

| Primary Inflation Rates <sup>(2)</sup> | Secondary Inflation Rates <sup>(3)</sup> |   | FY 2018-19 Budget  | FY 2019-20 Budget  | FY 2020-21 Projection | FY 2021-22 Projection | FY 2022-23 Projection | FY 2023-24 Projection | FY 2024-25 Projection   | FY 2025-26 Projection   | FY 2026-27 Projection   | FY 2027-28 Projection   | FY 2028-29 Projection   | FY 2029-30 Projection |
|--|--|---|--------------------|--------------------|-----------------------|-----------------------|-----------------------|-----------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-----------------------|
|  |  | # of Taxable Parcels Tax/parcel Inflator        |                    |                    | 2,700<br>\$180        | 2,700<br>2.00%        | 2,700<br>2.00%        | 2,700<br>2.00%        | 2,700<br>\$195<br>2.00% | 2,700<br>\$203<br>2.00% | 2,700<br>\$207<br>2.00% | 2,700<br>\$211<br>2.00% | 2,700<br>\$215<br>2.00% |                       |
|  |  | <b>REVENUES</b>                                 |                    |                    |                       |                       |                       |                       |                         |                         |                         |                         |                         |                       |
| 0.0%                                   |  | Interest Income                                 | \$5,000            | \$5,000            | \$5,000               | \$5,000               | \$5,000               | \$5,000               | \$5,000                 | \$5,000                 | \$5,000                 | \$5,000                 | \$5,000                 |                       |
| 0.0%                                   |  | Miscellaneous Income                            | 23,000             | 23,000             | 23,000                | 23,000                | 23,000                | 23,000                | 23,000                  | 23,000                  | 23,000                  | 23,000                  | 23,000                  |                       |
| 2.5%                                   |  | San Luis Ambulance                              | 9,500              | 9,500              | 9,738                 | 9,981                 | 10,230                | 10,486                | 10,748                  | 11,017                  | 11,293                  | 11,575                  | 12,161                  |                       |
| 4.0%                                   |  | Property Taxes                                  | 833,482            | 883,837            | 919,190               | 955,958               | 994,196               | 1,033,964             | 1,075,323               | 1,118,336               | 1,163,069               | 1,209,592               | 1,257,976               |                       |
| 0.0%                                   |  | Weed Abate Assessment                           | 3,500              | 3,500              | 3,500                 | 3,500                 | 3,500                 | 3,500                 | 3,500                   | 3,500                   | 3,500                   | 3,500                   | 3,500                   |                       |
| N/A                                    |  | CFD Revenues <sup>(8)</sup>                     | 0                  | 0                  | 8,113                 | 9,405                 | 49,705                | 50,699                | 51,713                  | 52,747                  | 53,802                  | 54,878                  | 55,976                  |                       |
| N/A                                    |  | Transfer In - Cap Cash Train Fac <sup>(4)</sup> | 6,500              | 0                  | 0                     | 0                     | 0                     | 0                     | 0                       | 0                       | 0                       | 0                       | 0                       |                       |
|  |  | Parcel Tax <sup>(11)</sup>                      | 0                  | 0                  | 486,000               | 495,720               | 505,634               | 515,747               | 526,062                 | 536,583                 | 547,315                 | 558,261                 | 569,426                 |                       |
|  |  | <b>Total Revenue</b>                            | <b>\$880,982</b>   | <b>\$924,837</b>   | <b>\$1,454,541</b>    | <b>\$1,502,565</b>    | <b>\$1,591,266</b>    | <b>\$1,642,396</b>    | <b>\$1,695,346</b>      | <b>\$1,750,183</b>      | <b>\$1,806,979</b>      | <b>\$1,865,806</b>      | <b>\$1,926,742</b>      |                       |
|  |  | <b>OPERATING EXPENSES</b>                       |                    |                    |                       |                       |                       |                       |                         |                         |                         |                         |                         |                       |
| 3.0%                                   |  | Salaries  | \$463,994          | \$477,914          | \$492,251             | \$507,019             | \$522,230             | \$537,896             | \$554,033               | \$570,654               | \$587,774               | \$605,407               | \$623,569               |                       |
| 5.0%                                   |  | Overtime  | 46,976             | 49,416             | 51,887                | 54,481                | 57,205                | 60,065                | 63,069                  | 66,222                  | 69,533                  | 73,010                  | 76,660                  |                       |
| N/A                                    |  | Paid on Call (Part-time) <sup>(5)</sup>         | 150,710            | 161,040            | 171,445               | 181,908               | 192,432               | 203,020               | 213,675                 | 224,400                 | 235,198                 | 246,096                 | 257,075                 |                       |
| 3.5%                                   |  | FICA  | 50,619             | 51,870             | 53,685                | 55,564                | 57,509                | 59,522                | 61,605                  | 63,761                  | 65,993                  | 68,303                  | 70,693                  |                       |
