



City of Lompoc

Enterprise Reimbursement Study

March 15, 2016

Continued to

May 17, 2016

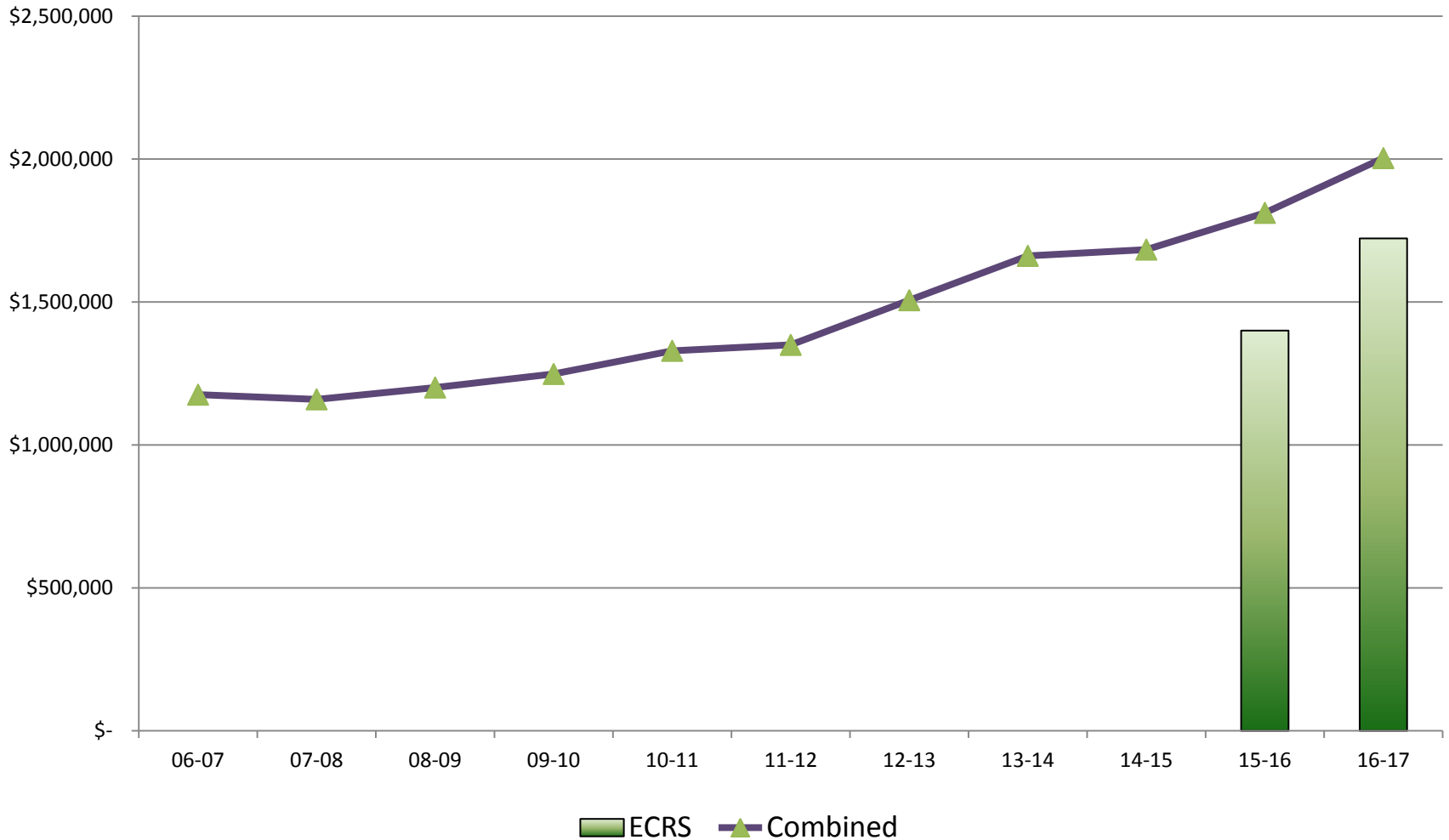
City of Lompoc

Enterprise Reimbursement Study



- General Fund Support methodology previously based on a Cost of Service study in 96-97 FY:
 - based on Public Safety, Right of Way (Streets), and return of General Fund investment in utilities
 - capped at 5% of revenue.
- Prop. 218
 - Water, Wastewater & Solid Waste subject to Prop. 218; and
 - Limits fees to the cost of services provided
- Prop. 26
 - Prop. 26 applies to all services limiting fees to the cost of the service provided
 - Fees enacted prior to Prop 26 are not retroactively subject to the Proposition
- Current Enterprise Reimbursement Study
 - Reimbursement for Public Safety, Government Facilities, Right of Way
 - Ensures that charges are defensible and supportable

