintenance
\$	11,315	TOTAL

ACCOUNT NUMBER: 5000.40

ACCOUNT TITLE: Stand-by Pay

Description: Funds for stand-by pay for those employees assigned to stand-by duty.

FY 00/01 Requested Budget	2,000
FY 99/00 Estimated Actual	5,584
Increase (Decrease)	(3,584)

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5000.50

ACCOUNT TITLE: Shift Differential Pay

Description: Funds for shift employee pay.

FY 00/01 Requested Budget	11,000
FY 99/00 Estimated Actual	11,362
Increase (Decrease)	(362)

ACCOUNT NUMBER: 5100.10

ACCOUNT TITLE: PERS Retirement

Description: Funds for the employer and employee portion of PERS retirement system contributions.

Based on a 13.503% contribution rate for FY 2000/01.

Decrease is due to a lower employer rate for FY 2000/01 of 6.503% compared to the FY 1999/00 rate of 6.814%.

FY 00/01 Requested Budget	92,361
FY 99/00 Estimated Actual	91,447
Increase (Decrease)	914

ACCOUNT NUMBER: 5100.15

ACCOUNT TITLE: Medicare

Description: Funds for the employer portion of Medicare taxes for the WTP department. Amount is equal to 1.45% of regular and overtime wages.

FY 00/01 Requested Budget	10,553
FY 99/00 Estimated Actual	10,001
Increase (Decrease)	552

ACCOUNT NUMBER: 5100.20

ACCOUNT TITLE: Health Insurance

Description: Funds for the employer provided portion of medical insurance coverage for WTP employees. Amount is based on the Cafeteria plan elections for each employee.

FY 00/01 Requested Budget	66,086
FY 99/00 Estimated Actual	62,969
Increase (Decrease)	3,117

Family: \$5,948

Emp+1: \$4,972

Emp: \$2,182

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5100.25

ACCOUNT TITLE: Workers' Compensation Insurance

Description: Funds for Workers' Compensation insurance for the WTP department. Based on \$3.51

per \$100 of covered wages with and X-Mod rate of 75%.

FY 00/01 Requested Budget	17,128
FY 99/00 Estimated Actual	19,363
Increase (Decrease)	(2,236)

ACCOUNT NUMBER: 5100.35

ACCOUNT TITLE: Employer Paid Deferred Compensation

Description: Funds for employer paid deferred compensation contributions for the Operations Manager.

FY 00/01 Requested Budget	6,000
FY 99/00 Estimated Actual	-
Increase (Decrease)	6,000

ACCOUNT NUMBER: 5100.40

ACCOUNT TITLE: Cafeteria Plan Benefits

Description: Funds for the portion of the cafeteria plan benefits which exceed the premium costs for the employees based on each employee's benefit election.

FY 00/01 Requested Budget	7,351
FY 99/00 Estimated Actual	8,161
Increase (Decrease)	(810)

ACCOUNT NUMBER: 5100.45

ACCOUNT TITLE: Dental/Vision Plan

Description: Funds for the self-funded dental/vision plan. The plan provides \$2,500 per year per family for dental and vision expenses. Budgeted amount is \$1,250 per year anticipating that the expenses will average this amount.

FY 00/01 Requested Budget	15,188
FY 99/00 Estimated Actual	15,049
Increase (Decrease)	139

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5100.50

ACCOUNT TITLE: Long-Term Disability

Description: Funds for premiums paid for long-term disability insurance. Based on a rate of \$0.61 per \$100 of salary.

FY 00/01 Requested Budget	4,172
FY 99/00 Estimated Actual	4,066
Increase (Decrease)	106

ACCOUNT NUMBER: 5100.55

ACCOUNT TITLE: Life Insurance

Description: Funds for the employer paid life insurance premiums for each employee. CCWA policy provides life insurance equal to 150% of an employee's annual salary to a maximum of \$100,000.

FY 00/01 Requested Budget	3,452
FY 99/00 Estimated Actual	3,453
Increase (Decrease)	(0)

ACCOUNT NUMBER: 5100.60

ACCOUNT TITLE: Employee Physicals

Description: Funds for employee physicals paid by CCWA. Employees using self contained breathing apparatus are required to have a yearly physical.

FY 00/01 Requested Budget	1,430
FY 99/00 Estimated Actual	1,007
Increase (Decrease)	423

\$ 1,430 11 employees @ \$130

ACCOUNT NUMBER: 5100.65

ACCOUNT TITLE: Employee Education Reimbursement

Description: Funds for reimbursement of employee education expenses under the policy established by CCWA. Employees will be taking welding, electrical/electronics and laboratory classes.

FY 00/01 Requested Budget	1,000
FY 99/00 Estimated Actual	-
Increase (Decrease)	1,000

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5100.70

ACCOUNT TITLE: Safety Incentive Program

Description: Funds to encourage employee safety through safety awards and incentive programs. This program was requested by JPIA.

FY 00/01 Requested Budget	1,200
FY 99/00 Estimated Actual	-
Increase (Decrease)	1,200

ACCOUNT NUMBER: 5200.20

ACCOUNT TITLE: Office Supplies

Description: Funds for office supplies for the WTP. Based on \$300 per month in office supply expenses.

FY 00/01 Requested Budget	3,600
FY 99/00 Estimated Actual	4,986
Increase (Decrease)	(1,386)

ACCOUNT NUMBER: 5200.30

ACCOUNT TITLE: Miscellaneous Office Expenses

Description: Funds for miscellaneous expenses associated with CCWA. This includes picture developing, awards, business cards, water system, kitchen supplies, etc.

FY 00/01 Requested Budget	1,800
FY 99/00 Estimated Actual	1,476
Increase (Decrease)	324

ACCOUNT NUMBER: 5300.10

ACCOUNT TITLE: Meeting and Travel

Description: Funds for WTP employee meetings and travel expenses.

FY 00/01 Requested Budget	12,000
FY 99/00 Estimated Actual	8,482
Increase (Decrease)	3,518

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5300.20

ACCOUNT TITLE: Mileage Reimbursement

Description: Funds for reimbursement to employees
for mileage expenses.

FY 00/01 Requested Budget	500
FY 99/00 Estimated Actual	60
Increase (Decrease)	440

ACCOUNT NUMBER: 5300.30

ACCOUNT TITLE: Dues and Memberships

Description: Funds for professional dues.

FY 00/01 Requested Budget	700
FY 99/00 Estimated Actual	301
Increase (Decrease)	399

ACCOUNT NUMBER: 5300.40

ACCOUNT TITLE: Publications

Description: Funds for publications received by
the WTP.

FY 00/01 Requested Budget	1,500
FY 99/00 Estimated Actual	2,831
Increase (Decrease)	(1,331)

ACCOUNT NUMBER: 5300.50

ACCOUNT TITLE: Training

Description: Funds for training of WTP personnel.
Does not include educational reimbursement.

FY 00/01 Requested Budget	16,500
FY 99/00 Estimated Actual	6,733
Increase (Decrease)	9,767

\$ 16,500 \$1,500 per employee

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5300.60

ACCOUNT TITLE: Advertising

Description: Funds for advertising expenses for the WTP including open job position advertising.

FY 00/01 Requested Budget	200
FY 99/00 Estimated Actual	-
Increase (Decrease)	200

ACCOUNT NUMBER: 5300.80

ACCOUNT TITLE: Postage

Description: Funds for all postal and mail expenses for the WTP.

FY 00/01 Requested Budget	1,000
FY 99/00 Estimated Actual	927
Increase (Decrease)	73

ACCOUNT NUMBER: 5400.10

ACCOUNT TITLE: Professional Services

Description: Outside professional services including:

FY 00/01 Requested Budget	14,500
FY 99/00 Estimated Actual	10,450
Increase (Decrease)	4,050

\$	3,500	Tank cleaning
\$	3,000	Cathodic protection
\$	2,000	Fire system/extinguisher inspection
\$	2,000	HVAC
\$	1,000	Security
\$	1,000	Crane inspection
\$	800	Solvent service
\$	700	Road and lot cleaning
\$	500	Oil analysis
\$	14,500	TOTAL

ACCOUNT NUMBER: 5400.20

ACCOUNT TITLE: Legal Services

Description: Funds for legal services associated with the Zurich storm damage insurance claim.

FY 00/01 Requested Budget	41,560
FY 99/00 Estimated Actual	88,474
Increase (Decrease)	(46,914)

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5400.30

ACCOUNT TITLE: Engineering Services

Description: Funds for all non-capitalized engineering services and small projects.

FY 00/01 Requested Budget	10,000
FY 99/00 Estimated Actual	2,411
Increase (Decrease)	7,589

ACCOUNT NUMBER: 5400.40

ACCOUNT TITLE: Permits

Description: Funds for all required permits for the WTP including the California Department of Health.

FY 00/01 Requested Budget	8,000
FY 99/00 Estimated Actual	8,320
Increase (Decrease)	(320)

ACCOUNT NUMBER: 5400.50

ACCOUNT TITLE: Non-Contractual Services

Description: All non contractual services including emergency generator or other equipment service.

FY 00/01 Requested Budget	35,000
FY 99/00 Estimated Actual	23,119
Increase (Decrease)	11,881

Includes one time repair to 60" pipeline downstream of chlorine contactor.

ACCOUNT NUMBER: 5500.10

ACCOUNT TITLE: Uniform Expenses

Description: Funds for employer provided uniforms including reimbursement of uniform expenses to employees.

FY 00/01 Requested Budget	9,200
FY 99/00 Estimated Actual	7,688
Increase (Decrease)	1,512

\$	6,900	Uniform Service (\$155 bi-weekly)
\$	675	Blue jean pants (\$75/year for 9 employees)
\$	1,125	Boots (\$125/year for 9 employees)
\$	500	Misc. uniform requirements (jackets, etc.)
\$	9,200	TOTAL

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5500.15

ACCOUNT TITLE: Minor Tools and Equipment

Description: Funds for the purchase of minor tools and equipment.

FY 00/01 Requested Budget	9,000
FY 99/00 Estimated Actual	11,371
Increase (Decrease)	(2,371)

ACCOUNT NUMBER: 5500.20

ACCOUNT TITLE: Spare Parts

Description: Funds for maintaining spare parts inventory and to replace failing minor equipment.
(This line item will phase out after this fiscal year)

FY 00/01 Requested Budget	10,000
FY 99/00 Estimated Actual	12,233
Increase (Decrease)	(2,233)

ACCOUNT NUMBER: 5500.25

ACCOUNT TITLE: Landscape Equipment and Supplies

Description: Funds for the purchase of equipment and supplies for landscape maintenance at the WTP.

FY 00/01 Requested Budget	1,000
FY 99/00 Estimated Actual	886
Increase (Decrease)	114

ACCOUNT NUMBER: 5500.31

ACCOUNT TITLE: Chemicals-Variable

Description: Funds for the purchase of chemicals to operate the plant including chlorine, polymers etc.

FY 00/01 Requested Budget	408,000
FY 99/00 Estimated Actual	233,588
Increase (Decrease)	174,412

\$	399,000	WTP (All Participants)
\$	9,000	WTP (All Participants without SLO; dechlor)
\$	408,000	TOTAL

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5500.35

ACCOUNT TITLE: Maintenance Supplies/Hardware

Description: Funds for the purchase of disposable tools, pipe and pipefittings, wood, steel and other metals, hardware, nuts and bolts, and other hardware materials.

FY 00/01 Requested Budget	12,000
FY 99/00 Estimated Actual	13,479
Increase (Decrease)	(1,479)

ACCOUNT NUMBER: 5500.40

ACCOUNT TITLE: Safety Supplies

Description: Purchases of minor safety supplies including first aid kit purchases and non-capitalized safety equipment purchases.

FY 00/01 Requested Budget	3,000
FY 99/00 Estimated Actual	2,291
Increase (Decrease)	709

ACCOUNT NUMBER: 5500.45

ACCOUNT TITLE: Fuel and Lubricants

Description: Funds for the purchase of fuel and lubricants for WTP vehicles, equipment and emergency generator. Does not include mileage reimbursement expenses.

FY 00/01 Requested Budget	6,500
FY 99/00 Estimated Actual	6,518
Increase (Decrease)	(18)

ACCOUNT NUMBER: 5600.10

ACCOUNT TITLE: Laboratory Supplies

Description: Funds for the purchase of laboratory supplies including chemicals.

FY 00/01 Requested Budget	27,000
FY 99/00 Estimated Actual	25,448
Increase (Decrease)	1,552

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5600.20

ACCOUNT TITLE: Laboratory Tools and Equipment

Description: Funds for the purchase of non-capitalized tools and equipment for the laboratory.

FY 00/01 Requested Budget	5,000
FY 99/00 Estimated Actual	2,937
Increase (Decrease)	2,063

ACCOUNT NUMBER: 5600.30

ACCOUNT TITLE: Lab Testing

Description: Funds for outside lab services.

FY 00/01 Requested Budget	55,000
FY 99/00 Estimated Actual	33,168
Increase (Decrease)	21,832

\$	30,000	Municipal Water Quality Investigation Prog.
\$	25,000	Outside Lab Testing
\$	55,000	TOTAL

ACCOUNT NUMBER: 5700.10

ACCOUNT TITLE: Equipment Repairs and Maintenance

Description: Funds for repairs and maintenance of WTP equipment including pumps, motors, valves, instrumentation, equipment, etc. This line item also includes \$10,000 to repair, update and calibrate lab equipment.

FY 00/01 Requested Budget	55,000
FY 99/00 Estimated Actual	49,161
Increase (Decrease)	5,839

ACCOUNT NUMBER: 5700.20

ACCOUNT TITLE: Vehicle Repairs and Maintenance

Description: Funds for the repair and maintenance of WTP vehicles.

FY 00/01 Requested Budget	2,500
FY 99/00 Estimated Actual	1,929
Increase (Decrease)	571

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5700.30

ACCOUNT TITLE: Building Maintenance

Description: Funds for the repair and maintenance
of the WTP buildings.

FY 00/01 Requested Budget	12,200
FY 99/00 Estimated Actual	8,434
Increase (Decrease)	3,766

\$	3,000	Miscellaneous repairs
\$	5,000	Site improvements
\$	7,200	Janitorial service
\$	12,200	

ACCOUNT NUMBER: 5700.40

ACCOUNT TITLE: Landscape Maintenance

Description: Funds for the maintenance of the
WTP facility landscape.

FY 00/01 Requested Budget	1,000
FY 99/00 Estimated Actual	1,187
Increase (Decrease)	(187)

ACCOUNT NUMBER: 5800.20

ACCOUNT TITLE: Natural Gas Service

Description: Funds for natural gas service to the WTP.

FY 00/01 Requested Budget	1,200
FY 99/00 Estimated Actual	655
Increase (Decrease)	545

ACCOUNT NUMBER: 5800.30

ACCOUNT TITLE: Electric Service-Fixed

Description: Funds for electrical service to the WTP.

FY 00/01 Requested Budget	66,000
FY 99/00 Estimated Actual	59,261
Increase (Decrease)	6,739

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5800.31

ACCOUNT TITLE: Electric Service-Variable

Description: Funds for electrical service to the WTP.

FY 00/01 Requested Budget	17,000
FY 99/00 Estimated Actual	14,537
Increase (Decrease)	2,463

ACCOUNT NUMBER: 5800.40

ACCOUNT TITLE: Water/Sewer

Description: Funds for water and sewer service to the WTP.

FY 00/01 Requested Budget	-
FY 99/00 Estimated Actual	-
Increase (Decrease)	-

ACCOUNT NUMBER: 5800.50

ACCOUNT TITLE: Telephone

Description: Funds for WTP phones including long distance, pagers and cellular phone bills.

FY 00/01 Requested Budget	9,000
FY 99/00 Estimated Actual	9,313
Increase (Decrease)	(313)

ACCOUNT NUMBER: 5800.60

ACCOUNT TITLE: Waste Disposal

Description: Funds for trash service and removal of hazardous waste for the WTP.

FY 00/01 Requested Budget	3,000
FY 99/00 Estimated Actual	1,823
Increase (Decrease)	1,177

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5900.10

ACCOUNT TITLE: Insurance

Description: Funds for insurance coverage.

FY 00/01 Requested Budget	55,885
FY 99/00 Estimated Actual	53,185
Increase (Decrease)	2,700

\$	23,042	Property and auto coverage based on the apportionment provided by JPIA.
\$	32,843	General liability and E&O based on salary proportions.
\$	55,885	TOTAL

ACCOUNT NUMBER: 5900.40

ACCOUNT TITLE: Equipment Rental

Description: Funds for rental of equipment for the WTP.

FY 00/01 Requested Budget	8,500
FY 99/00 Estimated Actual	9,221
Increase (Decrease)	(721)

ACCOUNT NUMBER: 5900.50

ACCOUNT TITLE: Non-Capitalized Fixed Assets

Description: Funds for the purchase of non-capitalized equipment purchases. These equipment purchases are generally under \$1,000 in cost with an estimated useful life under 5 years.

FY 00/01 Requested Budget	10,000
FY 99/00 Estimated Actual	21,846
Increase (Decrease)	(11,846)

ACCOUNT NUMBER: 5900.60

ACCOUNT TITLE: Computer Expenses

Description: Funds for computer expenses including minor software purchases, minor equipment purchases and service contracts.

FY 00/01 Requested Budget	7,832
FY 99/00 Estimated Actual	2,048
Increase (Decrease)	5,784

Line item is increased for FY 2000/01 to purchase network diagnostic, Auto CAD upgrade, Arc View software and SCADA System maintenance service contract.

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5900.70

ACCOUNT TITLE: Appropriated Contingency

Description: 2.5% of requested budget.

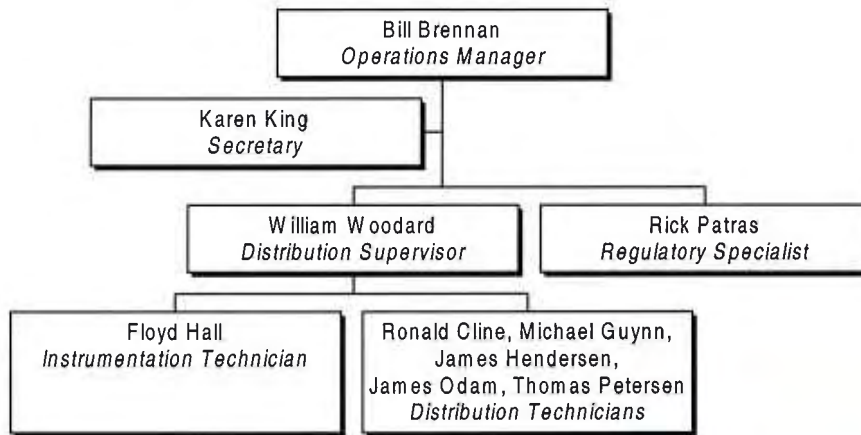
FY 00/01 Requested Budget	46,953
FY 99/00 Estimated Actual	-
Increase (Decrease)	46,953

Central Coast Water Authority
Distribution Department
 Fiscal Year 2000/01 Budget

The Distribution Department is responsible for maintaining the distribution system (i.e., pipeline and ancillary facilities).

The Operations Manager oversees the Water Treatment Plant and Distribution staff. The Operations Manager is responsible for water quality, deliveries, maintenance of all facilities and ensuring the water supply meets or exceeds all applicable health and safety standards. Additional duties include participating in various State Water Contractor committees, preparing the annual O&M budget and exercising expenditure control and coordinating with DWR O&M regarding Coastal Branch operations and deliveries.

CCWA Distribution Staff



The department is supervised by the Distribution Supervisor who is responsible for the day-to-day distribution operations and maintenance functions including system operations and maintenance, dechloramination and re-disinfections, erosion control, right of way issues, revegetation, environmental compliance and fiber optic communications.

The Distribution Supervisor is assisted by five (5) Technicians and an Instrumentation Technician. Together, they patrol over 131 miles of pipeline and provide operations and maintenance for five storage tanks, nine turnouts, four isolations vaults, an energy dissipation vault, the Santa Ynez Pumping Facility and hundreds of valve, access and cathodic protection structures. Additionally, they take weekly water quality samples from each turnout and tank for the treatment plant laboratory. The Instrumentation Technician maintains all distribution electrical, electronic, fiber optic and instrumentation



Photo: © Malcolm McLood/CNPS

Morro Manzanita

Legal Status: Federal Threatened Species

Range:	Scattered patches in Morro Bay, Los Osos, and Baywood Park in San Luis Obispo County.
Habitat:	Occurs on Baywood fine sands
Size:	Ranges from 5 to 13 feet tall

Central Coast Water Authority
Distribution Department
 Fiscal Year 2000/01 Budget

systems. He also assists the Maintenance Foreman in maintaining plant electrical, electronic and fiber optic systems.

The Regulatory Specialist reports to the Operations Manager and divides time between Distribution and Water Treatment Plant Departments. The Regulatory Specialist is responsible for safety, environmental monitoring and regulatory compliance.

The following pages list the 1999 accomplishments, performance indicators ("Service Efforts and Accomplishments") and 2000 goals for the Distribution Department.

1999 ACCOMPLISHMENTS

<u>Goal</u>	<u>Status</u>
<i>Operations and Maintenance</i>	
Complete computerized preventative maintenance system for pipeline [1/99]	Completed for pipeline 1/99. Input of other pipeline related facilities (e.g., Santa Ynez Pumping Facility, Tank 2, etc.) completed 5/99. Software upgrade completed 8/99.
Complete all repairs, modifications and remedial work identified during DWR biannual inspection of Coastal Branch Phase II facilities [4/99]	All work completed with exception of stenciling mile markers on vaults, which will be completed during 2000.
Complete Y2K (year 2000) compliance for all CCWA equipment [6/99]	Done 7/99 for all facilities and equipment excluding the new instrumentation and control system, which was completed 10/99. All systems performed Y2 "OK" during the transition to the new year.
Complete O&M library containing consolidated CCWA and DWR equipment data [7/99]	Completed for CCWA 9/98. DWR data deferred until 2000.
Identify and pursue all possible cost saving and quality enhancing opportunities with initial concentration on bulk chemicals, communications, electricity, overtime requirements and revegetation and erosion control [ongoing]	<ul style="list-style-type: none"> • Bulk chemical bids requests issued 7/99 and contracts awarded 12/99 (\$48,000 per year estimated savings). • Replacement of Administrative Assistant has been deferred and may not be implemented if workload can be accommodated by existing staff plus minimal use of temporary help (\$40,000 per year estimated savings). • Obtained approval from San Luis Obispo County of sludge monofill for the Polonio Pass Water Treatment Plant (\$6,000 to \$10,000 per year estimated savings).

Central Coast Water Authority
Distribution Department
Fiscal Year 2000/01 Budget

<u>Goal</u>	<u>Status</u>
Identify and pursue approaches to maximize and maintain high water quality consistent with project participants' needs [ongoing]	New particle and inline ammonia analyzers installed 7/99.
Assist project participants in preparing to meet new federal and state water quality regulations [ongoing]	During the year CCWA staff have (1) reviewed, evaluated and commented on new state and federal water regulations, (2) aggressively pursued a taste and odor episode in the Santa Maria Valley and (3) participated in the State Water Contractors Municipal Water Quality Investigations Committee and Sanitary Survey Action Committee.

2000 GOALS

Operations and Maintenance

Develop and implement plan for leak detection and remedial repairs along the pipeline, particularly at gasketed bell and spigot joints [3/00]

Review overtime usage by O&M personnel for cost effectiveness and make any appropriate changes [4/00]

Complete DWR equipment data portion of O&M library [7/00]

Incorporate all instrumentation calibration and maintenance into the preventative maintenance program [9/00]

Complete annual cathodic protection survey [11/00]

Develop the procedures and schedule for the five-year inspection of Reaches 5B/6 and Schedule C and Tanks 1 (treated), 2, 5 and 7 [12/00]

Meet project participants' delivery needs as requested [ongoing]

Identify and pursue all possible cost saving and quality enhancing opportunities with initial concentration on bulk chemicals, communications, electricity, overtime requirements and revegetation and erosion control [ongoing]

Identify and pursue approaches to maximize and maintain high water quality consistent with project participants' needs [ongoing]

Assist project participants in preparing to meet new federal and state water quality regulations [ongoing]

Central Coast Water Authority
Distribution Department
 Fiscal Year 2000/01 Budget

Service Efforts and Accomplishments

	Actual FY 1998/99	Estimated Actual FY 1999/00	Projected FY 2000/01
<i>Workload</i>			
Work orders completed - Distribution	314	695	750
<i>Efficiency</i>			
Days out of Service - Distribution	N/A	0	10
Days out of Service SCADA/communications	30	0	0
Operating cost per employee (thousands)	\$ 130	\$ 145	\$ 172
Overtime expense as a percent of the O&M budget	5.45%	2.64%	2.32%
Industrial injury lost work days	0	0	0

DISTRIBUTION DEPARTMENT OPERATING EXPENSE OVERVIEW

The distribution system for the State water facilities is divided into segments called "Financial Reaches." These financial reaches are the portions of the pipeline through which the project participants receive and pay for water in accordance with their Water Supply Agreements.

Participation in each financial reach is based on the location of a particular project participant's turnout. Each participant pays for its share of the Coastal Branch and CCWA financial reaches down to the financial reach from which that participant takes delivery of water. For example, South Coast project participants pay for their share of all financial reaches since they take delivery from the terminus of the Authority pipeline.

The financial reaches for the distribution system include CCWA reaches and DWR reaches. The facilities owned by the Authority are considered CCWA reaches and those owned by DWR are considered DWR reaches.

The Distribution Department is responsible for maintaining both the CCWA and the DWR reaches downstream of the Polonio Pass Water Treatment Plant.

Central Coast Water Authority
Distribution Department
Fiscal Year 2000/01 Budget

The following is a list of the various financial reaches including the facilities and/or landmarks located in each reach.

DWR REACHES

- Reach 33B Tank 1 through the Chorro Valley turnout
- Reach 34 Chorro Valley turnout through the Lopez turnout
- Reach 35 Lopez turnout through the Guadalupe turnout
- Reach 36 Deleted
- Reach 37 Guadalupe turnout to Southern Pacific Railroad crossing near Casmalia
- Reach 38 Southern Pacific Railroad crossing near Casmalia through Tank 5

CCWA REACHES

- Mission Hills Tank 5 to La Purisima Road
- Santa Ynez I La Purisima Road to the Santa Ynez Pumping Facility
- Santa Ynez II Santa Ynez Pumping Facility to Lake Cachuma

The table and map on page 143 shows the participation by project participant, by financial reach and the corresponding percentage share of the operating costs for each project participant in each reach.

Distribution Allocation of Operating Expenses by Financial Reach

The Distribution Department operating expenses are allocated among the financial reaches listed above based on allocation percentages established by the Authority. These percentages are based on the FY 1998/99 actual operating expenses. The financial reach allocation percentages are adjusted each year based on the year-end budget status report actual operating expenses from the preceding fiscal year. The following table provides the allocation percentages for the Distribution Department operating expenses.

Central Coast Water Authority
Distribution Department
 Fiscal Year 2000/01 Budget

<i>Distribution Department Financial Reach Allocation</i>	
Financial Reach	Allocation Percentage
Reach 33B	26.32%
Reach 34	9.30%
Reach 35	10.12%
Reach 37	6.06%
Reach 38	4.28%
Mission Hills II	10.59%
Santa Ynez I	19.07%
Santa Ynez II	14.27%
TOTAL:	100.00%

The expenses associated with the Distribution Department are divided into fixed and variable O&M costs.

Fixed O&M Costs are all costs of the distribution system that do not vary with the amount of water processed. Examples of these expenses include personnel costs, professional services and repair and maintenance costs.

Variable O&M Costs are all costs that vary with the amount of water processed. These costs include all chemical and electrical costs for the Distribution department including electrical costs at the Santa Ynez Pumping Facility.

Fiscal Year 2000/01 Operating Expense Budget

The Fiscal Year 2000/01 Distribution Department operating expense budget is \$1,564,608, which is \$174,418 higher than the previous year's budget of \$1,390,189 (net of Santa Ynez Exchange Agreement Modifications), an increase of 12.55%.

The personnel expense section of the Distribution Department budget represents approximately 44% of the budget. This is followed by utilities (21%) and professional services (15%) with other expenses making up the balance of the budget. The chart on page 144 shows percentage of the various components of the Distribution Department operating expense budget. Variable O&M costs are included in the supplies and equipment and utilities categories.

Personnel Expenses Personnel expenses are increasing by about \$21,000 for the following reasons:

- Salary increases in FY 2000/01 (\$24,622).
- Health insurance increase of about \$14,000 for a 17% increase in the year 2000 and an anticipated 10% increase in 2001.

Central Coast Water Authority
Distribution Department
Fiscal Year 2000/01 Budget

- The increases listed above were partially offset by the reallocation of 25% of the Regulatory Specialist position to the Water Treatment Plant Department from the Distribution Department.

Supplies and Equipment Supplies and equipment expenses are decreasing by approximately \$13,000 due to a decrease in the seed/erosion control supplies of \$7,000 and other miscellaneous account decreases of \$6,000.

Repairs and Maintenance The repairs and maintenance budget is increasing by about \$12,000 due to an increase in the equipment repairs and maintenance account and the landscape maintenance account based on the prior year actual expenses.

Professional Services The professional services budget is increasing by \$40,220 due to the following:

- Legal services increase of approximately \$58,000 for the Zurich storm damage insurance claim.
- Professional services decrease of about \$17,000 as a result of terminating the original SCADA system's monthly service agreement.

Utilities The utilities budget is increasing by about \$102,000 due to an increase in water deliveries to the South Coast project participants.

Non-Annual Recurring Expenses

As part of the budget process, certain expenses which occur periodically are identified and charged to the project participants over a number of years to minimize fluctuations in the annual O&M assessments. The assessment of the non-annual recurring expenses are charged to the project participants on an entitlement and financial reach basis.

FY 2000/01 Non-Annual Recurring Expenses

The FY 2000/01 Distribution Department non-annual recurring expenses total \$46,801 for the replacement of vehicles based on the Authority's ten-year vehicle replacement schedule (\$44,792) and future computer replacements (\$3,500).

The table on page 142 shows the allocation of the FY 2000/01 non-annual recurring expenses for the Distribution Department.

Central Coast Water Authority
Personnel Services Summary
Distribution Department
Fiscal Year 2000/01 Budget

PERSONNEL COUNT SUMMARY					
Position Title	Number	Number	Number	Change	Change
	Auth. FY 1998/99	Auth. FY 1999/00	Requested FY 2000/01	Over FY 1998/99	Over FY 1999/00
Operations Manager ⁽¹⁾	0.25	0.25	0.25	0	0
Project Engineer ⁽²⁾	0.55	0.55	0.55	0	0
Regulatory Specialist ⁽³⁾	0	1	0.75	1	-0.25
Distribution Supervisor	1	1	1	0	0
Instrumentation Technician	1	1	1	0	0
Maintenance/IC&R Technician	0	0.30	0.30	0.30	0
Distribution Technician	5	5	5	0	0
TOTAL:	7.8	9.1	8.85	1.1	-0.25

PERSONNEL WAGE SUMMARY			
Position Title	Position Classification	Maximum Monthly Salary	FY 1999/00 Current Salary
Operations Manager ⁽¹⁾	26	\$ 8,363	\$ 21,876
Project Engineer ⁽²⁾	23	\$ 7,106	\$ 41,310
Regulatory Specialist ⁽³⁾	17	\$ 5,130	\$ 43,571
Distribution Supervisor	19	\$ 5,719	\$ 58,094
Instrumentation Technician	16	\$ 4,859	\$ 58,302
Maintenance/IC&R Technician	14	\$ 4,359	\$ 13,023
Distribution Technicians	14	\$ 4,359	\$ 226,637
FY 2000/01 Salary Pool			\$ 24,622
TOTAL:			\$ 487,435

(1) The Operations Manager is allocated to Water Treatment Plant (75%) and Distribution (25%).

(2) The Project Engineer is allocated to Administration (25%), Water Treatment Plant (20%) and Distribution (55%).

