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NCSD projects surplus in 2012-13 budget

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Nipomo Community Services District is looking at a proposed 2012-13 budget that accomplishes something local cities might envy.

Without taking any such measures as laying off employees, leaving vacant positions unfilled, instituting mandatory furloughs or reducing services, the district expects to post a budget surplus in the coming fiscal year.

A few individual funds — the water fund, Blacklake sewer and street lighting funds and the Street Landscape Maintenance District — have projected deficits.

But a draft budget reviewed by NCSD directors last week shows a projected net operating surplus of nearly \$1.7 million and an overall surplus of more than \$390,000 after factoring in nonoperating revenues and expenses.

“Standard & Poor’s 11 rating on our wastewater fund just affirms the district’s administration the last decade or two — we’re very fiscally strong,” said NCSD General Manager Michael LeBrun, noting the district has zero outstanding bad debts.

“We’re very proud of that,” he said. “That’s the way it’s been for decades. To maintain that standard during the economic downturn of the last three or four years is outstanding.

“We don’t rely on a general tax,” he added. “We’re an enterprise operation. We operate within our means.”

LeBrun said there is some uncertainty in the water fund because this will be the first year under a new four-tier rate structure.

The goal of the tiered rates, which charge the biggest water users the most, is to get customers to cut back on water use, which in turn may reduce revenue.

Board members directed the staff to bring back a draft final version at the June 13 meeting and schedule the final adoption for the June 27 meeting, LeBrun said.