

# **VRSD FY 2016 Adopted Budget**

**July 1, 2015 – June 30, 2016**



**Ventura Regional Sanitation District**

1001 Partridge Drive, Suite 150

Ventura, CA 93003-0704

Website: [www.vrsd.com](http://www.vrsd.com)

**Mark Lawler**  
**General Manager**

**Presented**  
**June 18, 2015**

# Ventura Regional Sanitation District



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## Staff

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**Executive Summary .....1**



June 11, 2015

## Board of Directors

The Fiscal Year 2015-2016 (FY2016) Operations and Capital Plan Budget has been prepared to meet the needs of the District while at the same time complying with the District's mission, goals & objectives, and financial policies. The budget is the District's financial work plan and serves as the spending plan supported by revenues for the upcoming fiscal year. The budget contains estimated expenses for the fiscal year and the proposed means of financing those expenses.

This executive summary provides a high-level overview of the District's Budget, Budget Highlights and Goals & Objectives. The District's Operating Budget and Capital Plan are adaptable documents and may change based on unforeseen and/or unanticipated events during the fiscal year by Board of Directors' approval.

## BUDGET HIGHLIGHTS

- The total tonnage is expected to be approximately 375,000 tons of refuse.
- An average of 1.3 percent increase in the District's hourly rates for Central Administration and Operations employees is effective July 1, 2015.
- A 3.5 percent rate increase in the Biosolids fees effective July 1, 2016.
- The District's capital plan includes vehicles, equipment, and capital improvements. Appropriations for the capital plan totals \$8,481,100. The three major capital expenses are Toland Road Landfill Phase 4 Engineering/Construction Plans (\$3,846,000), Gas Collection (\$2,653,000), and purchase of vehicles and heavy equipment (\$1,275,000).
- The District anticipates meeting the 1.25x debt service coverage target to comply with the loan agreements.

## BUDGET OVERVIEW

The FY2016 Operating Budget has a net decrease of \$2,781,600. This includes operating revenue, operating expenses, and non-operating revenue and expenses.

## OPERATING REVENUES

The operating revenues for FY2016 will be approximately \$20,032,000, which is approximately \$1,112,200 less than FY2015. The decrease in operating revenues is mainly due to the anticipated reduction in the sale of self-generated electricity to the grid and biosolids tonnage delivered at the facility. The three most notable revenues of the District include the Biosolids Drying and Electric Generation Project, Toland Road Landfill municipal solid waste and Water & Wastewater contract services.

### ***Biosolids Drying and Electric Generation Facility***

This project has been the largest capital expense in the District's history. The District responded to the challenge of providing a local solution for the disposal of approximately 56,000 tons of Biosolids per year. Previously, roughly 90 percent was trucked to Kern County for disposal, more than 150 miles away.

#### **Biosolids Drying Facility**

The Biosolids Drying Facility converts Biosolids from local wastewater treatment facilities into EPA Class A recyclable material, using landfill gas to heat two 80-ton-per-day batch dryers. The end product is applied as alternative daily cover for refuse deposited at the landfill. It has other approved uses, such as an organic fertilizer or an alternative fuel. The grand opening of the project was in November 2009. The FY2016 Biosolids revenue is estimated at \$1,923,600, or 30,134 tons of biosolids. The current customers are Fillmore, Santa Paula, and Oxnard.

#### **Electrical Generation Project**

The Electric Generation Project consists of nine low emission microturbines that use compressed landfill gas and have the ability to produce up to 2.32 megawatts of electricity. Approximately one-third is used to power the Biosolids facility and the remainder is delivered to the local power grid. The estimated FY2016 revenue is anticipated in the amount of \$250,000.

### ***Toland Road Landfill***

In October 2013, the City of Oxnard amended its existing contract with VRSD, increasing the allocation of solid waste tonnage delivered to the Toland Road Landfill from 18% to 48%.

The projected revenue for FY2016 is estimated to be approximately \$11,571,100, with annual tonnage of approximately 375,000. Additional revenue of \$111,600 mainly includes wood waste (\$84,000) and the Millenium Grove (\$25,200).

