

FY 2000/01
CONTINUING
DISCLOSURE ANNUAL
REPORT

\$198,015,000
REFUNDING REVENUE BONDS
(STATE WATER PROJECT REGIONAL
FACILITIES)
SERIES 1996A AND SERIES 1996B



March 13, 2002

Ms. Priscilla Dedoro
Bank of New York Western Trust Company
550 Kearny Street, Suite 600
San Francisco, CA 94108

RE: Central Coast Water Authority Fiscal Year 2000/01 Annual Report on
Continuing Disclosure for the \$198,015,000 Refunding Revenue Bonds
(State Water Project Regional Facilities), Series 1996A and Series 1996B

Robert W. Puddicombe
Chairman

Neil Jones
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

Dear Priscilla:

Attached is the Fiscal Year 2000/01 Annual Report pursuant to the Continuing Disclosure Agreement between the Central Coast Water Authority and Bank of New York Western Trust Company (as successor Trustee).

Fiscal Year 2000/01 State Water Deliveries

A table showing deliveries during Fiscal Year 2000/01 to Santa Barbara and San Luis Obispo County State water contractors is attached.

Rate Coverage Reserve Fund

On December 18, 1997, the Authority Board of Directors established the Rate Coverage Reserve Fund. This fund provides a mechanism to allow Authority 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 (refer to the attached Rate Coverage Reserve Fund Policy for additional information).

Under the provisions of the Rate Coverage Reserve Fund policy, Authority Contractors may deposit up to 25% of their estimated annual contract payments in cash with the Authority. The deposit amount on the first day of the fiscal year is then added to the net revenues for each participating Contractor when calculating Net Revenues for the year. The Rate Coverage Reserve Fund policy was approved by AMBAC, the Authority's bond insurer.

The following agencies elected to participate in the CCWA Rate Coverage Reserve Fund during Fiscal Year 2000/01 and have deposited the following amounts:

255 Industrial Way
Buellton, CA 93427-9565
(805) 688-2292
FAX: (805) 686-4700

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RAS



Project Participant	FY 2000/01 Rate Coverage Fund Deposit
City of Guadalupe	\$ 154,212
City of Santa Maria	3,573,420
City of Buellton	214,262
Santa Ynez River Water Conservation District, Improvement District, No. 1	346,106
Santa Ynez River Water Conservation District, ID#1 (City of Solvang)	480,244
La Cumbre Mutual Water Company	354,510
Montecito Water District	956,320
Carpinteria Valley Water District	750,000
Avila Community Services District	24,785
Oceano Community Services District	90,715
San Luis Obispo County Service Area No. 16, Imp. District No. 1	13,037
TOTAL:	\$ 6,957,611

Rebate Calculations

On October 2, 2001, the Authority paid \$26,963.00 to the Internal Revenue Service representing the rebate liability on the 1996 revenue bonds for the first five-year period the bonds were outstanding. The five-year rebate calculations for the Series 1992 revenue bonds indicate a negative rebate liability of approximately \$5.5 million.

Continuing Disclosure Annual Report

Consistent with Section 4 of the Continuing Disclosure Report, the Fiscal Year 2000/01 Annual Report includes the charts described under the captions, "Historic Water Connections and Sales Revenues," "Historic Water Deliveries," "Largest Customers," "Water System Rates and Charges," "Historic Operating Results" and "Debt Service Coverage" for each of the following Contractors:

- City of Santa Maria
- City of Santa Barbara
- City of Guadalupe
- City of Buellton
- Goleta Water District
- Montecito Water District
- Carpinteria Valley Water District
- La Cumbre Mutual Water Company
- Santa Ynez River Water Conservation District, Improvement District No. 1
(including the City of Solvang as an attachment)
- San Luis Obispo County Service Area No. 16, Improvement District No. 1
- City of Pismo Beach
- City of Morro Bay
- Avila Beach Community Services District
- Oceano Community Services District

Section 4 of the Continuing Disclosure Agreement requires that the Authority submit a copy of its audited financial statements. Five copies of the Authority's FY 2000/01 Comprehensive Annual Financial Report were sent to you under separate cover on December 12, 2001.

Avila Community Services District

From the information presented to the Authority, the Avila Community Services District did not meet its coverage obligation for Fiscal Year 2000/01. Please see the letter from the Avila Community Services District regarding the steps it is taking to meet the coverage obligation.

Project Participant Audited Financial Statements

As you requested, copies of the audited financial statements for each of the Contractors will be sent to you at a later time.

If you have any questions, please call me at (805) 688-2292 extension 214.

Sincerely,

A handwritten signature in black ink, appearing to read "Ray A. Stokes", followed by a horizontal line extending to the right.

Ray A. Stokes
Controller and Treasurer

RAS

Attachments

cc: Doug Brown, Stradling, Yocca, Carlson & Rauth
Dave Houston, Smith Barney

Central Coast Water Authority
Fiscal Year 2000/01 State Water Deliveries
 Fiscal Year 2000/01 Continuing Disclosure Annual Report

FY 2000/01 Actual State Water Deliveries (acre feet)			
Contractor	Entitlement Deliveries	Exchange Agreement Deliveries	Net Deliveries
Chorro Valley Turnout (SLO County)	2,400	-	2,400
Lopez Turnout (SLO County)	1,766	-	1,766
City of Guadalupe	471	-	471
City of Santa Maria	11,471	-	11,471
Southern California Water Company	222	-	222
Vandenberg Air Force Base	4,282	-	4,282
City of Buellton	466	-	466
Santa Ynez ID #1 (Solvang only)	2	-	2
Santa Ynez ID #1 (excluding Solvang)	828	1,895	2,723
Morehart Land Company	1	-	1
La Cumbre Mutual Water Company	815	-	815
Raytheon Systems Company (SBRC)	55	-	55
Goleta Water District	1,489	(1,329)	160
City of Santa Barbara	4	-	4
Montecito Water District	287	(283)	4
Carpinteria Valley Water District	286	(283)	3
TOTAL:	24,845	-	24,845

CENTRAL COAST WATER AUTHORITY

Rate Coverage Reserve Fund Policy

Adopted: December 18, 1997

Fund Created:

The Executive Director shall establish and maintain a Rate Coverage Reserve Fund ("Rate Fund") in accordance with this policy.

Rate Coverage Reserve Fund:

- 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.

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.

FY 2000/01 CONTINUING DISCLOSURE
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SANTA BARBARA COUNTY

CITY OF BUELLTON

The information set forth below has been provided by the City of Buellton (the “City”). The Central Coast Water Authority (the “Authority”) makes no representations or warranties as to the accuracy or completeness of any of the information set forth below.

HISTORIC WATER CONNECTIONS AND SALES REVENUES

The following table shows the number of active domestic water connections to the City’s water system for the five most recent fiscal years, together with the amount of its annual domestic water sales revenues. While the number of connections in 2001 increased by 15.6% over the number of connections during 2000, sales revenues for the year ended June 30, 2001 increased by only 2.1%. This was due to new home construction during the year, with many of the homes still not completed at June 30, 2001.

Historic Water Connections and Sales and Service Revenues

Fiscal Year Ending June 30	Connections	Water Sales Revenues
1997	993	\$1,063,140
1998	1,043	964,878
1999	1,051	1,040,487
2000	1,082	1,111,867
2001	1,251	1,134,691

HISTORIC WATER DELIVERIES

The following table presents a summary of historic water deliveries and the source of that water in acre-feet per year.

*Historic Water Deliveries and Source of Water Delivered
(In acre-feet per year)*

Fiscal Year Ending June 30	Santa Ynez River Appropriation	Groundwater Basin	State Water	Total
1997	452	540	0	992
1998	187	141	493	821
1999	157	125	578	860
2000	173	180	587	940
2001	240	281	463	984

Total water deliveries for fiscal year 2001 were slightly greater than in 2000.

WATER SYSTEM RATES AND CHARGES

General. The City is not subject to the jurisdiction of, or regulation by, the State of California Public Utilities Commission. It is the City's policy to annually determine the adequacy of the water system rate structure after full consideration of expected operations, maintenance and capital costs. The City currently set water charges to pay the cost of groundwater pumping, water treatment and current operation expenses for the water system, debt service with respect to its bonds, and coverage of its obligations under the Water Supply Agreement. Capital improvements and debt service payments are funded from water connection and user fees.

Water Service Charges. The City separates its customers into two classes of service – Municipal/Industrial and Golf Course Irrigation. Charges are associated with the water meter size (an additional dwelling unit fee of \$7.00 per dwelling unit) and quantity of water used. The City increased its water rates approximately 40% effective on July 25, 1995 and further increased the rates on July 26, 1996 by 15% on consumption price plus \$7.00 per additional dwelling unit. As a result, the Water Quantity Charge for municipal and industrial customers is now \$1.97 per 100 cubic feet. Golf Course Irrigation is based on a \$2500/month charge. The Water Meter Charges are set forth below:

Meter Size	Monthly Service Charge ¹
Up to 3/4"	\$ 18.20
1"	20.65
1 1/2"	25.48
2"	35.21
3"	54.60
4"	72.80
6"	103.11
8"	139.51

Collection Procedures. The City is on a monthly billing cycle, sending out bills for the prior month service. Payment is due upon receipt and is considered delinquent if not paid by the 20th day of the following month. If payment is not received, a delinquency notice appears on the next water bill. Currently 6% of the accounts, which account for approximately 16% of the Water System Revenues, are delinquent. The City reports, however, that upon receipt of such delinquent notices almost all of its customers pay delinquent amounts within two weeks. Water service for all accounts not paid in full within 55 days of the original billing date are discontinued by the City until full payment is made, including late penalties and a \$20.00 re-connection fee, if reinstated during business hours and \$53.00 after hours.

Connection Fees. The City charges connection fees for improvement or expansion of water treatment and distribution facilities to meet the requirements of community growth. The current connection fee for single-family residences is \$3,640. The current connection fee for commercial and all other uses and meter sizes will be based on \$5,200 per acre-foot per year of anticipated water use.

¹ Plus \$7.00 for each additional dwelling unit which is served by one meter.

The following table sets forth the ten largest customers of the City's water system as of June 30, 2001, as determined by the amount of their respective annual payments.

LARGEST CUSTOMERS

Customer	Water Usage ²	Annual Payments
Ranch Club Mobile Estates	22,741	\$ 97,781
Rancho Santa Barbara Marriott	13,554	52,798
Zaca Creek Golf Course	342	48,043
Flying Flags Recreation Park	23,161	46,654
Rivergrove Mobile Home Park	12,212	44,185
Andersen's Restaurant	7,938	38,332
Days Inn	4,952	20,389
Andersen's Inn	4,992	18,144
Motel 6	4,838	16,697
Buellton Union School District	2,124	8,082
TOTAL	96,854	\$391,105

These ten customers accounted for approximately 34% of the City's water service revenues for fiscal year 2000/01.

² Hundred cubic feet.

FISCAL YEAR 2001 OPERATING RESULTS

The following table is a summary of operating results of the water system for Fiscal Year 2000/01. These results have been derived from the City's audited financial statements but exclude certain non-cash items and include certain other adjustments. The table has not been audited by the City's auditor.