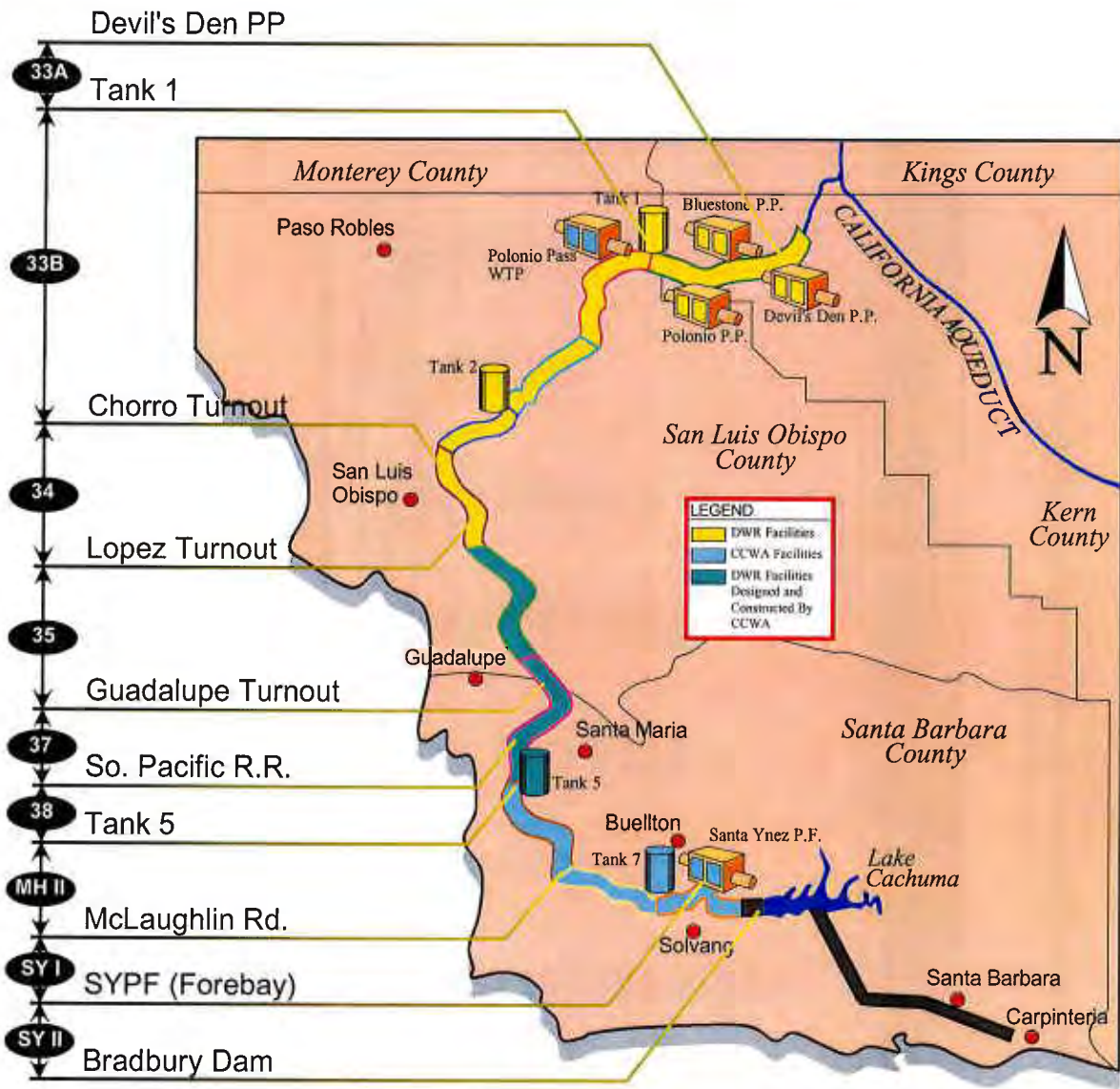
(3) The Regulatory Specialist is allocated to Water Treatment Plant (25%) and Distribution (75%).

Central Coast Water Authority
Distribution Department Non-Annual Recurring Expenses
 Fiscal Year 2000/01 Budget

Project Participant	WEIGHTED ENTITLEMENTS										Total Entitlement All Reaches	Melded Percentage	FY 2000/01 Non-Annual Recurring Expenses				
	Reach 33B Entitlement	Reach 34 Entitlement	Reach 35 Entitlement	Reach 37 Entitlement	Reach 38 Entitlement	Mission Hills II Entitlement	Santa Ynez I Entitlement	Santa Ynez II Entitlement	10.12%	6.06%				4.28%	10.59%	19.07%	14.27%
Shandon	142	-	-	-	-	-	-	-	-	-	-	-	-	-	142	0.06%	\$ 30
Chorro Valley	3,317	-	-	-	-	-	-	-	-	-	-	-	-	-	3,317	1.40%	705
Lopez	3,394	1,270	-	-	-	-	-	-	-	-	-	-	-	-	4,664	1.97%	991
Guadalupe	780	292	337	-	-	-	-	-	-	-	-	-	-	-	1,410	0.60%	300
Santa Maria	22,985	8,601	9,934	6,031	-	-	-	-	-	-	-	-	-	-	47,551	20.09%	10,104
SCWC	709	265	307	186	-	-	-	-	-	-	-	-	-	-	1,468	0.62%	312
VAFB	7,803	2,920	3,373	2,048	2,550	6,317	-	-	-	-	-	-	-	-	25,011	10.57%	5,315
Buelton	820	307	354	215	268	664	1,598	-	-	-	-	-	-	-	4,226	1.79%	898
Santa Ynez (Solvang)	2,128	796	920	558	696	1,723	4,147	-	-	-	-	-	-	-	10,968	4.63%	2,331
Santa Ynez	709	265	307	186	232	574	1,382	-	-	-	-	-	-	-	3,656	1.54%	777
Goleta	6,385	2,389	2,759	1,675	2,087	5,168	12,440	11,052	-	-	-	-	-	-	43,955	18.57%	9,340
Morehart Land	284	106	123	74	93	230	553	491	-	-	-	-	-	-	1,954	0.83%	415
La Cumbre	1,419	531	613	372	464	1,148	2,764	2,456	-	-	-	-	-	-	9,768	4.13%	2,076
Raytheon (SBRC)	71	27	31	19	23	57	138	123	-	-	-	-	-	-	488	0.21%	104
Santa Barbara	4,256	1,593	1,840	1,117	1,391	3,445	8,293	7,368	-	-	-	-	-	-	29,303	12.38%	6,227
Montecito	4,256	1,593	1,840	1,117	1,391	3,445	8,293	7,368	-	-	-	-	-	-	29,303	12.38%	6,227
Carpinteria	2,838	1,062	1,226	745	927	2,297	5,529	4,912	-	-	-	-	-	-	19,535	8.25%	4,151
TOTAL:	62,297	22,019	23,963	14,344	10,122	25,069	45,137	33,769	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	236,718	100.00%	\$ 50,301

The entitlement for each financial reach is adjusted for the weighted allocation percentage. (i.e., actual FY 1998/99 operating expense percentages). Includes funding for vehicle replacements (\$46,801) and computer replacements (\$3,500).

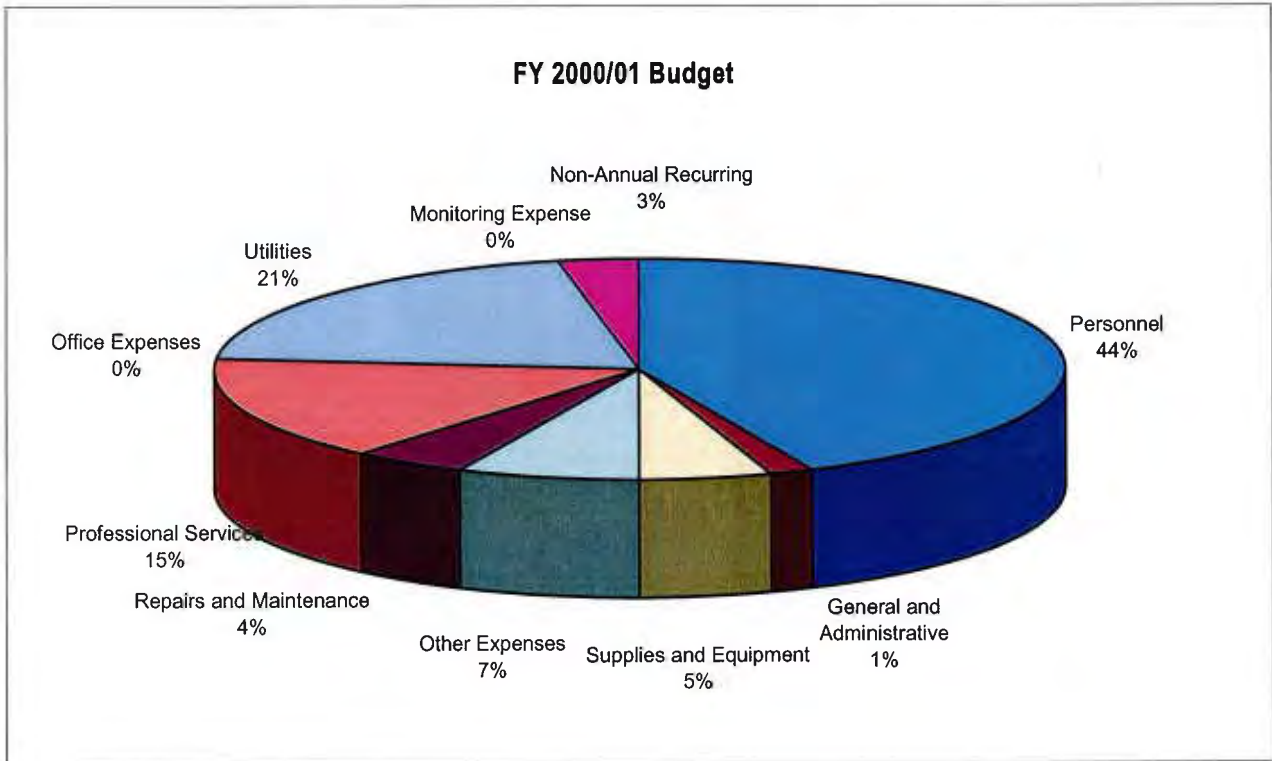
COASTAL BRANCH FINANCIAL REACHES



Purveyor	CONTRACT ENTITLEMENT IN FINANCIAL REACHES							
	WTP / 33B	34	35	37	38	MH II	SY I	SY II
Shandon	100							
Chorro Valley	2,338							
Lopez	2,392	2,392						
Guadalupe	550	550	550					
Santa Maria	16,200	16,200	16,200	16,200				
SCWC	500	500	500	500				
Vandenberg AFB	5,500	5,500	5,500	5,500	5,500	5,500		
Buellton	578	578	578	578	578	578	578	
Santa Ynez (Solvang)	1,500	1,500	1,500	1,500	1,500	1,500	1,500	
Santa Ynez	500	500	500	500	500	500	500	
Goleta	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500
Morehart Land	200	200	200	200	200	200	200	200
LaCumbre	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
SB Research	50	50	50	50	50	50	50	50
Santa Barbara	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Montecito	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700
Summerland	300	300	300	300	300	300	300	300
Carpinteria	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
TOTAL	43,908 AF	41,470 AF	39,078 AF	38,528 AF	21,828 AF	21,828 AF	16,328 AF	13,750 AF

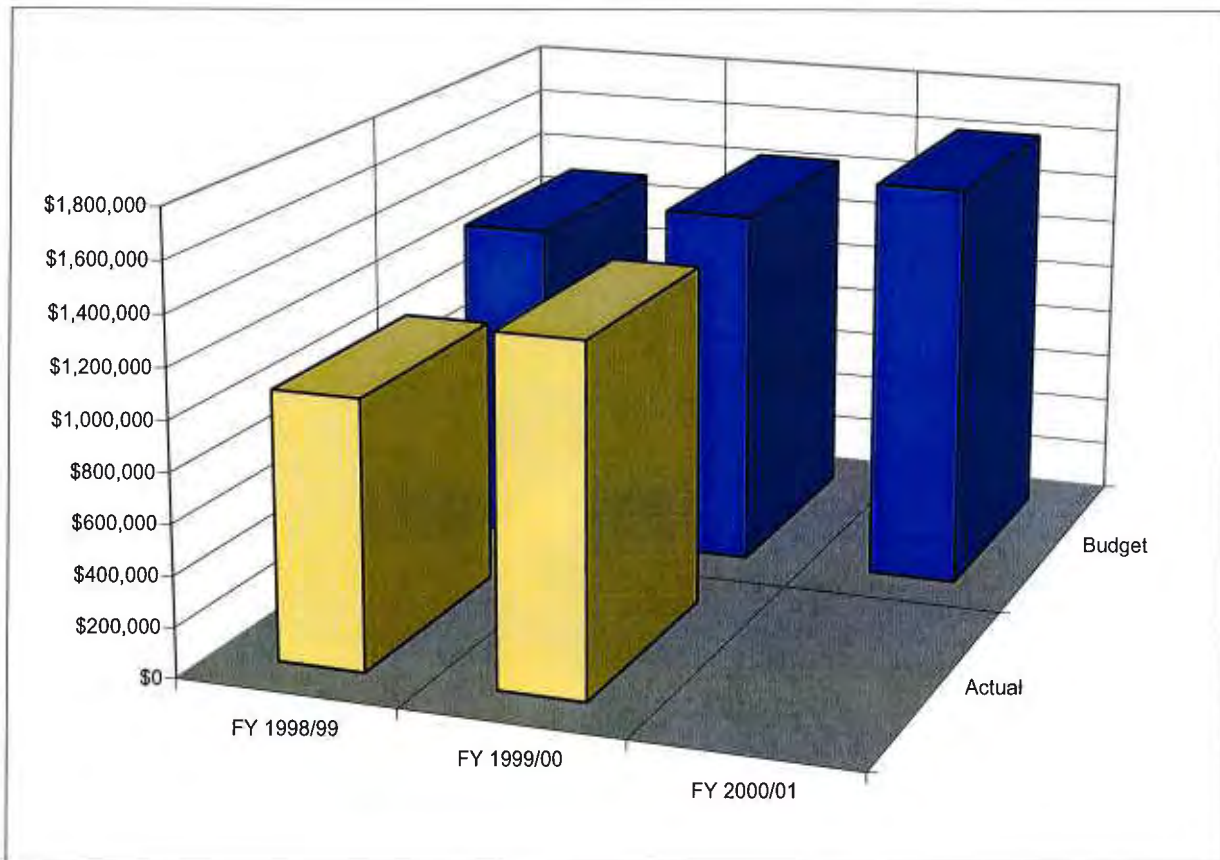
Central Coast Water Authority
Distribution Department Operating Expenses
 Fiscal Year 2000/01 Budget

Item	FY 2000/01 Budget
Personnel	\$ 701,769
Office Expenses	\$ 2,200
Supplies and Equipment	\$ 82,662
Monitoring Expenses	\$ -
Repairs and Maintenance	\$ 70,300
Professional Services	\$ 247,540
General and Administrative	\$ 23,400
Utilities	\$ 324,490
Other Expenses	\$ 112,246
Non-Annual Recurring	\$ 50,301
TOTAL:	\$ 1,614,909



Central Coast Water Authority
Distribution Department Operating Expenses
 Fiscal Year 2000/01 Budget

Item	FY 1998/99 Budget	FY 1998/99 Actual	FY 1999/00 Budget	FY 1999/00 Est. Actual	FY 2000/01 Budget
Personnel	\$ 624,628	\$ 617,340	\$ 680,379	\$ 649,160	\$ 701,769
Office Expenses	2,200	3,361	2,200	7,505	2,200
Supplies and Equipment	74,520	63,754	95,662	65,681	82,662
Monitoring Expenses	2,000	-	500	-	-
Repairs and Maintenance	45,000	121,963	58,380	87,151	70,300
Professional Services	110,200	90,564	207,320	346,912	247,540
General and Administrative	17,450	13,678	23,400	14,145	23,400
Utilities	247,400	51,868	222,450	93,968	324,490
Other Expenses	131,404	50,189	99,898	57,078	112,246
Subtotal	\$ 1,254,802	\$ 1,012,717	\$ 1,390,189	\$ 1,321,600	\$ 1,564,608
Non-Annual Recurring	\$ 53,120	\$ 53,120	\$ 48,292	\$ 48,292	\$ 50,301
TOTAL:	\$ 1,307,922	\$ 1,065,837	\$ 1,438,481	\$ 1,369,892	\$ 1,614,909



Central Coast Water Authority
Distribution Department Operating Expenses

Fiscal Year 2000/01 Administration/O&M Budget

Account Number	Account Name	FY 1998/99	FY 1998/99	FY 1999/00	FY 1999/00	FY 2000/01	Change		Percent Change from FY 1999/00 Budget
		Budget	Actual	Budget	Estimated Actual	Budget	From FY 1999/00 Budget	FY 1999/00 Budget	
PERSONNEL EXPENSES									
5000.10	Full-Time Regular Wages	\$ 441,737	\$ 415,515	\$ 480,003	\$ 446,911	\$ 487,435	\$ 7,432		1.55%
5000.20	Overtime	33,130	55,220	36,000	34,827	36,372	372		1.03%
5000.40	Standby Pay	4,500	6,178	6,000	7,053	4,000	(2,000)		-33.33%
5000.50	Shift Differential Pay	-	-	-	-	-	-		N/A
5100.10	PERS Retirement	67,586	66,973	66,308	62,523	64,587	(1,720)		-2.59%
5100.15	Medicare Taxes	6,886	6,753	7,482	7,041	7,595	113		1.51%
5100.20	Health Insurance	38,305	35,136	41,697	48,941	55,669	13,972		33.51%
5100.25	Workers' Compensation	13,862	9,779	10,158	12,635	12,251	2,093		20.60%
5100.30	Vehicle Expenses	-	-	-	-	-	-		N/A
5100.35	IRC 457-Employer Paid	-	-	-	-	2,000	2,000		N/A
5100.40	Cafeteria Plan Benefits	2,641	2,709	2,797	1,030	1,058	(1,739)		-62.17%
5100.45	Dental/Vision Plan	9,438	12,923	10,125	10,858	11,063	938		9.26%
5100.50	Long-Term Disability	3,225	2,642	2,928	2,628	2,918	(10)		-0.35%
5100.55	Life Insurance	1,778	1,995	2,542	2,298	2,601	60		2.35%
5100.60	Employee Physicals	1,040	685	1,040	1,240	1,040	-		0.00%
5000.30	Temporary Services	-	668	12,000	10,769	11,880	(120)		-1.00%
5100.70	Safety Incentive Program	-	-	800	-	800	-		0.00%
5100.65	Employee Education Reimbursement	500	163	500	406	500	-		0.00%
Total Personnel Expenses:		624,628	617,340	680,379	649,160	701,769	21,390		3.14%

Central Coast Water Authority
Distribution Department Operating Expenses

Fiscal Year 2000/01 Administration/O&M Budget

Account Number	Account Name	FY 1998/99 Budget	FY 1998/99 Actual	FY 1999/00 Budget	FY 1999/00 Estimated Actual	FY 2000/01 Budget	Change From FY 1999/00 Budget	Percent Change from FY 1999/00 Budget
OFFICE EXPENSES								
5200.10	Administrative Costs	-	-	-	-	-	-	N/A
5200.20	Office Supplies	1,200	2,551	1,200	6,827	1,200	-	0.00%
5200.30	Misc. Office Expenses	1,000	810	1,000	678	1,000	-	0.00%
Total Office Expenses:		2,200	3,361	2,200	7,505	2,200	-	0.00%

SUPPLIES AND EQUIPMENT

5500.10	Uniform Expenses	4,020	5,650	5,892	6,356	5,892	-	0.00%
5500.15	Minor Tools and Equipment	8,000	9,766	8,000	10,444	8,000	-	0.00%
5500.20	Spare Parts	20,000	7,187	20,000	610	15,000	(5,000)	-25.00%
5500.25	Landscape Equip. and Supplies	1,500	556	2,500	-	2,500	-	0.00%
5500.30	Chemicals-Fixed	-	-	-	-	-	-	N/A
5500.31	Chemicals-Variable	5,000	-	2,520	-	2,520	-	0.00%
5500.35	Maintenance Supplies/Hardware	10,000	11,288	10,000	13,668	10,000	-	0.00%
5500.40	Safety Supplies	5,000	7,798	6,000	2,605	5,000	(1,000)	-16.67%
5500.45	Fuel and Lubricants	15,000	17,734	18,250	21,023	18,250	-	0.00%
5500.50	Seed/Erosion Control Supplies	5,000	3,775	22,000	10,975	15,000	(7,000)	-31.82%
5500.55	Backflow Prevention Supplies	1,000	-	500	-	500	-	0.00%
Total Supplies and Equipment:		74,520	63,754	95,662	65,681	82,662	(13,000)	-13.59%

MONITORING EXPENSES

5600.10	Lab Supplies	1,000	-	-	-	-	-	N/A
5600.20	Lab Tools and Equipment	1,000	-	500	-	-	(500)	-100.00%
5600.30	Lab Testing	-	-	-	-	-	-	N/A
Total Monitoring Expenses:		2,000	-	500	-	-	(500)	-100.00%

Central Coast Water Authority
Distribution Department Operating Expenses
 Fiscal Year 2000/01 Administration/O&M Budget

Account Number	Account Name	FY 1998/99	FY 1998/99	FY 1999/00	FY 1999/00	FY 2000/01	Change		Percent Change from FY 1999/00 Budget
		Budget	Actual	Budget	Estimated Actual	Budget	From FY 1999/00 Budget	FY 1999/00 Budget	
5700.10	Equipment Repairs and Maint.	30,000	102,031	40,000	72,478	50,000	10,000	25.00%	
5700.20	Vehicle Repairs and Maint.	9,000	10,977	11,000	6,574	9,000	(2,000)	-18.18%	
5700.30	Building Maintenance	5,000	1,576	5,000	2,689	5,000	-	0.00%	
5700.40	Landscape Maintenance	1,000	7,380	2,380	5,411	6,300	3,920	164.71%	
Total Repairs and Maintenance:		45,000	121,963	58,380	87,151	70,300	11,920	20.42%	

REPAIRS AND MAINTENANCE

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Account Number	Account Name	FY 1998/99	FY 1998/99	FY 1999/00	FY 1999/00	FY 2000/01	Change		Percent Change from FY 1999/00 Budget
		Budget	Actual	Budget	Estimated Actual	Budget	From FY 1999/00 Budget	FY 1999/00 Budget	
5400.10	Professional Services	35,200	55,852	183,320	189,580	166,600	(16,720)	-9.12%	
5400.20	Legal Services	-	9,318	-	134,857	58,440	58,440	N/A	
5400.30	Engineering Services	10,000	-	10,000	6,953	10,000	-	0.00%	
5400.40	Permits	5,000	1,187	2,500	446	1,000	(1,500)	-60.00%	
5400.50	Non-Contractual Services	60,000	24,206	11,500	15,074	11,500	-	0.00%	
5400.60	Accounting Services	-	-	-	-	-	-	N/A	
5400.70	Payroll Service	-	-	-	-	-	-	N/A	
Total Professional Services:		110,200	90,564	207,320	346,912	247,540	40,220	19.40%	

PROFESSIONAL SERVICES

Central Coast Water Authority
Distribution Department Operating Expenses
 Fiscal Year 2000/01 Administration/O&M Budget

Account Number	Account Name	FY 1998/99 Budget	FY 1998/99 Actual	FY 1999/00 Budget	FY 1999/00 Estimated Actual	FY 2000/01 Budget	Change From FY 1999/00 Budget	Percent Change from FY 1999/00 Budget
<u>GENERAL AND ADMINISTRATIVE</u>								
5300.10	Meeting and Travel	7,000	3,208	9,000	2,225	9,000	-	0.00%
5300.20	Mileage Reimbursement	500	-	500	-	-	(500)	-100.00%
5300.30	Dues and Memberships	750	366	1,000	393	700	(300)	-30.00%
5300.40	Publications	1,000	558	500	640	1,000	500	100.00%
5300.50	Training	7,500	9,335	12,000	10,368	12,000	-	0.00%
5300.60	Advertising	200	-	200	-	200	-	0.00%
5300.70	Printing and Binding	-	-	-	-	-	-	N/A
5300.80	Postage	500	212	200	520	500	300	150.00%
Total General and Administrative:		17,450	13,678	23,400	14,145	23,400	-	0.00%
<u>UTILITIES</u>								
5800.10	Other Utilities	-	-	-	-	-	-	N/A
5800.20	Natural Gas	600	385	400	518	400	-	0.00%
5800.30	Electric Fixed	51,900	20,696	24,900	23,880	22,500	(2,400)	-9.64%
5800.35	Electric-Variable	180,200	3,036	180,200	50,825	284,640	104,440	57.96%
5800.40	Water	1,200	787	1,200	930	1,200	-	0.00%
5800.50	Telephone	12,000	26,672	15,000	17,341	15,000	-	0.00%
5800.60	Waste Disposal	1,500	293	750	475	750	-	0.00%
Total Utilities:		247,400	51,868	222,450	93,968	324,490	102,040	45.87%

Central Coast Water Authority
Distribution Department Operating Expenses
 Fiscal Year 2000/01 Administration/O&M Budget

Account Number	Account Name	FY 1998/99 Budget	FY 1998/99 Actual	FY 1999/00 Budget	FY 1999/00 Estimated Actual	FY 2000/01 Budget	Change From FY 1999/00 Budget	Percent Change from FY 1999/00 Budget
<u>OTHER EXPENSES</u>								
5900.10	Insurance	36,491	28,588	36,491	36,491	39,253	2,762	7.57%
5900.20	Insurance Claim Deductibles	-	-	-	-	-	-	N/A
5900.30	Facilities Rent	47,808	19,527	-	-	-	-	N/A
5900.40	Equipment Rental	8,000	4,386	12,000	5,951	12,000	-	0.00%
5900.50	Non-Capitalized Equipment	6,000	1,065	15,000	11,063	15,000	-	0.00%
5900.60	Computer Expenses	2,500	2,715	2,500	3,572	7,832	5,332	213.28%
5900.70	Appropriated Contingency	30,605	(6,092)	33,907	-	38,161	4,254	12.55%
	Total Other Expenses:	131,404	50,189	99,898	57,078	112,246	12,348	12.36%
	TOTAL OPERATING EXPENSES	\$ 1,254,802	\$ 1,012,717	\$ 1,390,189	\$ 1,321,600	\$ 1,564,608	174,418	12.55%

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION DEPARTMENT FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5000.10

ACCOUNT TITLE: Full-Time Regular Salaries

Description: Funds for the Distribution regular full-time employees. Includes proposed \$25,394 salary pool.

FY 00/01 Requested Budget	487,435
FY 99/00 Estimated Actual	446,911
Increase (Decrease)	40,524

ACCOUNT NUMBER: 5000.20

ACCOUNT TITLE: Overtime

Description: Funds for overtime expenses for non-exempt Distribution employees.

FY 00/01 Requested Budget	36,372
FY 99/00 Estimated Actual	34,827
Increase (Decrease)	1,545

Overtime is set at 5.0% of salaries plus one hour per day to monitor SCADA system.

ACCOUNT NUMBER: 5000.30

ACCOUNT TITLE: Temporary Services

Description: Temporary services for the Distribution Department.

FY 00/01 Requested Budget	11,880
FY 99/00 Estimated Actual	10,769
Increase (Decrease)	1,111

\$	8,640	ROW watering
\$	2,160	ROW planting and maintenance
\$	1,080	Other
\$	11,880	TOTAL

ACCOUNT NUMBER: 5000.40

ACCOUNT TITLE: Standby Pay

Description: Funds for stand-by pay for those employees assigned to stand-by duty.

FY 00/01 Requested Budget	4,000
FY 99/00 Estimated Actual	7,053
Increase (Decrease)	(3,053)

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION DEPARTMENT FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5000.50

ACCOUNT TITLE: Shift Differential Pay

Description: Not anticipated.

FY 00/01 Requested Budget	-
FY 99/00 Estimated Actual	-
Increase (Decrease)	-

ACCOUNT NUMBER: 5100.10

ACCOUNT TITLE: PERS Retirement

Description: Funds for the employer and employee portion of PERS retirement system contributions.

FY 00/01 Requested Budget	64,587
FY 99/00 Estimated Actual	62,523
Increase (Decrease)	2,064

Based on a 13.503% contribution rate for FY 2000/01. Decrease is due to a lower employer rate for FY 2000/01 of 6.503% compared to the FY 1999/00 rate of 6.814%.

ACCOUNT NUMBER: 5100.15

ACCOUNT TITLE: Medicare

Description: Funds for the employer portion of Medicare taxes for the Distribution department. Amount is equal to 1.45% of regular and overtime wages.

FY 00/01 Requested Budget	7,595
FY 99/00 Estimated Actual	7,041
Increase (Decrease)	554

ACCOUNT NUMBER: 5100.20

ACCOUNT TITLE: Health Insurance

Description: Funds for the employer provided portion of medical insurance coverage for Distribution employees. Amount is based on the Cafeteria plan limits for each employee based on their dependent status as follows:

FY 00/01 Requested Budget	55,669
FY 99/00 Estimated Actual	48,941
Increase (Decrease)	6,728

Family: \$5,100
Emp+1: \$3,720
Emp: \$1,860

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION DEPARTMENT FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5100.25

ACCOUNT TITLE: Workers' Compensation Insurance

Description: Funds for Workers' Compensation insurance for the Distribution Department. Assumes the same rate as the previous fiscal year of \$2.65 per \$100 of covered wages for water works employees with an X-Mod rate of 85%.

FY 00/01 Requested Budget	12,251
FY 99/00 Estimated Actual	12,635
Increase (Decrease)	(384)

ACCOUNT NUMBER: 5100.35

ACCOUNT TITLE: Employer Paid Deferred Compensation

Description: Funds for employer paid deferred compensation contributions for the Operations Manager.

FY 00/01 Requested Budget	2,000
FY 99/00 Estimated Actual	-
Increase (Decrease)	2,000

ACCOUNT NUMBER: 5100.40

ACCOUNT TITLE: Cafeteria Plan Benefits

Description: Funds for the portion of the cafeteria plan benefits which exceed the premium costs for the Distribution employees based on each employee's benefit election.

FY 00/01 Requested Budget	1,058
FY 99/00 Estimated Actual	1,030
Increase (Decrease)	29

ACCOUNT NUMBER: 5100.45

ACCOUNT TITLE: Dental/Vision Plan

Description: Funds for the self-funded dental/vision plan. The plan provides \$2,500 per year per family for dental and vision expenses. Budgeted amount is \$1,250 per year anticipating that the expenses will average this amount.

FY 00/01 Requested Budget	11,063
FY 99/00 Estimated Actual	10,858
Increase (Decrease)	204

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION DEPARTMENT FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5100.50

ACCOUNT TITLE: Long-Term Disability

Description: Funds for premiums paid for long-term disability insurance. Based on a rate of \$0.61 per \$100 of salary.

FY 00/01 Requested Budget	2,918
FY 99/00 Estimated Actual	2,628
Increase (Decrease)	290

ACCOUNT NUMBER: 5100.55

ACCOUNT TITLE: Life Insurance

Description: Funds for the employer paid life insurance premiums for each employee. CCWA policy provides life insurance equal to 150% of an employees annual salary to a maximum of \$100,000.

FY 00/01 Requested Budget	2,601
FY 99/00 Estimated Actual	2,298
Increase (Decrease)	303

ACCOUNT NUMBER: 5100.60

ACCOUNT TITLE: Employee Physicals

Description: Funds for employee physicals paid by CCWA. Employees using self contained breathing apparatus are required to have a yearly physical.

FY 00/01 Requested Budget	1,040
FY 99/00 Estimated Actual	1,240
Increase (Decrease)	(200)

\$ 1,040 8 employees @ \$130

ACCOUNT NUMBER: 5100.65

ACCOUNT TITLE: Employee Education Reimbursement

Description: Funds for reimbursement of employee education expenses under the policy established by CCWA.

FY 00/01 Requested Budget	500
FY 99/00 Estimated Actual	406
Increase (Decrease)	94

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION DEPARTMENT FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5100.70

ACCOUNT TITLE: Safety Incentive Program

Description: Funds to encourage employee safety through safety awards and incentive programs. This program was recommended by JPIA.

FY 00/01 Requested Budget	800
FY 99/00 Estimated Actual	-
Increase (Decrease)	800

ACCOUNT NUMBER: 5200.20

ACCOUNT TITLE: Office Supplies

Description: Funds for office supplies for the Distribution Department. Based on \$100 per month in office supply expenses.

FY 00/01 Requested Budget	1,200
FY 99/00 Estimated Actual	6,827
Increase (Decrease)	(5,627)

ACCOUNT NUMBER: 5200.30

ACCOUNT TITLE: Miscellaneous Office Expenses

Description: Funds for miscellaneous expenses such as picture developing, awards, business cards, kitchen supplies, etc.

FY 00/01 Requested Budget	1,000
FY 99/00 Estimated Actual	678
Increase (Decrease)	322

ACCOUNT NUMBER: 5300.10

ACCOUNT TITLE: Meeting and Travel

Description: Funds for Distribution Department employee meetings and travel expenses.

FY 00/01 Requested Budget	9,000
FY 99/00 Estimated Actual	2,225
Increase (Decrease)	6,775

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION DEPARTMENT FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5300.20

ACCOUNT TITLE: Mileage Reimbursement

Description: Funds for reimbursement to employees for mileage expenses.

FY 00/01 Requested Budget	
FY 99/00 Estimated Actual	-
Increase (Decrease)	-

ACCOUNT NUMBER: 5300.30

ACCOUNT TITLE: Dues and Memberships

Description: Funds for professional dues and memberships in required areas.