| 0.0%                                   |  | SUI Taxes <sup>(6)</sup>                        | 2,093              | 2,093              | 3,000                 | 3,000                 | 3,000                 | 3,000                 | 3,000                   | 3,000                   | 3,000                   | 3,000                   | 3,000                   |                       |
| 7.0%                                   | 5.0%                                     | Workers Compensation <sup>(7)</sup>             | 36,460             | 37,334             | 39,947                | 41,945                | 44,042                | 46,244                | 48,556                  | 50,984                  | 53,533                  | 56,210                  | 59,020                  |                       |
| 8.0%                                   |  | Pers Retirement                                 | 159,463            | 110,616            | 119,465               | 129,023               | 139,344               | 150,492               | 162,531                 | 175,534                 | 189,576                 | 204,742                 | 221,122                 |                       |
| 5.0%                                   |  | Pers Health Insurance                           | 119,304            | 121,052            | 127,105               | 133,460               | 140,133               | 147,139               | 154,496                 | 162,221                 | 170,332                 | 178,849                 | 187,791                 |                       |
| 0.0%                                   |  | HRA Account                                     | 10,000             | 10,000             | 10,000                | 10,000                | 10,000                | 10,000                | 10,000                  | 10,000                  | 10,000                  | 10,000                  | 10,000                  |                       |
| 7.0%                                   |  | Cal Fire Dispatch                               | 36,000             | 36,000             | 38,520                | 41,216                | 44,102                | 47,189                | 50,492                  | 54,026                  | 57,808                  | 61,855                  | 66,185                  |                       |
| 0.0%                                   |  | Weed Abatement                                  | 7,000              | 7,000              | 7,000                 | 7,000                 | 7,000                 | 7,000                 | 7,000                   | 7,000                   | 7,000                   | 7,000                   | 7,000                   |                       |
| 3.0%                                   |  | Legal Services                                  | 5,000              | 5,000              | 5,150                 | 5,305                 | 5,464                 | 5,628                 | 5,796                   | 5,970                   | 6,149                   | 6,334                   | 6,524                   |                       |
| 3.0%                                   |  | Purchased Services                              | 5,000              | 5,000              | 5,150                 | 5,305                 | 5,464                 | 5,628                 | 5,796                   | 5,970                   | 6,149                   | 6,334                   | 6,524                   |                       |
| 3.0%                                   |  | Cleaning  | 208                | 208                | 214                   | 221                   | 227                   | 234                   | 241                     | 248                     | 256                     | 263                     | 271                     |                       |
| 2.0%                                   |  | Public Notices                                  | 775                | 775                | 791                   | 806                   | 822                   | 839                   | 856                     | 873                     | 890                     | 908                     | 926                     |                       |
| 2.0%                                   |  | Supplies  | 13,000             | 13,000             | 13,260                | 13,525                | 13,796                | 14,072                | 14,353                  | 14,640                  | 14,933                  | 15,232                  | 15,536                  |                       |
| 3.0%                                   |  | Uniform Supplies                                | 4,000              | 4,000              | 4,120                 | 4,244                 | 4,371                 | 4,502                 | 4,637                   | 4,776                   | 4,919                   | 5,067                   | 5,219                   |                       |
| 3.0%                                   |  | Repair & Maintenance                            | 3,600              | 3,600              | 3,708                 | 3,819                 | 3,934                 | 4,052                 | 4,173                   | 4,299                   | 4,428                   | 4,560                   | 4,697                   |                       |
| 3.0%                                   |  | Vehicle O&M                                     | 25,000             | 25,000             | 25,750                | 26,523                | 27,318                | 28,138                | 28,982                  | 29,851                  | 30,747                  | 31,669                  | 32,619                  |                       |
| 3.0%                                   |  | Telephone                                       | 2,200              | 2,200              | 2,266                 | 2,334                 | 2,404                 | 2,476                 | 2,550                   | 2,627                   | 2,706                   | 2,787                   | 2,871                   |                       |