CITY OF BUELLTON

<u>REVENUES</u>	<u>June 30, 2001</u>
Water Sales	\$ 1,134,691
Connection Fees	439,194
Other Fees & Income	17,774
Interest Income	78,271
TOTAL REVENUES:	<u>1,669,930</u>
<u>OPERATING EXPENSES</u>	
Operations & Maintenance Expenses	250,585
FmHA Debt Service ⁽¹⁾	48,000
TOTAL OPERATING EXPENSES:	<u>298,585</u>
NET REVENUES	1,371,345
Rate Coverage Reserve Fund Deposit	214,262
Adjusted Net Revenues	<u>1,585,607</u>
State Water Payments	<u>809,805</u>
Total Contract Payments	<u>809,805</u>
Coverage Ratio:	1.96
Available for Capital improvements and other purposes	\$ 561,540

(1) Debt service on a \$818,500 Farmers Home Administration Loan which obligation to pay is senior to the obligation to pay the Bonds.

Source: City of Buellton

CARPINTERIA VALLEY WATER DISTRICT

The information set forth below has been provided by the Carpinteria Valley Water District (the "District"). The Central Coast Water Authority (the "Authority") makes no representations or warranties as to the accuracy or completeness of any of the information set forth below.

HISTORIC WATER CONNECTIONS AND SALES REVENUES

The following table shows the number of active water connections to the District's water system for the five most recent fiscal years, together with the amount of its annual water sales revenues (inclusive of monthly service charges):

Historic Water Connections and Sales Revenues

Fiscal Year Ending June 30	Connections				Sales Revenues			
	Dom.	%	Ag.	%	Dom.	%	Ag.	%
	1997	3,647	90	427	10	\$3,208,091	64	\$1,780,933
1998	3,659	90	424	10	3,358,739	67	1,664,270	33
1999	3,691	90	421	10	3,670,780	67	1,768,798	33
2000	3,714	90	423	10	3,545,276	65	1,897,541	35
2001	3,722	90	424	10	3,728,670	69	1,700,016	31

All sales revenue numbers presented in the above table include monthly service charges as well as the unit cost of water. The December 1996 projections in the Official Statement did not include monthly service charges. Monthly service charges were doubled in FY 1996/97. They were raised 17.5% in FY 1997/98, while the unit cost of water remained unchanged. Monthly service charges and the unit cost of water remained unchanged in FY 1998/99, and in FY 1999/00. Monthly service charges for all water accounts were increased by \$1.16 in FY 2000/01, including a variation that all residential water accounts were increased an additional \$1.16 for each dwelling unit. The unit cost of water was also increased in FY 2000/01 by 1% for all categories of water users. In FY 2001/02 the monthly service charges for all water accounts were increased by 3%.

Following is a breakdown of sales revenues showing water revenues and monthly service charges, including fire protection and service revenue:

Fiscal Year Ending June 30	Water Revenue	Monthly Service Charge	Total
2000	\$3,386,278	\$2,236,260	\$5,622,538
2001	\$3,083,936	\$2,244,750	\$5,428,686

The total actual water revenues not including monthly service charges for FY 1996/97 were approximately 5.6% higher than projected in the Official Statement. In FY 1997/98 they were approximately 8% lower than the previous year, due in large measure to reduced demand as a result of increased rainfall attributed to the El Nino weather pattern. The approximately 8% increase in water revenues for FY 1998/99, not including monthly service charges, reflects a more average demand than experienced in the FY 1997/98 El Nino year. The approximately 5% increase in water revenues for FY 1999/00 reflects a similar increase in actual acre feet of water sold, due in part to growth, but also dry weather. The nearly \$194,000 drop in water revenues for FY 2000/01 reflects the colder year reduction in irrigation sales, offset somewhat by the increased water rates.

HISTORIC WATER DELIVERIES

The following table presents a summary of historic water deliveries and the source of that water in acre-feet per year for the five most recent fiscal years. Actual water connections (4,137) as of June 30, 2001, are about two percent lower than the projected number of 4,227 in the Official Statement.

Historic Water Deliveries and Source of Water Delivered (In acre - feet per year)¹ Deliveries

Fiscal Year Ending June 30	Residential ²	Commercial	Public Authority	Industrial	Irrigation	Total
1997	1,679	352	135	126	2,153	4,445
1998	1,601	357	127	123	1,830	4,038
1999	1,701	380	139	138	2,006	4,364
2000	1,741	386	132	131	2,230	4,620
2001	1,663	376	112	120	1,864	4,135

Sources

Fiscal Year Ending June 30	Groundwater	Cachuma Project	Total
1997	1,308	3,253	4,561
1998	795	3,291	4,107
1999	586	3,794	4,358
2000	1,131	3,529	4,660
2001	538	3,600	4,138

MANAGEMENT DISCUSSION OF HISTORIC WATER CONNECTIONS, SALES REVENUES AND DELIVERIES

In the last five years demand for water has fluctuated as a result of changes in weather and a gradually increasing account base. In FY 1996/97 water deliveries increased more than expected. This increase was a result of a small increase (38) in the number of total service connections, and an earlier than usual end to the rainy season at the end of February. In FY 1997/98 total demand fell by over 400 acre-feet compared to the previous year as a result of the lengthy rainy season attributed to the El Nino weather pattern. Total demand for water in FY 1998/99 returned to a more normal level, but was slightly impacted by the La Nina pattern of lower than normal temperatures for the year. Total demand for water in FY 1999/00 increased due to a drier rainy season, and reflects a small amount of growth. In FY 2000/01 total demand for water nearly dropped to the level of FY 1997/98 due to a cooler weather pattern throughout the year, and a large reduction in water used for irrigation purposes.

¹ Unaccounted water due to general system loss, including leakage, line flushing and fire hydrant testing, averages 3% and is apportioned to all account types.

² Beginning in fiscal year 1996/97, the District reclassified certain multi-unit residential uses from commercial to residential.

LARGEST CUSTOMERS

The following table sets forth the ten largest customers of the District's water system as of June 30, 2001, as determined by the amount of their respective annual payments:

Customer	Water Usage ³	Annual Payments
B & H Flowers	69,116	\$102,966
Casitas Village HOA	32,142	97,711
Villa Del Mar	29,683	95,701
Cate School	24,783	66,963
Sandpiper Village	37,999	64,772
Ocean Breeze	26,686	64,156
Norman L. Francis	26,355	51,174
William Van Wingerden	32,194	43,618
Westerly Roses	28,418	43,273
H&M Roses	27,510	41,300
	334,886	\$671,634

These ten customers accounted for approximately 12.16% of water service revenues for the year ended June 30, 2001.

WATER SYSTEM RATES AND CHARGES

General. The District is not subject to the jurisdiction of, or regulation by, the California Public Utilities Commission. The District annually determines the adequacy of the water system rate structure after full consideration of expected operations, maintenance and capital costs. The District currently sets water charges to pay water costs for purchased water, costs of groundwater pumping and current operating expenses for the water system. Capital improvements and debt service payments are funded from water charges and connection fees.

Water Service Charges. The District has separated its customer base into two classes of service – domestic and agricultural. Domestic service is further separated into two types: 1) residential and 2) commercial, industrial and public authority. On June 18, 1995, the Board established the following rates: \$1.91 per HCF for domestic-residential; \$2.16 per HCF for domestic-commercial, industrial and public authority; \$1.34 per HCF for agricultural. The water usage rates remained unchanged in 1996; but, as described below, monthly service charges were doubled to increase revenue necessary to offset State Water Project costs.

Water usage rates and monthly service charges were raised steadily between FY 1991/92 and FY 1998/99 primarily to address State Water Project and Cachuma Project renewal costs. The first rate increase was adopted by the Board of Directors on June 24, 1992, effective as of June 28, 1992. A subsequent rate increase was adopted June 16, 1993 and became effective June 28, 1993. A third rate increase was adopted by the Board of Directors on July 6, 1994 and became effective June 29, 1994. A fourth rate increase was adopted by the Board of Directors on June 14, 1995 and became effective June 29, 1995. The June 29, 1995 increase included new costs related to the Cachuma Project contract renewal and higher interim rates, as well as other costs related to the Cater Treatment Plant. The June 29, 1996 rate increase doubled the monthly service charge. It was followed by the most recent increase of 17.5% to the monthly service charge on June 29, 1997. The District did not raise its water consumption rates or monthly service charges in either FY 1998/99 or FY 1999/00. In FY 2000/01 the District raised its water consumption rates 1% for all categories of customers to adjust for inflation and also increased monthly service charges on all water accounts by \$1.16, with the variation that all residential accounts were increased by \$1.16 for each dwelling unit. The monthly service charge

³ Hundred Cubic Feet

increase was the first of four projected to raise revenue to pay debt service on about \$9 million of Certificates of Participation (COPs) issued in May of 2001 to fund major capital improvements including covers for the Ortega and Carpinteria reservoirs and related other projects necessary for the covering projects.

A second monthly service charge increase of \$3.00 relative to the COP's occurred in FY 01/02. The current domestic residential rate is \$1.93 per HCF, the current domestic –commercial, industrial and public authority rate is \$2.18 per HCF, the current agricultural rate is \$1.35 per HCF.

A schedule of the District's current monthly service charges effective since July 1, 2001 is shown below:

Meter Size	Monthly Service Charge
5/8"	\$ 21.36
3/4"	29.81
1"	47.00
1 1/2"	89.86
2"	141.15
3"	278.40
4"	432.59
6"	861.02
8"	1,974.92

Connection Fees. For every new meter installation, the District charges the installation cost of the new service and meter plus a "Capital Cost Recovery Fee". The base charge component of Capital Cost Recovery Fees ranges from \$1,307 to \$150,303 depending on the size of the meter. In addition to the base charge, there is a "fully loaded equivalent State Water Project monthly service charge" component. This second component is an amount added to the base charge, equivalent to State Water Project monthly service charges that would have been paid beginning July 1, 1996. The Board of Directors adopted the Capital Cost Recovery Fees on July 16, 1997. A third component was added in September of 2000 to capture the monthly service charge increases necessary to fund the debt service for the \$9 million COPs issued in May of 2000, to pay for the District's Capital Improvement Program. A schedule of the District's current Capital Cost Recovery Fees, effective July 1, 2001, is shown below:

Meter Size	Capital Cost Recovery Fees
5/8"	\$2,691
3/4"	3,844
1"	6,408
1 1/2"	12,805
2"	20,472
3"	40,950

The District requires the Capital Cost Recovery Fee to be paid prior to accepting the installation fee deposit.

FISCAL YEAR 2001 OPERATING RESULTS

The following table is a summary of operating results of the water system of the District for Fiscal Year 2000/01. These results have been derived from the District's financial statements but exclude certain non-cash items and include certain other adjustments. The table has not been audited by the District's auditor.