Water, Wastewater, and Solid Waste Combined 97 Method compared to the Enterprise Cost Reimbursement Study



Enterprise Reimbursement Study Comparisons

Final Enterprise Fund Reimbursement Summary (1 YR)

Allocation Type	Water Enterprise	Electric Enterprise	Wastewater Enterprise	Solid Waste Enterprise	Communi- cations Internal Service	Airport Enterprise	Transit Enterprise	Total
Public Safety	\$ 161,101	\$ 157,066	\$ 687,196	\$ 9,244	\$ 2,495	\$ 49,240	\$ 10,808	\$ 1,077,150
Government Facility	\$ 105,282	\$ 350,679	\$ 54,722	\$ 61,395	\$ 11,061	\$ 2,780	\$ 103,404	\$ 689,322
Right-of-Way Maintenance	\$ 708,883	\$ 520,355	\$ 644,007	\$ 828,853	\$ 10,506	\$ 22,076	\$ 580,367	\$ 3,315,048
Total	\$ 975,266	\$ 1,028,100	\$ 1,385,925	\$ 899,492	\$ 24,062	\$ 74,096	\$ 694,579	\$ 5,081,520

Enterprise Fund Reimbursement Summary (2 Years) In Comparison with the 1997 Methodology (2 Years)

Allocation Type	Water Enterprise	Electric Enterprise	Wastewater Enterprise	Solid Waste Enterprise	Communi- cations Internal Service	Airport Enterprise	Transit Enterprise	Total
Enterprise Analysis (2 YR)	\$ 1,950,532	\$ 2,056,201	\$ 2,771,850	\$ 1,798,984	\$ 48,123	\$ 148,192	\$ 1,389,158	\$ 10,163,040
97-98 Method	\$ 1,246,217	\$ -	\$ 1,448,224	\$ 800,814	\$ -	\$ -	\$ -	\$ 3,495,255
Difference	\$ 704,315	\$ 2,056,201	\$ 1,323,626	\$ 998,170	\$ 48,123	\$ 148,192	\$ 1,389,158	\$ 6,667,785

Enterprise Reimbursement Study Comparisons

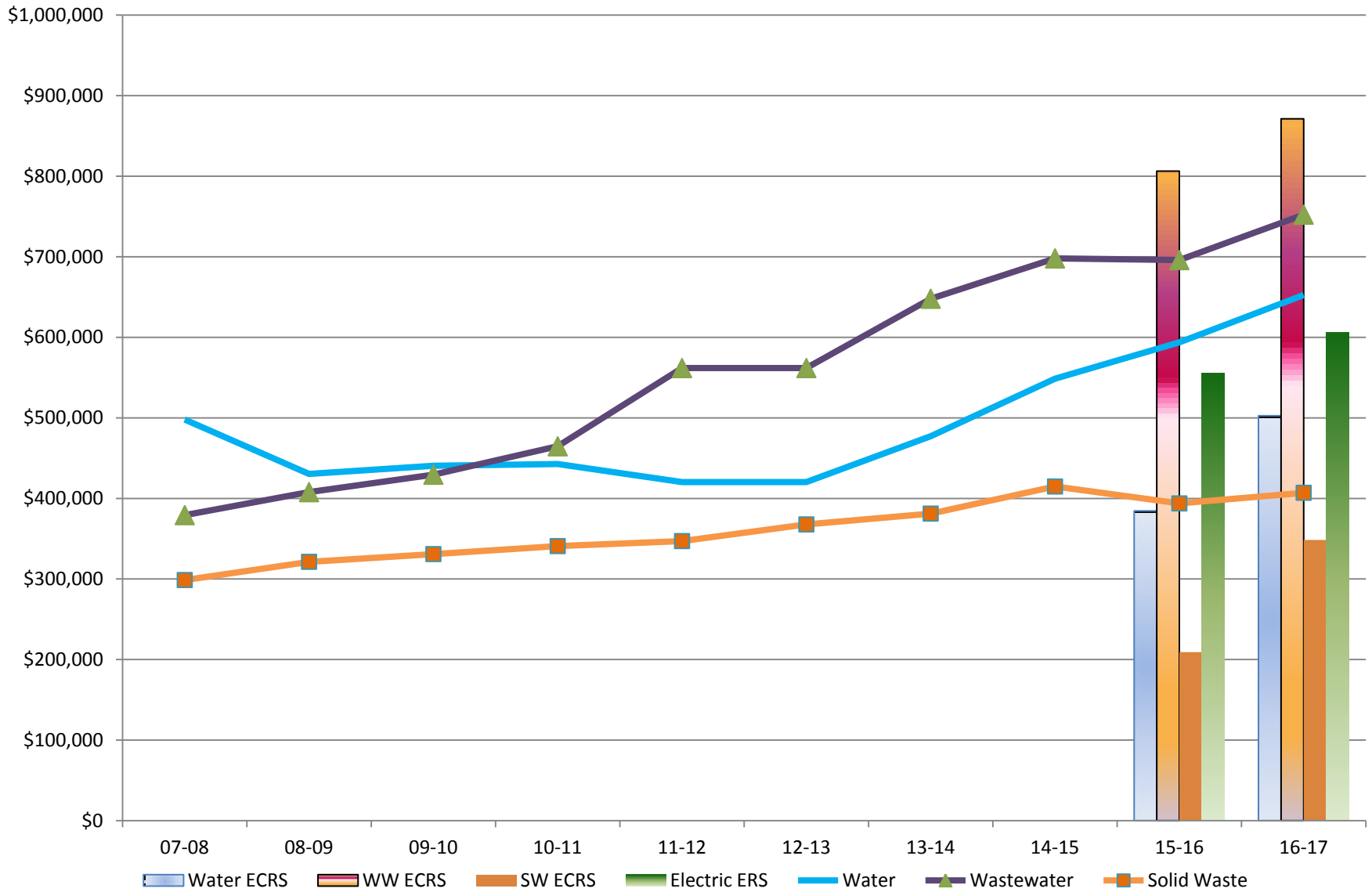
Final Enterprise Fund Reimbursement Summary (2 Years) In Comparison with the Draft Methodology (15-17 FY Budget)