FY 00/01 Requested Budget	700
FY 99/00 Estimated Actual	393
Increase (Decrease)	307

ACCOUNT NUMBER: 5300.40

ACCOUNT TITLE: Publications

Description: Funds for publications received by the Distribution Department.

FY 00/01 Requested Budget	1,000
FY 99/00 Estimated Actual	640
Increase (Decrease)	360

ACCOUNT NUMBER: 5300.50

ACCOUNT TITLE: Training

Description: Funds for training Distribution Department staff. Does not include educational reimbursement.

FY 00/01 Requested Budget	12,000
FY 99/00 Estimated Actual	10,368
Increase (Decrease)	1,632

\$ 12,000 \$1,500 per employee

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION DEPARTMENT FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5300.60

ACCOUNT TITLE: Advertising

Description: Funds for public relations materials
for the Distribution Department including open position advertising.

FY 00/01 Requested Budget	200
FY 99/00 Estimated Actual	-
Increase (Decrease)	200

ACCOUNT NUMBER: 5300.70

ACCOUNT TITLE: Printing and Binding

Description: _____

FY 00/01 Requested Budget	-
FY 99/00 Estimated Actual	-
Increase (Decrease)	-

ACCOUNT NUMBER: 5300.80

ACCOUNT TITLE: Postage

Description: Funds for all postal and mail expenses
for the Distribution Department.

FY 00/01 Requested Budget	500
FY 99/00 Estimated Actual	520
Increase (Decrease)	(20)

ACCOUNT NUMBER: 5400.10

ACCOUNT TITLE: Professional Services

Description:

\$	130,000	Environmental Services
\$	23,000	Cathodic protection
\$	6,000	I&C
\$	4,000	Miscellaneous
\$	1,600	Aerial survey
\$	1,500	Security
\$	500	Oil analysis
\$	166,600	TOTAL

FY 00/01 Requested Budget	166,600
FY 99/00 Estimated Actual	189,580
Increase (Decrease)	(22,980)

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION DEPARTMENT FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5400.20

ACCOUNT TITLE: Legal Services

Description: Funds for legal services associated with the Zurich storm damage insurance claim.

FY 00/01 Requested Budget	58,440
FY 99/00 Estimated Actual	134,857
Increase (Decrease)	(76,417)

ACCOUNT NUMBER: 5400.30

ACCOUNT TITLE: Engineering Services

Description: Funds for all non-capitalized engineering services.

FY 00/01 Requested Budget	10,000
FY 99/00 Estimated Actual	6,953
Increase (Decrease)	3,047

ACCOUNT NUMBER: 5400.40

ACCOUNT TITLE: Permits

Description: Funds for all required permits for the Distribution Department.

FY 00/01 Requested Budget	1,000
FY 99/00 Estimated Actual	446
Increase (Decrease)	554

ACCOUNT NUMBER: 5400.50

ACCOUNT TITLE: Non-Contractual Services

Description: All non contractual services including: emergency generator or other equipment service.

FY 00/01 Requested Budget	11,500
FY 99/00 Estimated Actual	15,074
Increase (Decrease)	(3,574)

\$	5,000	Emergency generator and equipment service
\$	5,000	Electrical repair service
\$	1,500	PM software service contract
\$	11,500	

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION DEPARTMENT FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5500.10

ACCOUNT TITLE: Uniform Expenses

Description: Funds for employer provided uniforms including reimbursement of uniform expenses to employees.

FY 00/01 Requested Budget	5,892
FY 99/00 Estimated Actual	6,356
Increase (Decrease)	(464)

\$	3,792	Uniform Service (\$316 month))
\$	800	Blue jean pants (\$100/year for 8 employees)
\$	1,000	Boots (\$125/year for 8 employees)
\$	300	Misc. uniform requirements (jackets, etc.)
\$	5,892	TOTAL

ACCOUNT NUMBER: 5500.15

ACCOUNT TITLE: Minor Tools and Equipment

Description: Funds for the purchase of minor tools and equipment.

FY 00/01 Requested Budget	8,000
FY 99/00 Estimated Actual	10,444
Increase (Decrease)	(2,444)

ACCOUNT NUMBER: 5500.20

ACCOUNT TITLE: Spare Parts

Description: Funds for rebuilding equipment and to maintain spare parts inventory.
(This line item will be phased out after this fiscal year.)

FY 00/01 Requested Budget	15,000
FY 99/00 Estimated Actual	610
Increase (Decrease)	14,390

ACCOUNT NUMBER: 5500.25

ACCOUNT TITLE: Landscape Equipment and Supplies

Description: Funds for the purchase of equipment and supplies for landscape maintenance at the pump station and the Buellton office.

FY 00/01 Requested Budget	2,500
FY 99/00 Estimated Actual	-
Increase (Decrease)	2,500

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION DEPARTMENT FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5500.30

ACCOUNT TITLE: Chemicals-Fixed

Description: Funds for the purchase of chemicals for the Distribution Department such as chlorine, ammonia and sodium thiosulfite.

FY 00/01 Requested Budget	2,520
FY 99/00 Estimated Actual	-
Increase (Decrease)	2,520

\$	360	Santa Ynez I
\$	360	Mission Hills II
\$	1,800	DWR Reaches 33B to 38 equally
\$	2,520	TOTAL

ACCOUNT NUMBER: 5500.35

ACCOUNT TITLE: Maintenance Supplies/Hardware

Description: Funds for the purchase of disposable tools, pipe and pipefittings, wood, steel and other metals, hardware, nuts and bolts, and other hardware materials.

FY 00/01 Requested Budget	10,000
FY 99/00 Estimated Actual	13,668
Increase (Decrease)	(3,668)

ACCOUNT NUMBER: 5500.40

ACCOUNT TITLE: Safety Supplies

Description: Purchases of minor safety supplies including first aid kit purchases and non-capitalized safety equipment purchases.

FY 00/01 Requested Budget	5,000
FY 99/00 Estimated Actual	2,605
Increase (Decrease)	2,395

ACCOUNT NUMBER: 5500.45

ACCOUNT TITLE: Fuel and Lubricants

Description: Funds for the purchase of fuel and lubricants for Distribution Department vehicles. Does not include mileage reimbursement expenses.

FY 00/01 Requested Budget	18,250
FY 99/00 Estimated Actual	21,023
Increase (Decrease)	(2,773)

\$	14,000	Vehicles
\$	2,000	Emergency Generator Sets
\$	1,500	Lubricants
\$	750	Miscellaneous
\$	18,250	TOTAL

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION DEPARTMENT FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5500.50

ACCOUNT TITLE: Seed/Plants/Erosion Control Supplies

Description: Funds for reseeding, replanting and erosion control supplies.

FY 00/01 Requested Budget	15,000
FY 99/00 Estimated Actual	10,975
Increase (Decrease)	4,025

\$	2,000	Seed
\$	10,000	Plants and materials
\$	3,000	Erosion control
\$	15,000	TOTAL

ACCOUNT NUMBER: 5500.55

ACCOUNT TITLE: Backflow Prevention Supplies

Description: Funds for backflow prevention.

FY 00/01 Requested Budget	500
FY 99/00 Estimated Actual	-
Increase (Decrease)	500

ACCOUNT NUMBER: 5600.10

ACCOUNT TITLE: Laboratory Supplies

Description: Lab supplies for field testing are purchased under the WTP laboratory supplies line item.

FY 00/01 Requested Budget	-
FY 99/00 Estimated Actual	-
Increase (Decrease)	-

ACCOUNT NUMBER: 5600.20

ACCOUNT TITLE: Laboratory Tools and Equipment

Description: Lab equipment for field testing is purchased under the WTP laboratory tools and equipment line item.

FY 00/01 Requested Budget	-
FY 99/00 Estimated Actual	-
Increase (Decrease)	-

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION DEPARTMENT FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5700.10

ACCOUNT TITLE: Equipment Repairs and Maintenance

Description: Funds for repairs and maintenance of
Distribution Department equipment.

FY 00/01 Requested Budget	50,000
FY 99/00 Estimated Actual	72,478
Increase (Decrease)	(22,478)

ACCOUNT NUMBER: 5700.20

ACCOUNT TITLE: Vehicle Repairs and Maintenance

Description: Funds for the repair and maintenance
of Distribution Department vehicles.

FY 00/01 Requested Budget	9,000
FY 99/00 Estimated Actual	6,574
Increase (Decrease)	2,426

ACCOUNT NUMBER: 5700.30

ACCOUNT TITLE: Building Maintenance

Description: Funds for the repair and maintenance
of the Santa Ynez Pumping Facility.

FY 00/01 Requested Budget	5,000
FY 99/00 Estimated Actual	2,689
Increase (Decrease)	2,311

\$	2,500	Janitorial service
\$	2,500	Miscellaneous Repairs
\$	5,000	TOTAL

ACCOUNT NUMBER: 5700.40

ACCOUNT TITLE: Landscape Maintenance

Description: Funds for the maintenance of the
Santa Ynez Pumping Facility.

FY 00/01 Requested Budget	6,300
FY 99/00 Estimated Actual	5,411
Increase (Decrease)	889

\$	600	SYPF (\$204 month)
\$	700	SYPF spring mowing
\$	5,000	SYPF sprinkler repairs
\$	6,300	TOTAL

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION DEPARTMENT FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5800.20

ACCOUNT TITLE: Natural Gas Service

Description: Funds for natural gas service for the
Distribution Department.

FY 00/01 Requested Budget	400
FY 99/00 Estimated Actual	518
Increase (Decrease)	(118)

ACCOUNT NUMBER: 5800.30

ACCOUNT TITLE: Electric Service-Fixed

Description: Funds for electrical service for the Distribution Dept.

FY 00/01 Requested Budget	22,500
FY 99/00 Estimated Actual	23,880
Increase (Decrease)	(1,380)

\$	3,600	Suite B & C	\$300 month
\$	2,700	9 Turnouts	\$300 month
\$	1,200	4 Iso vaults	\$300 month
\$	2,400	2 Tanks	\$200 month
\$	3,000	11 Rectifiers	\$250 month
\$	3,600	EDV	\$300 month
\$	6,000	SYPF	\$500 month
	22,500	TOTAL	

ACCOUNT NUMBER: 5800.31

ACCOUNT TITLE: Electric Service-Variable

Description: Funds for electrical service for the
Distribution Department.

FY 00/01 Requested Budget	284,640
FY 99/00 Estimated Actual	50,825
Increase (Decrease)	233,815

Acre feet pumped	4,744
Cost per acre foot	\$60
TOTAL	\$284,640

ACCOUNT NUMBER: 5800.40

ACCOUNT TITLE: Water/Sewer

Description: Funds for water and sewer service to
the Distribution Department.

FY 00/01 Requested Budget	1,200
FY 99/00 Estimated Actual	930
Increase (Decrease)	270

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION DEPARTMENT FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5800.50

ACCOUNT TITLE: Telephone

Description: Funds for Distribution Department phones including long distance, pagers and cellular phone bills.

FY 00/01 Requested Budget	15,000
FY 99/00 Estimated Actual	17,341
Increase (Decrease)	(2,341)

ACCOUNT NUMBER: 5800.60

ACCOUNT TITLE: Waste Disposal

Description: Funds for trash service and removal of hazardous waste (waste oil) for the Distribution Department.

FY 00/01 Requested Budget	750
FY 99/00 Estimated Actual	475
Increase (Decrease)	275

ACCOUNT NUMBER: 5900.10

ACCOUNT TITLE: Insurance

Description: Funds for insurance coverage.

FY 00/01 Requested Budget	39,253
FY 99/00 Estimated Actual	36,491
Increase (Decrease)	2,762

\$	16,156	Property & Auto Insurance as apportioned by JPIA.
\$	23,097	General liability and E&O insurance pro rated by salary percentages.
\$	39,253	TOTAL

ACCOUNT NUMBER: 5900.40

ACCOUNT TITLE: Equipment Rental

Description: Funds for rental of equipment for the Distribution Department.

FY 00/01 Requested Budget	12,000
FY 99/00 Estimated Actual	5,951
Increase (Decrease)	6,049

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION DEPARTMENT FY 2000/01 BUDGET**

ACCOUNT NUMBER: 5900.50

ACCOUNT TITLE: Non-Capitalized Fixed Assets

Description: Funds for the purchase of non-capitalized equipment purchases. These equipment purchases are generally under \$1,000 in cost with an estimated useful life under 5 years.

FY 00/01 Requested Budget	15,000
FY 99/00 Estimated Actual	11,063
Increase (Decrease)	3,937

ACCOUNT NUMBER: 5900.60

ACCOUNT TITLE: Computer Expenses

Description: Funds for computer expenses including minor software purchases, minor equipment purchases and service contracts.

FY 00/01 Requested Budget	7,832
FY 99/00 Estimated Actual	3,572
Increase (Decrease)	4,260

Line item is increased for FY 2000/01 to purchase network diagnostic, Auto CAD upgrade, Arc View software and SCADA System maintenance service contract.

ACCOUNT NUMBER: 5900.70

ACCOUNT TITLE: Appropriated Contingency

Description: 2.5% of requested budget.

FY 00/01 Requested Budget	36,700
FY 99/00 Estimated Actual	-
Increase (Decrease)	36,700

Central Coast Water Authority
Non-Operating Expenses
Fiscal Year 2000/01 Budget

The Non-Operating Expenses section of the Authority budget includes all expenditures which are not expressly associated with the day-to-day operations of the Authority. The non-operating expenses section of the budget is separated into three (3) sections: capital improvements, debt management and reserves.

Capital Improvements

These expenditures are for major fixed asset purchases as well as cost accumulation of construction projects undertaken by the Authority. In order for expenditures to be classified as capital items, they must meet the Generally Accepted Accounting Principles (GAAP) guidelines for capital expenditures.

The Authority uses a minimum \$1,000 asset purchase price to qualify for capitalization for fixed asset purchases. Fixed asset purchases under \$1,000 are expensed in the operating expense section of the budget.

The Authority depreciates its fixed assets between five and 50 years based on a straight line basis. Depreciation expense is not included in the budget because it is a non-cash item.

Debt Management

This section of the non-operating expense budget provides funding for the principal and interest payments on the 1996 revenue bond issue.

Reserves

The reserve balances are not actually expenditures of cash. However, for budgetary purposes, payments to reserve funds are treated as cash payments. These payments are made to cash reserves for future use by the Authority.



Photo © Madeline McLeod/CNPS

Indian Knob Mountainbalm

Legal Status: Federal Endangered Species
California Endangered Species

Range: Western San Luis Obispo County
Habitat: Occurs in maritime chaparral on tar sands or on Baywood fine sands.
Size: Ranges from 6 to 13 feet tall



Central Coast Water Authority
Capital Improvements
 Fiscal Year 2000/01 Budget

The Capital Improvements Projects (CIP) section is a component of the non-operating expense section of the budget. The CIP budget includes expenses for fixed asset/equipment purchases as well as the accumulation of expenses associated with construction projects undertaken by the Authority. The total CIP budget for FY 2000/01 is \$224,680.

There are two (2) components of the CIP budget: (1) **New Facilities and Equipment** and (2) **Equipment Replacement and Repair**.

New Facilities and Equipment (NFE)

This section of the CIP budget provides funding for new purchases of facilities and equipment needed by the Authority. These purchases are generally for items which the Authority does not already have.

For FY 2000/01 the NFE budget is \$114,463. The budgeted expenditures for NFE are listed below.

Gasoline Storage Tank	\$10,102
Gas Monitor	\$3,368
Sed Basin Flight Drive Guards	\$4,266
Computer-Accounting Department	<u>\$3,383</u>
CIP Funded from FY 2000/01 Assessments	\$21,119
High Range Weed Mower	\$2,819
Flatbed Trailer	\$4,510
Safety Retrieval Tripod	\$4,510
Chart Recorder	\$5,074
Fiberoptic Toning Package	<u>\$9,020</u>
CIP Funded from Bond Funds and Capital Deposits	\$25,933
Two Full Sized Four Wheel Drive Pickups	\$32,247
Small Four Wheel Drive Pickup	\$18,614
Mini Van	<u>\$16,550</u>
CIP Funded from Non-Annual Recurring Expense Deposits	\$67,411
 TOTAL NFE BUDGET:	 \$114,463

Central Coast Water Authority
Capital Improvements
Fiscal Year 2000/01 Budget

Equipment Replacement and Repair (ERR)

This section of the CIP budget provides funding for the repair and replacement of existing facilities and equipment.

For FY 2000/01 the ERR budget is \$110,217. The budgeted expenditures for ERR are listed below.

<u>Assessment Funded ERR</u>	
WTP Decant Pump Roof and Catwalk	\$15,750
WTP PLC Logic Cleanup and Documentation	\$14,280
WTP Emergency Escape Gate	<u>\$3,150</u>
Total Assessment Funded ERR:	\$33,180
<u>Project Funds Funded ERR</u>	
Safety Fence at Talley Farms Bridge	\$11,000
Slurry Seal Parking Lot at Buellton Office	\$2,887
Hydraulic Hose Replacement at EDV	\$3,150
Isolation Vault Repairs	<u>\$60,000</u>
Total Project Funds Funded ERR:	\$77,037
TOTAL ERR BUDGET:	\$110,217

Carry-Over

During the previous fiscal year, certain capital improvement projects were either not completed or started during the year. However, the Authority intends to complete these projects and expend the funds in the next fiscal year. Therefore, the items are treated as a "carry-over." This means that the project is being carried forward from the previous fiscal year to the new fiscal year capital improvement budget. Additionally, the unused funds are moved from the previous fiscal year to the new fiscal year. There are no carry-over capital improvement projects for FY 2000/01.

Funding of Capital Improvements Expenditures

The FY 2000/01 CIP expenditures are being funded from three funding sources – FY 2000/01 O&M Assessments (\$54,299), Non-Annual Recurring Expense Deposits (\$67,411) and Revenue Bond and Capital Deposits (\$102,970).

The table on the following page shows the allocation of FY 2000/01 capital improvements by department.

Central Coast Water Authority
Capital Improvements
 Fiscal Year 2000/01 Budget

FY 2000/01 Capital Improvements					
Capital Improvements	Water Treatment				
	Administration	Plant	Distribution	Total	
Assessment Funded CIP					
Computer	3,383			\$	3,383
WTP Emergency Escape Gate		3,150			3,150
Gas Monitor (back-up)		3,368			3,368
Sedimentation Basin Flight Drive Guards		4,266			4,266
Gasoline Storage Tank		10,102			10,102
WTP Process Logic Controller					
Logic Clean Up		14,280			14,280
WTP Decant Pump Roof and Catwalk		15,750			15,750
Subtotal:	<u>3,383</u>	<u>\$ 50,916</u>	<u>\$ -</u>	<u>\$</u>	<u>54,299</u>
Non-Annual Recurring Expense Funded CIP					
Small Four Wheel Drive Pickup			18,614		18,614
Mini Van			16,550		16,550
Two Full Sized Four Wheel Drive Pickups			32,247		32,247
Subtotal:	<u>-</u>	<u>-</u>	<u>67,411</u>		<u>67,411</u>
Revenue Bond and Capital Deposit Funded CIP					
High Range Mower			2,819		2,819
Slurry Seal Parking Lot at Buellton office			2,887		2,887
Hydraulic Hose Replacement at Energy Dissipation Vault			3,150		3,150
Flatbed Trailer			4,510		4,510
Safety Retrieval Tripod			4,510		4,510
Chart Recorder			5,074		5,074
Fiberoptic Toning Package			9,020		9,020
Safety Fence at Talley Farms Bridge			11,000		11,000
Isolation Vault Waterproofing Repairs			60,000		60,000
Subtotal:	<u>-</u>	<u>-</u>	<u>102,970</u>		<u>102,970</u>
TOTAL CIP	<u>\$ 3,383</u>	<u>\$ 50,916</u>	<u>\$ 170,381</u>	<u>\$</u>	<u>224,680</u>

Central Coast Water Authority
Capital Improvements
Fiscal Year 2000/01 Budget

State Water Project Construction Project

The facilities constructed by the Authority generally include a water treatment plant located at Polonio Pass in northeastern San Luis Obispo County to serve Santa Barbara County project participants and San Luis Obispo County water purchasers and a transmission system to serve Santa Barbara County project participants consisting of: (1) the Mission Hills Extension, a buried pipeline approximately 13.3 miles long running from the terminus of the Coastal Branch Phase II on Vandenberg Air Force Base in Santa Barbara County southerly to the vicinity of the Lompoc Valley and (2) the Santa Ynez Extension, a buried pipeline approximately 29.8 miles long running from the terminus of the Mission Hills Extension easterly through the Santa Ynez Valley to a terminus at Cachuma Lake and which includes a pumping plant near Santa Ynez and a storage tank west of Buellton. Water is conveyed from that point to the South Coast of Santa Barbara County through existing Cachuma Project facilities which traverse the Santa Ynez Mountains.



Camatta Canyon Amole

Legal Status:	Federal Proposed Endangered Species California Threatened Species
Range:	Southern Monterey County, southern San Luis Obispo County and northwestern Santa Barbara County
Habitat:	Occurs in seeps, marshes, and dunes
Size:	Ranges from 4 to 40 inches tall

Central Coast Water Authority
Capital Improvements
Fiscal Year 2000/01 Budget

Fiscal Year 2000/01 CIP Budget

Description: ***Gasoline Storage Tank***

Department: Water Treatment Plant

Expanded Description: Equipment used to refuel vehicles at the WTP. WTP vehicles must currently make a 70-mile round trip to refuel. Additionally several five gallon "jerry" cans must be filled and transported to the WTP to refuel smaller gas engines for pumps, landscape equipment, generators, welding equipment and the fork lift.

Estimated Charge	\$ 9,000
Sales Tax	\$ 652
Contingency (5%)	<u>\$ 450</u>

Total Cost: \$ 10,102

Funding Source: FY 2000/01 Fixed Operating Assessments.

Operating Budget Impact: This equipment will reduce labor costs by approximately \$3,500 annually, minimize WTP travel expenditures and lessen wear and tear on rolling stock.

Description: ***Gas Monitor (back - up)***

Department: Water Treatment Plant

Expanded Description: Equipment will be used to evaluate safe breathing conditions in confined spaces.

Estimated Charge	\$ 3,000
Sales Tax	\$ 218
Contingency (5%)	<u>\$ 150</u>

Total Cost: \$ 3,368

Funding Source: FY 2000/01 Fixed Operating Assessments.

Operating Budget Impact: None. This is an OSHA requirement

Central Coast Water Authority
Capital Improvements
Fiscal Year 2000/01 Budget

Description: ***Sedimentation Basin Flight Drive Guards***
Department: Water Treatment Plant
Expanded Description: Fabricated metal guards to protect personnel from contacting moving parts.

Estimated Charge \$ 3,800
Sales Tax \$ 276
Contingency (5%) \$ 190

Total Cost: \$ 4,266

Funding Source: FY 2000/01 Fixed Operating Assessments.

Operating Budget Impact: None. This is a safety requirement for personnel and guests.

Description: ***Safety Retrieval Tripod***
Department: Distribution
Expanded Description: Safety retrieval tripod to protect employees entering confined spaces.

Estimated Charge \$ 4,000
Sales Tax \$ 310
Contingency (5%) \$ 200

Total Cost: \$ 4,510

Funding Source: Revenue Bond Funds and Capital Deposits.

Operating Budget Impact: None. This is an OSHA requirement.

Central Coast Water Authority
Capital Improvements
Fiscal Year 2000/01 Budget

Description: ***Flatbed Trailer***

Department: Distribution

Expanded Description: Sixteen-foot dual axle flatbed trailer

Estimated Charge \$ 4,000

Sales Tax \$ 310

Contingency (5%) \$ 200

Total Cost: \$ 4,510

Funding Source: Revenue Bond Funds and Capital Deposits.

Operating Budget Impact: Trailer will carry forklift and other heavy equipment to work sites saving rental costs of approximately \$1,000 annually.

Description: ***Fiberoptic Toning Package***

Department: Distribution

Expanded Description: Fiberoptic toning package will provide a tone along the fiberoptic cable that can be received by a fiberoptic locator. This package will complete the toning system for the remaining approximately forty miles of fiberoptic cable. Two units were originally purchased upon completing project construction but did not have sufficient range to cover the distance from the Polonio Pass WTP to the Santa Ynez Pumping Facility.

Estimated Charge \$ 8,000

Sales Tax \$ 620

Contingency (5%) \$ 400

Total Cost: \$ 9,020

Funding Source: Revenue Bond Funds and Capital Deposits.

Operating Budget Impact: A fully functional system will save approximately \$1,700 annually in reduced labor costs while providing underground service alerts and fiberoptic cable location.

Central Coast Water Authority
Capital Improvements
Fiscal Year 2000/01 Budget

Description: **High Range Mower**

Department: Distribution

Expanded Description: Heavy-duty weed mower to remove weeds and grasses from around appurtenances. This equipment will save time removing weeds and grasses from around appurtenances. Currently, this job is done by using a gas-powered weed whacker and is very labor intensive.

Estimated Charge	\$ 2,500
Sales Tax	\$ 194
Contingency (5%)	<u>\$ 125</u>

Total Cost: \$ 2,819

Funding Source: Revenue Bond Funds and Capital Deposits.

Operating Budget Impact: Labor costs for mowing will be reduced by \$2,000 annually.

Description: **Chart Recorder**

Department: Distribution

Expanded Description: Four-channel chart recorder to monitor remote electronic equipment over long periods of time when personal observation is not possible. This equipment will allow troubleshooting of remote electronic gear.

Estimated Charge	\$ 4,500
Sales Tax	\$ 349
Contingency (5%)	<u>\$ 225</u>

Total Cost: \$ 5,074

Funding Source: Revenue Bond Funds and Capital Deposits.

Operating Budget Impact: Savings in labor and equipment downtime are not easily quantified but will be significant in some years.

Central Coast Water Authority
Capital Improvements
Fiscal Year 2000/01 Budget

Description: **Computer**

Department: Administration

Expanded Description: New computer for the Controller/Treasurer. Old computer will be used at the Water Treatment Plant as a second workstation for the Water Treatment Plant Operators.

Estimated Charge \$ 3,000
Sales Tax \$ 233
Contingency (5%) \$ 150

Total Cost: \$ 3,383

Funding Source: FY 2000/01 Fixed Operating Assessments.

Operating Budget Impact: Possible savings associated with computer maintenance assistance from the Project Engineer.

Description: **Two Full Sized Four Wheel Drive Pickups**

Department: Distribution

Expanded Description: Equipment will replace the full sized four-wheel drive pickups currently used by Distribution. Vehicle replacement for vehicles over 100,000 miles.

Estimated Charge \$ 26,000 (cost of vehicles minus trade in value)
Sales Tax \$ 3,797 (based on full \$24,500 price of vehicle)
Contingency (5%) \$ 2,450 (based on full \$24,500 price of vehicle)

Total Cost: \$ 32,247

Funding Source: Nonrecurring Annual Expense Reserve fund.

Operating Budget Impact: Reduces the need to expend funds for major repairs. Savings are not easily quantified based on agency history.

Central Coast Water Authority
Capital Improvements
Fiscal Year 2000/01 Budget

Description: ***Small Four Wheel Drive Pickup***

Department: Distribution

Expanded Description: Equipment will replace the small four wheel drive pickup currently used by Distribution. Vehicle replacement for vehicles over 100,000 miles.

Estimated Charge \$ 16,000 (cost of vehicle minus trade in value)
Sales Tax \$ 1,589 (based on full \$20,500 price of vehicle)
Contingency (5%) \$ 1,025 (based on full \$20,500 price of vehicle)

Total Cost: \$ 18,614

Funding Source: Nonrecurring Annual Expense Reserve fund.

Operating Budget Impact: Reduces the need to expend funds for major repairs.
Savings are not easily quantified based on agency history.

Description: ***Mini Van***

Department: Distribution

Expanded Description: Equipment will replace the van currently used by Distribution. Vehicle replacement for vehicles over 100,000 miles.

Estimated Charge \$ 14,000 (cost of vehicle minus trade in value)
Sales Tax \$ 1,550 (based on full \$20,000 price of vehicle)
Contingency (5%) \$ 1,000 (based on full \$20,000 price of vehicle)

Total Cost: \$ 16,550

Funding Source: Nonrecurring Annual Expense Reserve fund.

Operating Budget Impact: Reduces the need to expend funds for major repairs.
Savings are not easily quantified based on agency history.

Central Coast Water Authority
Capital Improvements
Fiscal Year 2000/01 Budget

Description: ***WTP Decant Pump Roof and Catwalk***

Department: Water Treatment Plant

Expanded Description: Construction of a roof and catwalk for the decant pump system at the sludge lagoons. The current plastic cover leaks badly and restricts maintenance. This work will simplify routine and extraordinary maintenance by allowing access to the pumps.

Estimated Charge \$ 15,000
Contingency (5%) \$ 750

Total Cost: \$ 15,750

Funding Source: FY 2000/01 Fixed Operating Assessments.

Operating Budget Impact: Reduced labor expenses are estimated to be approximately \$2,500 annually.

Description: ***WTP Process Logic Controller Logic Clean up***

Department: Water Treatment Plant

Expanded Description: Outside contractor to rewrite ladder logic for the major controller panels at the WTP. Current logic (originally done by Systems Integrated during construction) is convoluted and confusing. Modifications and updates are difficult and time consuming.

Estimated Charge \$ 13,600
Contingency (5%) \$ 680

Total Cost: \$ 14,280

Funding Source: FY 2000/01 Fixed Operating Assessments.

Operating Budget Impact: Labor savings are estimated to be approximately \$3,000 to \$4,500 annually.

Central Coast Water Authority
Capital Improvements
Fiscal Year 2000/01 Budget

Description: **WTP Emergency Escape Gate**

Department: Water Treatment Plant

Expanded Description: Construction of a gate in the chain link fence on the northern side of the property. This work will provide an emergency exit for WTP personnel in the event of a chlorine spill. It is a required component of the risk management prevention plan.

Estimated Charge \$ 3,000
Contingency (5%) \$ 150

Total Cost: \$ 3,150

Funding Source: FY 2000/01 Fixed Operating Assessments.

Operating Budget Impact: None.

Description: **Safety Fence at Talley Farms Bridge**

Department: Distribution

Expanded Description: Fence at Talley Farms Bridge to prevent the public from climbing on the pipeline crossing adjacent to the bridge. Farm workers and children use the pipe crossing and catwalk at the Talley Farms Bridge instead of the bridge. The fence would prevent such use and the associated liability.

Estimated Charge \$ 10,000
Contingency (5%) \$ 1,000

Total Cost: \$ 11,000

Funding Source: Revenue Bond Funds and Capital Deposits.

Operating Budget Impact: None.

Central Coast Water Authority
Capital Improvements
Fiscal Year 2000/01 Budget

Description: ***Slurry Seal Parking Lot at the Buellton Office***

Department: Distribution

Expanded Description: Routine maintenance of the asphalt parking lot.

Estimated Charge \$ 2,750
Contingency (5%) \$ 137

Total Cost: \$ 2,887

Funding Source: Revenue Bond Funds and Capital Deposits.

Operating Budget Impact: Periodic repair and upkeep of the parking lot at the Buellton office and other asphalt surfaces will greatly lengthen the life of these surfaces. Operating expense savings are unknown.

Description: ***Hydraulic Hose Replacement at Energy Dissipation Vault***

Department: Distribution

Expanded Description: Replacement of leaking hydraulic lines at the Energy Dissipation Vault. Leaking lines were originally installed by DWR contractors. As part of a settlement agreement, CCWA is now responsible for repairing and maintaining the hydraulic system.

Estimated Charge \$ 3,000
Contingency (5%) \$ 150

Total Cost: \$ 3,150

Funding Source: Revenue Bond Funds and Capital Deposits.

Operating Budget Impact: Savings of about \$2,000 by doing this work instead of DWR or its contractors. Additional labor savings will be realized as the last of the leaks are correctly repaired.

Central Coast Water Authority
Capital Improvements
Fiscal Year 2000/01 Budget

Description: ***Isolation Vault Waterproofing Repairs***

Department: Distribution – Mission Hills II

Expanded Description: Excavate, shore, install waterproofing membrane around penetrations and construction joints and restore sites at Isolation Vault #2. Also replace damaged electrical components at Isolation Vault #2.

This restoration is necessary because ground water intrusion is damaging the components of the vaults.

Estimated Charge \$ 57,150
Contingency (5%) \$ 2,850

Total Cost: \$ 60,000

Funding Source: Revenue Bond Funds and Capital Deposits

Operating Budget Impact: Savings in staff time associated with continual maintenance due to the water damage.