### ***Water & Wastewater***

The District's Water & Wastewater Division (WWW) is currently providing water and wastewater services to more than twenty cities and special districts in Ventura County. These services include collection system cleaning, engineering and permitting support, repair and protective coatings, industrial source control, groundwater sampling, and monitoring. There is a close correlation between WWW revenue and expenses. FY2016 revenue is estimated at \$5,182,000. The FY2016 Proposed Budget includes a 1.3 percent increase in hourly rates effective July 1, 2015. Revenue is generated by charging external customers billable rates for the services provided to them. Labor is charged at an hourly billable rate developed for each classification or job title. In addition, materials, supplies and other charges are billed at cost plus fifteen percent (15%). For more information, please see page 4-3 of the FY2016 Proposed Budget.

## **OPERATING EXPENSES**

The total operating expense is estimated at \$22,441,000, including depreciation. There are three main expense line items that contribute to the bottom line amount of the operating expenses. They are Salaries & Employee Benefits, other operating expenses, and depreciation.

Salaries & Employee Benefits: Salaries & Employee Benefits increased by approximately \$163,000, or 2%. The net increase is primarily due to reclassification of positions, converting limited term to regular positions, and increase staffing levels in Central Administration and Water and Wastewater. For more information, please see Pages 10-11 and 11-6 of the FY2016 Budget.

Other Operating Expenses: The other operating expenses include costs associated with management and administration, materials and supplies, contract services expenses, professional services, facility maintenance, permits, and fees. Despite the continued upward costs of doing business, staff continues to reassess the District's budget needs, identify potential efficiencies, and delay projects.

Depreciation: There is no significant increase in depreciation expense.

## **NON-OPERATING REVENUES & EXPENSES**

Net non-operating revenues and expenses decreased by \$153,400 compared to the FY2015 Adopted Budget. This is mainly due to the continued decrease in debt service expense.

## **CAPITAL PROJECTS**

Capital projects are usually multi-year processes and expenses are determined by what phase the project is in. The capital spending detail in FY2016 is included in Section 9 of the FY2016 Budget.

## **GOALS & OBJECTIVES**

In February 2015, the District Board conducted a Goals and Objectives setting session with staff. In April 2015, the District Board adopted the District's FY2015-2016 Goals & Objectives as follows:

1. Establish support for microturbines
2. Reduce water in the landfill
  - Improve run times/increase capacity
  - Alter contracts
3. Restructure debt
  - \$19 million
  - Need an additional \$15 million for Phase 4 Liner Project
4. Alter post-closure financial assurances to Cal Recycle
5. Gas-to-energy
6. General Manager to meet with cities/make presentation to City Councils

## **SUMMARY**

The District continues to face financial challenges posed by declining revenue growth and continued cost increases of doing business. The District has been committed to establishing and maintaining good fiscal health and will continue to look at different alternatives in cutting costs and generating revenue.

I appreciate the Board of Directors' support in providing the vision and resources necessary to respond to the challenges and improve the District's financial outlook in the years ahead. I also want to thank the members of the Personnel & Finance Committee for their enormous efforts in assessing the District's financial needs, reviewing the various financial policies, and making a series of recommendations to the District Board. Their recommendations serve as a critical component of this budget and the District's rates and fees.

Finally, I want to recognize staff's dedication and hard work in assessing their budgetary needs, continuing to identify opportunities for efficiencies, and for supporting the restructuring of resources to



where they are most needed. Although the District is faced with various and difficult challenges, I believe, with the excellent and committed staff, we are well prepared to take on these challenges and any other issues that may come in the future.

Respectfully submitted,

Mark Lawler  
General Manager

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# **Enterprise Fund .....2**