Allocation Type	Water Enterprise	Electric Enterprise	Wastewater Enterprise	Solid Waste Enterprise	Communi- cations Internal Service	Airport Enterprise	Transit Enterprise	Total
Enterprise Analysis	\$ 1,950,532	\$ 2,056,201	\$ 2,771,850	\$ 1,798,984	\$ 48,123	\$ 148,192	\$ 1,389,158	\$ 10,163,040
15-17 FY Budget (Draft)	\$ 983,716	\$ 1,301,504	\$ 1,770,563	\$ 602,518	\$ 12,472	\$ 8,227	\$ 508,260	\$ 5,187,260
Difference	\$ 966,816	\$ 754,697	\$ 1,001,287	\$ 1,196,466	\$ 35,651	\$ 139,965	\$ 880,898	\$ 4,975,780

FY 15-17 Recommended Enterprise Fund Reimbursement vs FY 15-17 Budget

Allocation Type	Water Enterprise	Electric Enterprise	Wastewater Enterprise	Solid Waste Enterprise	Communi- cations Internal Service	Airport Enterprise	Transit Enterprise	Total
FY 15-17 Budget	\$ 983,716	\$ 1,301,504	\$ 1,770,563	\$ 602,518	\$ 12,472	\$ 8,227	\$ 508,260	\$ 5,187,260
Recommended	\$ 898,175	\$ 1,162,137	\$ 1,687,078	\$ 576,290	\$ 18,517	\$ 5,203		\$ 4,347,400
Reduction /(Increase)	\$ 85,541	\$ 139,367	\$ 83,485	\$ 26,228	\$ (6,045)	\$ 3,024	\$ 508,260	\$ 839,860

Historical & Projected 97 Method and Budgeted Enterprise Reimbursement Method



General Fund Support				
	Water	Wastewater	Solid Waste	Total
FY 1998	249,387	189,313	172,031	361,344
FY 1999	252,106	193,161	172,890	366,051
FY 2000	261,152	200,489	179,088	379,577
FY 2001	266,243	211,744	183,950	395,694
FY 2002	273,656	217,640	189,072	406,712
FY 2003	281,756	224,082	194,667	418,749
FY 2004	281,285	214,485	225,177	439,662
FY 2005	300,906	267,418	238,848	506,266
FY 2006	439,710	328,952	275,951	604,903
FY 2007	469,027	363,749	290,208	653,957
FY 2008	497,877	379,277	298,673	677,950
FY 2009	430,439	407,809	321,278	729,087
FY 2010	440,462	429,461	330,916	760,377
FY 2011	442,683	464,740	340,843	805,583
FY 2012	420,359	561,858	347,053	908,911
FY 2013	420,359	561,858	367,736	929,594
FY 2014	477,221	647,849	381,161	1,029,010
FY 2015	548,622	697,965	414,796	1,112,761



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Enterprise Reimbursement Study

March 15, 2016

Continued to

May 17, 2015