Photo: © Malcolm McLeod/CNPS

Marsh Sandwort

Legal Status: Federal Endangered Species
California Endangered Species
Range: One population within San Luis Obispo County
Habitat: Occurs in coastal freshwater marshes in sandy soils with high organic content
Size: Ranges from 12 to 28 inches tall, supported by adjacent vegetation

Central Coast Water Authority
Revenue Bond and Capital Deposit Retention Schedule
 Amended April 3, 2000

Construction Contracts	Sorting	Project	Allocation	Expenditures		Remaining Balance
				Amended Budget	June 98 to March 00	
Applied Earthworks	1	Environmental	Pipeline All	\$ 24,337	1,921	22,416
CH2M Hill	2	Consulting	Pipeline All	1,786	1,786	(0)
Essex Environmental	3	Environmental	Pipeline All	1,655	1,655	(0)
Hopkins Technical Services	4	Dechlor Trailers	Pipeline All	5,790	5,790	0
Montgomery Watson	5	CCWA Reaches	Pipeline All	298,580	298,580	(0)
Penfield & Smith	6	Engineering	Pipeline All	44,238	44,238	0
Various	7	Storm Damage Repair	Pipeline All	-	-	-
SAIC	8	Environmental	Pipeline All	60,549	60,549	(0)
Other	9			137,769	19,492	118,277
Subtotal Schedule ABC:				574,704	434,011	140,693

	Financial Reach	Percentage	Allocation			
	Mission Hills II	28.1289%	161,658	122,083	39,575	
	Santa Ynez I	58.3604%	335,400	253,291	82,109	
	Santa Ynez II	13.5107%	77,646	58,638	19,009	
		100.0000%	\$ 574,704	\$ 434,011	\$ 140,693	

Guadalupe Turnout

Systems Integrated	10	SCADA-Retention	Guadalupe TO	-	-	-
Other	10.5			6,981	6,981	(0)

Mission Hills II

C. Sanchez & Sons	11	CCWA Retention	Mission Hills II	159	159	(0)
Native Sons Nursery/S&S Seeds	12	Plants/Seeds/Planting	Mission Hills II	6,349	6,007	342
Burton Mesa Mitigation Reserve	13			108,000	-	108,000
Other	14			2,096	(2,904)	5,000
Subtotal Mission Hills II:				116,604	3,262	113,342

Santa Maria Turnout

Systems Integrated	15	SCADA-Retention	Santa Maria TO	-	-	-
Other	16			-	-	-

Santa Ynez I

C. Sanchez & Sons	17	Erosion Control	Santa Ynez I	25,735	25,735	(0)
Loopes-Tenent of Strepa	18	ROW Restoration	Santa Ynez I	9,990	9,990	-
Gardner Ranch	19	Property Settlement	Santa Ynez I	14,245	14,245	0
Other	20			3,356	3,356	0
Subtotal Santa Ynez I:				53,326	53,326	0

Santa Ynez II

C. Sanchez & Sons	21	CCWA Retention	Santa Ynez II	346	346	0
P.C. Mechanical	22	Pump Station-Pump Coding Rep.	Santa Ynez II	16,337	16,337	(0)
P.C. Mechanical	22	Pump Station-Pump Coding Rep.	Santa Ynez II	-	-	-
Systems Integrated	23	SCADA-Retention	Santa Ynez II	-	-	-
Other	24			(345)	(345)	(0)
Subtotal Santa Ynez II:				16,338	16,339	(1)

Central Coast Water Authority
Revenue Bond and Capital Deposit Retention Schedule
 Amended April 3, 2000

Construction Contracts	Sorting	Project	Allocation	Amended Budget	Expenditures June 98 to March 00	Remaining Balance
<u>SCWC Turnout</u>						
Montgomery Watson	25	So Cal Wtr Turnout	So Cal Wtr TO	4,400	3,979	-
Various	26	So Cal Wtr Turnout	So Cal Wtr TO	11,000	8,501	-
Systems Integrated	27	SCADA-Retention	So Cal Wtr TO	-	-	-
Other	28			-	-	-
Subtotal SCWC TO:				15,400	12,479	-
<u>VAFB Local Facilities</u>						
Hopkins Technical Services	29	Dechlor Trailers	VAFB	-	-	-
Penfield & Smith	30	Engineering	VAFB	313,279	108,331	-
Valley Engineers	31	VAFB	VAFB	181,003	421,321	-
Other	32			-	5,391	-
Subtotal VAFB:				494,282	535,042	-
<u>Water Treatment Plant</u>						
Hensel Phelps	33	Water Treatment Plant	WTP	-	-	-
Montgomery Watson	34	CCWA Reaches	WTP	102,107	102,107	(0)
Montgomery Watson	34	CCWA Retention	WTP	-	-	-
Various	35	WTP Elect Changeover & Mods	WTP	99,268	87,262	12,006
Various	36	Truck & Equipment	WTP	42,135	42,135	0
Various	37	Furniture	WTP	268	268	(0)
Various	38	Administration Building	WTP	1,027,395	1,027,395	0
Various	39	SCADA System	WTP	260,610	205,128	55,482
Systems Integrated	39	SCADA	WTP	-	-	-
Other	40	Includes Network Update	WTP	251,326	127,693	123,633
Subtotal WTP:				1,783,109	1,591,987	191,122
<u>Arbitrage Rebate Liability</u>						
Internal Revenue Service	41	Arbitrage Rebate Liability	Fin. Participants	-	-	-
Subtotal Financing Participants:				-	-	-
TOTAL CONSTRUCTION PROJECTS & OTHER ITEMS:				\$ 3,060,744	2,653,427	445,156
<u>Local Projects</u>						
Guadalupe	42			355,765	355,765	(0)
<u>SLO County Local Projects</u>						
Karleskint-Crum	43	Retention Payment		-	-	-
SLO County Flood Control	44	Capitalized Staff Costs		-	-	-
Systems Integrated	45	SCADA	SLO County	-	-	-
Various	46	Dechlor Trailers		-	-	-
Various	47	Storage Improvements-CMC		-	-	-
Various	48	Lopez System Improvements		-	-	-
Other	49			142,000	-	142,000
Subtotal SLO County				142,000	-	142,000
Total Local Project Funds				497,765	355,765	142,000
Total Contract Balance and Contingency:						
TOTAL BOND FUND AND CAPITAL DEPOSIT RETENTION:				\$ 3,558,509	3,009,192	587,156

Central Coast Water Authority
Debt Management
Fiscal Year 2000/01 Budget

Authorization to Issue Debt

The Authority is authorized pursuant to state law including, but not limited to, Section 6588(c) of the Government Code of the State of California, pursuant to ordinances approved by the voters in the service areas of certain of the Project Members and pursuant to Section 5(j) of the Authority Joint Exercise of Powers Agreement, to incur indebtedness to finance Authority facilities and is authorized pursuant to state law including, but not limited to, Section 6588(m) of the Government Code, Section 24 of the Water Supply Agreements and Section 18 of the Master Water Treatment Agreement, to assign and pledge to the repayment of such indebtedness amounts payable by the financing participants to the Authority.

The Authority is also authorized pursuant to Section 6586 of the California Government Code to issue refunding bonds in that the Authority has determined that there is a demonstrable net present value savings.

CCWA Debt Limit

There is no specific provision within the California Government Code that limits the amount of debt that may be issued by the Authority as a Joint Powers Authority within the State of California. However, there are certain limitations contained in each financing participant's Water Supply Agreement that limit the amount of debt that may be issued by CCWA on behalf of the financing participant.

General Discussion

In October 1992, the Authority sold \$177,120,000 in revenue bonds at a true interest cost of 6.64% to enable the Authority to finance a portion of the costs of constructing a water treatment plant to treat State water for use by various participating water purveyors and users within Santa Barbara and San Luis Obispo Counties, a transmission system to deliver such water to the participating water purveyors and users within Santa Barbara County, and certain local improvements to the water systems of some of the participating purveyors.

In November 1996, the Authority sold \$198,015,000 of revenue bonds at a true interest cost of 5.55% to defease the Authority's \$177,120,000 1992 revenue bonds and to pay certain costs of issuing the bonds. The 1996 bonds were issued in two series: Series A of \$173,015,000 and Series B of \$25,000,000. All outstanding Series B bonds were redeemed on October 1, 1998 pursuant to the call provisions in the Indenture of Trust. The Series B bonds were called with amounts transferred from the Construction Fund and the Reserve Fund.

Central Coast Water Authority
Debt Management
Fiscal Year 2000/01 Budget

Security for the Bonds

Each Santa Barbara County project participant has entered into a Water Supply Agreement with the Authority pursuant to which the Santa Barbara County project participant is obligated to make certain payments with respect to the project to the Authority. Such payments, when received by or on behalf of the Authority, will constitute revenues pledged to secure the payment of the principal of and interest on the bonds.

The San Luis Obispo County Flood Control and Water Conservation District (SLOCFCWCD) has entered into a Master Water Treatment Agreement with the Authority pursuant to which SLOCFCWCD is obligated to make certain payments with respect to the water treatment plant and local projects for certain San Luis Obispo County project participants.

The bonds are not debts of the financing participants of the Authority, the State of California or any political subdivision of the State of California. The bonds are strictly a liability of the Authority.

The Bonds

The bonds are dated November 1, 1996 with interest payable on April 1 and principal and interest payable on October 1 of each year (*see the "1996 Revenue Bond Debt Service Schedule" in this section*).

Bond Coverage Covenant

Each Santa Barbara County project participant and each San Luis Obispo County water purchaser has agreed in its Water Supply Agreement or Local Water Treatment Agreement to comply with the bond coverage covenant. This covenant requires each project participant to fix, prescribe and collect rates and charges for its water system which will be at least sufficient to yield net water system revenues equal to 125% of the sum of the contract payments required to be made by each participant and purchaser in such fiscal year pursuant to its Water Supply Agreement or Local Water Treatment Agreement plus debt service.

Arbitrage Rebate Liability

As of June 30, 1999, the arbitrage rebate liability for the 1996 Revenue Bonds was \$30,284 and funds were transferred to the rebate fund held by the Bond Trustee for this liability from the reserve fund investment earnings.

The five-year rebate calculation for the 1992 Revenues Bonds indicate a negative rebate liability of (\$5,546,174). No additional rebate calculations will be performed on the 1992 bonds as a result of this negative rebate liability.

Central Coast Water Authority
Debt Management
Fiscal Year 2000/01 Budget

Construction Project Close Out and Final Reconciliation

On June 25, 1998, the Authority declared the construction project complete. In conjunction with declaring the project complete, a reconciliation of all construction expenditures and the corresponding allocation of costs to each financial reach was performed and the Project Closeout Report was prepared. Additionally, funds were retained from the construction fund and the local project fund based on estimates of future project expenditures to fully complete the remaining construction items.

Amended debt service amortization schedules were prepared for each financing participant based on the actual construction expenditures, financed local facilities and capitalized interest elections by the financing participants. The "1996 Revenue Bond Distribution Schedule, Series A" found on page 176 from the Project Closeout Report, provides a summary of the Series A principal and interest allocation to each financing participant.

A final reconciliation of total actual project expenditures will be prepared during FY 2000/01. Amended debt service amortization schedules will be prepared for each financing participant. These changes are estimated to result in minor adjustments to the debt service amortization schedules.

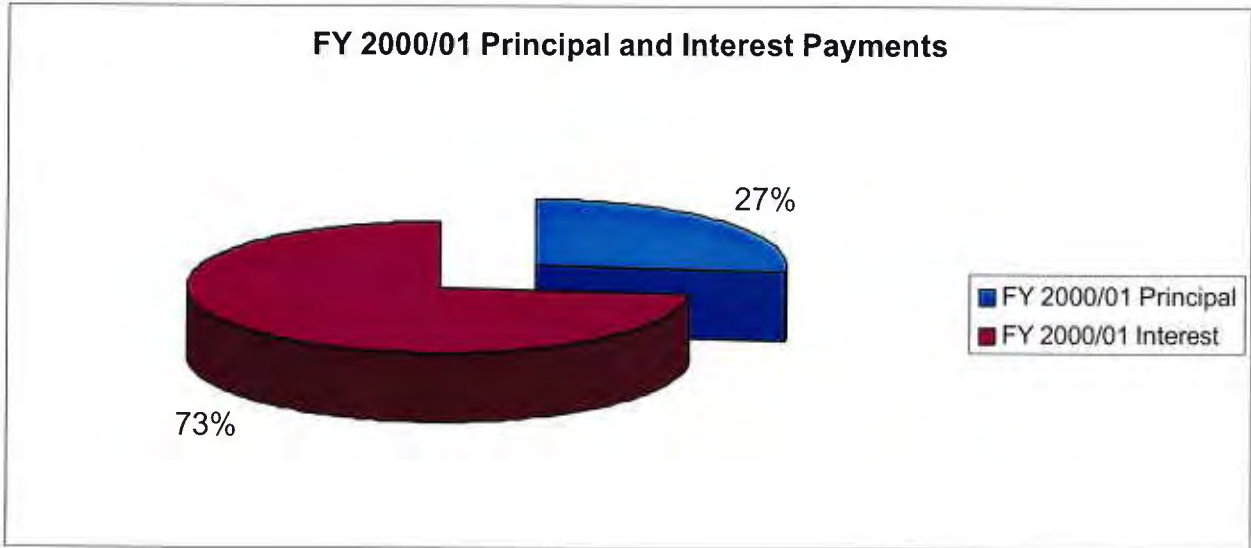
Fiscal Year 2000/01 Debt Service Budget

For FY 2000/01, total Series A principal payments is \$3,010,000 and total interest due is \$8,329,216, totaling \$11,339,215. Additionally, Bond Trustee fees in the amount of \$10,000 and the 1996 revenue bond rebate liability in the amount of \$30,284 are included in the debt service assessment. These amounts are partially offset by the following:

- Reserve Fund Interest Income Interest income on the collateralized guaranteed investment contract in the amount of \$12,758,750 at an interest rate of 5.47%, which exactly equals the restricted rate on the CCWA bonds. The guaranteed investment contract pays interest semi-annually on April 1st and October 1st, each in the amount of \$348,952. Total reserve fund interest income for FY 2000/01 is \$697,904.
- Debt Service Account Interest Income Payments from the financing participants are invested in accordance with the CCWA investment policy. Investments are purchased which correspond to the corresponding debt service payment dates on the bonds. Estimated investment income on the debt service account is \$256,142 for FY 2000/01.

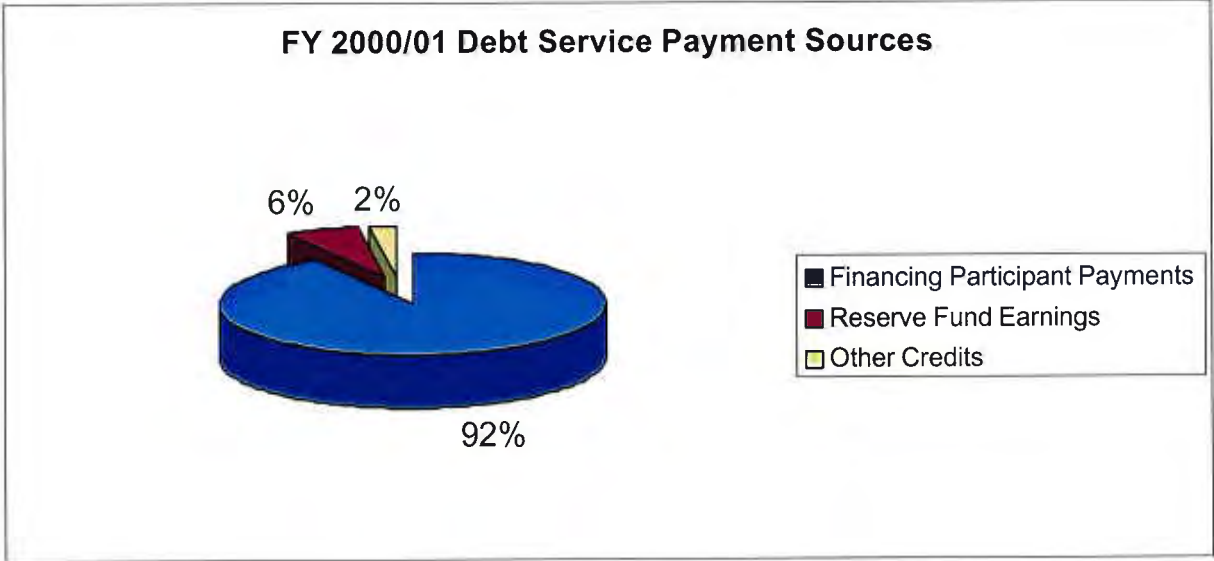
Central Coast Water Authority
Debt Management
Fiscal Year 2000/01 Budget

The following chart breaks out the total principal and interest payments for FY 2000/01.



Central Coast Water Authority
Debt Management
Fiscal Year 2000/01 Budget

The following chart shows the sources of cash for the FY 2000/01 debt service payments.



The table on the following page shows the principal and interest payments for each financing participant for FY 2000/01 and the various credits discussed on the preceding pages.

Central Coast Water Authority
1996 Revenue Bond Series A Debt Service Payments
 Fiscal Year 2000/01 Budget

Financing Participant	FY 2000/01 Series A (10/1/00) Principal Payment	FY 2000/01 Series A (10/1/00) Interest Payment	FY 2000/01 Series A (4/1/01) Interest Payment	Trustee Expenses and Rebate Liability (1)	Debt Service Account Interest Income (2)	Reserve Fund Interest Earnings (3)	FY 2000/01 Total Payments
Avila Beach	\$ 4,971	\$ 5,281	\$ 5,177	\$ 51	\$ (350)	\$ (887)	\$ 14,244
California Men's Colony	42,085	44,707	43,823	433	(2,962)	(7,506)	120,581
County of SLO	44,827	47,620	46,679	461	(3,155)	(7,995)	128,438
Cuesta College	21,044	22,355	21,913	217	(1,481)	(3,753)	60,295
Morro Bay	261,595	277,893	272,399	2,693	(18,410)	(46,654)	749,517
Oceano	36,414	38,683	37,918	375	(2,563)	(6,494)	104,333
Pismo Beach	60,185	63,935	62,671	620	(4,234)	(10,734)	172,442
Shandon	4,724	5,018	4,919	49	(332)	(842)	13,535
Guadalupe	57,867	61,473	60,257	596	(4,112)	(10,320)	165,761
Buellton	102,486	108,871	106,719	1,055	(7,037)	(18,278)	293,816
Santa Ynez (Solvang)	92,468	295,791	293,849	2,796	(15,982)	(48,434)	620,488
Santa Ynez	34,622	110,751	110,024	1,047	(5,984)	(18,135)	232,325
Goleta	990,329	1,052,029	1,031,232	10,195	(68,005)	(176,620)	2,839,161
Morehart Land	10,620	45,072	44,849	424	(2,278)	(7,340)	91,347
La Cumbre	50,860	215,856	214,788	2,029	(11,173)	(35,150)	437,209
Raytheon (SBRC)	9,529	10,123	9,923	98	(654)	(1,699)	27,319
Santa Barbara	609,047	646,992	634,202	6,270	(41,822)	(108,620)	1,746,069
Montecito	167,053	708,992	705,484	6,664	(35,828)	(115,453)	1,436,913
Carpinteria	409,272	434,771	426,176	4,213	(29,780)	(72,991)	1,171,661
TOTAL:	\$ 3,010,000	\$ 4,196,212	\$ 4,133,002	\$ 40,284	\$ (256,142)	\$ (697,904)	\$ 10,425,454

Notes:

(1) Estimated Bond Trustee fees of \$10,000 and 1996 revenue bond rebate liability of \$30,284.

(2) Represents interest on the financing participant debt service payments for FY 1999/00.

(3) Represents interest on the reserve fund guaranteed investment contract (GIC). Calculated using a par amount of \$12,758,750 at an interest rate of 5.47% for one year. Payments made semi-annually on April 1st and October 1st.

Source: CCWA Project Closeout Report, October 1998.

Central Coast Water Authority
1996 Revenue Bond Distribution Schedule
Series A
Project Closeout Report

Financing Participant	Series A Principal	Series A Interest	TOTAL
<u>LEVEL DEBT SERVICE</u>			
Avila Beach CSD	\$ 219,286	\$ 180,794	\$ 400,080
California Men's Colony	1,856,355	1,530,503	3,386,858
County of SLO	1,977,305	1,630,222	3,607,528
Cuesta College	928,246	765,308	1,693,555
City of Morro Bay	11,538,823	9,513,375	21,052,197
Oceano CSD	1,606,208	1,324,265	2,930,472
City of Pismo Beach	2,654,727	2,188,734	4,843,461
Shandon	208,367	171,792	380,159
City of Buellton	4,520,603	3,727,086	8,247,690
Carpinteria Valley Water District	18,052,797	14,883,929	32,936,727
City of Guadalupe	2,552,497	2,104,449	4,656,946
Goleta Water District	43,682,936	36,015,123	79,698,059
Raytheon (SBRC)	420,333	346,550	766,883
City of Santa Barbara	26,864,766	22,149,104	49,013,870
Total Level Debt Service:	<u>\$ 117,083,250</u>	<u>\$ 96,531,234</u>	<u>\$ 213,614,484</u>
<u>ESCALATING DEBT SERVICE</u>			
La Cumbre Mutual Water Co.	\$ 8,737,771	\$ 7,725,642	\$ 16,463,414
Montecito Water District	28,699,777	25,375,372	54,075,149
Morehart Land Co.	1,824,502	1,613,163	3,437,665
Total Escalating Debt Service:	<u>\$ 39,262,050</u>	<u>\$ 34,714,178</u>	<u>\$ 73,976,228</u>
<u>STEP-UP DEBT SERVICE</u>			
City of Solvang	\$ 12,128,507	\$ 11,031,811	\$ 23,160,318
Santa Ynez ID #1	4,541,193	4,130,565	8,671,758
Total Step-Up Debt Service:	<u>\$ 16,669,700</u>	<u>\$ 15,162,376</u>	<u>\$ 31,832,076</u>
TOTAL DEBT SERVICE:	<u><u>\$ 173,015,000</u></u>	<u><u>\$ 146,407,788</u></u>	<u><u>\$ 319,422,788</u></u>

Central Coast Water Authority
1996 Revenue Bond Debt Service Schedule
Series A

Debt Service Date	Interest Rate	Sinking Fund Payment	Serial Maturity	Interest Due	Principal Outstanding	Fiscal Yr Debt Service (Cash)
4/1/97				3,625,760	173,015,000	3,625,760
10/1/97	4.000%		2,420,000	4,350,913	170,595,000	
4/1/98				4,302,513	170,595,000	11,073,425
10/1/98	4.000%		2,540,000	4,302,513	168,055,000	
4/1/99				4,251,713	168,055,000	11,094,225
10/1/99	4.000%		2,775,000	4,251,713	165,280,000	
4/1/00				4,196,213	165,280,000	11,222,925
10/1/00	4.200%		3,010,000	4,196,213	162,270,000	
4/1/01				4,133,003	162,270,000	11,339,215
10/1/01	4.375%		3,270,000	4,133,003	159,000,000	
4/1/02				4,061,471	159,000,000	11,464,474
10/1/02	4.500%		3,535,000	4,061,471	155,465,000	
4/1/03				3,981,934	155,465,000	11,578,405
10/1/03	4.600%		3,830,000	3,981,934	151,635,000	
4/1/04				3,893,844	151,635,000	11,705,778
10/1/04	6.000%		4,135,000	3,893,844	147,500,000	
4/1/05				3,769,794	147,500,000	11,798,638
10/1/05	6.000%		4,515,000	3,769,794	142,985,000	
4/1/06				3,634,344	142,985,000	11,919,138
10/1/06	6.000%		4,915,000	3,634,344	138,070,000	
4/1/07				3,486,894	138,070,000	12,036,238
10/1/07	5.000%		5,775,000	3,486,894	132,295,000	
4/1/08				3,342,519	132,295,000	12,604,413
10/1/08	6.000%		6,065,000	3,342,519	126,230,000	
4/1/09				3,160,569	126,230,000	12,568,088
10/1/09	5.150%		6,425,000	3,160,569	119,805,000	
4/1/10				2,995,125	119,805,000	12,580,694
10/1/10	5.000%		6,760,000	2,995,125	113,045,000	
4/1/11				2,826,125	113,045,000	12,581,250
10/1/11	5.000%		7,095,000	2,826,125	105,950,000	
4/1/12				2,648,750	105,950,000	12,569,875
10/1/12	5.000%		7,455,000	2,648,750	98,495,000	
4/1/13				2,462,375	98,495,000	12,566,125
10/1/13	5.000%		7,830,000	2,462,375	90,665,000	
4/1/14				2,266,625	90,665,000	12,559,000
10/1/14	5.000%	8,225,000		2,266,625	82,440,000	
4/1/15				2,061,000	82,440,000	12,552,625
10/1/15	5.000%	8,630,000		2,061,000	73,810,000	
4/1/16				1,845,250	73,810,000	12,536,250
10/1/16	5.000%	9,065,000		1,845,250	64,745,000	
4/1/17				1,618,625	64,745,000	12,528,875
10/1/17	5.000%	9,515,000		1,618,625	55,230,000	
4/1/18				1,380,750	55,230,000	12,514,375
10/1/18	5.000%	9,995,000		1,380,750	45,235,000	

Central Coast Water Authority
1996 Revenue Bond Debt Service Schedule
Series A

Debt Service Date	Interest Rate	Sinking Fund Payment	Serial Maturity	Interest Due	Principal Outstanding	Fiscal Yr Debt Service (Cash)
4/1/19				1,130,875	45,235,000	12,506,625
10/1/19	5.000%	10,495,000		1,130,875	34,740,000	
4/1/20				868,500	34,740,000	12,494,375
10/1/20	5.000%	11,020,000		868,500	23,720,000	
4/1/21				593,000	23,720,000	12,481,500
10/1/21	5.000%	11,570,000		593,000	12,150,000	
4/1/22				303,750	12,150,000	12,466,750
10/1/22	5.000%	12,150,000		303,750	-	12,453,750
		90,665,000	82,350,000	146,407,788		319,422,788



Central Coast Water Authority
Reserves and Cash Management
Fiscal Year 2000/01 Budget

Operating Reserve Policy

During its December 18, 1997 regular meeting, the Board of Directors approved an "Operations and Maintenance Reserve Policy" as follows:

- Purpose:** The O&M Reserve Fund is intended to provide a mechanism for CCWA to immediately undertake unanticipated operation and maintenance activities, including emergency repairs, for which funds are not otherwise immediately available.
- Contributions:** Contributions to the O&M Reserve Fund are mandatory. Each CCWA Contractor shall maintain on deposit with CCWA in said Fund an amount of money equal to its pro-rata share of the Fund target size of \$2 million, which share is that Contractor's Water Supply Agreement Project Allotment divided by the Project Allotments held by all CCWA Contractors. Each Contractor's initial contribution to the O&M Reserve Fund shall be drawn from cash held by CCWA on behalf of the Contractor as of the date of the Fund's creation. If the Fund balance is reduced below \$2 million, CCWA shall be authorized to (i) transfer into said Fund excess operating assessments and investment income from the Fund, and (ii) notify the participating Contractor if an additional contribution is necessary, in which event the contractor shall deposit an additional contribution within sixty (60) days of the CCWA notice.
- Administration:** The Treasurer shall invest funds held in the O&M Reserve Fund in liquid money market accounts (for example, LAIF) so that the funds shall be immediately available. O&M Reserve Fund investment earnings shall be considered to credit to each CCWA Contractor with respect to that Contractor's June 1 payment to CCWA, except to the extent said earnings are needed to be retained to ensure that the Contractor's share of the Fund is fully funded, or as otherwise directed by the Contractor. The Treasurer shall prepare and disseminate to all Contractors a quarterly statement concerning the O&M Reserve Fund.

Central Coast Water Authority
Reserves and Cash Management
 Fiscal Year 2000/01 Budget

Use of Fund: Monies held in the O&M Reserve Fund may be expended only upon authorization of the Board of Directors for unanticipated operating and maintenance activities, including by way of example only: repair of earthquake-caused damage to Authority facilities; unanticipated need to purchase chemicals; major emergency repair or replacement of equipment; reserve for legal judgements. In the event that monies from the O&M Reserve Fund are expended for an activity which is to be funded by certain Contractors and not other Contractors (for example, repair of a certain reach of the pipeline), then (i) it is permissible to expend from the Fund an amount which exceeds the monies on deposit by those Contractors who are obligated to fund the activity under the WSA, and (ii) said Contractors shall replenish said Fund as quickly as possible, and in no event later than one year, including payment of interest on monies expended which exceeded the amount on deposit by said Contractors.

The following table shows the allocation of the Operations and Maintenance Reserve Fund by project participant.

Operations and Maintenance Reserve Fund

Project Participant	Entitlement	% of Entitlement	Operating Reserve
City of Buellton	578	1.48%	\$ 29,582
Carpinteria Valley Water District	2,000	5.12%	102,359
Goleta Water District	4,500	11.52%	230,309
City of Guadalupe	550	1.41%	28,149
La Cumbre Mutual Water Company	1,000	2.56%	51,180
Montecito Water District	3,000	7.68%	153,539
Morehart Land Company	200	0.51%	10,236
City of Santa Barbara	3,000	7.68%	153,539
Raytheon (SBRC)	50	0.13%	2,559
City of Santa Maria	16,200	41.46%	829,111
Santa Ynez RWCD, I.D. #1	2,000	5.12%	102,359
Southern California Water Company	500	1.28%	25,590
Vandenberg Air Force Base	5,500	14.07%	281,488
TOTAL	39,078	100.00%	2,000,000

Central Coast Water Authority
Reserves and Cash Management
Fiscal Year 2000/01 Budget

Rate Coverage Reserve Fund

During its December 18, 1997 regular meeting, the Board of Directors also adopted the "Rate Coverage Reserve Fund" policy as follows:

- Purpose:** The Rate Fund is intended to provide a mechanism to allow CCWA Contractors to satisfy a portion of their obligation under Section 20(a) of the Water Supply Agreement (WSAs) to impose rates and charges sufficient to collect 125% of their Contract Payments (as therein defined).
- Contributions:** Contributions to the Rate Fund are voluntary. During each year of participation, a CCWA Contractor which has elected to participate in the Rate Fund shall maintain on deposit with CCWA in said Fund an amount of money, when combined with the moneys on deposit in the O&M Reserve Fund, sufficient to constitute all or a portion of 25% of that Contractor's Contract Payments with respect to that year. A participating Contractor's initial contribution to the Rate Fund may be drawn from cash held by CCWA on behalf of the Contractor as of the date of the Fund's creation. In each subsequent year, CCWA shall notify the participating Contractor if an additional contribution is desired and the Contractor shall deposit said additional contribution within sixty (60) days of the CCWA notice. Voluntary contributions to the Fund by a Contractor may be made at any time, but shall not be considered with regard to satisfying the Contractor's obligations until the subsequent July 1. For example: to act as a credit for Fiscal Year 1998/99, a deposit must be received by the Authority prior to July 1, 1998. However, in the first year of the Fund's creation, each CCWA Contractor may elect to deposit additional funds into the Rate Fund within the first 30 days after adoption of this policy by the CCWA Board of Directors. These balances will be counted toward the coverage calculations for FY 1997/98.
- Withdrawal:** A Contractor may withdraw from the Rate Fund effective 180 days after it submits written documentation to the Authority that is in compliance with its WSA rate coverage obligations without considering the Fund.

Central Coast Water Authority
Reserves and Cash Management
 Fiscal Year 2000/01 Budget

Administration: Investments of deposits in the Rate Coverage Reserve Fund will be in Permitted Investments described in clause (A) of the definition thereof contained in the Indenture of Trust, dated as of November 1, 1996, with maturities of one year or less or in the Local Agency Investment Fund or in other investments approved in writing by AMBAC. Rate Fund investment earnings shall be credited to the Contractors account within the Fund except to the extent the Contractor directs CCWA to credit said earnings to the Contractor's payments obligations or as otherwise directed by the Contractor. Deposits and related earnings on deposits for each project participant will be accounted for on an individual project participant basis even if commingled for investment purposes. The Treasurer shall prepare and disseminate to all Contractors a quarterly statement concerning the Rate Fund.

Use of Funds: Monies in the Rate Fund shall not be expended for any purpose, except upon approval of the Board of Directors (i) for emergency expenses, and (ii) to the extent necessary to supplement funds available from the O&M Reserve Fund provided that the Contractor submits written documentation to the Authority that it is in compliance with its WSA rate coverage obligations without considering the proposed expenditure from the fund.

The following table shows the Rate Coverage Reserve Fund balances, including interest income as of April 30, 2000. Participation in the fund for FY 2000/01 is not yet known. Prior to June 30, 2000, each project participant will be notified of the allowable deposit in the Rate Coverage Reserve Fund for FY 2000/01.