| 4.0%                                   |  | Electricity                                     | 8,510              | 8,510              | 8,850                 | 9,204                 | 9,573                 | 9,955                 | 10,354                  | 10,768                  | 11,199                  | 11,647                  | 12,112                  |                       |
| 5.0%                                   |  | Utilities, Gas/water                            | 2,640              | 3,000              | 3,150                 | 3,308                 | 3,473                 | 3,647                 | 3,829                   | 4,020                   | 4,221                   | 4,432                   | 4,654                   |                       |
| 3.0%                                   |  | Travel  | 3,500              | 3,500              | 3,605                 | 3,713                 | 3,825                 | 3,939                 | 4,057                   | 4,179                   | 4,305                   | 4,434                   | 4,567                   |                       |
| 3.0%                                   |  | Physicals                                       | 2,000              | 2,000              | 2,060                 | 2,122                 | 2,185                 | 2,251                 | 2,319                   | 2,388                   | 2,460                   | 2,534                   | 2,610                   |                       |
| 3.0%                                   |  | Education                                       | 9,050              | 10,000             | 10,300                | 10,609                | 10,927                | 11,255                | 11,593                  | 11,941                  | 12,299                  | 12,668                  | 13,048                  |                       |
| 3.0%                                   |  | Dues, Subscriptions                             | 3,200              | 3,200              | 3,296                 | 3,395                 | 3,497                 | 3,602                 | 3,710                   | 3,821                   | 3,936                   | 4,054                   | 4,175                   |                       |
| 3.0%                                   |  | Fees  | 2,000              | 2,000              | 2,060                 | 2,122                 | 2,185                 | 2,251                 | 2,319                   | 2,388                   | 2,460                   | 2,534                   | 2,610                   |                       |
| 3.0%                                   |  | Allocation of Admin Costs                       | 115,322            | 118,093            | 121,636               | 125,285               | 129,043               | 132,915               | 136,902                 | 141,009                 | 145,239                 | 149,597                 | 154,085                 |                       |
| N/A                                    |  | Parcel Tax Admin Costs <sup>(9)</sup>           | 0                  | 10,000             | 10,000                | 10,000                | 10,000                | 10,000                | 10,000                  | 10,000                  | 10,000                  | 10,000                  | 10,000                  |                       |
|  |  | <b>Total Operating Expenses</b>                 | <b>\$1,287,624</b> | <b>\$1,283,421</b> | <b>\$1,339,672</b>    | <b>\$1,396,454</b>    | <b>\$1,455,505</b>    | <b>\$1,516,950</b>    | <b>\$1,580,925</b>      | <b>\$1,647,572</b>      | <b>\$1,717,044</b>      | <b>\$1,789,524</b>      | <b>\$1,865,164</b>      |                       |
|  |  | <b>SFP</b>                                      |                    |                    |                       |                       |                       |                       |                         |                         |                         |                         |                         |                       |
| 5.0%                                   |  | Funded Replacement @ 100%                       | \$75,763           | \$72,771           | \$76,410              | \$80,230              | \$84,242              | \$88,454              | \$92,876                | \$97,520                | \$102,396               | \$107,516               | \$112,892               |                       |
|  |  | <b>Total SFP</b>                                | <b>\$75,763</b>    | <b>\$72,771</b>    | <b>\$76,410</b>       | <b>\$80,230</b>       | <b>\$84,242</b>       | <b>\$88,454</b>       | <b>\$92,876</b>         | <b>\$97,520</b>         | <b>\$102,396</b>        | <b>\$107,516</b>        | <b>\$112,892</b>        |                       |
|  |  | <b>ONGOING SURPLUS/(DEFICIT)</b>                |                    |                    |                       |                       |                       |                       |                         |                         |                         |                         |                         |                       |
|  |  | Total Revenues (Less Transfers In)              | \$874,482          | \$924,837          | \$1,454,541           | \$1,502,565           | \$1,591,266           | \$1,642,396           | \$1,695,346             | \$1,750,183             | \$1,806,979             | \$1,865,806             | \$1,926,742             |                       |
|  |  | Total Operating Expenses                        | 1,287,624          | 1,283,421          | 1,339,672             | 1,396,454             | 1,455,505             | 1,516,950             | 1,580,925               | 1,647,572               | 1,717,044               | 1,789,524               | 1,865,164               |                       |
|  |  | Funded Replacement                              | 75,763             | 72,771             | 76,410                | 80,230                | 84,242                | 88,454                | 92,876                  | 97,520                  | 102,396                 | 107,516                 | 112,892                 |                       |
|  |  | <b>Total Ongoing Surplus/(Deficit)</b>          | <b>(\$488,905)</b> | <b>(\$431,355)</b> | <b>\$38,460</b>       | <b>\$25,881</b>       | <b>\$51,520</b>       | <b>\$36,993</b>       | <b>\$21,545</b>         | <b>\$5,091</b>          | <b>(\$12,461)</b>       | <b>(\$31,234)</b>       | <b>(\$51,314)</b>       |                       |