CARPINTERIA VALLEY WATER DISTRICT

REVENUES	June 30, 2001
Muni. & Ind. Water Sales	\$ 1,972,809
Agricultural Water Sales	1,111,127
Water Service Charge	2,159,113
Fire Proect & Service Revenue	185,697
Capital Cost Rec Fee	118,469
Interest Revenue	867,751
Other Income	20,534
Overhead charges	30,508
TOTAL REVENUES:	6,466,008
OPERATING EXPENSES	
Cost of Purchased Water	255,788
Pumping Expense	136,443
Treatment expense	605,388
Trans & Dist Exp	461,462
Customer Accounts	79,732
General & Admin. ⁽¹⁾	936,031
Cachuma Operating Expense	198,960
TOTAL OPERATING EXPENSES:	2,673,804
NET REVENUES	\$ 3,792,204
Rate Coverage Reserve Fund Deposit	750,000
Adjusted Net Revenues	\$ 4,542,204
State Water Payments	2,178,815
Total Contract Payments	2,178,815
Coverage:	2.08
Additional Debt Service ⁽²⁾	\$ 744,132
Available for Capital improvements and other purposes	\$ 869,257

(1) Exclusive of depreciation.

(2) Debt service on \$1.95 million of Water Revenue Bonds (Cater Treatment Plant) due 2003 (subsequently paid in full).

Source: Carpinteria Valley Water District

GOLETA WATER DISTRICT

The information set forth below has been provided by the Goleta Water District (the “District”). The Central Coast Water Authority (the “Authority”) makes no representations or warranties as to the accuracy or completeness of any of the information set forth below.

HISTORIC WATER CONNECTIONS AND SALES REVENUES

The following table shows the number of active water connections to the District’s water system for the five most recent fiscal years, together with the amount of its annual water sales revenues.

Historic Water Connections and Sales Revenues

Fiscal Year Ending June 30	Connections				Sales Revenues			
	Dom.	%	Ag.	%	Dom.	%	Ag.	%
1997	14,281	98.56	208	1.44	\$12,137,513	88.84	\$1,523,981	11.16
1998	14,376	98.59	206	1.41	11,669,400	89.70	1,340,636	10.30
1999	14,620	98.60	207	1.40	12,491,604	88.81	1,574,080	11.19
2000	14,839	98.04	297	1.96	13,156,760	88.18	1,763,055	11.82
2001	15,357	98.31	264	1.69	12,632,412	88.73	1,630,962	11.27

The number of connections to the District’s water system is slightly higher than the number projected in 1996. However, revenues from water sales have fallen short of the 1996 projection by about 20%. Two factors have contributed to the decline in water sales: Lower demand stemming from abnormally cooler, wetter weather in 1996/97 through 2000/01, and continuing conservation practices.

HISTORIC WATER DELIVERIES

The following table presents a summary of historic water deliveries in acre-feet per year for the five most recent fiscal years.

*Historic Water Deliveries
(In Acre-Feet per Year)*

Fiscal Year Ending June 30	Agricultural Deliveries	Urban Deliveries	Total
1997	2,890	10,618	13,508
1998	2,185	10,762	12,947
1999	2,471	10,169	12,641
2000	3,017	9,647	12,665
2001	3,448	9,279	12,727

Water deliveries are approximately 5.1% below the 1996 projection. As discussed above, cool, wet weather in 1997/98 through 2000/01 has caused a reduction in demand. Continuing water conservation practices may also be a contributing factor in a lower rate of increase in the demand for water service.

LARGEST CUSTOMERS

The following table sets forth the ten largest customers of the District's water system as of June 30, 2001, as determined by the amount of their respective annual payments.

Customer	Water Usage ¹	Annual Payments
UCSB	707	\$991,165
County of Santa Barbara	296	371,923
Santa Barbara Municipal Airport	166	313,880
Glen Annie Golf Course	312	246,057
George Cavelleto	320	138,358
Towbes Group	91	129,159
Bacara Resort Services, Inc.	89	121,877
La Cumbre Golf Course	147	111,976
Goleta Union School District	88	109,720
Sandpiper Golf Course	<u>260</u>	<u>102,360</u>
TOTAL	2,475	\$2,636,475

These ten customers accounted for approximately 17.5% of water service revenues for the year ended June 30, 2001.

WATER SYSTEM RATES AND CHARGES

The District's current rates and charges are as follows:

Agriculture	\$0.90/HCF
Urban	\$3.13/HCF
Recreation	\$1.74/HCF
Reclaimed	\$1.74/HCF

Meter Size	Monthly Charge
¾"	\$ 5.90
1"	8.00
1 ½"	13.10
2"	18.62
3"	31.10
4"	47.30
6"	86.30
8"	127.10
10"	167.90

The meter charges listed above were increased to these amounts in September 1997.

¹ Hundred Cubic Feet

FISCAL YEAR 2001 OPERATING RESULTS

The following table is a summary of operating results of the water system for Fiscal Year 2000/01. These results have been derived from the District's financial statements but exclude certain non-cash items and include certain other adjustments. The table has not been audited by the District's auditor.

GOLETA WATER DISTRICT

<u>REVENUES</u> ⁽¹⁾	<u>June 30, 2001</u>
Water Sales	\$ 14,121,227
Meter charges	1,302,376
Other Fees & Income	1,271,661
Interest Income	1,468,450
TOTAL REVENUES:	<u>18,163,714</u>
<u>OPERATING EXPENSES</u>	
Source of Supply	2,646,786
Water Treatment	1,646,629
Transmission & Distribution	2,351,977
Customer Billings	692,094
General and Administrative	1,889,156
TOTAL OPERATING EXPENSES:	<u>9,226,642</u>
NET REVENUES	8,937,072
State Water Payments	<u>6,140,949</u>
Total Contract Payments	<u>6,140,949</u>
Coverage Ratio:	1.46
Other Debt Service ⁽²⁾	1,878,845
Available for Capital improvements and other purposes	\$ 917,278

(1) Exclusive of property taxes

(2) 1993 COPS \$1,287,860; State Revolving Fund Loan \$519,489; and USBR Loan (ID #1) \$71,508)

Source: Goleta Water District

CITY OF GUADALUPE

The information set forth below has been provided by the City of Guadalupe (the “City”). The Central Coast Water Authority (the “Authority”) makes no representations or warranties as to the accuracy or completeness of any of the information set forth below.

HISTORIC WATER CONNECTIONS AND SALES

The following table shows the number of active water connections to the City’s water system for the five most recent fiscal years, together with the amount of its annual water sales revenues.

Fiscal Year Ending June 30	Connections	Sales Revenues
1997	1,578	\$781,376
1998	1,577	809,553
1999	1,579	846,539
2000	1,592	870,771
2001	1,638	921,050

The actual connections for FY 2000/01 have increased by a total of 46 new connections from the previous year due to new construction. The Riverview project and the Carriage Homes project continue to build new homes at the Point Sal Dunes development. The estimated number of services that will be added for FY 2001/02 will be approximately 50 additional services. The actual sales revenues for FY 2000/01 were approximately 4% below the prior year because the City anticipated completion of these two development projects, which did not occur. The city continues to anticipate an increase in sales revenue as the developments progress into the future.

HISTORIC WATER DELIVERIES

The following table presents a summary of historic water deliveries in acre-feet per year for the five most recent fiscal years.

*Historic Water Deliveries
(In acre-feet per Year)*

Fiscal Year Ending June 30	Deliveries
1997	613
1998	652
1999	714
2000	711
2001	735

LARGEST CUSTOMERS

The following table sets forth the ten largest customers of the City's water system as of June 30, 2001, as determined by the amount of their respective annual payments.

Customer	Water Usage ¹	Annual Payments
Apio Cooler	35,849	\$116,512
Guadalupe Union School District	4,674	15,191
Waller Genetics	3,630	11,799
Lupe Alvarez	3,195	10,385
P&M Properties	2,028	6,594
Guadalupe Cemetery	1,932	6,282
Simplot Soilbuilders	1,645	5,349
Far Western Tavern	1,584	5,151
Playa, Inc.	1,033	3,360
McKenzie Junior High	<u>452</u>	<u>1,472</u>
TOTAL	56,022	\$182,095

These ten customers accounted for approximately 20% of water service revenues for the year ended June 30, 2001.

WATER SYSTEM RATES AND CHARGES

Consumption Charges. All classes of water users are charged the same rate. Specifically, all users pay \$19.45 monthly for the first six (6) units [one (1) unit = 100 cubic feet] as a minimum charge. For each unit above the base six (6) units the charge is \$3.25 per unit.

Connection Charges. The City charges connection fees for improvement or expansion of water treatment and distribution facilities as follows:

<u>Meter Size</u>	<u>Connection Charge</u>
¾"	\$1,449.74
1"	1,630.86
1 ½"	2,174.48
2"	4,349.23
3"	5,798.97
4"	8,095.38
6"	14,135.19

Immediate Availability Charges. On July 26, 1993, the City initiated a standby/availability charge on vacant parcels in the City. The charge was set at \$5.00 per month per parcel less than one (1) acre, and \$10.00 per month per acre for parcels larger than one (1) acre. The standby charge is added to the tax bill for each vacant parcel and is collected by the Santa Barbara County Tax Collector.

¹ Hundred Cubic Feet

FISCAL YEAR 2001 OPERATING RESULTS

The following table is a summary of operating results of the water system of the City for Fiscal Year 2000/01. These results have been estimated by the City, but exclude certain non-cash items and include certain other adjustments. This table has not been audited by the City's auditor.

CITY OF GUADALUPE

<u>REVENUES</u>	<u>June 30, 2001</u>
M&I Sales	\$ 921,050
Connection Fees	82,190
Interest Income	24,755
Other Revenues ⁽¹⁾	53,503
TOTAL REVENUES:	<u>1,081,498</u>
<u>OPERATING EXPENSES</u>	
Salaries & Benefits	56,086
Operations & Maintenance ⁽²⁾	152,939
TOTAL OPERATING EXPENSES:	<u>209,025</u>
NET REVENUES	872,473
Rate Coverage Reserve Fund Deposit	154,212
Adjusted Net Revenues	<u>1,026,685</u>
State Water Payments	<u>597,890</u>
Total Contract Payments	<u>597,890</u>
Coverage Ratio:	1.72
Available for Capital improvements and other purposes	\$ 274,583

(1) Includes stand-by/availability charges.

(2) Exclusive of depreciation. Includes lease-purchase payments.

Source: City of Guadalupe

LA CUMBRE MUTUAL WATER COMPANY

The information set forth below has been provided by the La Cumbre Mutual Water Company (the “Company”). The Central Coast Water Authority (the “Authority”) makes no representations or warranties as to the accuracy or completeness of any of the information set forth below.

HISTORIC WATER CONNECTIONS AND SALES REVENUES

The following table shows the number of active water connections to the Company’s water system for the five most recent fiscal years, together with the amount of its annual water sales revenues (exclusive of monthly service charges).