Fiscal Year 2016 Budget Summary..... 2-1

# VENTURA REGIONAL SANITATION DISTRICT

## FISCAL YEAR 2016 BUDGET SUMMARY

### ENTERPRISE FUND

Description	Actual FY 2013 Yearend	Actual FY 2014 Yearend	Adopted FY 2015 Budget	Estimated FY 2015 Yearend	Adopted FY 2016 Budget	FY15 vs. FY16 Budget Inc/(Dec)
<b>Operating revenues:</b>						
Revenue - sales	\$ 17,761,100	\$ 19,428,644	\$ 20,381,592	\$ 21,095,447	\$ 19,659,808	-4%
Revenue - other	945,210	607,696	762,600	467,423	372,226	-51%
Reimb from outside agencies	-	-	-	-	-	0%
<b>Total operating revenues</b>	<b>18,706,309</b>	<b>20,036,340</b>	<b>21,144,192</b>	<b>21,562,870</b>	<b>20,032,034</b>	<b>-5%</b> [1]
<b>Operating expenses:</b>						
Salaries and employee benefits	7,194,099	7,838,223	8,885,176	7,961,784	9,048,016	2% [2]
Management and administrative	488,368	415,343	448,737	436,873	480,874	7% [3]
Operating materials and supplies	4,176,587	3,806,463	3,942,505	3,553,893	3,100,182	-21% [4]
Contract services - labor	352,553	187,737	210,750	327,283	255,800	21% [5]
Contract services - materials and supplies	-	-	-	-	-	0%
Contract services - capital outlay purchases	-	-	-	-	-	0%
Professional services	1,578,825	1,506,147	1,769,107	1,539,445	2,846,061	61% [6]
Facility maintenance	1,203,011	1,209,466	1,902,056	1,565,253	1,627,779	-14% [7]
Permit, fees & other	1,157,655	1,706,722	1,318,144	1,154,969	1,289,843	-2% [8]
<b>Total operating expenses</b>	<b>16,151,098</b>	<b>16,670,101</b>	<b>18,476,476</b>	<b>16,539,500</b>	<b>18,648,556</b>	<b>1%</b>
<b>Operating income(loss) before depreciation</b>	<b>2,555,212</b>	<b>3,366,239</b>	<b>2,667,716</b>	<b>5,023,370</b>	<b>1,383,478</b>	<b>-48%</b>
Depreciation and amortization	3,535,354	3,529,371	3,673,680	3,763,727	3,792,422	3%
<b>Operating income(loss)</b>	<b>( 980,143 )</b>	<b>( 163,132 )</b>	<b>( 1,005,964 )</b>	<b>1,259,643</b>	<b>( 2,408,944 )</b>	<b>139%</b>
<b>Non-operating revenues(expenses):</b>						
Interest and investment earnings	40,182	360,061	472,500	211,585	472,500	0%
Gain(loss) on sales and/or disposals of assets	-	4,832	-	( 14,123 )	-	0%
Debt service interest expense	( 1,082,492 )	( 1,045,024 )	( 929,141 )	( 929,141 )	( 845,751 )	-9%
Grant revenue	-	-	-	-	-	0%
Other, net	81,378	107,325	94,412	94,867	164,425	74%
<b>Total non-operating revenues(expenses) before transfers</b>	<b>( 960,932 )</b>	<b>( 572,807 )</b>	<b>( 362,229 )</b>	<b>( 636,812 )</b>	<b>( 208,826 )</b>	<b>-42%</b>
Overhead cost allocation - Central Administration	2,400,000	2,400,000	2,437,387	2,437,387	2,934,159	20% [9]
ISF fleet use	2,306,494	2,118,485	2,283,522	2,153,710	2,310,625	1%
Intra-department labor transfer	1,723,951	662,364	150,873	448,646	150,873	0%
Landfill processing fee transfer	-	152,251	147,600	163,281	98,840	-33%
Contra-post closure expenses	627,423	996,724	632,409	761,774	1,164,967	84%
<b>Total transfers in</b>	<b>7,057,867</b>	<b>6,329,824</b>	<b>5,651,791</b>	<b>5,964,798</b>	<b>6,659,463</b>	<b>18%</b>
Overhead cost allocation - Central Administration	( 2,400,000 )	( 2,400,000 )	( 2,437,387 )	( 2,437,387 )	( 2,934,159 )	20%
ISF fleet use	( 2,306,494 )	( 2,118,485 )	( 2,283,522 )	( 2,153,710 )	( 2,310,625 )	1%
Intra-department labor transfer	( 1,723,951 )	( 662,364 )	( 150,873 )	( 448,322 )	( 150,873 )	0%
Landfill processing fee transfer	-	( 152,251 )	( 147,600 )	( 163,281 )	( 98,840 )	-33%
Provision for landfill closure/postclosure	( 937,265 )	( 1,274,891 )	( 1,265,621 )	( 1,399,325 )	( 1,328,840 )	5% [10]
<b>Total transfers out</b>	<b>( 7,367,710 )</b>	<b>( 6,607,991 )</b>	<b>( 6,285,003 )</b>	<b>( 6,602,025 )</b>	<b>( 6,823,336 )</b>	<b>9%</b>
<b>Net transfers</b>	<b>( 309,843 )</b>	<b>( 278,167 )</b>	<b>( 633,212 )</b>	<b>( 637,227 )</b>	<b>( 163,873 )</b>	<b>-74%</b>
<b>Total non-operating revenues(expenses), net</b>	<b>( 1,270,775 )</b>	<b>( 850,974 )</b>	<b>( 995,441 )</b>	<b>( 1,274,039 )</b>	<b>( 372,699 )</b>	<b>-63%</b>
<b>Change in net assets</b>	<b>\$ ( 2,250,918 )</b>	<b>\$ ( 1,014,106 )</b>	<b>\$ ( 2,001,405 )</b>	<b>\$ ( 14,396 )</b>	<b>\$ ( 2,781,643 )</b>	<b>39%</b>