| Legend |             |
|--------|-------------|
| Green  | Interactive |
| Blue   | Hardcoded   |
| Black  | Calculation |

<sup>(1)</sup> Disclaimer: These materials have been prepared for discussion purposes only. These materials include forecasts, projections and other predictive statements that represent assumptions and expectations in light of currently available information and involve variables and uncertainties. The District's actual performance results may differ from those projected in these materials. No guarantee is presented or implied as to the accuracy of specific forecasts, projections or predictive statements contained herein.

<sup>(2)</sup> FY 2018-19 and 2019-20 represent revised budgets provided by District. FY 2020-21 to 2029-30 are projections. Projections grow according to inflation rates unless otherwise noted.

<sup>(3)</sup> Inflation rates set based on discussion with District.

<sup>(4)</sup> Transfers In assumed to remain at \$0.

<sup>(5)</sup> Paid On-Call (part-time) assumed to grow at \$1/hour per year. Figures provided by District.

<sup>(6)</sup> SUI Taxes assumed to remain at \$3,000.

<sup>(7)</sup> Workers' compensation assumed to grow at 7% for one year and 5% annually thereafter.

<sup>(8)</sup> Based on CFD Annexation schedule provided by District. Fire Fund assumed to earn 72.5% of total annual revenue.

<sup>(9)</sup> Parcel Tax Admin Costs will cover Special Tax Consultant and other applicable fees. Assumed to remain at \$10,000.

<sup>(10)</sup> OPEB payments are not included in this model

<sup>(11)</sup> Assumes parcel tax not collected until FY 2020-21. Equal to number of taxable parcels\*tax/per parcel, inflated by 2%. Escalator could range from the greater of CPI or 2%, with a max inflation of 6%.