Historic Water Connections and Sales Revenues

Fiscal Year Ending <u>December 31</u>	Connections					Sales Revenues				
	<u>Dom.</u>	<u>%</u>	<u>Ag.</u>	<u>%</u>	<u>Total</u>	<u>Dom.</u>	<u>%</u>	<u>Ag.</u>	<u>%</u>	<u>Total</u>
1996	1,361	98	30	2	1,391	\$1,422,894	95	\$69,653	5	\$1,492,547
1997	1,398	98	27	2	1,425	1,883,002	95	97,611	5	1,980,613
1998	1,383	98	32	2	1,415	1,304,971	95	65,891	5	1,370,862
1999	1,389	98	32	2	1,421	1,552,380	95	84,978	5	1,637,358
2000	1,392	98	32	2	1,424	1,565,313	95	87,322	5	1,652,635

Total water sales revenues for FY 2000 are lower than the December 1996 official statement projections by 26%. However, the combined fixed meter and land charges are higher by 30%. Taking this into account, the total water sales and fixed charges for FY 2000 are lower than the December 1996 projections by only 17%. The Company Board of Directors chose to increase fixed income sources to better match fixed expenses, rather than increase the variable income sources as projected in the December 1996 official statement.

HISTORIC WATER DELIVERIES

The following table presents a summary of historic water deliveries in acre-feet per year for the five most recent fiscal years.

*Historic Water Deliveries
(In Acre-Feet per Year)*

Fiscal Year Ending <u>Dec.</u> <u>31</u>	Domestic <u>Deliveries</u>	Agricultural <u>Deliveries</u>	<u>Total</u>
1996	1,291	84	1,375
1997	1,512	121	1,633
1998	1,258	79	1,337
1999	1,438	103	1,541
2000	1,443	103	1,546

The actual water deliveries for FY 2000 are 3% higher than the December 1996 projection of 1,450 AF.

LARGEST CUSTOMERS

The following table sets forth the ten largest customers of the Company's water system as of December 31, 2000, as determined by the amount of their respective annual payments.

<u>Customer</u>	<u>Water Usage (HCF)</u>	<u>Annual Payment</u>
La Cumbre Golf & Country Club	27,840	\$72,156
ELK Trust	18,540	54,358
Mariposa Land Development Co.	12,144	27,262
Gael Trust	8,219	23,006
Stephen Redding	8,041	21,812
Carriage Hill Association	4,912	21,293
Stanford Farms	4,014	14,932
Laguna Blanca School	3,683	14,408
William Foley	4,756	12,879
Lewis Geysler	<u>3,397</u>	<u>12,179</u>
TOTAL	95,546	\$274,285

These ten customers account for approximately 17% of all water service revenues in fiscal year 2000.

WATER SYSTEM RATES AND CHARGES

The District's current rates and charges are as follows:

	CURRENT (effective Oct. 6, 1997)
Residential and Commercial	\$2.40/HCF
Schools and Golf Courses	\$2.15/HCF
Agricultural	\$2.40 for first 90 HCF per bi-monthly billing and \$1.65 for excess

<u>Item</u>	CURRENT (effective Oct. 6, 1997) <u>Bi-Monthly Charge</u>
"A" less than 50 HCF/Year *	\$8.33
"B" less than 100 HCF/Year *	\$16.67
3/4" meter	\$25.00
1" meter	\$41.67
1 1/2" meter	\$83.33
2" meter	\$133.33
3" meter	\$250.00
4" meter	\$416.67
Fire Sprinkler System	\$17.50
Private Fire Hydrant	\$17.50

* This special bi-monthly charge is for 3/4" services that used less than the noted HCF for the previous year beginning on the last working day in December.

<u>Item</u>	CURRENT (effective March 18, 1997) <u>Connection Charge</u>
3/4" meter	\$4,200
1" meter	\$7,000
1 1/2" meter	\$14,000
2" meter	\$22,000
3" meter	\$42,000
4" meter	\$70,000
Fire Sprinkler System	\$1,000 + material & labor
Private Fire Hydrant	\$500 + material & labor
	CURRENT (effective Nov. 15, 1998)
Land Charges	\$20 per acre per bi-monthly period

Water service charges were adjusted in 1997 to produce more fixed income. Bi-monthly meter service charges were increased an average of 300 %. To offset this large increase in fixed fees, the basic water rate was decreased approximately 9%. The increased fixed income will balance the state water fixed expenses.

Service connection charges were also adjusted in 1997 to reflect the capital costs of state water. These were increased an average of 300%.

Land charges were adjusted in 1998 from \$10 to \$20 per acre per bi-monthly billing to produce more fixed income.

FISCAL YEAR 2000 OPERATING RESULTS

The following table is a summary of operating results of the water system of the Company for the Fiscal Year ended December 31, 2000. These results have been derived from the Company's financial statements but exclude certain non-cash items and include certain other adjustments. The table has not been audited by the Company's auditor.

LA CUMBRE MUTUAL WATER COMPANY

<u>REVENUES</u>	<u>Dec. 31, 2000</u>
Water Sales	\$ 1,652,635
Meter Charges	369,321
Land Charges	247,662
Connection Fees	34,600
Other Income	13,371
Rental income	80,856
Interest Income	127,664
TOTAL REVENUES:	<u>2,526,109</u>
<u>OPERATING EXPENSES</u>	
Water Source	199,688
Water Treatment	2,415
Transmission & Distribution	98,102
Admin. & General	341,343
Conservation	1,994
Taxes	52,787
Miscellaneous	13,239
TOTAL OPERATING EXPENSES:	<u>709,568</u>
NET REVENUES	1,816,541
Rate Coverage Reserve Fund Deposit	<u>354,510</u>
Adjusted Net Revenues	2,171,051
State Water Payments (2000)	<u>1,276,799</u>
Total Contract Payments	<u>1,276,799</u>
Coverage Ratio:	1.70
Available for Capital improvements and other purposes	\$ 539,742

Source: La Cumbre Mutual Water Co.

MONTECITO WATER DISTRICT

The information set forth below has been provided by the Montecito Water District (the “District”). The Central Coast Water Authority (the “Authority”) makes no representations or warranties as to the accuracy or completeness of any of the information set forth below.

HISTORIC WATER CONNECTIONS AND SALES REVENUES

The following table shows the number of active water connections to the District’s water system for the five most recent fiscal years, together with the amount of annual water sales revenues:

Historic Water Connections and Sales Revenues

Fiscal Year Ending June 30	Connections				Sales Revenue			
	Domestic	%	Agricultural	%	Domestic	%	Agricultural	%
1997	4,133	98	66	2	\$5,019,892	95	\$262,502	5
1998	4,174	99	64	1	4,367,044	94	266,237	6
1999	4,219	99	61	1	5,227,456	95	260,470	5
2000	4,275	99	64	1	5,907,658	95	326,511	5
2001	4,354	99	55	1	5,606,333	96	224,911	4

The total actual connections for FY 2000/01 were 4,409 which is twenty-five (25) connections higher than the December 1996 Official Statement projections. Domestic sales revenues for FY 2000/01 of \$5,606,333 is approximately 18% below the December 1996 Official Statement projections of \$6,868,900. Agricultural sales revenues for FY 2000/01 of \$224,911 are approximately 19% below the December 1996 Official Statement projections of \$278,400.

The difference between the domestic sales revenues and the December 1996 Official Statement projections is due to overall lower water sales due to wet weather conditions and continued efficient water use by the District’s customers.

Total water sales revenues for FY 2000/01 are lower than in the December 1996 Official Statement projections by 18%. However, water service charges and connection fee revenues for the year are higher than the December 1996 Official Statement projections by \$497,092 and \$359,298 or 44% and 320%, respectively. The District’s Board of Directors chose to increase fixed income sources to better match fixed expenses, rather than increase the variable income sources as initially projected in December 1996 Official Statement.

HISTORIC WATER DELIVERIES

The following table presents a summary of historic water deliveries in acre-feet per year for the five most recent fiscal years:

Historic Water Deliveries and Water Production¹
(In acre-feet per year)

Fiscal Year Ending June 30	Agricultural	Deliveries Domestic	Total
1997	472	4,502	4,974
1998	472	3,838	4,310
1999	448	4,365	4,813
2000	551	4,786	5,337
2001	376	4,533	4,909

Actual water deliveries for FY 2000/01 of 4,909 are approximately 25% lower than the December 1996 prospectus projection of 6,524 primarily due to lower water sales for the domestic and recreational water categories.

The following table summarizes Water Production by source.

Water Production By Sources¹
(In acre-feet per year)

Fiscal Year Ending June 30	Groundwater	Cachuma Project	Other ² Sources	Total
1997	143	2,652	2,588	5,383
1998	129	2,313	2,346	4,788
1999	117	2,840	2,273	5,230
2000	90	2,736	2,746	5,572
2001	74	2,829	2,233	5,136

¹ Total production exceeds total deliveries due to general system losses and water owed to the City of Santa Barbara; the District is presently rehabilitating its water system through its capital improvement program.

² Other sources include water from Jameson Lake and Fox and Alder Creeks, infiltration water from Doulton Tunnel, and beginning in 1997/98, water from the State Water Project.

LARGEST CUSTOMERS

The following table sets forth the ten largest customers of the District's water system for Fiscal Year 2000/01, as determined by the amount of their respective annual payments:

Largest Customers

Customer	Water Usage ³	Annual Payment
Four Seasons Hotel	43,529	\$195,479
Birnam Wood Golf Club	81,995	147,516
Westmont College	33,783	104,691
Casa Dorinda	20,090	69,523
Valley Club of Montecito	35,743	66,121
Santa Barbara Cemetery	21,766	62,855
Los Alisos Ranch	31,897	47,623
Jackson Ranch	15,474	31,299
Bill Meeker	14,353	26,734
Nesbitt Association, Inc.	13,613	21,952
	312,243	\$773,793

These ten customers accounted for approximately 13% of water service revenues in Fiscal Year 2000/01.

WATER SYSTEM RATES AND CHARGES

Water Service Charges. The District has separated its customer base into several classes of service. Rates charged to each class of customers vary. A schedule of the District's water rates and charges as of June 30, 2001 is as follows:

Meter Size	Meter Charge	Meter Size	Meter Charge
5/8" x 3/4"	\$17.93	2"	\$95.22
3/4"	17.93	3"	215.22
1"	29.86	4"	358.70
1-1/2"	53.80	6"	597.87

Quantity Water Rates in Addition to Monthly Service Charge

Commercial	\$4.25 per hcf ³
Domestic	2.91 per hcf
Schools	2.70 per hcf
Recreational ⁴	1.65 per hcf
Agricultural ⁴	1.32 per hcf
East Valley Non-Potable	1.32 per hcf

³ Hundred cubic feet (hcf)

⁴ Recreational and Agricultural users with dwelling units on the property are charged 12 hcf per month at the domestic rate for each dwelling unit.