FY 1999/00 Rate Coverage Reserve Fund

Project Participant	FY 1999/00 Deposit
City of Buellton	\$ 214,262
Carpinteria Valley Water District	792,323
City of Guadalupe	162,854
La Cumbre Mutual Water Company	325,896
Montecito Water District	956,320
City of Santa Maria	3,353,621
Santa Ynez, RWCD, I.D. #1 (Solvang)	478,785
Santa Ynez, RWCD, I.D. #1	346,106
County of San Luis Obispo (Shandon)	13,037
Avila Beach Community Services District	24,785
Oceano Community Services District	90,715
TOTAL:	\$ 6,758,704

Central Coast Water Authority
Reserves and Cash Management
 Fiscal Year 2000/01 Budget

Non-Annual Recurring Expense Cash Deposits

As part of the budget process, certain expenses which occur periodically are identified and charged to the project participants over a number of years to minimize fluctuations in the annual assessments. The following table shows activity in the non-annual recurring expense cash deposits for FY 1999/00 and FY 2000/01.

Non-Annual Recurring Expense Cash Deposits

Financing Participant	FY 1999/00 Beginning Balance	FY 1999/00 Interest Income	FY 1999/00 NARES Expenditures	FY 2000/01 Additional Deposits	FY 2000/01 NARES Expenditures	FY 2000/01 Ending Balance
Shandon	\$ 1,190	\$ 58	\$ (16)	\$ 335	\$ (40)	\$ 1,527
Chorro Valley	18,795	952	(363)	8,242	(945)	19,384
Lopez	19,695	997	(503)	8,679	(1,328)	20,190
Guadalupe	4,953	251	(153)	2,260	(401)	6,910
Santa Maria	148,792	7,538	(5,243)	67,706	(13,541)	205,252
SCWC	4,592	233	(162)	2,090	(418)	6,335
VAFB	54,571	2,765	(2,904)	24,665	(7,122)	71,975
Buellton	6,520	331	(520)	2,892	(1,204)	8,019
Santa Ynez (Solvang)	16,920	858	(1,351)	7,504	(3,123)	20,808
Santa Ynez	5,641	286	(450)	2,501	(1,041)	6,937
Goleta	55,447	2,810	(5,443)	24,625	(12,517)	64,921
Morehart Land	2,465	125	(242)	1,094	(556)	2,886
La Cumbre	12,322	624	(1,210)	5,472	(2,782)	14,427
Raytheon (SBRC)	616	31	(60)	274	(139)	722
Santa Barbara	36,965	1,873	(3,629)	16,417	(8,345)	43,281
Montecito	36,965	1,873	(3,629)	16,417	(8,345)	43,281
Carpinteria	24,671	1,250	(2,419)	10,943	(5,563)	28,882
TOTAL:	\$ 451,121	\$ 22,855	\$ (28,297)	\$ 202,115	\$ (67,411)	\$ 565,735

Cash Management

All cash balances presented in this document exclude cash balances held as deposits for project participants. Additionally, the effect of other accounts receivables and payables have been added or subtracted from the cash balance to show the cash balances as if all receivables and payables had been received or paid.

It is the Authority's policy to refund unexpended operating assessments and investment income on the general fund after the close of each fiscal year. Therefore, the general fund balance, defined as total cash minus reserves, is projected to be zero. However, since the Authority receives assessment income in advance of the anticipated payment date, the actual cash balance will be positive.

Central Coast Water Authority
Reserves and Cash Management
Fiscal Year 2000/01 Budget

Cash Components

The Authority's cash balances are comprised of the following:

- **Operating Expense Assessments** Cash amounts collected from the project participants for operating expense assessments. These cash balances are held in the Authority demand deposit bank accounts and the California Local Agency Investment Fund.
- **Pass-Through Expenses** Cash amounts collected from the project participants for payment to the Department of Water Resources and Warren Act charges paid to the U.S. Bureau of Reclamation. These balances are held in a custodial account and invested in accordance with the Authority's investment policy with maturities corresponding to the anticipated payment date on the expenses.
- **Debt Service Payments** Cash amounts collected from the financing participants for payment on the 1996 revenue bonds. These balances are held in a custodial account and invested in accordance with the Authority's investment policy with maturities corresponding to the debt service payment dates on the 1996 revenue bonds.
- **Construction Fund** Bond proceeds from the 1996 revenue bond issue used to construct the Authority facilities. These funds are held in trust by the Trustee on the bond issue and invested by the Authority's Treasurer in accordance with the bond indenture and the Authority Investment Policy.



Beach Layia

Legal Status: Federal Endangered Species
California Endangered Species

Range: Nineteen populations from Santa Barbara to Humboldt County

Habitat: Occurs in foredune and dune scrub communities

Size: Less than 6 inches tall

Central Coast Water Authority
Four Year Financial Plan
Fiscal Year 2000/01 Budget

The four year financial plan is prepared in conjunction with the fiscal year budget and has four primary purposes as follows:

- Allocation of the CCWA fixed and variable O&M expenses to each of the project participants.
- Calculation and allocation of the Regional Water Treatment Plant Allocation (*see the Appendix for further information*).
- Calculation and allocation of the Santa Ynez Exchange Agreement modifications (*see the Appendix for further information*).
- Calculation of the four year pro forma State water cost projections for all project participants.

The following formulas show the method used in calculating the CCWA operating expense allocation by project participant.

CCWA Fixed Charges

	Gross (unadjusted) CCWA operating expenses allocated on an entitlement basis within financial reach.
Plus:	Regional WTP fixed allocation to all Santa Barbara County project participants.
Minus:	Regional WTP fixed credit back to the Santa Barbara County South Coast project participants.
Plus:	Santa Ynez Exchange Agreement capital modifications (South Coast project participants and Santa Ynez only).
Plus:	Santa Ynez Exchange Agreement fixed O&M modifications (South Coast project participants and Santa Ynez only).
Equals:	Net CCWA Fixed charges.

CCWA Variable O&M Charges

	Gross (unadjusted) CCWA chemical and power costs allocated in proportion to deliveries within financial reach.
Plus:	Gross (unadjusted) Warren Act and Trust Fund charges (South Coast project participants only).
Plus:	Regional WTP Variable O&M Allocation (all Santa Barbara County project participants requesting State water).
Minus:	Regional WTP Variable O&M credit back to the Santa Barbara County South Coast project participants requesting State water.
Plus:	Santa Ynez Exchange Agreement WTP modifications (Santa Barbara County South Coast project participants and Santa Ynez only).
Minus:	Santa Ynez Exchange Agreement Warren Act and Trust Fund modifications (Santa Barbara County South Coast project participants and Santa Ynez only).
Plus/Minus:	Santa Ynez Exchange Agreement Santa Ynez Pumping Facility electrical cost modifications (Santa Barbara County South Coast project participants and Santa Ynez only).
Equals:	Net CCWA Variable O&M Charges.

Central Coast Water Authority
Projected Water Deliveries
 Four Year Financial Plan

Project Participant	Fiscal Year Water Deliveries (acre feet) <i>Excluding Exchange Deliveries</i>				Calendar Year Deliveries (acre feet) <i>Excluding Exchange Deliveries</i>				
	FY 2000/01	FY 2001/02	FY 2002/03	FY 2003/04	2000	2001	2002	2003	2004
Shandon	-	-	-	-	-	-	-	-	-
Chorro Valley	2,338	2,338	2,338	2,338	2,338	2,338	2,338	2,338	2,338
Lopez	1,735	1,772	1,794	1,816	1,701	1,762	1,784	1,806	1,828
Guadalupe	605	605	605	605	605	605	605	605	605
Santa Maria	16,134	16,495	16,865	17,222	15,963	16,322	16,689	17,058	17,405
SCWC	550	550	550	550	550	550	550	550	550
VAFB	6,050	6,050	6,050	6,050	6,050	6,050	6,050	6,050	6,050
Buellton	578	578	578	578	578	578	578	578	578
Santa Ynez (Solvang)	1,150	1,500	1,500	1,500	400	1,500	1,500	1,500	1,500
Santa Ynez	638	640	695	695	638	640	695	695	695
Goleta	5,152	4,950	4,950	4,950	4,950	4,950	4,950	4,950	4,950
Morehart Land	88	108	122	139	75	100	115	130	150
La Cumbre	700	700	700	700	700	700	700	700	700
Raytheon (SBRC)	55	55	55	55	55	55	55	55	55
Santa Barbara	0	0	0	0	-	-	-	-	-
Montecito	869	619	691	703	1,200	600	650	700	750
Carpinteria	610	725	850	975	600	700	800	900	1,000
TOTAL:	37,252	37,685	38,343	38,876	36,403	37,450	38,059	38,615	39,154



Central Coast Water Authority
Total Charges-All Participants
 Four Year Financial Plan Charges

Entitlement				43,908
Fiscal Year	Requested Deliveries	Exchange Deliveries	Actual Deliveries	
FY 2000/01	37,252	-	37,252	
FY 2001/02	37,685	-	37,685	
FY 2002/03	38,343	-	38,343	
FY 2003/04	38,876	-	38,876	

CCWA Fixed Charges

Fiscal Year	Fixed O&M Expenses ⁽¹⁾	Regional WTP Modifications			Exchange Agreement Modifications			Revenue Bond Debt Service ⁽²⁾	Fixed CCWA Charges
		Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	Capital Modifications	Fixed O&M Modifications	Total Exchange Modifications		
FY 2000/01	\$ 3,818,011	\$ 1,135,275	\$ (1,135,275)	\$ -	\$ -	\$ -	\$ 5,940,127	\$ 9,758,138	
FY 2001/02	3,996,905	1,171,956	(1,171,956)	-	-	-	10,766,866	14,763,771	
FY 2002/03	4,117,848	1,192,303	(1,192,303)	-	-	-	10,880,751	14,998,599	
FY 2003/04	4,264,660	1,213,628	(1,213,628)	-	-	-	11,007,874	15,272,534	

(1) Includes capital improvement projects and non-annual recurring expenses.

(2) Net of CCWA credits

CCWA Variable O&M Charges

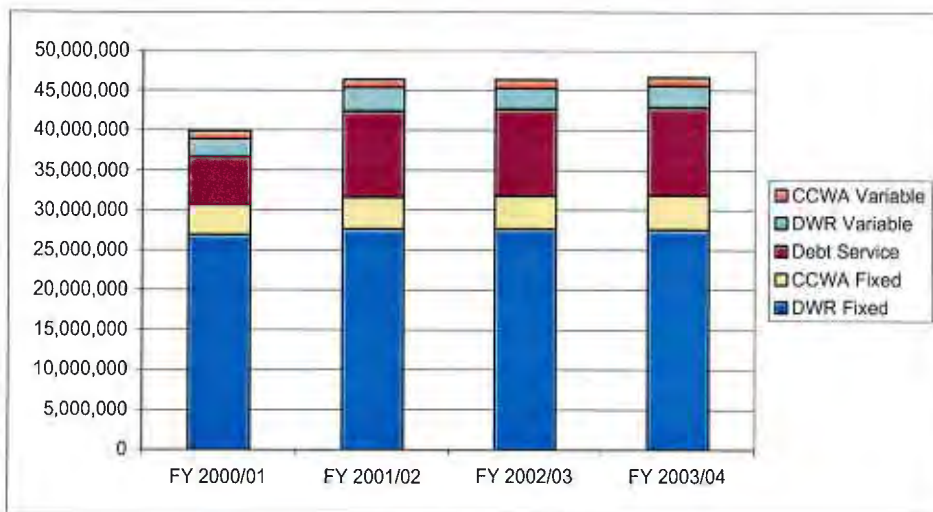
Fiscal Year	Variable O&M Expenses	Warren Act and Trust Fund Payments	Regional WTP Modifications			Exchange Agreement Modifications			Variable CCWA O&M Charges
			Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	WTP Modifications	Warren Act Modifications	SYPF Modifications	
FY 2000/01	\$ 875,960	\$ 433,492	\$ 60,767	\$ (60,767)	\$ 0	\$ -	\$ (158,340)	\$ (163,800)	\$ 987,312
FY 2001/02	914,470	415,106	59,696	(59,696)	0	-	(152,598)	(172,410)	1,004,568
FY 2002/03	944,753	427,344	65,006	(65,006)	0	-	(149,408)	(167,086)	1,055,603
FY 2003/04	970,314	436,276	69,038	(69,038)	0	-	(149,408)	(169,058)	1,088,123

DWR Charges

Total State Water Charges

Fiscal Year	DWR Fixed Costs ⁽³⁾	DWR Variable Costs	Total DWR Costs	CCWA		Debt Service	DWR Fixed	DWR Variable O&M	Total SWP Charges
				Fixed	Variable O&M				
FY 2000/01	\$ 26,892,863	\$ 2,241,193	\$ 29,134,056	\$ 3,818,011	\$ 987,312	\$ 5,940,127	\$ 26,892,863	\$ 2,241,193	\$ 39,879,373
FY 2001/02	27,639,786	2,976,457	30,616,243	3,996,905	1,004,568	10,766,866	27,639,786	2,976,457	46,384,582
FY 2002/03	27,645,979	2,617,034	30,263,012	4,117,848	1,055,603	10,880,751	27,645,979	2,617,034	46,317,214
FY 2003/04	27,569,970	2,699,215	30,269,185	4,264,660	1,088,123	11,007,874	27,569,970	2,699,215	46,629,842

(3) Net of DWR account interest income.



Central Coast Water Authority
Total Charges - Santa Barbara County Project Participants
 Four Year Financial Plan Charges

Entitlement				39,078
Fiscal Year	Requested Deliveries	Exchange Deliveries	Actual Deliveries	
FY 2000/01	33,179	-	33,179	
FY 2001/02	33,575	-	33,575	
FY 2002/03	34,211	-	34,211	
FY 2003/04	34,722	-	34,722	

CCWA Fixed Charges

Fiscal Year	Fixed O&M Expenses ⁽¹⁾	Regional WTP Modifications			Exchange Agreement Modifications			Revenue Bond Debt Service ⁽²⁾	Fixed CCWA Charges
		Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	Capital Modifications	Fixed O&M Modifications	Total Exchange Modifications		
FY 2000/01	\$ 3,418,600	\$ 1,135,275	\$ (1,135,275)	\$ -	\$ -	\$ -	\$ 4,865,508	\$ 8,284,109	
FY 2001/02	3,750,268	1,171,956	(1,171,956)	-	-	-	9,376,185	13,126,454	
FY 2002/03	3,863,951	1,192,303	(1,192,303)	-	-	-	9,490,867	13,354,817	
FY 2003/04	4,002,676	1,213,628	(1,213,628)	(0)	-	-	9,618,347	13,621,023	

(1) Includes capital improvement projects and non-annual recurring expenses.
 (2) Net of CCWA credits.

CCWA Variable O&M Charges

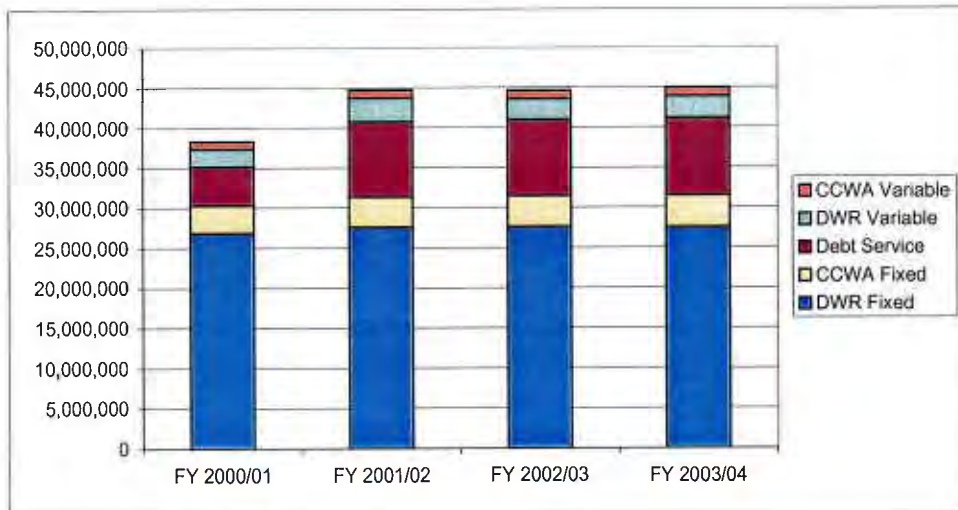
Fiscal Year	Variable O&M Expenses	Warren Act and Trust Fund Payments	Regional WTP Modifications			Exchange Agreement Modifications			Variable CCWA O&M Charges
			Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	WTP Modifications	Warren Act Modifications	SYPF Modifications	
FY 2000/01	\$ 830,280	\$ 433,492	\$ 60,767	\$ (60,767)	\$ 0	\$ -	\$ (158,340)	\$ (163,800)	\$ 941,632
FY 2001/02	866,987	415,106	59,696	(59,696)	0	-	(152,598)	(172,410)	957,085
FY 2002/03	895,584	427,344	65,006	(65,006)	0	-	(149,408)	(167,086)	1,006,434
FY 2003/04	919,400	436,276	69,038	(69,038)	0	-	(149,408)	(169,058)	1,037,210

DWR Charges

Total State Water Charges

Fiscal Year	DWR Fixed Costs ⁽³⁾	DWR Variable Costs	Total DWR Costs	Total State Water Charges					
				CCWA Fixed	CCWA Variable O&M	Debt Service	DWR Fixed	DWR Variable O&M	Total SWP Charges
FY 2000/01	\$ 26,892,863	\$ 2,241,193	\$ 29,134,056	\$ 3,418,600	\$ 941,632	\$ 4,865,508	\$ 26,892,863	\$ 2,241,193	\$ 38,359,797
FY 2001/02	27,639,786	2,976,457	30,616,243	3,750,268	957,085	9,376,185	27,639,786	2,976,457	44,699,782
FY 2002/03	27,645,979	2,617,034	30,263,012	3,863,951	1,006,434	9,490,867	27,645,979	2,617,034	44,624,263
FY 2003/04	27,569,970	2,699,215	30,269,185	4,002,676	1,037,210	9,618,347	27,569,970	2,699,215	44,927,417

(3) Net of DWR account interest income.



Central Coast Water Authority
Shandon
 Four Year Financial Plan Charges

Entitlement				100
Fiscal Year	Requested Deliveries	Exchange Deliveries	Actual Deliveries	
FY 2000/01	-	-	-	
FY 2001/02	-	-	-	
FY 2002/03	-	-	-	
FY 2003/04	-	-	-	

CCWA Fixed Charges

Fiscal Year	Fixed O&M Expenses ⁽¹⁾	Regional WTP Modifications			Exchange Agreement Modifications			Revenue Bond Debt Service ⁽²⁾	Fixed CCWA Charges
		Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	Capital Modifications	Fixed O&M Modifications	Total Exchange Modifications		
FY 2000/01	\$ 4,736						\$ 13,530	\$ 18,266	
FY 2001/02	4,949						13,810	18,759	
FY 2002/03	5,094						13,802	18,896	
FY 2003/04	5,253						13,794	19,048	

(1) Includes capital improvement projects and non-annual recurring expenses.
 (2) Net of CCWA credits.

CCWA Variable O&M Charges

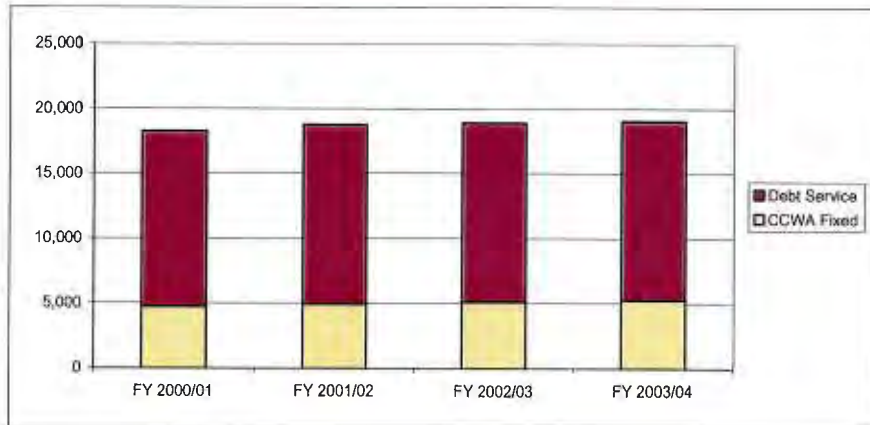
Fiscal Year	Variable O&M Expenses	Warren Act and Trust Fund Payments	Regional WTP Modifications			Exchange Agreement Modifications			Variable CCWA O&M Charges
			Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	WTP Modifications	Warren Act Modifications	SYPF Modifications	
FY 2000/01	\$0							\$ -	
FY 2001/02	-							-	
FY 2002/03	-							-	
FY 2003/04	-							-	

DWR Charges

Total State Water Charges

Fiscal Year	DWR Fixed Costs ⁽²⁾	DWR Variable Costs	Total DWR Costs	CCWA		Debt Service	DWR Fixed	DWR Variable O&M	Total SWP Charges
				Fixed	Variable O&M				
FY 2000/01		\$ -	\$ -	\$ 4,736	\$ -	\$ 13,530	-	-	\$ 18,266
FY 2001/02		-	-	4,949	-	13,810	-	-	18,759
FY 2002/03		-	-	5,094	-	13,802	-	-	18,896
FY 2003/04		-	-	5,253	-	13,794	-	-	19,048

(2) Net of DWR account interest income.



Central Coast Water Authority
FY 2000/01 Four Year Financial Plan
 Project Participant Payment Summary

Shandon

Payment Due Date	Payment Amount	Requested SWP Delivery (acre-feet)
April 1, 2000	\$ -	0
June 1, 2000	\$ 18,328	n/a
July 1, 2000	\$ -	0
October 1, 2000	\$ -	0
January 1, 2001	\$ -	0
April 1, 2001	\$ -	0
June 1, 2001	\$ 18,823	n/a
July 1, 2001	\$ -	0
October 1, 2001	\$ -	0
January 1, 2002	\$ -	0
April 1, 2002	\$ -	0
June 1, 2002	\$ 18,962	n/a
July 1, 2002	\$ -	0
October 1, 2002	\$ -	0
January 1, 2003	\$ -	0
April 1, 2003	\$ -	0
June 1, 2003	\$ 19,115	n/a
July 1, 2003	\$ -	0
October 1, 2003	\$ -	0
January 1, 2004	\$ -	0

Central Coast Water Authority
Chorro Valley Turnout
 Four Year Financial Plan Charges

Entitlement				2,338
Fiscal Year	Requested Deliveries	Exchange Deliveries	Actual Deliveries	
FY 2000/01	2,338	-	2,338	
FY 2001/02	2,338	-	2,338	
FY 2002/03	2,338	-	2,338	
FY 2003/04	2,338	-	2,338	

CCWA Fixed Charges

Fiscal Year	Fixed O&M Expenses ⁽¹⁾	Regional WTP Modifications			Exchange Agreement Modifications			Revenue Bond Debt Service ⁽²⁾	Fixed CCWA Charges
		Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	Capital Modifications	Fixed O&M Modifications	Total Exchange Modifications		
FY 2000/01	\$ 110,736						\$ 1,058,708	\$ 1,169,444	
FY 2001/02	115,714						1,079,933	1,195,646	
FY 2002/03	119,097						1,079,315	1,198,412	
FY 2003/04	122,825						1,079,135	1,201,959	

(1) Includes capital improvement projects and non-annual recurring expenses.

(2) Net of CCWA credits.

CCWA Variable O&M Charges

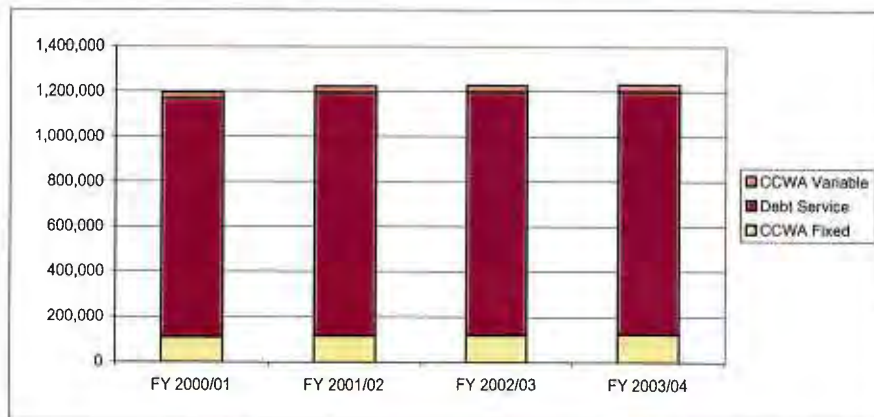
Fiscal Year	Variable O&M Expenses	Warren Act and Trust Fund Payments	Regional WTP Modifications			Exchange Agreement Modifications			Variable CCWA O&M Charges
			Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	WTP Modifications	Warren Act Modifications	SYPF Modifications	
FY 2000/01	\$ 26,222							\$ 26,222	
FY 2001/02	27,009							27,009	
FY 2002/03	27,819							27,819	
FY 2003/04	28,653							28,653	

DWR Charges

Total State Water Charges

Fiscal Year	DWR Fixed Costs ⁽²⁾	DWR Variable Costs	Total DWR Costs	Total State Water Charges					
				CCWA Fixed	CCWA Variable O&M	Debt Service	DWR Fixed	DWR Variable O&M	Total SWP Charges
FY 2000/01			\$ -	\$ 110,736	\$ 26,222	\$ 1,058,708	\$ -	\$ -	\$ 1,195,666
FY 2001/02			-	115,714	27,009	1,079,933	-	-	1,222,655
FY 2002/03			-	119,097	27,819	1,079,315	-	-	1,226,231
FY 2003/04			-	122,825	28,653	1,079,135	-	-	1,230,613

(2) Net of DWR account interest income.



Central Coast Water Authority
FY 2000/01 Four Year Financial Plan
 Project Participant Payment Summary

Chorro Valley

Payment Due Date	Payment Amount	Requested SWP Delivery (acre-feet)
April 1, 2000	\$ 7,752	691
June 1, 2000	\$ 1,170,887	n/a
July 1, 2000	\$ 6,225	555
October 1, 2000	\$ 5,348	477
January 1, 2001	\$ 6,897	615
April 1, 2001	\$ 7,984	691
June 1, 2001	\$ 1,197,133	n/a
July 1, 2001	\$ 6,412	555
October 1, 2001	\$ 5,509	477
January 1, 2002	\$ 7,104	615
April 1, 2002	\$ 8,224	691
June 1, 2002	\$ 1,199,943	n/a
July 1, 2002	\$ 6,604	555
October 1, 2002	\$ 5,674	477
January 1, 2003	\$ 7,317	615
April 1, 2003	\$ 8,470	691
June 1, 2003	\$ 1,203,536	n/a
July 1, 2003	\$ 6,802	555
October 1, 2003	\$ 5,844	477
January 1, 2004	\$ 7,536	615

Central Coast Water Authority
Lopez Turnout
 Four Year Financial Plan Charges

Entitlement				2,392
Fiscal Year	Requested Deliveries	Exchange Deliveries	Actual Deliveries	
FY 2000/01	1,735	-	1,735	
FY 2001/02	1,772	-	1,772	
FY 2002/03	1,794	-	1,794	
FY 2003/04	1,816	-	1,816	

CCWA Fixed Charges

Fiscal Year	Fixed O&M Expenses ⁽¹⁾	Regional WTP Modifications			Exchange Agreement Modifications			Revenue Bond Debt Service ⁽²⁾	Fixed CCWA Charges
		Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	Capital Modifications	Fixed O&M Modifications	Total Exchange Modifications		
FY 2000/01	\$ 120,416							\$ 165,904	\$ 286,319
FY 2001/02	125,974							296,938	422,912
FY 2002/03	129,706							296,767	426,473
FY 2003/04	133,906							296,598	430,504

(1) Includes capital improvement projects and non-annual recurring expenses.
 (2) Net of CCWA credits.

CCWA Variable O&M Charges

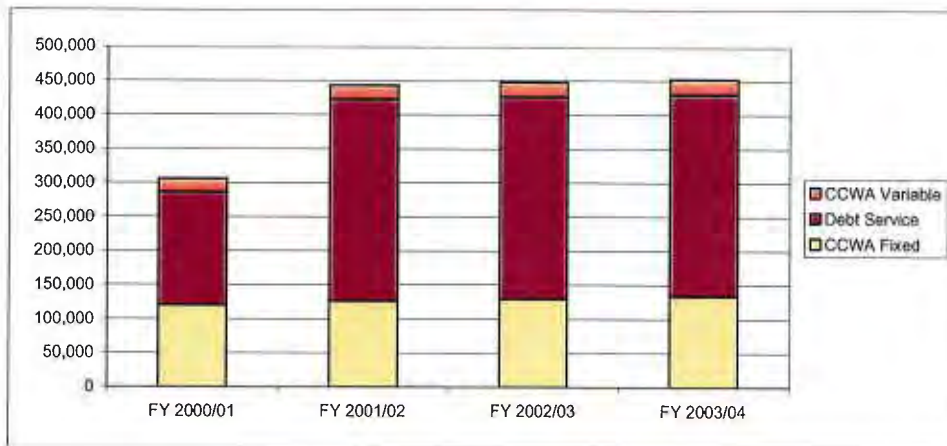
Fiscal Year	Variable O&M Expenses	Warren Act and Trust Fund Payments	Regional WTP Modifications			Exchange Agreement Modifications			Variable CCWA O&M Charges
			Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	WTP Modifications	Warren Act Modifications	SYPF Modifications	
FY 2000/01	\$ 19,458								\$ 19,458
FY 2001/02	20,474								20,474
FY 2002/03	21,350								21,350
FY 2003/04	22,260								22,260

DWR Charges

Total State Water Charges

Fiscal Year	DWR Fixed Costs ⁽²⁾	DWR Variable Costs	Total DWR Costs	CCWA			DWR		Total SWP Charges
				Fixed	Variable O&M	Debt Service	Fixed	Variable O&M	
FY 2000/01			-	\$ 120,416	\$ 19,458	\$ 165,904	-	-	\$ 305,777
FY 2001/02			-	125,974	20,474	296,938	-	-	443,386
FY 2002/03			-	129,706	21,350	296,767	-	-	447,824
FY 2003/04			-	133,906	22,260	296,598	-	-	452,765

(2) Net of DWR account interest income.



Central Coast Water Authority
FY 2000/01 Four Year Financial Plan
 Project Participant Payment Summary

Lopez

Payment Due Date	Payment Amount	Requested SWP Delivery (acre-feet)
April 1, 2000	\$ 6,067	541
June 1, 2000	\$ 288,348	n/a
July 1, 2000	\$ 4,314	385
October 1, 2000	\$ 4,089	365
January 1, 2001	\$ 4,988	445
April 1, 2001	\$ 6,319	547
June 1, 2001	\$ 425,001	n/a
July 1, 2001	\$ 4,686	406
October 1, 2001	\$ 4,262	369
January 1, 2002	\$ 5,207	451
April 1, 2002	\$ 6,586	553
June 1, 2002	\$ 428,626	n/a
July 1, 2002	\$ 4,889	411
October 1, 2002	\$ 4,442	373
January 1, 2003	\$ 5,434	457
April 1, 2003	\$ 6,862	560
June 1, 2003	\$ 432,721	n/a
July 1, 2003	\$ 5,099	416
October 1, 2003	\$ 4,630	378
January 1, 2004	\$ 5,669	463

Central Coast Water Authority
City of Guadalupe
 Four Year Financial Plan Charges

Entitlement Including Drought Buffer				605
Fiscal Year	Requested Deliveries	Exchange Deliveries	Actual Deliveries	
FY 2000/01	605	-	605	
FY 2001/02	605	-	605	
FY 2002/03	605	-	605	
FY 2003/04	605	-	605	

CCWA Fixed Charges

Fiscal Year	Fixed O&M Expenses ⁽¹⁾	Regional WTP Modifications			Exchange Agreement Modifications			Revenue Bond Debt Service ⁽²⁾	Fixed CCWA Charges
		Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	Capital Modifications	Fixed O&M Modifications	Total Exchange Modifications		
FY 2000/01	\$ 40,275	\$ 15,978	\$ -	\$ 15,978	\$ -	\$ -	\$ -	\$ 157,463	\$ 213,716
FY 2001/02	41,979	16,495	-	16,495	-	-	-	169,173	227,646
FY 2002/03	43,193	16,781	-	16,781	-	-	-	169,076	229,050
FY 2003/04	44,596	17,081	-	17,081	-	-	-	168,979	230,656

(1) Includes capital improvement projects and non-annual recurring expenses.
 (2) Net of CCWA credits.