**VENTURA REGIONAL SANITATION DISTRICT**  
**FISCAL YEAR 2016 BUDGET SUMMARY**  
***ENTERPRISE FUND***

**COMMENTS**

[1] Anticipated operating revenues for FY 2016 are \$1,112,158 or approximately 5%, less than the FY 2015 budget. This is attributable to a decrease in revenue from the Biosolids and Microturbine Electrical Generation Facility (\$1.865M) and increases in revenue associated with Solid Waste (\$716K) and Water Wastewater (36K).

[2] Salaries & Employee Benefits increased by approximately \$163K, or 2%. The Proposed FY 2016 Budget includes 19.55 FTE in Central Administration, 30.16 FTE in the Water Wastewater Division, 23.75 FTE in the Solid Waste Division, 3.75 FTE in the Biosolids & Microturbine Electrical Generation Facility, and 1 FTE in Vehicles & Heavy Equipment Internal Service Fund.

[3] Management and administrative expenses include Board fees and reimbursements of travel expenses, as well as seminar and travel expenses associated with District employees.

[4] FY 2016 decrease includes limited activities in the Biosolids & Microturbine Electrical Generation Facility.

[5] FY 2016 includes a \$10K decrease in Solid Waste and \$60K increase in Central Administration.

[6] Increase is primarily due to the Landfill Gas System Reconstruction at closed landfills, Tree Removal/Trimming & Perimeter Security of closed landfills, the Executive Search Firm (General Manager Recruitment), IT, legal, and Environmental and Engineering Consultants.

[7] FY 2016 decrease includes limited activities in the Biosolids & Microturbine Electrical Generation Facility.

[8] Permits and fees have decreased primarily due to a reduction in Biosolids tonnage.

[9] The allocation of Central Administrative overhead costs are allocated to Water Wastewater, Solid Waste and Biosolids based on a percentage of total operating revenue. This can fluctuate from year to year as the operating revenue between divisions changes.

[10] The provision for landfill closure/postclosure has increased by approximately \$63K to reflect the calculated per ton rate needed to reach the required closure/postclosure reserves needed upon closure of the Toland landfill in 2027.

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# **Central Administration .....3**