Connection Fees. The District charges connection fees to cover the costs of installing meters. (Please note that the District no longer installs 5/8"x 3/4" meters.) In addition, a Capital Cost Recovery Fee is charged as a buy-in fee for new customers to buy into the District's capital facilities. The breakdown of Connection and Capital Cost Recovery Fees as of June 30, 2001 is as follows:

Meter Size	Connection Fee	Capital Cost Recovery Fee
3/4"	\$1,125.00	\$5,438.00
1"	1,180.00	9,063.00
1-1/2"	1,740.00	16,313.00
2"	2,190.00	29,000.00

FISCAL YEAR 2001 OPERATING RESULTS

The following table is a summary of operating results of the water system of the District for Fiscal Year 2000/01. These results have been derived from the District's financial statements and exclude certain non-cash items and include certain other adjustments. The table has not been audited by the District's auditors:

MONTECITO WATER DISTRICT

<u>REVENUES</u> ⁽¹⁾	<u>June 30, 2001</u>
Water Sales	\$ 5,831,245
Water Service Charges	1,632,892
Connection/Capital Cost Recovery Fees	471,498
Water availability charge	307,608
Interest Income	361,023
Other Income	109,606
TOTAL REVENUES:	<u>8,713,872</u>
<u>OPERATING EXPENSES</u>	
Water Purchased	586,116
Pumping	193,686
Water Treatment	663,384
General & Administrative	1,375,234
Operations & Maintenance	647,518
TOTAL OPERATING EXPENSES:	<u>3,465,938</u>
NET REVENUES	5,247,934
Rate Coverage Reserve Fund Deposit	956,320
Adjusted Net Revenues	<u>6,204,254</u>
State Water Payments	<u>3,507,602</u>
Total Contract Payments	<u>3,507,602</u>
Coverage Ratio:	1.77
Other Debt Service ⁽²⁾	858,579
Available for Capital improvements and other purposes	\$ 881,753

(1) Excludes taxes and assessments.

(2) Inclusive of the Cachuma Project Authority Bonds, the 1993 Department of Water Resources Loan and the 1998A Montecito Water District Revenue Certificates of Participation.

CITY OF SANTA BARBARA

The information set forth below has been provided by the City of Santa Barbara (the “City”). The Central Coast Water Authority (the “Authority”) makes no representations or warranties as to the accuracy or completeness of any of the information set forth below.

HISTORIC WATER CONNECTIONS AND SALES REVENUES

The following table shows the number of active water connections to the City’s water system for the five most recent fiscal years, together with the amount of its annual water sales revenues.

Historic Water Connections and Sales Revenues

Fiscal Year Ending June 30	Connections		Sales Revenues	
	Dom.	%	Dom.	%
1997	24,971	100	\$19,338,989	100
1998	25,076	100	18,220,227	100
1999	25,169	100	19,742,981	100
2000	25,233	100	21,196,803	100
2001	25,267	100	21,298,011	100

HISTORIC WATER DELIVERIES

The following table presents a summary of historic water deliveries in acre-feet per year for the five most recent fiscal years.

*Historic Water Deliveries
(In acre-feet per Year)*

Fiscal Year Ending June 30	Urban Deliveries
1997	13,916
1998	13,124
1999	13,961
2000	14,881
2001	14,618

LARGEST CUSTOMERS

The following table sets forth the ten largest customers of the City's water system as of June 30, 2001, as determined by the amount of their respective annual payments.

Customer	Water Usage ¹	Annual Payments
Fess Parker's Double Tree Inn	30,255	\$116,545
City of Santa Barbara	69,289	102,611
Montecito Country Club	54,563	79,892
St. Francis Hospital	20,056	75,721
S. B. Cottage Hospital	16,954	69,084
S. B. Zoological Foundation	12,739	53,652
La Colina Jr. High School	11,643	47,666
Mission Linen Supply	10,057	38,103
Samarkand, Inc.	9,551	36,679
National Retail Partners, LLC	<u>8,078</u>	<u>33,887</u>
	243,185	\$653,841

These ten customers accounted for approximately 4.3% of the annual water consumption for Fiscal Year 2000/01.

¹ Hundred Cubic Feet

Water System Rates and Charges During FY 2000/01

Customer Class	Water Service Rates
Single Family Residential	First 4 HCF @ \$2.22 Next 16 HCF @ \$3.71 All other @ \$3.92
Multi-Family Residential 1-4 dwelling units	First 4 HCF per dwelling unit @ \$2.22 Next 8 HCF per dwelling unit @ \$3.71 All other @ \$3.92
Multi-Family Residential 5+ dwelling units	First 4 HCF per dwelling unit @ \$2.22 Next 8 HCF per dwelling unit @ \$3.71 All other @ \$3.92
Commercial	100% of base allotment ² @ \$3.71 per HCF; All other @ \$3.92
Industrial	100% of base allotment ² @ \$3.71 per HCF; All other @ \$3.92
Irrigation - Residential	Billed as if used through associated residential meter, OR annual allotment of 654 HCF/acre @ \$3.71; all other @ \$3.92
Irrigation - Recreation/Parks/Schools	Annual allotment of 1,404 HCF/acre @\$1.75 Next 240 HCF/acre/year @ \$3.71 All other @ \$3.92
Irrigation – Commercial	100% of base allotment ² @ \$3.71 per HCF; All other @ \$3.92
Irrigation – Agriculture	Annual allotment of 870 HCF/acre @\$1.40 Next 240 HCF/acre/year @ \$3.71 All other @ \$3.92
Recycled Water	All usage @ \$1.40/HCF
Outside City Limits	130% of corresponding in-City rates

Monthly Service Charges for Water Meters by Size During FY 2000/01

Meter Size	Monthly Service Charge
5/8"	\$ 5.84
3/4"	8.77
1"	14.61
1 1/2"	29.20
2"	46.72
3"	93.44
4"	146.00
6"	292.00
8"	467.21
10"	671.61

Connection Charges During Fiscal Year 2000/01

	5/8" Meter	1" Meter
Connection Charges on 1" Service:	\$1,513	\$1,641
Buy-in Fee (per single family residence or residence equivalent)	1,505	3,762
	\$3,018	\$5,403

² Base allotment = average monthly consumption during most recent January – June period.

FISCAL YEAR 2001 OPERATING RESULTS

The following table is a summary of operating results of the water system of the City for Fiscal Year 2000/01. These results have been derived from the City's financial statements and exclude certain non-cash items and include certain other adjustments. The table has not been audited by the City's auditor.

CITY OF SANTA BARBARA

<u>REVENUES</u>	<u>June 30, 2001</u>
M&I Sales	\$ 21,298,011
Utility Users Tax	564,606
JPA Reimbursement	1,022,484
Interest Income	1,786,386
Other Revenues	204,850
TOTAL REVENUES:	<u>24,876,337</u>
<u>OPERATING EXPENSES</u>	
Salaries & Benefits	4,035,332
Materials & Supplies	6,926,478
Interest Expense ⁽¹⁾	145,642
Other	115,807
TOTAL OPERATING EXPENSES:	<u>11,223,259</u>
NET REVENUES	13,653,078
State Water Payments	3,991,623
Parity Debt Service ⁽²⁾	2,281,089
Total Contract Payments	<u>6,272,712</u>
Coverage Ratio:	2.18
Available for Capital improvements and other purposes	\$ 7,380,366

(1) Includes 1988 and 1991 DWR Water Reclamation Loans and a Goleta Water District obligation.

(2) Represents debt service on the 1994 Water Revenue Refunding Bonds and the 1992 Water COP's, which are on a parity with payments to the Authority under the Water Supply Agreement. Coverage calculations take into consideration both payments to the Authority under the Water Supply Agreement and Parity Debt Service.

Source: City of Santa Barbara

CITY OF SANTA MARIA

The information set forth below has been provided by the City of Santa Maria (the “City”). The Central Coast Water Authority (the “Authority”) makes no representations or warranties as to the accuracy or completeness of any of the information set forth below.

HISTORIC WATER AND WASTEWATER CONNECTIONS AND SALES AND SERVICE REVENUES

The following table shows the number of active water and wastewater connections to the City’s water system for the five most recent fiscal years, together with the amount of its annual water and wastewater sales revenues.

Historic Water and Wastewater Connections and Sales and Service Revenues

Fiscal Year Ending June 30	Connections ¹	Water Sales Revenues	Wastewater Service Revenues
1997	16,198	\$10,671,207	\$2,687,787
1998	16,406	11,577,701	3,000,771
1999	16,586	12,518,274	3,035,157
2000	16,798	13,430,453	3,226,812
2001	17,189	14,985,470	3,589,063

The City’s water sales revenues for the fiscal year ended June 30, 2001 are approximately 6% below the 1996 projections due to lower than anticipated population growth and greater conservation efforts.

HISTORIC WATER DELIVERIES

The City records the volume of water delivered by its water system. Over the past five years, the volume of water delivered by the City has fluctuated, ranging from a low of approximately 11,003 acre-feet in fiscal year 1998 to a high of approximately 12,999 acre-feet in fiscal year 1996. The following table presents a summary of historic water deliveries in acre-feet per year for the five most recent fiscal years.

Historic Water Deliveries In Acre-Feet per Year

Fiscal Year Ending June 30	Deliveries
1997	12,876
1998	11,003
1999	12,807
2000	11,992
2001	12,216

The City’s water deliveries for the fiscal year ended June 30, 2001 are approximately 33% below the 1996 projections due to lower than anticipated population growth and greater conservation efforts.

¹ All domestic.

LARGEST CUSTOMERS

The following table sets forth the ten largest customers of the City's water system as of June 30, 2001 as determined by the amount of their respective annual payments.

Largest Water Customers

Customer ²	Water Usage ³	Annual Payments
City of Santa Maria	144,163	\$ 458,170
Santa Maria Elementary School	79,429	237,160
VG Apartments LLC	59,189	158,560
Allan Hancock College	56,555	157,640
Casa Grande Mobile Homes	71,152	141,870
Pictsweet Frozen Foods	29,953	82,920
Mission Linen Supply	29,835	79,280
Marian Hospital	21,875	66,630
Meridian Apartments	21,657	62,520
Culligan Water Conditioning	<u>20,714</u>	<u>55,040</u>
TOTAL	534,522	1,499,790

The ten largest water customers accounted for approximately 10.7% of water service by volume in fiscal year 2001.

The following table sets forth the ten largest customers of the City's wastewater system as of June 30, 2001 as determined by the amount of their respective annual payments.

Largest Wastewater Customers as of June 30, 2001

Customer	Wastewater Usage ³	Annual Payments
Frozsun Foods	129,949	\$ 210,084
Central Coast Wine Service	6,359	70,968
Mission Linen Supply	29,835	36,204
Pictsweet Foods	29,953	30,802
Casa Grande Mobile Homes	35,668	27,344
Allan Hancock College	31,273	24,382
Culligan Water Conditioning	15,713	16,493
Rayne of Santa Maria	11,760	12,390
El Capitan Trailer	17,637	10,023
Okonite Company	<u>11,673</u>	<u>3,023</u>
TOTAL	319,820	\$441,713

The ten largest wastewater customers accounted for approximately 12% of wastewater service by volume in fiscal year 2001.

² Some food processors use private well water for their operations and therefore do not appear as largest water customers. However, their wastewater is treated by the City and they are among the largest wastewater customers.