CCWA Variable O&M Charges

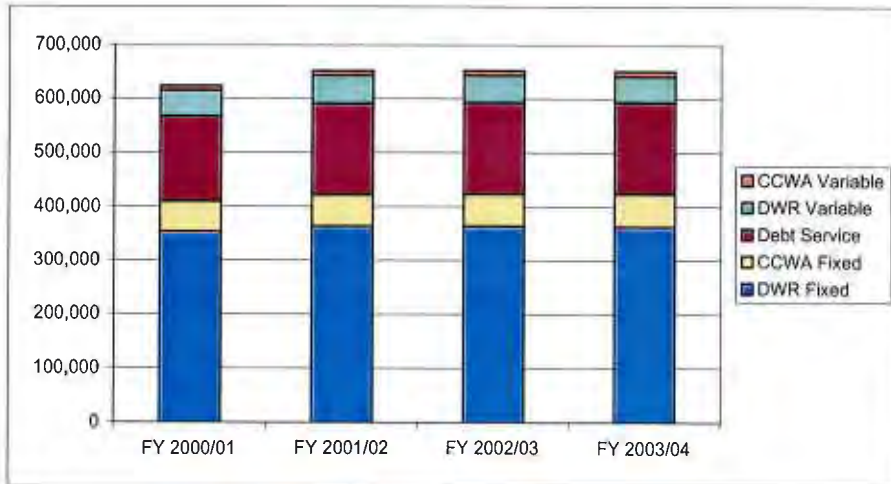
Fiscal Year	Variable O&M Expenses	Warren Act and Trust Fund Payments	Regional WTP Modifications			Exchange Agreement Modifications			Variable CCWA O&M Charges
			Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	WTP Modifications	Warren Act Modifications	SYPF Modifications	
FY 2000/01	\$ 6,950	\$ -	\$ 1,107	\$ -	\$ 1,107	\$ -	\$ -	\$ -	\$ 8,057
FY 2001/02	7,158	-	1,073	-	1,073	-	-	-	8,231
FY 2002/03	7,372	-	1,150	-	1,150	-	-	-	8,522
FY 2003/04	7,593	-	1,202	-	1,202	-	-	-	8,796

DWR Charges

Total State Water Charges

Fiscal Year	DWR Fixed Costs ⁽³⁾	DWR Variable Costs	Total DWR Costs	CCWA		Debt Service	DWR Fixed	DWR Variable O&M	Total SWP Charges
				Fixed	Variable O&M				
FY 2000/01	\$ 353,714	\$ 48,080	\$ 401,794	\$ 56,253	\$ 8,057	\$ 157,463	\$ 353,714	\$ 48,080	\$ 623,566
FY 2001/02	363,432	52,377	415,809	58,473	8,231	169,173	363,432	52,377	651,687
FY 2002/03	363,512	50,933	414,445	59,974	8,522	169,076	363,512	50,933	652,018
FY 2003/04	362,452	48,807	411,259	61,677	8,796	168,979	362,452	48,807	650,711

(3) Net of DWR account interest income.



Central Coast Water Authority
FY 2000/01 Four Year Financial Plan
 Project Participant Payment Summary

City of Guadalupe

Payment Due Date	Payment Amount	Requested SWP Delivery (acre-feet)
April 1, 2000	\$ 17,535	205
June 1, 2000	\$ 568,042	n/a
July 1, 2000	\$ 12,189	110
October 1, 2000	\$ 11,066	110
January 1, 2001	\$ 15,347	180
April 1, 2001	\$ 18,413	205
June 1, 2001	\$ 591,710	n/a
July 1, 2001	\$ 12,576	110
October 1, 2001	\$ 12,779	110
January 1, 2002	\$ 16,840	180
April 1, 2002	\$ 18,389	205
June 1, 2002	\$ 593,213	n/a
July 1, 2002	\$ 12,832	110
October 1, 2002	\$ 11,942	110
January 1, 2003	\$ 16,293	180
April 1, 2003	\$ 17,939	205
June 1, 2003	\$ 593,778	n/a
July 1, 2003	\$ 11,991	110
October 1, 2003	\$ 11,633	110
January 1, 2004	\$ 16,039	180

Central Coast Water Authority
City of Santa Maria
 Four Year Financial Plan Charges

Entitlement Including Drought Buffer				17,820
Fiscal Year	Requested Deliveries	Exchange Deliveries	Actual Deliveries	
FY 2000/01	16,134	-	16,134	
FY 2001/02	16,495	-	16,495	
FY 2002/03	16,865	-	16,865	
FY 2003/04	17,222	-	17,222	

CCWA Fixed Charges

Fiscal Year	Fixed O&M Expenses ⁽¹⁾	Regional WTP Modifications			Exchange Agreement Modifications			Prepayments and Credits	Fixed CCWA Charges
		Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	Capital Modifications	Fixed O&M Modifications	Total Exchange Modifications		
FY 2000/01	\$ 1,220,105	\$ 470,635	\$ -	\$ 470,635	\$ -	\$ -	\$ -	\$ -	\$ 1,690,740
FY 2001/02	1,272,509	485,841	-	485,841	-	-	-	-	1,758,350
FY 2002/03	1,309,572	494,276	-	494,276	-	-	-	-	1,803,848
FY 2003/04	1,352,705	503,116	-	503,116	-	-	-	-	1,855,821

(1) Includes capital improvement projects and non-annual recurring expenses.

CCWA Variable O&M Charges

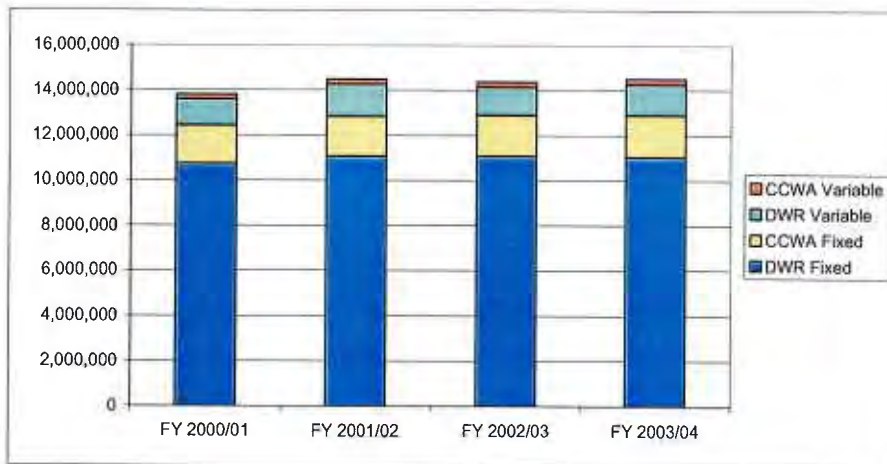
Fiscal Year	Variable O&M Expenses	Warren Act and Trust Fund Payments	Regional WTP Modifications			Exchange Agreement Modifications			Variable CCWA O&M Charges
			Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	WTP Modifications	Warren Act Modifications	SYPF Modifications	
FY 2000/01	\$ 185,328	\$ -	\$ 29,208	\$ -	\$ 29,208	\$ -	\$ -	\$ -	\$ 214,536
FY 2001/02	195,157	-	29,110	-	29,110	-	-	-	224,268
FY 2002/03	205,514	-	31,779	-	31,779	-	-	-	237,293
FY 2003/04	216,155	-	34,007	-	34,007	-	-	-	250,163

DWR Charges

Total State Water Charges

Fiscal Year	DWR Fixed Costs ⁽²⁾	DWR Variable Costs	Total DWR Costs	CCWA			DWR Fixed	DWR Variable O&M	Total SWP Charges
				Fixed	Variable O&M	Credits			
FY 2000/01	\$ 10,735,025	\$ 1,160,165	\$ 11,895,190	\$ 1,690,740	\$ 214,536	\$ -	\$ 10,735,025	\$ 1,160,165	\$ 13,800,466
FY 2001/02	11,069,769	1,430,472	12,500,241	1,758,350	224,268	0	11,069,769	1,430,472	14,482,859
FY 2002/03	11,072,115	1,260,241	12,332,356	1,803,848	237,293	0	11,072,115	1,260,241	14,373,497
FY 2003/04	11,040,895	1,360,917	12,401,812	1,855,821	250,163	0	11,040,895	1,360,917	14,507,796

(2) Net of DWR account interest income.



Central Coast Water Authority
FY 2000/01 Four Year Financial Plan
 Project Participant Payment Summary

City of Santa Maria

Payment Due Date	Payment Amount	Requested SWP Delivery (acre-feet)
April 1, 2000	\$ 387,369	4,748
June 1, 2000	\$ 9,568,139	n/a
July 1, 2000	\$ 324,368	3,628
October 1, 2000	\$ 280,738	3,049
January 1, 2001	\$ 382,227	4,709
April 1, 2001	\$ 456,922	4,856
June 1, 2001	\$ 12,849,423	n/a
July 1, 2001	\$ 386,392	3,708
October 1, 2001	\$ 356,374	3,115
January 1, 2002	\$ 455,052	4,816
April 1, 2002	\$ 429,912	4,967
June 1, 2002	\$ 12,897,906	n/a
July 1, 2002	\$ 361,134	3,791
October 1, 2002	\$ 299,089	3,182
January 1, 2003	\$ 407,399	4,925
April 1, 2003	\$ 456,192	5,077
June 1, 2003	\$ 12,919,318	n/a
July 1, 2003	\$ 380,890	3,874
October 1, 2003	\$ 330,760	3,242
January 1, 2004	\$ 443,237	5,029

Central Coast Water Authority
Southern California Water Company
 Four Year Financial Plan Charges

Entitlement Including Drought Buffer				550
Fiscal Year	Requested Deliveries	Exchange Deliveries	Actual Deliveries	
FY 2000/01	550	-	550	
FY 2001/02	550	-	550	
FY 2002/03	550	-	550	
FY 2003/04	550	-	550	

CCWA Fixed Charges

Fiscal Year	Fixed O&M Expenses ⁽¹⁾	Regional WTP Modifications			Exchange Agreement Modifications			CCWA Credits	Fixed CCWA Charges
		Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	Capital Modifications	Fixed O&M Modifications	Total Exchange Modifications		
FY 2000/01	\$ 37,658	\$ 14,526	\$ -	\$ 14,526	\$ -	\$ -	\$ -	\$ (13,668)	\$ 38,515
FY 2001/02	39,275	14,995	-	14,995	-	-	-	-	54,270
FY 2002/03	40,419	15,255	-	15,255	-	-	-	-	55,674
FY 2003/04	41,750	15,528	-	15,528	-	-	-	-	57,278

(1) Includes capital improvement projects and non-annual recurring expenses.

CCWA Variable O&M Charges

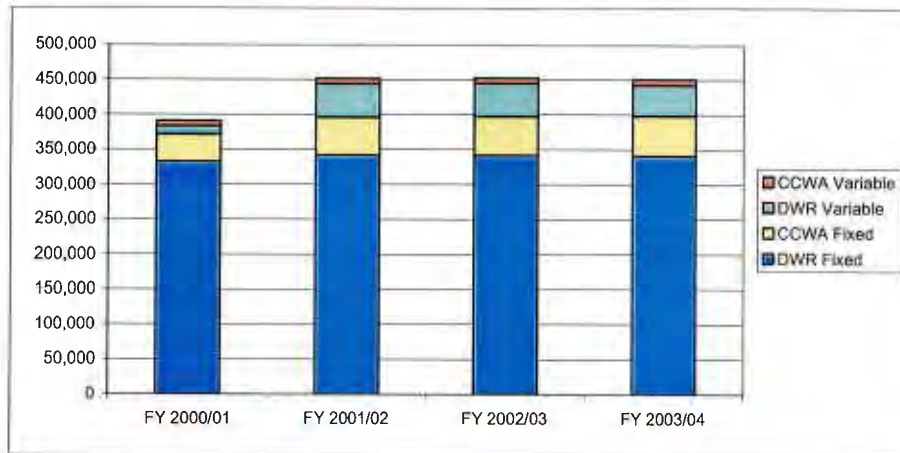
Fiscal Year	Variable O&M Expenses	Warren Act and Trust Fund Payments	Regional WTP Modifications			Exchange Agreement Modifications			Variable CCWA O&M Charges
			Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	WTP Modifications	Warren Act Modifications	SYPF Modifications	
FY 2000/01	\$ 6,318	\$ -	\$ 1,002	\$ -	\$ 1,002	\$ -	\$ -	\$ -	\$ 7,319
FY 2001/02	6,507	-	970	-	970	-	-	-	7,477
FY 2002/03	6,702	-	1,042	-	1,042	-	-	-	7,744
FY 2003/04	6,903	-	1,088	-	1,088	-	-	-	7,991

DWR Charges

Total State Water Charges

Fiscal Year	DWR Charges		Total DWR Costs	Total State Water Charges					Total SWP Charges
	DWR Fixed Costs ⁽²⁾	DWR Variable Costs		CCWA Fixed	CCWA Variable O&M	CCWA Credits	DWR Fixed	DWR Variable O&M	
FY 2000/01	\$ 332,755	\$ 11,998	\$ 344,754	\$ 52,183	\$ 7,319	\$ (13,668)	\$ 332,755	\$ 11,998	\$ 390,588
FY 2001/02	341,660	47,610	389,270	54,270	7,477	0	341,660	47,610	451,017
FY 2002/03	341,732	47,077	388,809	55,674	7,744	0	341,732	47,077	452,227
FY 2003/04	340,768	44,370	385,139	57,278	7,991	0	340,768	44,370	450,409

(2) Net of DWR account interest income.



Central Coast Water Authority
FY 2000/01 Four Year Financial Plan
 Project Participant Payment Summary

Southern California Water Company

Payment Due Date	Payment Amount	Requested SWP Delivery (acre-feet)
April 1, 2000	\$ 7,741	195
June 1, 2000	\$ 371,909	n/a
July 1, 2000	\$ 1,833	90
October 1, 2000	\$ 1,967	85
January 1, 2001	\$ 7,776	180
April 1, 2001	\$ 17,268	195
June 1, 2001	\$ 396,587	n/a
July 1, 2001	\$ 10,817	90
October 1, 2001	\$ 10,746	85
January 1, 2002	\$ 16,257	180
April 1, 2002	\$ 17,414	195
June 1, 2002	\$ 398,084	n/a
July 1, 2002	\$ 11,272	90
October 1, 2002	\$ 10,116	85
January 1, 2003	\$ 16,020	180
April 1, 2003	\$ 16,847	195
June 1, 2003	\$ 398,744	n/a
July 1, 2003	\$ 10,275	90
October 1, 2003	\$ 9,630	85
January 1, 2004	\$ 15,610	180

Central Coast Water Authority
Vandenberg Air Force Base
 Four Year Financial Plan Charges

Entitlement Including Drought Buffer				6,050
Fiscal Year	Requested Deliveries	Exchange Deliveries	Actual Deliveries	
FY 2000/01	6,050	-	6,050	
FY 2001/02	6,050	-	6,050	
FY 2002/03	6,050	-	6,050	
FY 2003/04	6,050	-	6,050	

CCWA Fixed Charges

Fiscal Year	Fixed O&M Expenses ⁽¹⁾	Regional WTP Modifications			Exchange Agreement Modifications			CCWA Credits	Fixed CCWA Charges
		Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	Capital Modifications	Fixed O&M Modifications	Total Exchange Modifications		
FY 2000/01	\$ 463,981	\$ 159,783	\$ -	\$ 159,783	\$ -	\$ -	\$ -	\$ (100,790)	\$ 522,975
FY 2001/02	485,022	164,946	-	164,946	-	-	-	-	649,968
FY 2002/03	499,495	167,810	-	167,810	-	-	-	-	667,305
FY 2003/04	516,839	170,811	-	170,811	-	-	-	-	687,650

(1) Includes capital improvement projects and non-annual recurring expenses.

CCWA Variable O&M Charges

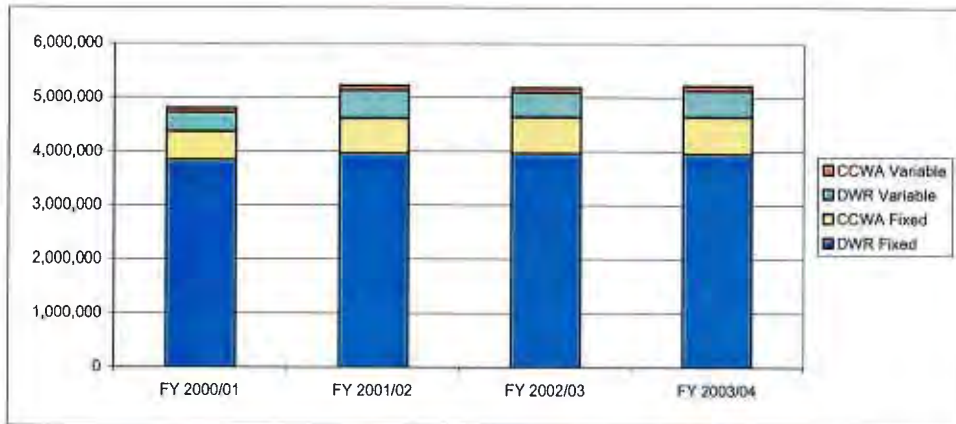
Fiscal Year	Variable O&M Expenses	Warren Act and Trust Fund Payments	Regional WTP Modifications			Exchange Agreement Modifications			Variable CCWA O&M Charges
			Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	WTP Modifications	Warren Act Modifications	SYPF Modifications	
FY 2000/01	\$ 69,632	\$ -	\$ 11,077	\$ -	\$ 11,077	\$ -	\$ -	\$ -	\$ 80,709
FY 2001/02	71,722	-	10,743	-	10,743	-	-	-	82,465
FY 2002/03	73,871	-	11,495	-	11,495	-	-	-	85,366
FY 2003/04	76,086	-	12,027	-	12,027	-	-	-	88,113

DWR Charges

Total State Water Charges

Fiscal Year	DWR Charges			Total State Water Charges					
	DWR Fixed Costs ⁽²⁾	DWR Variable Costs	Total DWR Costs	CCWA Fixed	CCWA Variable O&M	CCWA Credits	DWR Fixed	DWR Variable O&M	Total SWP Charges
FY 2000/01	\$ 3,843,177	\$ 354,668	\$ 4,197,845	\$ 623,765	\$ 80,709	\$ (100,790)	\$ 3,843,177	\$ 354,668	\$ 4,801,529
FY 2001/02	3,961,474	524,228	4,485,702	649,968	82,465	0	3,961,474	524,228	5,218,135
FY 2002/03	3,962,270	463,193	4,425,463	667,305	85,366	0	3,962,270	463,193	5,178,134
FY 2003/04	3,951,671	488,023	4,439,694	687,650	88,113	0	3,951,671	488,023	5,215,458

(2) Net of DWR account interest income.



Central Coast Water Authority
FY 2000/01 Four Year Financial Plan
 Project Participant Payment Summary

Vandenberg Air Force Base

Payment Due Date	Payment Amount	Requested SWP Delivery (acre-feet)
April 1, 2000	\$ 140,537	1,988
June 1, 2000	\$ 4,377,032	n/a
July 1, 2000	\$ 101,637	1,297
October 1, 2000	\$ 74,668	1,024
January 1, 2001	\$ 118,535	1,741
April 1, 2001	\$ 180,371	1,988
June 1, 2001	\$ 4,622,648	n/a
July 1, 2001	\$ 137,894	1,297
October 1, 2001	\$ 123,405	1,024
January 1, 2002	\$ 165,024	1,741
April 1, 2002	\$ 168,902	1,988
June 1, 2002	\$ 4,641,118	n/a
July 1, 2002	\$ 128,461	1,297
October 1, 2002	\$ 103,306	1,024
January 1, 2003	\$ 147,889	1,741
April 1, 2003	\$ 175,562	1,988
June 1, 2003	\$ 4,651,210	n/a
July 1, 2003	\$ 132,282	1,297
October 1, 2003	\$ 111,568	1,024
January 1, 2004	\$ 156,725	1,741

Central Coast Water Authority
City of Buellton
 Four Year Financial Plan Changes

Entitlement including Drought Buffer				636
Fiscal Year	Requested Deliveries	Exchange Deliveries	Actual Deliveries	
FY 2000/01	578	-	578	
FY 2001/02	578	-	578	
FY 2002/03	578	-	578	
FY 2003/04	578	-	578	

CCWA Fixed Charges

Fiscal Year	Fixed O&M Expenses ⁽¹⁾	Regional WTP Modifications			Exchange Agreement Modifications			Revenue Bond Debt Service ⁽²⁾	Fixed CCWA Charges
		Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	Capital Modifications	Fixed O&M Modifications	Total Exchange Modifications		
FY 2000/01	\$ 57,723	\$ 16,792	\$ -	\$ 16,792	\$ -	\$ -	\$ -	\$ 267,459	\$ 341,974
FY 2001/02	60,520	17,334	-	17,334	-	-	-	299,614	377,469
FY 2002/03	62,382	17,635	-	17,635	-	-	-	299,442	379,459
FY 2003/04	64,691	17,951	-	17,951	-	-	-	299,271	381,913

(1) Includes capital improvement projects and non-annual recurring expenses.

(2) Net of CCWA credits.

CCWA Variable O&M Charges

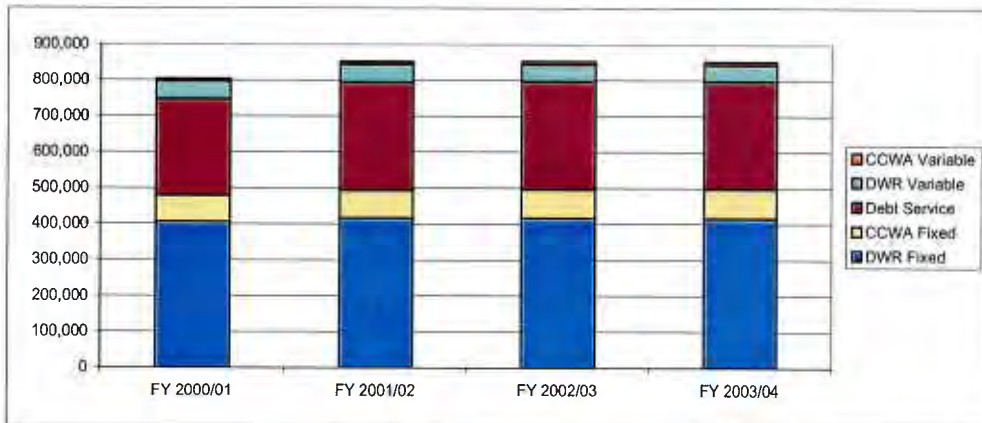
Fiscal Year	Variable O&M Expenses	Warren Act and Trust Fund Payments	Regional WTP Modifications			Exchange Agreement Modifications			Variable CCWA O&M Charges
			Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	WTP Modifications	Warren Act Modifications	SYPF Modifications	
FY 2000/01	\$ 6,874	\$ -	\$ 1,050	\$ -	\$ 1,050	\$ -	\$ -	\$ -	\$ 7,724
FY 2001/02	6,874	-	1,020	-	1,020	-	-	-	7,894
FY 2002/03	7,080	-	1,092	-	1,092	-	-	-	8,172
FY 2003/04	7,292	-	1,143	-	1,143	-	-	-	8,435

DWR Charges

Total State Water Charges

Fiscal Year	DWR Fixed Costs ⁽³⁾	DWR Variable Costs	Total DWR Costs	Total State Water Charges					
				CCWA Fixed	CCWA Variable O&M	Debt Service	DWR Fixed	DWR Variable O&M	Total SWP Charges
FY 2000/01	\$ 404,956	\$ 48,842	\$ 453,799	\$ 74,515	\$ 7,724	\$ 267,459	\$ 404,956	\$ 48,842	\$ 803,496
FY 2001/02	416,319	50,415	466,734	77,854	7,894	299,614	416,319	50,415	852,096
FY 2002/03	416,403	48,474	464,876	80,017	8,172	299,442	416,403	48,474	852,508
FY 2003/04	415,289	46,057	461,345	82,641	8,435	299,271	415,289	46,057	851,693

(3) Net of DWR account interest income.



Central Coast Water Authority
FY 2000/01 Four Year Financial Plan
 Project Participant Payment Summary

City of Buellton

Payment Due Date	Payment Amount	Requested SWP Delivery (acre-feet)
April 1, 2000	\$ 16,826	189
June 1, 2000	\$ 748,768	n/a
July 1, 2000	\$ 12,602	114
October 1, 2000	\$ 11,029	96
January 1, 2001	\$ 16,109	179
April 1, 2001	\$ 17,244	189
June 1, 2001	\$ 795,681	n/a
July 1, 2001	\$ 12,632	114
October 1, 2001	\$ 11,806	96
January 1, 2002	\$ 16,626	179
April 1, 2002	\$ 17,195	189
June 1, 2002	\$ 797,812	n/a
July 1, 2002	\$ 12,803	114
October 1, 2002	\$ 10,742	96
January 1, 2003	\$ 15,905	179
April 1, 2003	\$ 16,596	189
June 1, 2003	\$ 799,211	n/a
July 1, 2003	\$ 11,897	114
October 1, 2003	\$ 10,385	96
January 1, 2004	\$ 15,614	179

Central Coast Water Authority
Santa Ynez Improvement District No. 1 (City of Solvang)
 Four Year Financial Plan Charges

Entitlement Including Drought Buffer				1,500
Fiscal Year	Requested Deliveries	Exchange Deliveries	Actual Deliveries	
FY 2000/01	1,150	-	1,150	
FY 2001/02	1,500	-	1,500	
FY 2002/03	1,500	-	1,500	
FY 2003/04	1,500	-	1,500	

CCWA Fixed Charges

Fiscal Year	Fixed O&M Expenses ⁽¹⁾	Regional WTP Modifications			Exchange Agreement Modifications			Revenue Bond Debt Service ⁽²⁾	Fixed CCWA Charges
		Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	Capital Modifications	Fixed O&M Modifications	Total Exchange Modifications		
FY 2000/01	\$ 149,801	\$ 43,577	\$ -	\$ 43,577	\$ -	\$ -	\$ -	\$ 597,990	\$ 791,369
FY 2001/02	157,059	44,985	-	44,985	-	-	-	633,508	835,552
FY 2002/03	161,890	45,766	-	45,766	-	-	-	633,353	841,009
FY 2003/04	167,883	46,585	-	46,585	-	-	-	633,199	847,666

(1) Includes capital improvement projects and non-annual recurring expenses.

(2) Net of CCWA credits.

CCWA Variable O&M Charges

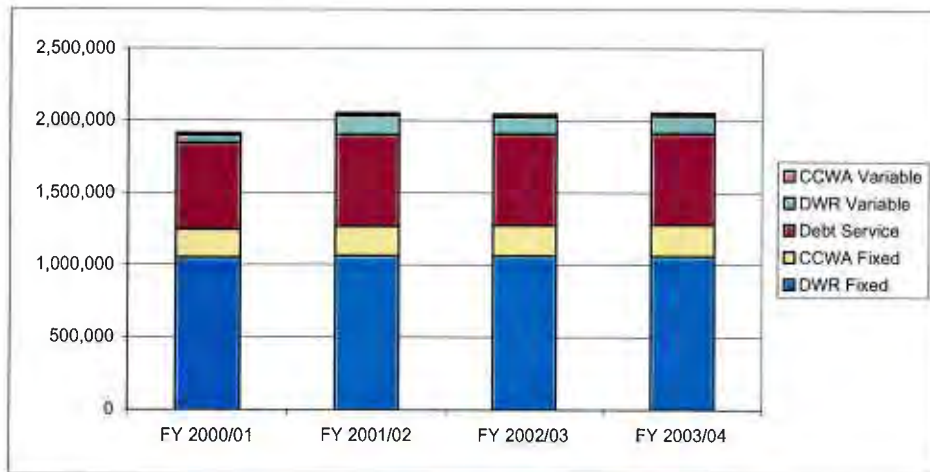
Fiscal Year	Variable O&M Expenses	Warren Act and Trust Fund Payments	Regional WTP Modifications			Exchange Agreement Modifications			Variable CCWA O&M Charges
			Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	WTP Modifications	Warren Act Modifications	SYPF Modifications	
FY 2000/01	\$ 13,278	\$ -	\$ 1,881	\$ -	\$ 1,881	\$ -	\$ -	\$ -	\$ 15,159
FY 2001/02	17,839	-	2,663	-	2,663	-	-	-	20,502
FY 2002/03	18,373	-	2,827	-	2,827	-	-	-	21,201
FY 2003/04	18,924	-	2,968	-	2,968	-	-	-	21,892

DWR Charges

Total State Water Charges

Fiscal Year	DWR Fixed Costs ⁽³⁾	DWR Variable Costs	Total DWR Costs	CCWA		Debt Service	DWR Fixed	DWR Variable O&M	Total SWP Charges
				CCWA Fixed	CCWA Variable O&M				
FY 2000/01	\$ 1,052,396	\$ 53,062	\$ 1,105,458	\$ 193,378	\$ 15,159	\$ 597,990	\$ 1,052,396	\$ 53,062	\$ 1,911,986
FY 2001/02	1,065,523	129,753	1,195,276	202,044	20,502	633,508	1,065,523	129,753	2,051,331
FY 2002/03	1,065,715	116,203	1,181,919	207,656	21,201	633,353	1,065,715	116,203	2,044,129
FY 2003/04	1,062,865	121,020	1,183,885	214,467	21,892	633,199	1,062,865	121,020	2,053,444

(3) Net of DWR account interest income.



Central Coast Water Authority
FY 2000/01 Four Year Financial Plan
 Project Participant Payment Summary
 Santa Ynez River Water Conservation District, ID#1
(City of Solvang)

Payment Due Date	Payment Amount	Requested SWP Delivery (acre-feet)
April 1, 2000	\$ -	0
June 1, 2000	\$ 1,848,536	n/a
July 1, 2000	\$ 22,455	400
October 1, 2000	\$ 22,884	375
January 1, 2001	\$ 22,884	375
April 1, 2001	\$ 37,487	375
June 1, 2001	\$ 1,905,990	n/a
July 1, 2001	\$ 37,487	375
October 1, 2001	\$ 37,641	375
January 1, 2002	\$ 37,641	375
April 1, 2002	\$ 35,267	375
June 1, 2002	\$ 1,911,787	n/a
July 1, 2002	\$ 35,267	375
October 1, 2002	\$ 33,435	375
January 1, 2003	\$ 33,435	375
April 1, 2003	\$ 36,155	375
June 1, 2003	\$ 1,915,745	n/a
July 1, 2003	\$ 36,155	375
October 1, 2003	\$ 35,301	375
January 1, 2004	\$ 35,301	375

Central Coast Water Authority
Santa Ynez Improvement District No. 1
 Four Year Financial Plan Charges

Entitlement Including Drought Buffer				700
Fiscal Year	Requested Deliveries	Exchange Deliveries	Actual Deliveries	
FY 2000/01	638	2,730	3,368	
FY 2001/02	640	2,631	3,271	
FY 2002/03	695	2,576	3,271	
FY 2003/04	695	2,576	3,271	

CCWA Fixed Charges

Fiscal Year	Fixed O&M Expenses ⁽¹⁾	Regional WTP Modifications			Exchange Agreement Modifications			Revenue Bond Debt Service ⁽²⁾	Fixed CCWA Charges
		Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	Capital Modifications	Fixed O&M Modifications	Total Exchange Modifications		
FY 2000/01	\$ 49,934	\$ 93,836	\$ -	\$ 93,836	\$ 182,161	\$ 107,574	\$ 289,735	\$ 31,268	\$ 464,773
FY 2001/02	52,353	92,250	-	92,250	177,591	107,907	285,499	237,200	667,301
FY 2002/03	53,963	93,851	-	93,851	175,681	108,600	284,281	237,142	669,237
FY 2003/04	55,961	95,530	-	95,530	177,621	111,595	289,216	237,084	677,791

(1) Includes capital improvement projects and non-annual recurring expenses.