Fiscal Year 2016 Budget Summary..... 3-1

**VENTURA REGIONAL SANITATION DISTRICT**  
**FISCAL YEAR 2016 BUDGET SUMMARY**  
**CENTRAL ADMINISTRATION**

Description	Actual FY 2013 Yearend	Actual FY 2014 Yearend	Adopted FY 2015 Budget	Estimated FY 2015 Yearend	Adopted FY 2016 Budget	FY15 vs. FY16 Budget Inc/(Dec)
<b>Operating revenues:</b>						
Revenue - sales	\$ 972,940	\$ 978,881	\$ 983,371	\$ 894,016	\$ 983,152	0% [1]
Revenue - other	4,707	4,043	-	5,096	-	0%
Reimb from outside agencies	-	-	-	-	-	0%
<b>Total operating revenues</b>	<b>977,647</b>	<b>982,924</b>	<b>983,371</b>	<b>899,112</b>	<b>983,152</b>	<b>0%</b>
<b>Operating expenses:</b>						
Salaries and employee benefits	1,674,354	1,999,755	2,022,086	1,880,154	2,245,866	11% [2]
Management and administrative	224,606	199,735	187,209	228,341	200,866	7% [3]
Operating materials and supplies	41,254	43,784	81,960	46,714	102,069	25%
Contract services - labor	96,776	-	16,250	125,734	76,300	370% [4]
Contract services - materials and supplies	-	-	-	-	-	0%
Contract services - capital outlay purchases	-	-	-	-	-	0%
Professional services	516,829	787,795	771,478	836,139	929,369	20% [5]
Facility maintenance	166,228	170,474	185,586	176,031	204,939	10% [6]
Permit, fees & other	65,502	33,259	66,305	25,416	65,811	-1%
<b>Total operating expenses</b>	<b>2,785,549</b>	<b>3,234,801</b>	<b>3,330,874</b>	<b>3,318,529</b>	<b>3,825,219</b>	<b>15%</b>
<b>Operating income(loss) before depreciation</b>	<b>( 1,807,902 )</b>	<b>( 2,251,877 )</b>	<b>( 2,347,503 )</b>	<b>( 2,419,417 )</b>	<b>( 2,842,067 )</b>	<b>21%</b>
Depreciation and amortization	80,783	87,895	86,304	93,748	93,744	9%
<b>Operating income(loss)</b>	<b>( 1,888,684 )</b>	<b>( 2,339,772 )</b>	<b>( 2,433,807 )</b>	<b>( 2,513,165 )</b>	<b>( 2,935,811 )</b>	<b>21%</b>
<b>Non-operating revenues(expenses):</b>						
Interest and investment earnings	1,602	1,498	3,000	1,086	3,000	0%
Gain(loss) on sales and/or disposals of assets	-	-	-	-	-	0%
Debt service interest expense	-	-	-	-	-	0%
Grant revenue	-	-	-	-	-	0%
Other, net	( 16,427 )	388	( 3,288 )	-	( 3,288 )	0%
<b>Total non-operating revenues(expenses) before transfers</b>	<b>( 14,825 )</b>	<b>1,886</b>	<b>( 288 )</b>	<b>1,086</b>	<b>( 288 )</b>	<b>0%</b>
Overhead cost allocation - Central Administration	2,400,000	2,400,000	2,437,387	2,437,387	2,934,159	20% [7]
ISF fleet use	6,875	5,564	5,680	5,201	5,680	0%
Intra-department labor transfer	42,307	35,438	-	45,858	-	0%
Landfill processing fee transfer	-	-	-	-	-	0%
Contra-post closure expenses	-	-	-	-	-	0%
<b>Total transfers in</b>	<b>2,449,182</b>	<b>2,441,002</b>	<b>2,443,067</b>	<b>2,488,446</b>	<b>2,939,839</b>	<b>20%</b>
Overhead cost allocation - Central Administration	-	-	-	-	-	0%
ISF fleet use	( 12,443 )	( 9,296 )	( 9,322 )	( 8,260 )	( 3,740 )	-60%
Intra-department labor transfer	( 29,931 )	( 19,510 )	-	-	-	100%
Landfill processing fee transfer	-	-	-	-	-	100%
Provision for landfill closure/postclosure	-	-	-	-	-	0%
<b>Total transfers out</b>	<b>( 42,374 )</b>	<b>( 28,805 )</b>	<b>( 9,322 )</b>	<b>( 8,260 )</b>	<b>( 3,740 )</b>	<b>-60%</b>
<b>Net transfers</b>	<b>2,406,809</b>	<b>2,412,197</b>	<b>2,433,745</b>	<b>2,480,186</b>	<b>2,936,099</b>	<b>21%</b>
<b>Total non-operating revenues(expenses), net</b>	<b>2,391,984</b>	<b>2,414,083</b>	<b>2,433,457</b>	<b>2,481,272</b>	<b>2,935,811</b>	<b>21%</b>
<b>Change in net assets</b>	<b>\$ 503,299</b>	<b>\$ 74,311</b>	<b>\$ ( 350 )</b>	<b>\$ ( 31,893 )</b>	<b>\$ ( 0 )</b>	<b>-100%</b>



**VENTURA REGIONAL SANITATION DISTRICT**  
**FISCAL YEAR 2016 BUDGET SUMMARY**  
***CENTRAL ADMINISTRATION***

**COMMENTS**

The Central Administration Budget Segment includes the activities of 19.55 FTEs responsible for administrative and finance activities of the Ventura Regional Sanitation District (VRSD). This budget segment also includes VRSD Board of Director expenses.