³ Hundred Cubic Feet

WATER AND WASTEWATER SYSTEM RATES AND CHARGES

General. The City is not subject by statute to the jurisdiction of, or regulation by, the California Public Utilities Commission. City staff annually determines the adequacy of Water and Wastewater System rate structure after full consideration of expected operations, maintenance, and capital costs. The City currently sets water and wastewater charges to pay water costs for purchased water, wastewater treatment costs, costs of groundwater pumping and current operating expenses for the Water and Wastewater System. Capital improvements are funded from water/wastewater charges and from connection fees.

Water Service Charges. A schedule of the City's current bi-monthly water rates and charges is set forth below:

Bi-Monthly Service Charges for Water Meters by Size

Meter Size	Inside City
¾"	\$ 31.82
1"	49.92
1 ¼"	59.20
1 ½"	78.90
2"	109.12
3"	236.82
4"	394.72
6"	986.94

Capacity Charge

1 – 1000 cubic feet	\$ 1.734 per 100 cubic feet
1001 – 2000 cubic feet	2.057 per 100 cubic feet
2001 – 3000 cubic feet	2.405 per 100 cubic feet
Above 3001 cubic feet	2.738 per 100 cubic feet

Wastewater Treatment Charges. A schedule of the City's current bi-monthly wastewater treatment rates and charges as of July 1, 2001 is set forth below:

Bi-Monthly Wastewater Rates

Single Family Residence	\$ 16.42
Multiple Apartments:	
2 Rooms or Less	11.62
3 + Rooms	12.64
Mobile Homes (number of spaces)	11.62
Motel/Hotel (per unit)	8.08

Per 100 cubic feet

Office Buildings	.96
Restaurants	2.30
Commercial	1.39
Food Processing	1.34
Machinery	1.11
Miscellaneous	1.11

FISCAL YEAR 2001 OPERATING RESULTS

The following table is a summary of operating results of the water and wastewater system of the City for Fiscal Year 2000/01. These results have been derived from the City's financial statements and exclude certain non-cash items and include certain other adjustments. The table has not been audited by the City's auditor.

CITY OF SANTA MARIA

<u>REVENUES</u>	<u>June 30, 2001</u>
Water & Wastewater Fees & Charges	\$ 18,574,533
Other Revenues	1,509,839
Interest Income	2,328,930
TOTAL REVENUES:	<u>22,413,302</u>
<u>OPERATING EXPENSES</u>	
Salaries, Wages & Benefits	1,724,023
Materials & Supplies	625,083
Equipment Maintenance & Operation	390,909
Contracts & Services	2,354,949
Bad Debts	55,651
TOTAL OPERATING EXPENSES:	<u>5,150,615</u>
NET REVENUES	17,262,687
Rate Coverage Fund Deposit	3,573,420
TOTAL NET REVENUES:	<u>20,836,107</u>
State Water Payments	12,940,418
Total Contract Payments	<u>12,940,418</u>
Coverage Ratio:	1.61
Available for Capital improvements and other purposes	\$ 4,322,269

Source: City of Santa Maria

**SANTA YNEZ RIVER WATER CONSERVATION DISTRICT, Improvement
District #1**

The information set forth below has been provided by the Santa Ynez River Water Conservation District, Improvement District No. 1 (the "District"), with the exception of the information presented for the City of Solvang. The Central Coast Water Authority (the "Authority") makes no representations or warranties as to the accuracy or completeness of any of the information set forth below.

Solvang has represented to the District that the information presented for the City is accurate, and the District has (i) relied on this information in preparing this information, and (ii) not independently investigated that information. The District makes no representations or warranties as to the accuracy or completeness of any information set forth in the City's continuing disclosure information.

HISTORIC WATER CONNECTIONS AND SALES REVENUES

The following table shows the number of active water connections to the District's water system for the five most recent fiscal years, together with the amount of its annual water sales revenues.

Fiscal Year Ending	Connections				Sales Revenues					
	Dom.	%	Ag.	%	Dom.	%	Ag.	%	Solvang	%
June 30										
1997	2,083	95	100	5	\$1,679,873	77	\$399,457	18	\$114,860	5
1998	2,131	96	89	4	1,621,071	80	352,100	17	60,675	3
1999	2,171	96	95	4	2,036,028	83	373,028	15	59,095	2
2000	2,180	97	82	3	2,308,777	79	417,924	14	205,223	7
2001	2,122	95	116	5	2,074,129	67	765,061	25	253,250	8

The actual FY 2000/01 total water sales revenues are approximately 5½ percent higher than the FY 1999/00 revenues due to water rate increases, and an increase in agricultural and limited agricultural water use resulting from the conversion of fallow, grazing and open space acreage to vineyards. In addition, mild spring and average temperatures with the annual average precipitation during the rain season resulted in a slight decrease in domestic (except for the City of Solvang) and rural residential water revenues.

HISTORIC WATER DELIVERIES

The following table presents a summary of historic water deliveries in acre-feet per year for the five most recent fiscal years.

Historic Water Deliveries (in acre feet)

Fiscal Year Ending June 30	Ag. Deliveries ¹	Domestic	Solvang	Total
1997	2,896	3,362	247	6,505
1998	1,925	2,522	95	4,542
1999	2,105	2,784	74	4,963
2000	2,222	3,135	293	5,650
2001	2,808	2,403	362	5,573

The FY 2000/01 actual overall water deliveries are about 1.4 percent lower than FY 1999/00 due to, decreases in domestic use because of mild spring and average summer temperatures and annual average precipitation during the rain season. However, there was an increase in agricultural water use with the addition of the limited agricultural use to this category resulting from the conversion of fallow or grazing lands to vineyards. The FY 2000/01 water usage and revenues reflect an increase in water rates and meter charges and typical water usage in normal rainfall years.

LARGEST CUSTOMERS

The following table sets forth the ten largest customers of the District's water system as of June 30, 2001, as determined by the amount of their respective annual payments.

Customer	Water Usage ²	Annual Payments
City of Solvang	362	\$253,250
Gainey Ranch/Vineyard	264	59,507
Ramirez Brothers	304	52,587
Rancho Marcelino Water Company	75	50,442
Dunn School	79	40,037
Old College Ranch/Indian Ditch Ranch	104	31,340
S.Y. Valley Union High School	59	23,091
AFJ Farming	111	21,133
Royal Oaks	111	19,171
Buttonwood Farm	86	15,683
Douglas Herthel	<u>66</u>	<u>15,158</u>
TOTAL	1,621	\$581,399

These ten customers accounted for approximately 18.8% of the water service revenues for Fiscal Year 2000/01.

¹ Ag deliveries include Limited Agriculture deliveries. Limited Agricultural is defined with the Rural Residential/Limited Agricultural (RR/LA) classification for metered water use. The amount of Limited Agricultural water is a portion of the total metered use for the RR/LA classification above 70 hundred cubic feet (hcf).

² Acre Feet

WATER SYSTEM RATES AND CHARGES

The District's current rates and charges are as follows:

Monthly Meter Charge

Meter Size	Domestic/Limited Agricultural	Agricultural
5/8" – 3/4"	\$ 17.20	
3/4"	20.60	
1"	34.30	
1 1/2"	68.60	\$ 39.00
2"	109.00	61.00
3"	219.10	121.00
4"	309.00	169.00
6"	685.40	377.00
8"	1,096.70	

Consumption Charge:

Domestic	Rural Residential / Limited Agricultural	Agriculture
\$1.51 per HCF	1 st 70: \$1.51 per HCF Over 70: \$0.37 per HCF	\$0.27 per HCF
Temporary Rate	(Conn. Fee \$50.00; minimum chg.: \$25.00)	Cachuma Park & City of Solvang \$1.51 per HCF

Connection Charges. The following prices include Capital Facilities Charges:

Connection Charge

Meter Size	Meter Only	Service and Meter
5/8" – 3/4"	\$ 2,410.00	\$3,150 (3/4" service)
3/4"	\$ 2,883.00	\$3,628 (3/4" service)
3/4"		\$3,648 (1" service)
1"	\$ 4,740.00	\$5,505 (1" service)
5/8" – 3/4"		\$5,635 (1" double service)
1 1/2"	\$ 9,445.00	\$10,390 (2" service)
2"	\$15,036.00	\$15,986 (2" service)
3"	\$29,977.00	*see below

Fire Service Connection Fee: \$400 per inch of diameter of Service size

Capital Facilities Charge on Larger Services:

Meter Size	Charge	
3"	\$ 28,992.00	+ Serv. & Meter Costs
4"	\$ 40,770.00	+ Serv. & Meter Costs
6"	\$ 90,600.00	+ Serv. & Meter Costs
8"	\$ 144,960.00	+ Serv. & Meter Costs

Installation Charge: The meter and service installation charge shall equal the cost of installation as determined by the District from time to time.

FISCAL YEAR 2001 OPERATING RESULTS

The following table is a summary of operating results of the water system of the District for Fiscal Year 2000/01. These results have been derived from the District's financial statements and exclude certain non-cash items and include certain other adjustments. The table has not been audited by the Districts auditor.

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT, IMPROVEMENT DISTRICT, NO. 1

<u>REVENUES</u>	<u>June 30, 2001</u>
M&I Water Sales	\$ 2,074,129
Ag. Water Sales	765,061
Water Sales to City of Solvang	253,250
SWP Revenue from City of Solvang ⁽¹⁾	1,933,392
Connection Fees	279,191
Special Assessments ⁽²⁾	728,187
Other Fees & Income	314,713
Interest Income	507,452
Litigation Judgement	166,581
TOTAL REVENUES:	<u>7,021,956</u>
<u>OPERATING EXPENSES</u>	
Water Purchased	129,442
Pumping	407,064
Water Treatment	31,610
Transmission & Distribution	494,336
Other Expenses/Legal	689,878
Administration & General	737,958
TOTAL OPERATING EXPENSES:	<u>2,490,288</u>
NET REVENUES	4,531,668
Rate Coverage Reserve Fund Deposit	826,350
Adjusted Net Revenues	<u>5,358,018</u>
State Water Payments (Includes Solvang)	<u>2,888,552</u>
Total Contract Payments	<u>2,888,552</u>
Coverage Ratio:	1.85
Other Debt Service ⁽³⁾	\$ 256,568
Available for Capital improvements and other purposes	\$ 1,386,548

(1) City of Solvang payments based on State water payments calculated for FY 2000/01 on a cash basis.

(2) Special assessment levied to pay operation and maintenance expenses for the water system.

(3) Debt service on 1993 Cachuma Project Authority Revenue Bonds, exclusive of general obligation portion.

Source: Santa Ynez Improvement District #1

CITY OF SOLVANG

Except as otherwise noted, the information set forth below has been provided by the City of Solvang (the “City”). Neither the Central Coast Water Authority (the “Authority”) nor the Santa Ynez River Water Conservation District, Improvement District No. 1 (the “District”) makes any representations or warranties as to the accuracy or completeness of any of the information set forth below except to the extent that either of them is identified as the source thereof.

HISTORIC WATER CONNECTIONS AND SALES REVENUES

The following table shows the number of active water connections to the City’s water system for the five most recent fiscal years, together with the amount of its annual water sales revenues.