(2) Net of CCWA credits

CCWA Variable O&M Charges

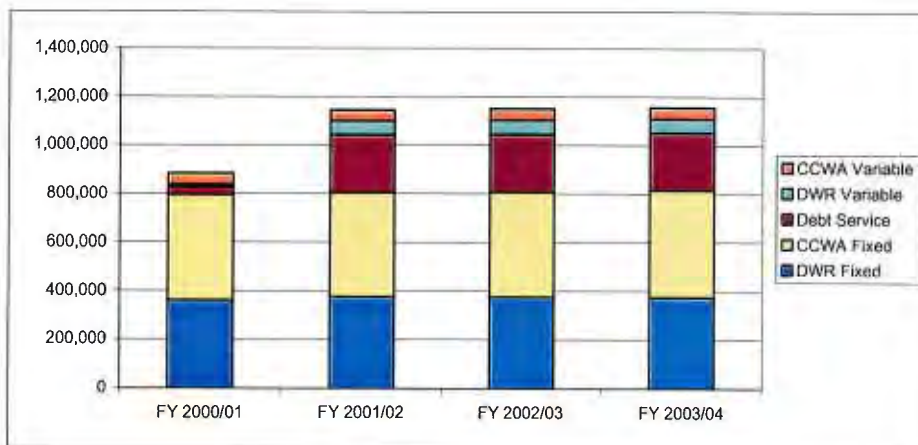
Fiscal Year	Variable O&M Expenses	Warren Act and Trust Fund Payments	Regional WTP Modifications			Exchange Agreement Modifications			Variable CCWA O&M Charges
			Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	WTP Modifications	Warren Act Modifications	SYPP Modifications	
FY 2000/01	\$ 7,366	\$ -	\$ 6,290	\$ -	\$ 6,290	\$ 31,227	\$ -	\$ -	\$ 44,883
FY 2001/02	7,611	-	5,838	-	5,838	30,997	-	-	44,447
FY 2002/03	8,513	-	6,252	-	6,252	31,259	-	-	46,024
FY 2003/04	8,768	-	6,535	-	6,535	32,196	-	-	47,499

DWR Charges

Total State Water Charges

Fiscal Year	DWR Charges		Total DWR Costs	CCWA Charges			DWR Charges		Total SWP Charges
	DWR Fixed Costs ⁽³⁾	DWR Variable Costs		CCWA Fixed	CCWA Variable O&M	Debt Service	DWR Fixed	DWR Variable O&M	
FY 2000/01	\$ 361,804	\$ 12,191	\$ 373,994	\$ 433,505	\$ 44,883	\$ 31,268	\$ 361,804	\$ 12,191	\$ 883,650
FY 2001/02	375,012	56,839	431,851	430,101	44,447	237,200	375,012	56,839	1,143,600
FY 2002/03	375,110	59,406	434,516	432,095	46,024	237,142	375,110	59,406	1,149,777
FY 2003/04	374,106	55,903	430,009	440,707	47,499	237,084	374,106	55,903	1,155,298

(3) Net of DWR account interest income.



Central Coast Water Authority
FY 2000/01 Four Year Financial Plan
 Project Participant Payment Summary

Santa Ynez River Water Conservation District, ID#1

Payment Due Date	Payment Amount	Requested SWP Delivery (acre-feet)	Actual SWP Delivery (acre-feet)
April 1, 2000	\$ 21,239	638	1,293
June 1, 2000	\$ 828,167	n/a	n/a
July 1, 2000	\$ 11,738	0	580
October 1, 2000	\$ 9,750	0	575
January 1, 2001	\$ 14,347	0	920
April 1, 2001	\$ 52,342	640	1,141
June 1, 2001	\$ 1,043,952	n/a	n/a
July 1, 2001	\$ 14,848	0	635
October 1, 2001	\$ 14,704	0	575
January 1, 2002	\$ 19,392	0	920
April 1, 2002	\$ 54,804	695	1,141
June 1, 2002	\$ 1,046,035	n/a	n/a
July 1, 2002	\$ 16,816	0	635
October 1, 2002	\$ 14,477	0	575
January 1, 2003	\$ 19,332	0	920
April 1, 2003	\$ 55,830	695	1,141
June 1, 2003	\$ 1,053,635	n/a	n/a
July 1, 2003	\$ 15,074	0	635
October 1, 2003	\$ 13,744	0	575
January 1, 2004	\$ 18,753	0	920

Central Coast Water Authority
Goleta Water District
 Four Year Financial Plan Charges

Entitlement Including Drought Buffer				4,950
Fiscal Year	Requested Deliveries	Exchange Deliveries	Actual Deliveries	
FY 2000/01	5,152	(2,122)	3,030	
FY 2001/02	4,950	(2,101)	2,849	
FY 2002/03	4,950	(2,009)	2,941	
FY 2003/04	4,950	(1,956)	2,994	

CCWA Fixed Charges

Fiscal Year	Fixed O&M Expenses ⁽¹⁾	Regional WTP Modifications			Exchange Agreement Modifications			Revenue Bond Debt Service ⁽²⁾	Fixed CCWA Charges
		Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	Capital Modifications	Fixed O&M Modifications	Total Exchange Modifications		
FY 2000/01	\$ 511,412	\$ 69,077	\$ (244,955)	\$ (175,877)	\$ (141,608)	\$ (83,626)	\$ (225,234)	\$ 2,644,451	\$ 2,754,750
FY 2001/02	537,235	73,264	(256,219)	(182,956)	(141,817)	(86,170)	(227,987)	2,895,195	3,021,487
FY 2002/03	554,085	76,016	(265,846)	(189,830)	(136,981)	(84,677)	(221,658)	2,893,534	3,036,131
FY 2003/04	575,428	78,998	(276,275)	(197,277)	(134,892)	(84,749)	(219,641)	2,891,881	3,050,391

(1) Includes capital improvement projects and non-annual recurring expenses.
 (2) Net of CCWA credits.

CCWA Variable O&M Charges

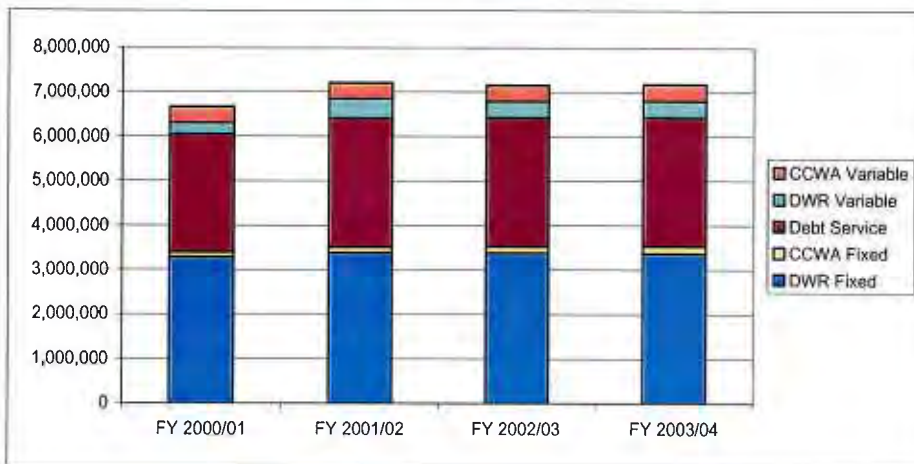
Fiscal Year	Variable O&M Expenses	Warren Act and Trust Fund Payments	Regional WTP Modifications			Exchange Agreement Modifications			Variable CCWA O&M Charges
			Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	WTP Modifications	Warren Act Modifications	SYPF Modifications	
FY 2000/01	\$ 368,605	\$ 298,816	\$ 5,826	\$ (38,809)	\$ (32,981)	\$ (24,275)	\$ (123,091)	\$ (127,335)	\$ 359,739
FY 2001/02	383,245	287,100	5,205	(37,577)	(32,372)	(24,753)	(121,858)	(137,680)	353,662
FY 2002/03	381,702	287,100	5,711	(39,903)	(34,192)	(24,373)	(116,496)	(130,280)	363,462
FY 2003/04	387,309	287,100	6,073	(41,787)	(35,714)	(24,451)	(113,466)	(128,389)	372,390

DWR Charges

Total State Water Charges

Fiscal Year	DWR Charges			Total State Water Charges					
	DWR Fixed Costs ⁽³⁾	DWR Variable Costs	Total DWR Costs	CCWA Fixed	CCWA Variable O&M	Debt Service	DWR Fixed	DWR Variable O&M	Total SWP Charges
FY 2000/01	\$ 3,289,109	\$ 260,198	\$ 3,549,306	\$ 110,300	\$ 359,739	\$ 2,644,451	\$ 3,289,109	\$ 260,198	\$ 6,663,796
FY 2001/02	3,384,119	444,081	3,828,200	126,293	353,682	2,895,195	3,384,119	444,081	7,203,369
FY 2002/03	3,385,303	372,626	3,757,929	142,596	363,462	2,893,534	3,385,303	372,626	7,157,521
FY 2003/04	3,375,933	374,729	3,750,662	158,510	372,390	2,891,881	3,375,933	374,729	7,173,443

(3) Net of DWR account interest income. Includes DWR fixed costs for the Goleta additional 2500 AF.



Central Coast Water Authority
FY 2000/01 Four Year Financial Plan
 Project Participant Payment Summary

Goleta Water District

Payment Due Date	Payment Amount	Requested SWP Delivery (acre-feet)	Actual SWP Delivery (acre-feet)
April 1, 2000	\$ 202,254	1,590	1,139
June 1, 2000	\$ 6,062,982	n/a	n/a
July 1, 2000	\$ 126,870	1,089	686
October 1, 2000	\$ 156,483	1,236	696
January 1, 2001	\$ 134,330	1,237	509
April 1, 2001	\$ 223,157	1,239	914
June 1, 2001	\$ 6,425,303	n/a	n/a
July 1, 2001	\$ 197,540	1,238	708
October 1, 2001	\$ 199,079	1,236	698
January 1, 2002	\$ 177,987	1,237	528
April 1, 2002	\$ 218,039	1,239	964
June 1, 2002	\$ 6,441,721	n/a	n/a
July 1, 2002	\$ 186,923	1,238	713
October 1, 2002	\$ 174,032	1,236	701
January 1, 2003	\$ 157,093	1,237	564
April 1, 2003	\$ 215,956	1,239	964
June 1, 2003	\$ 6,447,219	n/a	n/a
July 1, 2003	\$ 186,961	1,238	732
October 1, 2003	\$ 180,540	1,236	717
January 1, 2004	\$ 163,663	1,237	581

Central Coast Water Authority
Morehart Land Company
 Four Year Financial Plan Charges

Entitlement Including Drought Buffer				220
Fiscal Year	Requested Deliveries	Exchange Deliveries	Actual Deliveries	
FY 2000/01	88	-	88	
FY 2001/02	108	-	108	
FY 2002/03	122	-	122	
FY 2003/04	139	-	139	

CCWA Fixed Charges

Fiscal Year	Fixed O&M Expenses ⁽¹⁾	Regional WTP Modifications			Exchange Agreement Modifications			Revenue Bond Debt Service ⁽²⁾	Fixed CCWA Charges
		Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	Capital Modifications	Fixed O&M Modifications	Total Exchange Modifications		
FY 2000/01	\$ 22,729	\$ 5,810	\$ (20,604)	\$ (14,794)	\$ -	\$ -	\$ -	\$ 70,838	\$ 78,774
FY 2001/02	23,877	5,998	(20,976)	(14,978)	-	-	-	99,254	108,153
FY 2002/03	24,626	6,102	(21,341)	(15,238)	-	-	-	104,765	114,153
FY 2003/04	25,575	6,211	(21,722)	(15,511)	-	-	-	110,900	120,963

(1) Includes capital improvement projects and non-annual recurring expenses.
 (2) Net of CCWA credits.

CCWA Variable O&M Charges

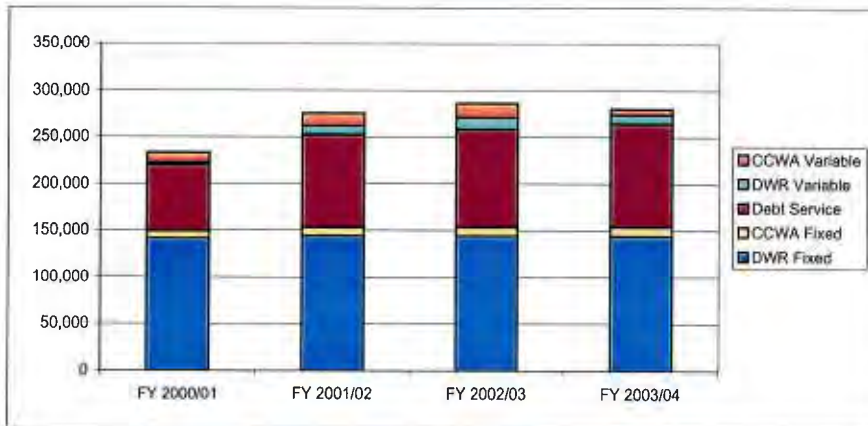
Fiscal Year	Variable O&M Expenses	Warren Act and Trust Fund Payments	Regional WTP Modifications			Exchange Agreement Modifications			Variable CCWA O&M Charges
			Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	WTP Modifications	Warren Act Modifications	SYPF Modifications	
FY 2000/01	\$ 6,296	\$ 5,104	\$ 155	\$ (1,127)	\$ (972)	\$ -	\$ -	\$ -	\$ 10,428
FY 2001/02	8,362	6,264	190	(1,424)	(1,235)	-	-	-	13,391
FY 2002/03	9,408	7,076	228	(1,655)	(1,427)	-	-	-	15,056
FY 2003/04	-	8,062	273	(1,940)	(1,667)	-	-	-	6,395

DWR Charges

Total State Water Charges

Fiscal Year	DWR Charges			Total State Water Charges					
	DWR Fixed Costs ⁽³⁾	DWR Variable Costs	Total DWR Costs	CCWA Fixed	CCWA Variable O&M	Debt Service	DWR Fixed	DWR Variable O&M	Total SWP Charges
FY 2000/01	\$ 141,398	\$ 2,686	\$ 144,084	\$ 7,936	\$ 10,428	\$ 70,838	\$ 141,398	\$ 2,686	\$ 233,286
FY 2001/02	144,054	9,768	153,822	8,899	13,391	99,254	144,054	9,768	275,365
FY 2002/03	144,083	12,675	156,757	9,387	15,056	104,765	144,083	12,675	285,966
FY 2003/04	143,697	9,403	153,100	10,064	6,395	110,900	143,697	9,403	280,458

(3) Net of DWR account interest income.



Central Coast Water Authority
FY 2000/01 Four Year Financial Plan
 Project Participant Payment Summary

Morehart Land Company

Payment Due Date	Payment Amount	Requested SWP Delivery (acre-feet)
April 1, 2000	\$ 2,293	19
June 1, 2000	\$ 221,022	n/a
July 1, 2000	\$ 2,293	19
October 1, 2000	\$ 4,097	24
January 1, 2001	\$ 4,430	26
April 1, 2001	\$ 5,390	25
June 1, 2001	\$ 253,082	n/a
July 1, 2001	\$ 5,390	25
October 1, 2001	\$ 6,021	28
January 1, 2002	\$ 6,358	30
April 1, 2002	\$ 6,857	29
June 1, 2002	\$ 259,137	n/a
July 1, 2002	\$ 6,689	28
October 1, 2002	\$ 6,836	31
January 1, 2003	\$ 7,350	34
April 1, 2003	\$ 3,945	34
June 1, 2003	\$ 265,589	n/a
July 1, 2003	\$ 3,662	31
October 1, 2003	\$ 3,906	35
January 1, 2004	\$ 4,284	39

Central Coast Water Authority
La Cumbre Mutual Water Company
 Four Year Financial Plan Charges

Entitlement Including Drought Buffer				1,100
Fiscal Year	Requested Deliveries	Exchange Deliveries	Actual Deliveries	
FY 2000/01	700	-	700	
FY 2001/02	700	-	700	
FY 2002/03	700	-	700	
FY 2003/04	700	-	700	

CCWA Fixed Charges

Fiscal Year	Fixed O&M Expenses ⁽¹⁾	Regional WTP Modifications			Exchange Agreement Modifications			Revenue Bond Debt Service ⁽²⁾	Fixed CCWA Charges
		Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	Capital Modifications	Fixed O&M Modifications	Total Exchange Modifications		
FY 2000/01	\$ 113,647	\$ 29,052	\$ (103,020)	\$ (73,968)	\$ -	\$ -	\$ -	\$ 376,301	\$ 415,980
FY 2001/02	119,386	29,990	(104,882)	(74,892)	-	-	-	475,340	519,833
FY 2002/03	123,130	30,511	(106,703)	(76,192)	-	-	-	501,734	548,671
FY 2003/04	127,873	31,057	(108,612)	(77,555)	-	-	-	531,114	581,431

(1) Includes capital improvement projects and non-annual recurring expenses.
 (2) Net of CCWA credits.

CCWA Variable O&M Charges

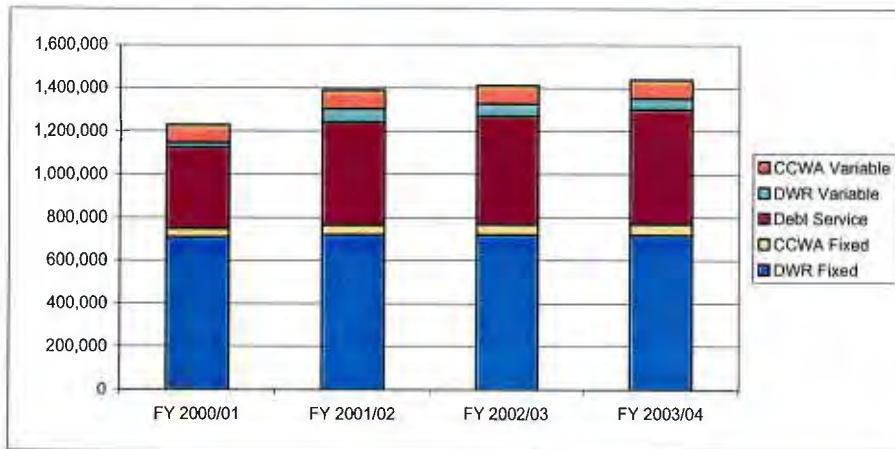
Fiscal Year	Variable O&M Expenses	Warren Act and Trust Fund Payments	Regional WTP Modifications			Exchange Agreement Modifications			Variable CCWA O&M Charges
			Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	WTP Modifications	Warren Act Modifications	SYPF Modifications	
FY 2000/01	\$ 50,062	\$ 40,600	\$ 1,284	\$ (8,967)	\$ (7,682)	\$ -	\$ -	\$ -	\$ 83,000
FY 2001/02	54,196	40,600	1,242	(9,233)	(7,991)	-	-	-	86,805
FY 2002/03	53,978	40,600	1,332	(9,496)	(8,164)	-	-	-	86,414
FY 2003/04	54,771	40,600	1,382	(9,771)	(8,379)	-	-	-	86,992

DWR Charges

Total State Water Charges

Fiscal Year	DWR Charges			Total State Water Charges					
	DWR Fixed Costs ⁽³⁾	DWR Variable Costs	Total DWR Costs	CCWA Fixed	CCWA Variable O&M	Debt Service	DWR Fixed	DWR Variable O&M	Total SWP Charges
FY 2000/01	\$ 708,783	\$ 21,270	\$ 730,052	\$39,679	\$ 83,000	\$ 376,301	\$ 708,783	\$ 21,270	\$ 1,229,032
FY 2001/02	720,268	63,241	783,509	44,493	86,805	475,340	720,268	63,241	1,390,147
FY 2002/03	720,413	57,191	777,604	46,937	86,414	501,734	720,413	57,191	1,412,689
FY 2003/04	718,486	52,519	771,005	50,318	86,992	531,114	718,486	52,519	1,439,429

(3) Net of DWR account interest income.



Central Coast Water Authority
FY 2000/01 Four Year Financial Plan
 Project Participant Payment Summary

La Cumbre Mutual Water Company

Payment Due Date	Payment Amount	Requested SWP Delivery (acre-feet)
April 1, 2000	\$ 36,999	245
June 1, 2000	\$ 1,129,012	n/a
July 1, 2000	\$ 21,331	148
October 1, 2000	\$ 13,401	96
January 1, 2001	\$ 32,538	211
April 1, 2001	\$ 49,277	245
June 1, 2001	\$ 1,244,478	n/a
July 1, 2001	\$ 32,607	148
October 1, 2001	\$ 24,397	96
January 1, 2002	\$ 43,766	211
April 1, 2002	\$ 48,546	245
June 1, 2002	\$ 1,273,592	n/a
July 1, 2002	\$ 32,263	148
October 1, 2002	\$ 21,536	96
January 1, 2003	\$ 41,260	211
April 1, 2003	\$ 47,276	245
June 1, 2003	\$ 1,304,560	n/a
July 1, 2003	\$ 30,559	148
October 1, 2003	\$ 20,909	96
January 1, 2004	\$ 40,768	211

Central Coast Water Authority
Raytheon Systems Company (SBRC)
 Four Year Financial Plan Charges

Entitlement Including Drought Buffer				55
Fiscal Year	Requested Deliveries	Exchange Deliveries	Actual Deliveries	
FY 2000/01	55	-	55	
FY 2001/02	55	-	55	
FY 2002/03	55	-	55	
FY 2003/04	55	-	55	

CCWA Fixed Charges

Fiscal Year	Fixed O&M Expenses ⁽¹⁾	Regional WTP Modifications			Exchange Agreement Modifications			Revenue Bond Debt Service ⁽²⁾	Fixed CCWA Charges
		Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	Capital Modifications	Fixed O&M Modifications	Total Exchange Modifications		
FY 2000/01	\$ 5,682	\$ 1,453	\$ (5,151)	\$ (3,698)	\$ -	\$ -	\$ -	\$ 24,167	\$ 26,151
FY 2001/02	5,969	1,500	(5,244)	(3,745)	-	-	-	27,859	30,083
FY 2002/03	6,156	1,526	(5,335)	(3,810)	-	-	-	27,843	30,190
FY 2003/04	6,394	1,553	(5,431)	(3,878)	-	-	-	27,827	30,343

(1) Includes capital improvement projects and non-annual recurring expenses.

(2) Net of CCWA credits.

CCWA Variable O&M Charges

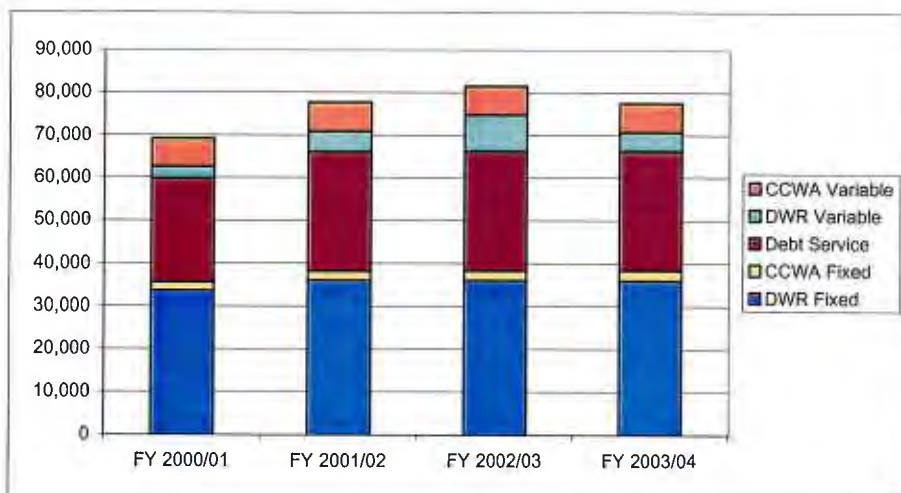
Fiscal Year	Variable O&M Expenses	Warren Act and Trust Fund Payments	Regional WTP Modifications			Exchange Agreement Modifications			Variable CCWA O&M Charges
			Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	WTP Modifications	Warren Act Modifications	SYPF Modifications	
FY 2000/01	\$ 3,935	\$ 3,190	\$ 99	\$ (705)	\$ (605)	\$ -	\$ -	\$ -	\$ 6,520
FY 2001/02	4,258	3,190	97	(725)	(628)	-	-	-	6,820
FY 2002/03	4,241	3,190	104	(746)	(642)	-	-	-	6,789
FY 2003/04	4,303	3,190	109	(768)	(659)	-	-	-	6,834

DWR Charges

Total State Water Charges

Fiscal Year	DWR Charges			Total State Water Charges					
	DWR Fixed Costs ⁽³⁾	DWR Variable Costs	Total DWR Costs	CCWA Fixed	CCWA Variable O&M	Debt Service	DWR Fixed	DWR Variable O&M	Total SWP Charges
FY 2000/01	\$ 33,622	\$ 2,824	\$ 36,445	\$ 1,984	\$ 6,520	\$ 24,167	\$ 33,622	\$ 2,824	\$ 69,116
FY 2001/02	36,013	4,749	40,762	2,225	6,820	27,859	36,013	4,749	77,666
FY 2002/03	36,021	8,489	44,510	2,347	6,789	27,843	36,021	8,489	81,488
FY 2003/04	35,924	4,438	40,363	2,516	6,834	27,827	35,924	4,438	77,540

(3) Net of DWR account interest income.



Central Coast Water Authority
FY 2000/01 Four Year Financial Plan
 Project Participant Payment Summary

Raytheon Systems Company (SBRC)

Payment Due Date	Payment Amount	Requested SWP Delivery (acre-feet)
April 1, 2000	\$ 2,577	15
June 1, 2000	\$ 59,985	n/a
July 1, 2000	\$ 1,769	10
October 1, 2000	\$ 2,499	15
January 1, 2001	\$ 2,499	15
April 1, 2001	\$ 3,106	15
June 1, 2001	\$ 66,316	n/a
July 1, 2001	\$ 2,247	10
October 1, 2001	\$ 3,108	15
January 1, 2002	\$ 3,108	15
April 1, 2002	\$ 4,061	15
June 1, 2002	\$ 66,436	n/a
July 1, 2002	\$ 3,221	10
October 1, 2002	\$ 3,998	15
January 1, 2003	\$ 3,998	15
April 1, 2003	\$ 3,049	15
June 1, 2003	\$ 66,499	n/a
July 1, 2003	\$ 2,187	10
October 1, 2003	\$ 3,018	15
January 1, 2004	\$ 3,018	15

Central Coast Water Authority
City of Santa Barbara
 Four Year Financial Plan Charges

Entitlement Including Drought Buffer				3,300
Fiscal Year	Requested Deliveries	Exchange Deliveries	Actual Deliveries	
FY 2000/01	0	0	0	
FY 2001/02	0	0	0	
FY 2002/03	0	0	0	
FY 2003/04	0	0	0	

CCWA Fixed Charges

Fiscal Year	Fixed O&M Expenses ⁽¹⁾	Regional WTP Modifications			Exchange Agreement Modifications			Revenue Bond Debt Service ⁽²⁾	Fixed CCWA Charges
		Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	Capital Modifications	Fixed O&M Modifications	Total Exchange Modifications		
FY 2000/01	\$ 340,941	\$ 87,155	\$ (309,059)	\$ (221,904)	\$ -	\$ -	\$ -	\$ 1,695,837	\$ 1,814,874
FY 2001/02	358,157	89,971	(314,647)	(224,677)	-	-	-	1,780,529	1,914,009
FY 2002/03	369,390	91,533	(320,110)	(228,577)	-	-	-	1,779,508	1,920,320
FY 2003/04	383,618	93,170	(325,835)	(232,666)	-	-	-	1,778,491	1,929,444

(1) Includes capital improvement projects and non-annual recurring expenses.

(2) Net of CCWA credits.

CCWA Variable O&M Charges

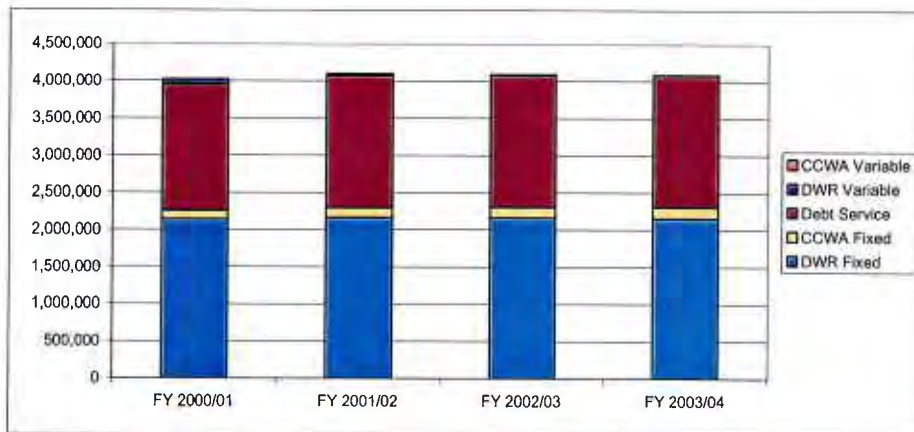
Fiscal Year	Variable O&M Expenses	Warren Act and Trust Fund Payments	Regional WTP Modifications			Exchange Agreement Modifications			Variable CCWA O&M Charges
			Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	WTP Modifications	Warren Act Modifications	SYPF Modifications	
FY 2000/01	\$0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FY 2001/02	-	-	-	-	-	-	-	-	-
FY 2002/03	-	-	-	-	-	-	-	-	-
FY 2003/04	-	-	-	-	-	-	-	-	-

DWR Charges

Total State Water Charges

Fiscal Year	DWR Charges			Total State Water Charges					
	DWR Fixed Costs ⁽³⁾	DWR Variable Costs	Total DWR Costs	CCWA Fixed	CCWA Variable O&M	Debt Service	DWR Fixed	DWR Variable O&M	Total SWP Charges
FY 2000/01	\$ 2,138,786	\$ 63,453	\$ 2,202,239	\$119,038	\$ -	\$ 1,695,837	\$ 2,138,786	\$ 63,453	\$ 4,017,114
FY 2001/02	2,160,804	20,973	2,181,777	133,480	-	1,780,529	2,160,804	20,973.49	4,095,786
FY 2002/03	2,161,238	2,792	2,164,030	140,812	-	1,779,508	2,161,238	2,792.13	4,084,350
FY 2003/04	2,155,457	-	2,155,457	150,953	-	1,778,491	2,155,457	-	4,084,900

(3) Net of DWR account interest income.



Central Coast Water Authority
FY 2000/01 Four Year Financial Plan
 Project Participant Payment Summary

City of Santa Barbara

Payment Due Date	Payment Amount	Requested SWP Delivery (acre-feet)	Actual SWP Delivery (acre-feet)
April 1, 2000	\$ -	0	0
June 1, 2000	\$ 3,966,409	n/a	n/a
July 1, 2000	\$ -	0	0
October 1, 2000	\$ 31,727	0	0
January 1, 2001	\$ 31,727	0	0
April 1, 2001	\$ 3,661	0	0
June 1, 2001	\$ 4,087,944	n/a	n/a
July 1, 2001	\$ 3,661	0	0
October 1, 2001	\$ 6,825	0	0
January 1, 2002	\$ 6,825	0	0
April 1, 2002	\$ 4,222	0	0
June 1, 2002	\$ 4,095,083	n/a	n/a
July 1, 2002	\$ 4,222	0	0
October 1, 2002	\$ (2,825)	0	0
January 1, 2003	\$ (2,825)	0	0
April 1, 2003	\$ -	0	0
June 1, 2003	\$ 4,098,831	n/a	n/a
July 1, 2003	\$ -	0	0
October 1, 2003	\$ -	0	0
January 1, 2004	\$ -	0	0

Central Coast Water Authority
Montecito Water District
 Four Year Financial Plan Charges

Entitlement Including Drought Buffer				3,300
Fiscal Year	Requested Deliveries	Exchange Deliveries	Actual Deliveries	
FY 2000/01	869	(383)	486	
FY 2001/02	619	(263)	356	
FY 2002/03	691	(280)	411	
FY 2003/04	703	(274)	429	

CCWA Fixed Charges

Fiscal Year	Fixed O&M Expenses ⁽¹⁾	Regional WTP Modifications			Exchange Agreement Modifications			Revenue Bond Debt Service ⁽²⁾	Fixed CCWA Charges
		Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	Capital Modifications	Fixed O&M Modifications	Total Exchange Modifications		
FY 2000/01	\$ 340,941	\$ 76,040	\$ (269,644)	\$ (193,605)	\$ (25,529)	\$ (15,076)	\$ (40,604)	\$ 1,121,535	\$ 1,228,267
FY 2001/02	358,157	82,236	(287,598)	(205,362)	(17,780)	(10,803)	(28,583)	1,561,285	1,685,497
FY 2002/03	369,390	82,976	(290,185)	(207,209)	(19,127)	(11,823)	(30,950)	1,647,976	1,779,207
FY 2003/04	383,618	84,657	(296,063)	(211,407)	(18,901)	(11,875)	(30,776)	1,744,477	1,885,913

- (1) Includes capital improvement projects and non-annual recurring expenses.
 (2) Net of CCWA credits.