Historic Water Connections and Sales Revenues

Fiscal Year Ending June 30	Connections	Sales Revenues	Water Deliveries (acre-feet per year)
1997	1,836	\$1,942,808	1,556
1998	1,854	1,764,735	1,275
1999	1,887	1,857,632	1,558
2000	2,005	2,105,851	1,524
2001	1,890	2,616,048	1,549

LARGEST CUSTOMERS

The following table sets forth the ten largest customers of the City’s water system as of June 30, 2001, as determined by the amount of their respective annual payments.

Largest Customers as of June 30, 2001

Customer	Water Usage ¹	Annual Payments
Rancho Santa Ynez Mobile Estate	25,482	\$105,617
Alisal Guest Ranch	20,083	71,765
Royal Scandinavian Inn	7,627	41,293
Lutheran Home	9,882	45,991
Alisal Oak Apartments	6,048	44,341
Oak Park Apartments	4,636	33,852
Solvang School	8,904	25,374
Danish Country Inn	5,487	16,766
Alisal Golf Courses	1,610	12,661
Quality Inn	<u>3,905</u>	<u>19,263</u>
TOTAL	89,935	\$416,923

¹ Hundred Cubic Feet

WATER SYSTEM RATES AND CHARGES

Monthly Service Charges for Water Meters by Size

Meter Size	Inside City	Outside City
5/8"	\$36.74	\$ 37.99
3/4"	37.99	39.87
1"	40.49	43.62
1 1/2"	46.74	52.99
2"	54.24	64.24
3"	74.24	94.24
4"	90.49	118.62
6"	159.24	221.74

Source: City of Solvang

Quantity Charges

Inside City	Outside City ²
\$2.22/ccf	\$3.33/ccf

² The City has approximately eleven customers which receive the City's surplus water at a rate of 1½ times the standard rate.

FISCAL YEAR 2001 OPERATING RESULTS

The following table is a summary of operating results of the water system of the City for fiscal year 2000/01. These results have been derived from the City's financial statements but exclude certain non-cash items and include certain other adjustments. The table has not been audited by the City's auditor.

CITY OF SOLVANG

<u>REVENUES</u>	<u>June 30, 2001</u>
Water Sales	\$ 2,668,048
Other Fees & Income	1,949
Interest Income	51,482
TOTAL REVENUES:	<u>2,721,479</u>
<u>OPERATING EXPENSES</u>	
Operating Expenses ⁽¹⁾	<u>730,837</u>
TOTAL OPERATING EXPENSES:	<u>730,837</u>
NET REVENUES	1,990,642
Rate Coverage Fund Deposit	<u>480,244</u>
Adjusted Net Revenues	<u>2,470,886</u>
State Water Payments	1,933,392
Total Contract Payments	<u>1,933,392</u>
Coverage Ratio:	1.28
Available for Capital improvements and other purposes	\$ 57,250

(1) Operating expenses per City of Solvang audited financial statements exclusive of State Water Payments and depreciation expense.

Source: City of Solvang

SAN LUIS OBISPO COUNTY

AVILA COMMUNITY SERVICES DISTRICT

The information set forth below has been provided by the Avila Beach Community Services District (the “District”). The Central Coast Water Authority (the “Authority”) makes no representations or warranties as to the accuracy or completeness of any of the information set forth below.

HISTORIC WATER CONNECTIONS AND SALES REVENUES

The following table shows the number of active water connections to the District’s water system for the five most recent fiscal years, together with the amount of its annual water sales revenues.

Fiscal Year Ending June 30	Connections	Sales Revenues
1997	157	\$88,922
1998	157	91,035
1999	157	89,043
2000	157	95,589
2001	169	114,721

HISTORIC WATER DELIVERIES

The following table presents a summary of historic water deliveries and the source of that water in acre-feet per year for the five most recent fiscal years.

*Historic Water Deliveries
(In acre-feet per Year)*

Fiscal Year Ending June 30	Deliveries ¹
1997	54
1998	64
1999	51
2000	45
2001	38

¹ All Lopez Project Water

LARGEST CUSTOMERS

The following table sets forth the ten largest customers of the District's water system as of June 30, 2001, as determined by the amount of their respective annual payments.

Customer	Water Usage ²	Annual Payments
Unocal Wharf	756	\$ 6,433
Villa Avila Apartments	895	4,892
Western Inns	879	3,733
Unocal Office	230	3,160
Unocal Plant	255	2,956
Dun Sailing Apartments	330	1,855
Construction Me	386	1,591
Top of Hill Apartments	264	1,585
F. Barbettini	106	1,350
R. Kennedy	<u>264</u>	<u>1,348</u>
TOTAL	4,365	\$ 28,903

These ten customers accounted for approximately 25% of water service revenues in fiscal year 2000/01.

RATES AND CHARGES

	Domestic/ Residential	Commercial	Institutional
Consumption Charge ³	\$28.90	\$28.90	\$28.90
Meter Charge	\$0.00	\$0.00	\$0.00
Connection Charge ⁴	Varies	Varies	Varies
Immediate Availability Charge	\$0.00	\$0.00	\$0.00
Other Charges ⁵	\$5.78	\$5.78	\$5.78

The rates and charges shown above reflect recent increases that went into effect after June 30, 2000. The water rate increase adopted by the District's Board of Directors targets a 70% increase in revenues, and connection fees approximately doubled.

² Hundred Cubic Feet

³ Minimum consumption charge

⁴ Varies from \$4,780.57 to \$11,951.43 based on anticipated use for residential use for residential customers. Commercial charges based on \$17,057.09 per acre-foot and the anticipated use.

⁵ All customers charged \$5.78 per cubic foot for consumption above 5 cubic feet.

FISCAL YEAR 2001 OPERATING RESULTS

The following table is a summary of operating results of the water system of the District for fiscal year 2000/01. These results have been derived from the District's financial statements but exclude certain non-cash items and include certain other adjustments. The table has not been audited by the District's auditor.

AVILA COMMUNITY SERVICES DISTRICT
(Formerly Avila Beach County Water District)

<u>REVENUES</u>	<u>June 30, 2001</u>
Water Sales	\$ 114,721
Assessments and Connections Fees	1,500
Interest	3,083
Other	11
TOTAL REVENUES:	<u>119,315</u>
<u>OPERATING EXPENSES</u>	
Lopez Water	44,908
Operations	7,281
General & Administrative	62,076
TOTAL OPERATING EXPENSES:	<u>114,265</u>
NET REVENUES	5,050
Rate Coverage Fund Deposit	<u>24,785</u>
Adjusted Net Revenues	<u>29,835</u>
State Water Payments	<u>91,338</u>
Total Contract Payments	<u>91,338</u>
Coverage Ratio:	0.33
Available for Capital improvements and other purposes	\$ (86,288)

Source: Avila Beach Community Services District

CITY OF MORRO BAY

The information set forth below has been provided by the City of Morro Bay (the "City"). The Central Coast Water Authority (the "Authority") makes no representations or warranties as to the accuracy or completeness of any of the information set forth below.

HISTORIC WATER CONNECTIONS AND SALES REVENUES

The following table shows the number of active water connections to the City's water system for the five most recent fiscal years, together with the amount of its annual water sales revenues.

Fiscal Year Ending June 30	Connections	Sales Revenues
1997	4,887	\$3,606,969
1998	4,949	3,578,066
1999	5,010	3,585,083
2000	5,118	3,641,293
2001	5,198	3,785,189

HISTORIC WATER DELIVERIES

The following table presents a summary of historic water deliveries in acre-feet per year for the five most recent fiscal years.

*Historic Water Deliveries
(In acre-feet per Year)*

Fiscal Year Ending June 30	Deliveries
1997	1,546
1998	1,402
1999	1,363
2000	1,397
2001	1,238

LARGEST CUSTOMERS

The following table sets forth the ten largest customers of the City's water system as of June 30, 2001, as determined by the amount of their respective annual payments.

Customer	Water Usage ¹	Annual Payments
San Luis Coastal School District	2,647,000	\$ 272,655
City of Morro Bay	2,219,500	183,312
Pacific Care Center	959,100	115,037
Inn at Morro Bay	983,800	112,219
Mission Linen	798,000	87,676
Department of Recreation & Parks	692,900	63,356
Silver City Mannor 1 & 2	432,400	38,580
Motel 6	396,700	38,507
Morro Dunes Trailer Park	397,200	34,551
Ascot Inn & Ascot Suites	<u>313,300</u>	<u>25,234</u>
TOTAL	9,839,900	\$971,126

These ten customers accounted for approximately 24% of water services revenues in fiscal year 2000/01.

¹ Cubic Feet

FISCAL YEAR 2001 OPERATING RESULTS

The following table is a summary of operating results of the water system of the City for fiscal year 2000/01. These results have been derived from the City's financial statements, but exclude certain non-cash items and include certain other adjustments. The table has not been audited by the City's auditor.

CITY OF MORRO BAY

<u>REVENUES</u>	<u>June 30, 2001</u>
Water Service Charge	\$ 3,785,189
Connection Fees	3,119
Penalties & Reconnections	42,613
Miscellaneous	36,687
TOTAL REVENUES:	<u>3,867,608</u>
<u>OPERATING EXPENSES</u>	
Administration & General	-
Finance	17,777
Maintenance	517,227
TOTAL OPERATING EXPENSES:	<u>535,004</u>
NET REVENUES	3,332,604
State Water Payments	<u>1,662,862</u>
Total Contract Payments	<u>1,662,862</u>
Coverage Ratio:	2.00
<u>Other Debt Service</u>	
Desalination Debt Service	541,332
TOTAL OTHER DEBT SERVICE:	<u>541,332</u>
Available for Capital improvements and other purposes	\$ 1,128,410

Source: City of Morro Bay

OCEANO COMMUNITY SERVICES DISTRICT

The information set forth below has been provided by the Oceano Community Services District (the District) except as noted. The Central Coast Water Authority (the Authority) makes no representations or warranties as to the accuracy or completeness of any of the information set forth below.
 Historic Water Connections and Sales Revenues

The following table shows the number of active water connections to the District's water system for the five most recent fiscal years, together with the amount of its annual water sales revenues.

Fiscal Year Ending June 30	Connections	Sales Revenues
1997	1,830	\$958,169
1998	1,848	1,057,473
1999	1,888	1,073,437
2000	1,913	1,094,398
2001	1,942	1,093,686

HISTORIC WATER DELIVERIES

The following table presents a summary of historic water deliveries in acre-feet per year for the five most recent fiscal years.

*Historic Water Deliveries
 (In acre-feet per Year)*

Fiscal Year Ending June 30	Urban Deliveries
1997	828
1998	799
1999	806
2000	841
2001	814

LARGEST CUSTOMERS

The following table sets forth the ten largest customers of the District's water system as of June 30, 2001, as determined by the amount of their respective annual payments.