CCWA Variable O&M Charges

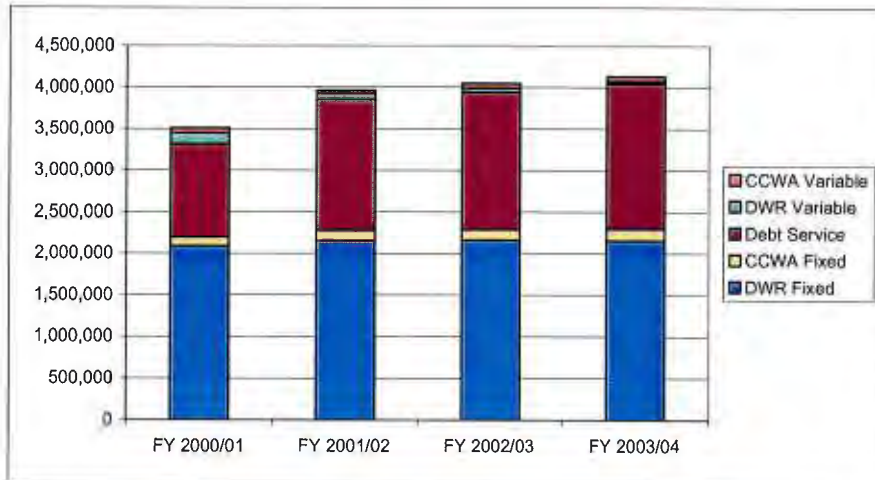
Fiscal Year	Variable O&M Expenses	Warren Act and Trust Fund Payments	Regional WTP Modifications			Exchange Agreement Modifications			Variable CCWA O&M Charges
			Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	WTP Modifications	Warren Act Modifications	SYPF Modifications	
FY 2000/01	\$ 62,174	\$ 50,402	\$ 982	\$ (6,231)	\$ (5,249)	\$ (4,376)	\$ (22,190)	\$ (22,955)	\$ 57,805
FY 2001/02	47,925	35,902	654	(4,690)	(4,036)	(3,103)	(15,277)	(17,261)	44,149
FY 2002/03	53,284	40,078	808	(5,569)	(4,761)	(3,403)	(16,266)	(18,191)	50,740
FY 2003/04	55,006	40,774	877	(5,987)	(5,110)	(3,426)	(15,899)	(17,990)	53,356

DWR Charges

Total State Water Charges

Fiscal Year	DWR Charges			Total State Water Charges					
	DWR Fixed Costs ⁽³⁾	DWR Variable Costs	Total DWR Costs	CCWA Fixed	CCWA Variable O&M	Debt Service	DWR Fixed	DWR Variable O&M	Total SWP Charges
FY 2000/01	\$ 2,090,694	\$ 129,627	\$ 2,220,321	\$106,732	\$ 57,805	\$ 1,121,535	\$ 2,090,694	\$ 129,627	\$ 3,506,489
FY 2001/02	2,160,804	70,070	2,230,873	124,212	44,149	1,561,285	2,160,804	70,070	3,960,520
FY 2002/03	2,161,238	52,813	2,214,051	131,231	50,740	1,647,976	2,161,238	52,813	4,043,999
FY 2003/04	2,155,457	33,902	2,189,359	141,436	53,356	1,744,477	2,155,457	33,902	4,128,627

- (3) Net of DWR account interest income.



Central Coast Water Authority
FY 2000/01 Four Year Financial Plan
 Project Participant Payment Summary

Montecito Water District

Payment Due Date	Payment Amount	Requested SWP Delivery (acre-feet)	Requested SWP Delivery (acre-feet)
April 1, 2000	\$ 56,417	360	258
June 1, 2000	\$ 3,331,710	n/a	n/a
July 1, 2000	\$ 35,044	257	115
October 1, 2000	\$ 43,737	76	41
January 1, 2001	\$ 52,233	176	72
April 1, 2001	\$ 39,508	221	162
June 1, 2001	\$ 3,859,432	n/a	n/a
July 1, 2001	\$ 23,339	127	68
October 1, 2001	\$ 20,965	81	44
January 1, 2002	\$ 30,407	190	81
April 1, 2002	\$ 42,522	241	186
June 1, 2002	\$ 3,953,970	n/a	n/a
July 1, 2002	\$ 24,163	138	75
October 1, 2002	\$ 11,864	88	48
January 1, 2003	\$ 25,005	224	101
April 1, 2003	\$ 34,534	240	185
June 1, 2003	\$ 4,055,301	n/a	n/a
July 1, 2003	\$ 18,036	148	88
October 1, 2003	\$ 11,208	95	53
January 1, 2004	\$ 23,478	220	103

Central Coast Water Authority
Carpinteria Valley Water District
 Four Year Financial Plan Charges

Entitlement Including Drought Buffer				2,200
Fiscal Year	Requested Deliveries	Exchange Deliveries	Actual Deliveries	
FY 2000/01	610	(225)	385	
FY 2001/02	725	(267)	458	
FY 2002/03	850	(287)	563	
FY 2003/04	975	(346)	629	

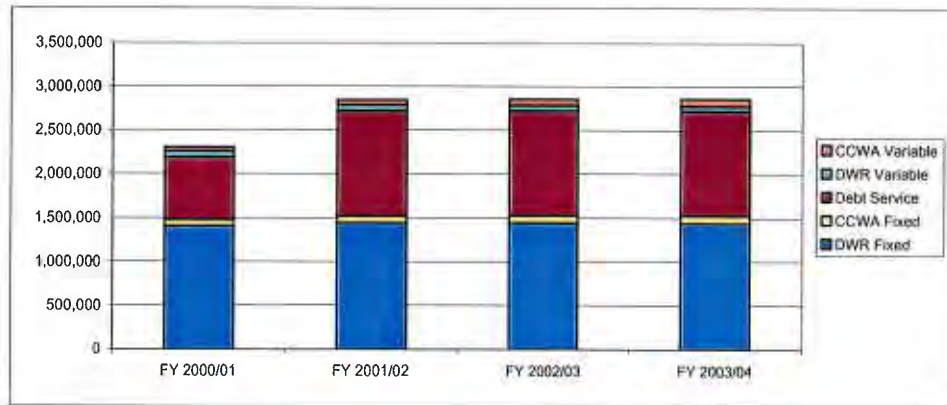
Fiscal Year	Fixed O&M Expenses ⁽¹⁾	Regional WTP Modifications			Exchange Agreement Modifications			Revenue Bond Debt Service ⁽²⁾	Fixed CCWA Charges
		Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	Capital Modifications	Fixed O&M Modifications	Total Exchange Modifications		
FY 2000/01	\$ 227,294	\$ 51,562	\$ (182,843)	\$ (131,281)	\$ (15,024)	\$ (8,872)	\$ (23,896)	\$ 707,445	\$ 779,562
FY 2001/02	238,771	52,152	(182,388)	(130,236)	(17,995)	(10,934)	(28,929)	1,197,228	1,276,834
FY 2002/03	246,260	52,265	(182,783)	(130,518)	(19,573)	(12,099)	(31,672)	1,196,494	1,280,564
FY 2003/04	255,746	51,381	(179,690)	(128,309)	(23,828)	(14,971)	(38,799)	1,195,124	1,283,762

(1) Includes capital improvement projects and non-annual recurring expenses.
 (2) Net of CCWA charges.

Fiscal Year	Variable O&M Expenses	Warren Act and Trust Fund Payments	Regional WTP Modifications			Exchange Agreement Modifications			Variable CCWA O&M Charges
			Regional WTP Allocation	Regional WTP Credit Back	Total Regional WTP	WTP Modifications	Warren Act Modifications	SYPF Modifications	
FY 2000/01	\$ 43,843	\$ 35,380	\$ 803	\$ (4,930)	\$ (4,127)	\$ (2,575)	\$ (13,059)	\$ (13,510)	\$ 45,752
FY 2001/02	56,132	42,050	891	(6,046)	(5,155)	(3,141)	(15,462)	(17,470)	56,953
FY 2002/03	65,545	49,300	1,187	(7,637)	(6,451)	(3,483)	(16,646)	(18,615)	69,650
FY 2003/04	76,288	56,550	1,343	(8,786)	(7,442)	(4,319)	(20,043)	(22,680)	78,354

Fiscal Year	DWR Charges			Total State Water Charges					
	DWR Fixed Costs ⁽³⁾	DWR Variable Costs	Total DWR Costs	CCWA Fixed	CCWA Variable O&M	Debt Service	DWR Fixed	DWR Variable O&M	Total SWP Charges
FY 2000/01	\$ 1,406,645	\$ 72,129	\$ 1,478,774	\$ 72,117	\$ 45,752	\$ 707,445	\$ 1,406,645	\$ 72,129	\$ 2,304,106
FY 2001/02	1,440,536	71,880	1,512,416	79,606	56,953	1,197,228	1,440,536	71,880	2,846,203
FY 2002/03	1,440,825	64,920	1,505,746	84,070	69,650	1,196,494	1,440,825	64,920	2,855,960
FY 2003/04	1,436,971	59,126	1,496,097	88,637	78,354	1,195,124	1,436,971	59,126	2,858,212

(3) Net of DWR account interest income.



Central Coast Water Authority
FY 2000/01 Four Year Financial Plan
 Project Participant Payment Summary

Carpinteria Valley Water District

Payment Due Date	Payment Amount	Requested SWP Delivery (acre-feet)	Actual SWP Delivery (acre-feet)
April 1, 2000	\$ 51,175	360	258
June 1, 2000	\$ 2,194,706	n/a	n/a
July 1, 2000	\$ 17,093	100	65
October 1, 2000	\$ 17,548	0	0
January 1, 2001	\$ 32,064	150	62
April 1, 2001	\$ 71,185	450	332
June 1, 2001	\$ 2,726,124	n/a	n/a
July 1, 2001	\$ 19,774	100	53
October 1, 2001	\$ 10,503	0	0
January 1, 2002	\$ 27,371	175	73
April 1, 2002	\$ 82,788	525	408
June 1, 2002	\$ 2,730,406	n/a	n/a
July 1, 2002	\$ 19,992	100	53
October 1, 2002	\$ 4,237	0	0
January 1, 2003	\$ 27,554	225	101
April 1, 2003	\$ 79,870	525	409
June 1, 2003	\$ 2,730,020	n/a	n/a
July 1, 2003	\$ 21,110	150	81
October 1, 2003	\$ 4,910	25	11
January 1, 2004	\$ 31,589	275	128



Central Coast Water Authority
Santa Ynez Exchange Agreement

On January 1, 1995 the Authority purchased a five-mile long pipeline from Santa Ynez River Water Conservation District, Improvement District #1 (SYID#1) to convey State water into Lake Cachuma for delivery to certain Santa Barbara County South Coast project participants who are also Cachuma Project members.

SYID#1 has a contract with the U.S. Bureau of Reclamation for water from the Cachuma Project and, until January 1, 1995, owned a pipeline which extends from Lake Cachuma to the Santa Ynez area. This pipeline was used to deliver water from Lake Cachuma to SYID#1.

The Authority acquired the Cachuma pipeline from SYID#1 under the Santa Ynez River/State Water Project Exchange Agreement (the "Santa Ynez Exchange Agreement"). Also, water stored at Lake Cachuma which would normally be delivered to SYID#1 is exchanged for an equal amount of State water delivered to the Santa Ynez turnout. This State water originally ordered by the South Coast project participants is exchanged with SYID#1 Cachuma Lake water.

SYID#1 pays the variable and fixed costs to treat exchanged water as well as regional water treatment plant allocations (*see "Regional Water Treatment Plant Allocation" narrative included in this Appendix*).

The benefits of exchange are:

- SYID#1 does not have to build a treatment plant to treat its Cachuma water because it will instead receive State water.
- The South Coast project participants obtain water at a reduced cost because they are purchasing less expensive Cachuma water from SYID#1. The South Coast project participants are also reimbursed for fixed capital and variable treatment costs for the State water that is delivered to and paid for by SYID#1. Additionally the South Coast project participants do not pay for power and Warren Act charges for the exchanged State water that would otherwise be delivered to the lake.
- All the South Coast project participants' Santa Ynez II reach capital costs are reduced because an existing pipeline was acquired to convey State water from the Santa Ynez area to the lake. Otherwise, the Authority would have had to construct an additional five miles of new pipeline at much greater expense.

Under the Santa Ynez Exchange Agreement, the South Coast project participants are required to take delivery of an amount of water that equals or exceeds SYID#1's annual allocation of Cachuma water.

Central Coast Water Authority
Regional Water Treatment Plant Allocation

Instead of building a pipeline around or through Lake Cachuma to the South Coast to convey State water to the South Coast project participants, the Authority is conveying State water using the lake and existing conveyance facilities. The water is dechloraminated (de-treated) at the Santa Ynez Pumping Facility before it is discharged into the lake.

Since the South Coast project participants must “retreat” the State water that is delivered from Lake Cachuma, they would effectively be paying twice to treat the water if the Regional Water Treatment Plant Allocation agreement was not in place. Initial treatment occurs at the Polonio Pass Water Treatment Plant and retreatment occurs at the various South Coast project participants’ treatment plants.

The Regional Water Treatment Plant Allocation is a credit financed by Santa Barbara County project participants which directly receive treated State water from the Coastal Branch Extension or CCWA pipeline. The credit is applied to the South Coast project participants to cover their costs to retreat State water. In short, the purpose of this credit is to ensure that all Authority project participants pay the same cost to treat State water. The treatment plant capital and fixed and variable operating and maintenance costs are included in the Regional Water Treatment Plant Allocation calculation.

In order to properly allocate the capital cost component of the water treatment plant for those project participants that did not participate in the bond financing (Santa Maria, Southern California Water Company and Vandenberg Air Force Base), an imputed debt service schedule has been prepared which allocates treatment plant debt service as though all Santa Barbara County participants shared in the financing in proportion to their entitlement allocation.

The Regional Water Treatment Plant Allocation computations also take into account the effect of the Santa Ynez Exchange Agreement on certain project participants (see *“Santa Ynez Exchange Agreement” narrative included in this Appendix*).

Central Coast Water Authority
Miscellaneous Statistical Information
 Fiscal Year 2000/01 Budget

Form of government	Joint Powers Authority
Date of organization	August 1, 1991
Number of full-time equivalent positions	26.75
Polonio Pass Water Treatment Plant design capacity	43 million gallons per day
Authority pipeline (in miles)	42.5
Coastal Branch pipeline (in miles)	100.6
State water entitlement	(acre-feet per year)
CCWA contract entitlement	39,078
CCWA drought buffer	3,908
Goleta Water District additional entitlement	<u>2,500</u>
TOTAL	45,486
FY 2000/01 Santa Barbara County estimated deliveries	33,179 acre-feet
San Luis Obispo State water entitlement	4,830 acre-feet
FY 2000/01 estimated San Luis Obispo estimated deliveries	4,073 acre-feet
Amount of treated water storage in tanks	23.7 million gallons
Number of turnouts	10
Number of project participants	
Santa Barbara County	13
San Luis Obispo County	<u>11</u>
TOTAL	24
Estimated total population served by State water	
Santa Barbara County	340,000
San Luis Obispo County	<u>41,000</u>
TOTAL	381,000

CENTRAL COAST WATER AUTHORITY
STATEMENT OF INVESTMENT POLICY

I. PURPOSE:

This statement is intended to provide guidelines for the prudent investment of the Authority's cash balances, and outline the policies for maximizing the efficiency of the Authority's cash management system. The ultimate goal is to enhance the economic status of the Authority while protecting its assets.

II. SCOPE

It is intended that this policy cover all funds and investment activities under the direct authority of the Authority Board of Directors.

III. OBJECTIVES

- A. Safety. Safety of principal is the foremost objective of the Authority. Each investment transaction shall seek to first ensure that capital losses are avoided, whether they be from securities defaults or erosion of market value.
- B. Liquidity. An adequate percentage of the portfolio should be maintained in liquid short-term securities which can be converted to cash if necessary to meet cash requirements.
- C. Yield. Yield shall become a consideration only after the basic requirements of safety and liquidity have been met.

- D. Market-Average Rate of Return. The investment portfolio shall be designed to attain a market-average rate of return throughout budgetary and economic cycles, taking into account the Authority's risk constraints, the cash flow characteristics of the portfolio, and State and local laws, ordinances or resolutions that restrict investments.
- E. Diversification. The investment portfolio will be diversified to avoid incurring unreasonable and avoidable risks regarding specific security types or individual financial institutions.
- F. Prudence (Civil Code #2261). The standard of prudence to be used by investment officials shall be the "prudent investor" per Government Code section 53600.3 which states: "care, skill, prudence and diligence under the circumstances then prevailing, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency". This "Prudent Investor Standard" shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided that deviations from expectation are reported in a timely fashion, and appropriate action is taken to control adverse developments.
- G. Public Trust. All participants in the investment process shall act as custodians of the public trust. Investment officials shall recognize that the investment portfolio is subject to public review and evaluation. The overall program shall be designed and managed with a degree of professionalism that is worthy of the public trust. In a diversified portfolio it must be recognized that occasional measured losses are inevitable, and must be considered within the context of the overall portfolio's investment return, provided that adequate diversification has been implemented.

IV. DELEGATION OF AUTHORITY:

- A. Investment Officer. Management responsibility for the investment program is hereby delegated to the Treasurer, who shall establish written procedures for the operation of the investment program, consistent with this policy. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Treasurer. The Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.
- B. Investment Oversight Committee. The Authority Finance Committee shall serve as the Investment Oversight Committee. The purpose of the Committee is to: (1) review the investment practices used by the Investment Officer for compliance with the investment policy and written procedures, (2) analysis of the quarterly Treasurer's report for adherence to established guidelines, and (3) advise Authority Board of Directors of any deviations from guidelines or any practices which are deemed to be imprudent for a public agency.

V. INTERNAL CONTROLS:

The Investment Officer shall establish a system of internal controls which shall be documented in writing. The internal controls shall be reviewed with the independent auditor. The controls shall be designed to prevent losses of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent action by employees and officers of the Authority.

VI. REPORTING:

The Investment Officer shall submit monthly to the Board an investment report that summarizes all securities. For those securities with a maturity of more than 12 months, the type of investment, institution, date of maturity, investment amount, market value, and yield will also be provided. The Investment Officer shall also provide, on a quarterly basis, a statement of compliance of the portfolio with the Statement of Investment Policy and a statement of the Authority's ability to meet the expenditure requirements for the next six months.

VII. APPROVED INSTRUMENTS:

The Authority shall be governed by the California Government Code, Sections 53600 et seq. Within the context of these limitations, the following investments are authorized, provided, however, that where there is no limitation on the term of the investment, no investment shall be made in any security which, at the time of the investment, has a term remaining to maturity in excess of 5 years, unless specifically exempted in Section X of this Investment Policy or the Board has granted express authority to make that investment no less than 3 months prior to the investment:

- (a) United States notes, bonds, bills, or certificates of indebtedness, or those for which the full faith and credit of the United States are pledged for the payment of principal and interest.
- (b) Obligations issued by government sponsored corporations such as the Federal Farm Credit Bank System (FFCB), the Federal Home Loan Bank Board (FHLB), and the Federal National Mortgage Association (FNMA).

- (c) Commercial paper of prime quality of the highest ranking or of the highest letter and numerical rating as provided by Moody's Investors Service, Inc. or Standard and Poor's Corporation. Eligible paper is further limited to issuing corporations that are organized and operating within the United States and having total assets in excess of five hundred million dollars and have a rating of A-1+ by Standard & Poor's Corporation and P-1 by Moody's Investors Service and which matures not more than 270 days after the date of purchase. Purchases of commercial paper may not exceed 15 percent of the Authority's surplus money invested.

An additional 15 percent, or a total of 30 percent of the Authority's surplus money, may be invested pursuant to this section. The additional 15 percent may be so invested only if the dollar-weighted average maturity of the entire amount does not exceed 31 days. "Dollar-weighted average maturity" means the sum of the amount of each outstanding commercial paper investment multiplied by the number of days to maturity divided by the total amount of outstanding commercial paper. Commercial paper investments with one company may not exceed one third (33 1/3%) of total commercial paper investments.

- (d) Time deposits. The Authority may invest in non-negotiable Certificates of Deposit at commercial banks and savings and loan associations that are collateralized in accordance with the California Government Code.
- (e) Local Agency Investment Fund. The Authority may invest in the Local Agency Investment Fund (LAIF) established by the State Treasurer up to the maximum permitted by State law.
- (f) Money market funds rated "AAAm" or AAAM-G" or better by Standard & Poor's Corporation.

VIII. DEPOSITORIES:

The Treasurer will establish selection criteria for pre-approval of institutions to do business with. To qualify for selection, an institution must have an office in California. A written listing of approved institutions will be maintained by the Investment Officer.

IX. BROKER/DEALERS:

To provide for the optimum yield in the investment of the Authority's funds, the Authority's investment procedures shall be designed to encourage competitive bidding on transactions from approved brokers/dealers. In order to be approved by the Authority, the dealer must be a primary dealer reporting to the New York Federal Reserve, unless a comprehensive credit and capitalization analysis reveals that the firm is adequately financed to conduct public business; the dealer must be experienced in institutional trading practices and familiar with the California Government Code as related to investments; and other criteria as may be established in the investment procedures.

X. MATURITY RESTRICTIONS:

In addition to the 5 year limitation on investments specified in this policy, the average maturity of the Authority's combined portfolio shall not exceed 2 years without prior approval of the Board (for a specified period). Reserve Fund investments are exempt from this restriction; however, reserve fund investment maturities shall be limited to or prior to final maturity of the Authority's Bond Financing.

XI. RISK TOLERANCE

The Authority recognizes that investment risks can result from issuer defaults, market price changes or various technical complications leading to temporary illiquidity. Portfolio diversification is employed as a way to control risk. The Investment Officer is expected to display prudence in the selection of securities as a way to minimize default risk. No individual investment transaction shall be undertaken which jeopardizes the total capital position of the overall portfolio. The Investment Officer shall periodically establish guidelines and strategies to control risks of default, market price changes and illiquidity. In addition to these general policy considerations, the following specific policies will be strictly observed.

XII. SAFEKEEPING AND CUSTODY:

To protect against potential fraud and embezzlement, the assets of the Authority shall be secured through third-party custody and safekeeping procedures. The Investment Officer shall be bonded to protect the public against possible embezzlement and malfeasance. Safekeeping procedures shall be reviewed annually by the independent auditor and any irregularities noted should be reported promptly to the Treasurer and the Board.

XIII. PERFORMANCE EVALUATION AND OPERATIONS AUDIT:

The monthly investment reports submitted to the Board shall contain sufficient information to permit an independent organization to evaluate the performance of the investment program.

XIV. ETHICS:

All persons authorized to place or approve investments shall report annually on Form 721 of the Fair Political Practices Commission all required economic interests for that year.

XV. UPDATE OF POLICY:

This investment policy shall be reviewed at least annually to ensure its consistency with the overall objectives of preservation of principal, liquidity, and return, and its relevance to current law and financial and economic trends.

Revised April 1998

Central Coast Water Authority
Glossary of Terms
Fiscal Year 2000/01 Budget

A

Account - A record of a business transaction; a reckoning of money received or paid.

Accounting System - The total structure of records and procedures which discover, record, classify, summarize, and report information on the financial position and results of operations of a government entity.

Accrual - The recognition of a revenue or expense in a budget year even though the actual cash may not be received or paid until the following budget year.

Acre-Foot of Water - The volume of water that would cover one acre to a depth of one foot.

Adoption - Formal action by the Board of Directors which sets the spending limits for the fiscal year.

Advance Refunding - A defeasance of outstanding debt prior to the date the bonds can be called by depositing cash and/or securities in escrow sufficient to pay all principal and interest payments and the call premium, if any, when due. All covenants and restrictions are released.

Amortization - Gradual reduction, redemption, or liquidation of the balance of an account according to a specified schedule of times and amounts.

Aqueduct - A canal for conveying a large amount of water.

Assets - Resources owned or held by a government which have monetary value.

B

Bond Call - Bonds that are redeemable by the issuer prior to the specified maturity date at a specified price at or above par.

Budget - The Authority's financial plan balancing proposed expenditures for a certain period of time to the expected income or revenue for that same period.

Central Coast Water Authority
Glossary of Terms
Fiscal Year 2000/01 Budget

C

Capital Improvements - Expenditures for items or projects which usually have an estimated useful life longer than five (5) years and will benefit the Authority for a long period of time.

Capitalized Interest - Funds provided from the proceeds of an issue to cover interest payments until revenue sources to repay the debt are available.

Carry-Over - The term used to denote amounts which were expected to be expended during one fiscal year on a contract or obligation but were not expended for various reasons. Amounts are "carried over" into the subsequent fiscal year.

Coastal Branch Phase II - A 102-mile long buried pipeline, and ancillary facilities, extending from Devils Den (Kern County) to Tank 5 on Vandenberg Air Force Base (Santa Barbara County).

Coverage - The margin of safety for payment of debt service, reflecting the number of times by which earnings for a period of time exceed debt service payable in such a period.

D

Debt - An obligation resulting from the borrowing of money or from the purchase of goods and services. These include bonds and accounts payable.

Defeasance - To set aside sufficient money to retire outstanding debt when due. A full defeasance results in release from covenants and contractual obligations contained in the bond documents.

Deficiency - A general term indicating the amount by which anything falls short of some requirement of expectation.

Deficit - The excess of expenditures over revenues during an accounting period.

Delta Water Charge - A unit charge applied to each acre-foot of State water entitlement by DWR. The unit charge is applied to result in repayment of all outstanding reimbursable costs of the DWR Project Conservation Facilities, with appropriate interest, by the end of the State water contract repayment period (2035).

Department of Water Resources - The state agency responsible for financing, constructing and operating State Water Project facilities.

Central Coast Water Authority
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Fiscal Year 2000/01 Budget

Depreciation - An element of cost resulting from the service of long-lived assets in an economic organization and represents the loss in asset value because of wear, deterioration, obsolescence or action of the physical elements. In this budget, no specific depreciation schedule or funding of depreciated assets is provided.

Drought Buffer - A portion of the Authority's State water entitlement (3,908 AF) which is being utilized to firm up the reliability of each Santa Barbara County project participant's Water Supply Agreement entitlement allocation.

E

Enterprise Fund - A fund established to account for the financing of self-supporting enterprises, such as a utility fund, which render services primarily to the public.

Entitlement - The maximum amount of State Water Project water to be made available annually by DWR to the Authority at various delivery structures (i.e. turnouts) under the terms of the State Water Contract.

Entity - The basic unit upon which accounting and/or financial reporting activities focus.

Expenditures - A decrease in net financial resources.

F

Financing Participant - An Authority or San Luis Obispo County project participant that participated in the 1992 CCWA Revenue Bond and 1996 CCWA Refunding Revenue Bond issues.

Financial Reaches - Segments of the CCWA and DWR pipeline from or through which project participants receive water.

Fiscal Year - A twelve-month period of time to which the annual budget applies and, at the end of which a governmental unit determines its financial position and the results of its operations.

Fixed Asset - Assets of a long-term character which are intended to continue to be held or used, such as land, buildings, improvements other than buildings, machinery and equipment.

Fixed O&M Costs - Operating and maintenance expenses charged to the project participants which do not vary with the amount of water delivered to the project participant.

Central Coast Water Authority
Glossary of Terms
Fiscal Year 2000/01 Budget

Fixed Project Costs - Capital costs, including Debt Service, reserves for the payment of debt service and other payments under the bond resolution which do not vary with the amount of water delivered to the project participant.

G

General Fund - The Authority's cash balance net of reserve balances.

J

Joint Powers Authority - A public authority created by a joint exercise of powers agreement between any two or more governmental agencies. The authority may be given power to perform any function which all parties to the agreement are empowered to perform and which will be of benefit to all parties.

L

Line Item - Expenditure classifications established to account for and budget the appropriations approved.

Water Treatment and Local Facilities Agreements - Agreements, dated as of March 1, 1992, by and between San Luis Obispo County Flood Control and Water Conservation District and various San Luis Obispo County project participants.

M

Maintenance - The upkeep of physical properties in condition for use or occupancy. Examples are the inspection of equipment to detect defects and the making of repairs.

Master Water Treatment Agreement - Agreement, dated as of March 1, 1992, by and between the Authority and San Luis Obispo County Flood Control and Water Conservation District.

Modified Accrual Basis - The accrual basis of accounting adapted to the governmental fund type. Revenues are recognized when they become both "measurable" and "available to finance expenditures of the current period." Expenditures are recognized when the liability is incurred.

Monterey Agreement - The agreement which formed the basis for the Monterey amendments to the State Water Contract that includes, amount other provisions, the addition of Articles 51 through 56.

Central Coast Water Authority
Glossary of Terms
Fiscal Year 2000/01 Budget

MOU Trust Fund - A trust fund established under a memorandum of understanding (July 6, 1995 effective date) by and between the Authority, Cachuma Project Authority (i.e., Cachuma Operations and Maintenance Board) and the United States of America, acting through the Bureau of Reclamation. The trust fund is funded by \$43/AF payments to the Cachuma Operations and Maintenance Board for State water wheeled through Cachuma Project facilities.

Municipal - In its broadest sense, an adjective which denotes the state and all subordinate units of government.

O

Obligations - Amounts which a government may be legally required to meet out of its resources. They include not only actual liabilities, but also encumbrances not yet paid.

Off Aqueduct Charge - Bond debt service, cover and reserves for transmission costs allocated to DWR off-aqueduct power facilities (power cost which includes both fixed and variable cost elements.)

Operating Expenses- All costs associated with doing the day-to-day business of the Authority which are not considered capital improvements or debt repayments.

P

Pass-Through Charges - Charges from DWR and the United States Bureau of Reclamation which are paid by the project participants. The charges are not expenses of the Authority but are charged and paid by the Authority.

Polonio Pass Water Treatment Plant - A 43 million gallon per day treatment plant which treats all State water delivered to San Luis Obispo and Santa Barbara Counties.

Projected - An estimate of revenues and expenditures based on past trends, the present economic situation and future financial forecasts.

Project Participant - Each entity which has executed a Water Supply Agreement with the Authority.

Proprietary Fund - A method of accounting for a government's ongoing organizations and activities that are similar to those often found in the private sector.

Central Coast Water Authority
Glossary of Terms
Fiscal Year 2000/01 Budget

R

Rate Management Funds Credit - Reductions in DWR charges commencing in 1997. The credit was implemented as a result of the Monterey amendments to the State Water Contract.

Reach - see "Financial Reach"

Regional Water Treatment Plant Allocation - A formula adopted by the Authority Board of Directors (Resolutions 92-16 and 95-13) which allocates certain Fixed Project, Fixed O&M and Variable O&M treatment plant costs from South Coast project participants to all other Authority project participants. The purpose of the allocation is to subsidize the South Coast project participants' costs of retreating State water to ensure they realize their share of the financial benefit to all project participants associated with the economies of building and operating only one treatment plant for State water.

Reserves - A budgeted amount to be set aside in an account for future use.

Resolution - A special or temporary order of a legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute.

Revenue - An inflow of assets, not necessarily in cash, in exchange for services rendered.

Revenue Bond - A bond payable solely from net or gross non ad valorem tax revenues derived from general fund revenues, tax increment revenues, or tolls, charges or rents paid by users of the facility constructed with the proceeds of the bond issue.

Right of Way - A legal right of passage over another person's ground.

S

Santa Ynez Exchange Agreement - An agreement, date as of February 1, 1993, by and between Carpinteria County (Valley) Water District, Central Coast Water Authority, Goleta Water District, La Cumbre Mutual Water Company, Montecito Water District, Santa Ynez River Water Conservation District, Improvement District #1 (SYID#1), Summerland Water District and the City of Santa Barbara entitled "Santa Ynez River/State Water Project Exchange Agreement." Among other things, this agreement provides for the exchange of SYID#1's Cachuma Project entitlement for a like amount of State water that would otherwise be delivered to the other South Coast project participants which are signatory to the agreement.

SCADA System - "Supervisory Control and Data Acquisition" System. The computer system which collects data, processes the data and corrects and/or instructs the operators on corrective actions to take.

Glossary of Terms

Fiscal Year 2000/01 Budget

State Water Project - The largest state-built, multipurpose water project in the nation. It extends for more than 600 miles. Its main purpose is water supply - to store surplus water during wet periods and distribute it to areas of need in northern California, the San Francisco Bay area, the San Joaquin Valley and Southern California. Other functions include flood control, power generation, recreation, and fish and wildlife enhancement.

T

Table A Entitlement Reduction - Elections by certain project participants to temporarily decrease their State water entitlement allocation. This elections is for a minimum of two years and eliminates the Delta Water Charge associated with the amount of State water entitlement that has been reduced.

Transportation Capital Costs - Capital costs charged by DWR for the use of facilities to transport water to the vicinity of each State water contractor's turnout.

Transportation Charge-Minimum Operation, Maintenance, Power and Replacement (OMP&R) - Operating costs incurred by DWR that do not depend on or vary with quantities of water delivered to the Authority.

Turnback Pool Reduction - Elections by project participants to "turnback" a portion of their State water in a given year.

Turnout - A delivery structure which includes metering and valve facilities through which State water is delivered from the CCWA or DWR pipeline to a project participant's delivery system.

V

Variable O&M Charges - Operations and maintenance expenses which vary directly in proportion to the amount of water delivered to a project participant.

W

Warren Act Charges - Wheeling charges required under a July 25, 1995 contract between the United States and the Central Coast Water Authority. The \$15/AF charge is payable to the Bureau of Reclamation (and recovered into the Reclamation Fund) for State water wheeled through Cachuma Project facilities.

Glossary of Terms

Fiscal Year 2000/01 Budget

Water Supply Agreement - An agreement between the Authority and each project participant to, among other things, sell State water entitlement allotment and provide for financing of the Authority facilities.

Water System Revenue Bond Surcharge - The surcharge is the difference between the total project charges collected at the project interest rate for a project and the annual financing costs of the water system revenue bonds issued for that project. Project interest rate is the melded financing costs for projects not financed with water system revenue bonds.