Customer	Water Usage	Annual Payments
Caritas Corp/Mobile Home Park	12,611	\$ 36,067
Oceano 1 Condo Home Owners Assoc.	9,814	26,857
Lucia Mar Unified School District	7,469	25,043
San and Surf Transient RV Park	7,522	24,847
Duna Vista Mobile Home Park	6,266	20,676
State of California (Park Facility)	3,980	16,851
Porticos Mobile Home Park	5,751	16,636
POTI Inc. – Pismo Sands RV Park	4,038	14,569
Pleasant Hill Mobile Home Manor	4,634	12,594
Pismo – Oceano Vegetable Exchange	<u>2,449</u>	<u>8,921</u>
TOTAL	64,534	\$203,061

These ten customers accounted for approximately 18.6% of water service revenues in fiscal year 2000/01.

RATES AND CHARGES

Bi-Monthly Charges for Non-Residential Accounts. The following bi-monthly charges for water service for non-residential accounts were established April 12, 1997:

Meter Size	Domestic/Residential	Bi-Monthly Non-Residential Charge
$\frac{5}{8}$ "	\$23.94	\$ 29.15
$\frac{3}{4}$ "		36.55
1"		58.40
1 $\frac{1}{2}$ "		109.20
2"		172.30
3"		276.95
4"		473.80
6"		741.30

The minimum bi-monthly charge, as listed, allows six hundred cubic feet of water. Additional needs shall be charged at the metered rate of:

7 - 25 ccf	\$2.25/ccf
Additional Needs	\$2.95/ccf

Bi-monthly Charges for Residential Accounts. The minimum bi-monthly charges for residential accounts will be \$23.94, which will allow six hundred cubic feet. Additional needs shall be charged at the metered rate of:

7 - 25 ccf	\$2.25/ccf
Additional Needs	\$2.95/ccf

For meters serving more than one residential dwelling unit, the minimum bi-monthly charge shall be calculated at \$3.99 multiplied by six (hundred cubic-feet), multiplied by the number of dwelling units served. All consumption above the minimum, but less than the amount equal to twenty-five multiplied by the number of dwelling units, shall be charged at the metered rate of \$2.24/ccf. Additional needs shall be charged at the metered rate of \$2.95/ccf.

For those properties that are outside the District boundaries but are receiving District water or sewer services, not on an emergency basis, there will be a \$7.10 administration charge per billing period.

Connection Charges

Meter Size	Domestic/Residential	Bi-Monthly Non-Residential Charge
5/8"	\$675	\$ 675
3/4"		950
1"		1,350
1 1/2"		2,700
2"		5,400
3"		10,800
4"		18,900
6"		43,200

FISCAL YEAR 2001 OPERATING RESULTS

The following table is a summary of operating results of the water system of the District for FY 2000/01. These results have been derived from the District's financial statements but exclude certain non-cash items and include certain other adjustments. The table has not been audited by the District's auditor.

OCEANO COMMUNITY SERVICES DISTRICT

<u>REVENUES</u>	<u>June 30, 2001</u>
Water Sales	1,089,315
Service Charges	246,327
Interest Income	112,689
TOTAL REVENUES:	<u>1,448,331</u>
<u>OPERATING EXPENSES</u>	
Administration & General	388,511
Personnel	110,214
Utilities	19,633
Maintenance and Repairs	42,107
Subtotal:	<u>560,465</u>
1979 Revenue Bond	19,390
CSC Note	62,578
TOTAL OPERATING EXPENSES:	<u>642,433</u>
NET REVENUES	805,898
Rate Coverage Fund Deposit	90,715
Adjusted Net Revenues	<u>896,613</u>
State Water Payments	638,696
Coverage Ratio:	1.40
Available for Capital improvements and other purposes	\$ 257,917

Source: Oceano Community Services District

CITY OF PISMO BEACH

The information set forth below has been provided by the City of Pismo Beach (the “City”). The Central Coast Water Authority (the “Authority”) makes no representations or warranties as to the accuracy or completeness of any of the information set forth below.

HISTORIC WATER CONNECTIONS AND SALES REVENUES

The following table shows the number of active water connections to the City’s water system for the five most recent fiscal years, together with the amount of its annual water sales revenues.

Fiscal Year Ending June 30	Connections	Sales Revenues
1997	4,250	\$1,410,581
1998	4,359	1,018,641
1999	4,155	1,118,375
2000	4,110	1,632,551
2001	4,158	1,710,063

The actual connections for FY 2000/01 are approximately 11.5% below the December 1996 projections. The actual sales revenues for FY 2000/01 are approximately 24% below the December 1996 projection due to the lower connections and the adoption of a special availability charge implemented in 1997 to pay State water costs which are not included in sales revenues, but were available to pay State water costs. The special availability charge revenues were excluded from the sales revenues above. The availability charge was replaced by a special tax on July 1, 1997.

HISTORIC WATER DELIVERIES

The following table presents a summary of historic water deliveries in acre-feet per year for the five most recent fiscal years.

*Historic Water Deliveries
(In acre-feet per Year)*

Fiscal Year Ending June 30	Urban Deliveries
1997	1,873
1998	1,803
1999	1,959
2000	2,078
2001	1,983

LARGEST CUSTOMERS

The following table sets forth the ten largest customers of the City's water system as of June 30, 2001, as determined by the amount of their respective annual payments.

Customer	Water Usage	Annual Payments
The Cliffs Hotel	17,793	\$ 24,706
Pismo Coast Village RV Park	5,153	11,804
Pismo Mobile Home Park	15,851	24,658
Hacienda del Pismo Mobile Home Park	11,486	18,314
Shore Cliff Lodge	14,368	20,179
Seacrest Motel	11,944	17,575
Oxford Suites	10,332	15,580
Motel 6	9,561	13,290
Whalers Inn	7,202	11,636
Kon Tiki Inn	<u>6,432</u>	<u>9,348</u>
TOTAL	110,122	\$167,090

These ten customers accounted for approximately 9.0 % of water service revenues in fiscal year 2000/01.

Rates and Charges

Bi-monthly fixed charges are as follows:

Meter Size		
All Meters		
5/8" & 3/4"	\$ 19.08	
1"	37.95	
1-1/2"	66.18	
2"	107.15	
3"	207.81	
4"	321.03	
6"	761.40	
	Single Family Residential	All Other Metered Users
Consumption Charge:		
0-15 HCF	\$1.13/HCF	\$1.26/HCF
16 HCF and higher	\$1.43/HCF	\$1.26/HCF
Construction Meter		\$2.52/HCF
Connection Charges:		
A) State Water Supply Fee	\$5,821.74 per equivalent dwelling unit	
B) Special Tax Levy FY 2000-01	\$99.10 per year per equivalent dwelling unit.	

FISCAL YEAR 2001 OPERATING RESULTS

The following table is a summary of operating results of the water system of the City for FY 2000/01. These results have been derived from the City's financial statements but exclude certain non-cash items and include certain other adjustments. The table has not been audited by the City's auditor.

CITY OF PISMO BEACH

<u>REVENUES</u>	<u>June 30, 2001</u>
Water Service Charge	\$ 1,710,063
State Water Impact Fee	468,949
Interest	132,689
Assessments	738,034
Developmental Impact Fees	-
Other Revenues	36,824
TOTAL REVENUES:	<u>3,086,559</u>
<u>OPERATING EXPENSES</u>	
Admin & General	324,235
Lopez Contract Payments ⁽¹⁾	511,755
Operations & Maintenance	376,028
Utilities	53,655
TOTAL OPERATING EXPENSES:	<u>1,265,673</u>
NET REVENUES	1,820,886
State Water Payments	<u>1,110,301</u>
Total Contract Payments	<u>1,110,301</u>
Coverage Ratio:	1.64
Available for Capital improvements and other purposes	\$ 710,585

(1) The Lopez obligation was previously reported as parity debt in the 1996 Revenue Bond official statement. The City has determined that this is not a debt obligation but is instead a contract obligation. Therefore, the amount is presented as an operating expense.

Source: City of Pismo Beach

COUNTY OF SAN LUIS OBISPO C.S.A. NO. 16, ID#1

The information set forth below has been provided by the County of San Luis Obispo (the “County”) on behalf of San Luis Obispo County Service Area No. 16, Improvement District No. 1 (the “District”). The Central Coast Water Authority (the “Authority”) makes no representations or warranties as to the accuracy or completeness of any of the information set forth below.

HISTORIC WATER CONNECTIONS AND SALES REVENUES

The following table shows the number of active water connections to the District’s water system for the five most recent fiscal years, together with the amount of its annual water sales revenues.

Fiscal Year Ending June 30	Connections	Sales Revenues
1997	243	\$148,173
1998	236	122,088
1999	234	143,398
2000	243	142,129
2001	244	153,137

The actual connections for FY 2000/01 are approximately 2% below the December 1996 projections. The actual sales revenues for FY 2000/01 are approximately 1% below the December 1996 projections.

HISTORIC WATER DELIVERIES

The following table presents a summary of historic water deliveries in acre-feet per year for the five most recent fiscal years.

*Historic Water Deliveries
(In acre-feet per Year)*

Fiscal Year Ending June 30	Total Production	Total Sold	Park Irrigation
1997	83.0	82.6	30.8
1998	103.1	69.1	23.7
1999	118.9	82.9	26.7
2000	121.6	81.6	28.3
2001	134.6	88.1	30.5

The actual water deliveries for FY 2000/01 are approximately 5% higher than the December 1996 projections.

LARGEST CUSTOMERS

The following table sets forth the ten largest customers of the District's water system as of June 30, 2001, as determined by the amount of their respective annual payments.

Customer	Water Usage ¹	Annual Payments
Caltrans	1,029	\$4,041
Shandon School	868	3,659
Shandon Park	802	3,321
Residence	390	1,353
Residence	373	1,257
Residence	311	1,086
Residence	305	1,053
Residence	302	1,081
Residence	301	1,061
Residence	<u>296</u>	<u>1,010</u>
TOTAL	4,977	\$18,922

These ten customers accounted for approximately 12% of water service revenues in fiscal year 2000/01.

¹ Hundred Cubic Feet

FISCAL YEAR 2001 OPERATING RESULTS

The following table is a summary of operating results of the water system of the District for fiscal year 2000/01. These results have been derived from the County's financial statements but exclude certain non-cash items and include certain other adjustments. The table has not been audited by the County's auditor.

SAN LUIS OBISPO COUNTY SERVICE AREA NO. 16, IMPROVEMENT DISTRICT NO. 1

<u>REVENUES</u>	<u>June 30, 2001</u>
Water Service Charge	\$ 153,137
New Services	4,250
Water Availability	9,568
Connection Fees	11,200
Interest	13,437
Other	1,568
TOTAL REVENUES:	<u>193,160</u>
<u>OPERATING EXPENSES</u>	
Utilities	9,192
General & Administrative	17,119
Operations & Maintenance	58,354
TOTAL OPERATING EXPENSES:	<u>84,665</u>
NET REVENUES	108,495
Rate Coverage Fund Deposit	13,037
Adjusted Net Revenues	<u>121,532</u>
State Water Payments	<u>53,174</u>
Total Contract Payments	<u>53,174</u>
Coverage Ratio:	2.29
Available for Capital improvements and other purposes	\$ 55,321

Source: San Luis Obispo County