[1] Revenue shown in this segment is attributed to administrative contract services provided to: a) Saticoy Sanitary District; b) Triunfo Sanitation District; and c) Ventura County Regional Energy Alliance. Services provided include accounting, financial management, customer service, management, utility billing, potable water system customer service and support.

[2] The Salaries and Employee Benefits increase for FY2016 is primarily due to an increase in Central Administration staffing level. The Proposed FY2016 Budget includes 19.55 FTE assigned to Central Administration.

[3] Management and administrative expenses include Board fees and reimbursements of travel expenses, as well as seminar and travel expenses associated with District employees. The majority of the \$13.7K or 7% increase for FY2016 as compared to FY2015 is due to increases related to Board Member Fees and Expenses.

[4] Increase is due to an increase in temporary labor utilized while employees are on a leave of absence and while recruiting for open positions.

[5] Increase is primarily due to the Executive Search Firm (General Manager Recruitment) and IT.

[6] Includes increase in utilities and lease for Central Administration building.

[7] Central Administration Overhead Cost Allocation to the operating segments (Water Wastewater, Biosolids, and Solid Waste).

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## **Water Wastewater .....4**

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Revenue by Customer..... 4-3

Malibu Bay Club Fiscal Year 2016 Budget Summary..... 4-4

# VENTURA REGIONAL SANITATION DISTRICT

## FISCAL YEAR 2016 BUDGET SUMMARY

### WATER WASTEWATER

Description	Actual FY 2013 Yearend	Actual FY 2014 Yearend	Adopted FY 2015 Budget	Estimated FY 2015 Yearend	Adopted FY 2016 Budget	FY15 vs. FY16 Budget Inc/(Dec)
<b>Operating revenues:</b>						
Revenue - sales	\$ 4,343,550	\$ 4,576,494	\$ 5,145,624	\$ 4,930,399	\$ 5,181,977	1% [1]
Revenue - other	11,091	17,910	10,626	11,263	10,626	0%
Reimb from outside agencies	-	-	-	-	-	0%
<b>Total operating revenues</b>	<b>4,354,641</b>	<b>4,594,404</b>	<b>5,156,250</b>	<b>4,941,662</b>	<b>5,192,603</b>	<b>1%</b>
<b>Operating expenses:</b>						
Salaries and employee benefits	2,935,998	2,816,646	3,168,503	2,892,771	3,355,105	6% [2]
Management and administrative	30,241	53,876	45,172	33,483	64,672	43%
Operating materials and supplies	742,649	778,738	795,566	900,745	686,009	-14%
Contract services - labor	9,604	946	2,000	33,127	2,000	0%
Contract services - materials and supplies	-	-	-	-	-	0%
Contract services - capital outlay purchases	-	-	-	-	-	0%
Professional services	118,569	95,719	220,217	94,364	244,500	11% [3]
Facility maintenance	77,593	88,043	42,180	108,178	42,180	0%
Permit, fees & other	36,791	34,957	14,950	34,281	14,950	0%
<b>Total operating expenses</b>	<b>3,951,445</b>	<b>3,868,924</b>	<b>4,288,588</b>	<b>4,096,950</b>	<b>4,409,416</b>	<b>3%</b>
<b>Operating income(loss) before depreciation</b>	<b>403,197</b>	<b>725,480</b>	<b>867,662</b>	<b>844,713</b>	<b>783,187</b>	<b>-10%</b>
Depreciation and amortization	155,459	155,851	155,220	155,379	155,376	0%
<b>Operating income(loss)</b>	<b>247,737</b>	<b>569,629</b>	<b>712,442</b>	<b>689,334</b>	<b>627,811</b>	<b>-12%</b>
<b>Non-operating revenues(expenses):</b>						
Interest and investment earnings	( 391 )	7,492	12,500	3,086	12,500	0%
Gain(loss) on sales and/or disposals of assets	-	1,000	-	-	-	0%
Debt service interest expense	( 103,050 )	( 97,995 )	( 93,991 )	( 93,991 )	( 88,495 )	-6%
Grant revenue	-	-	-	-	-	0%
Other, net	102,580	98,224	97,700	94,762	167,713	72%
<b>Total non-operating revenues(expenses) before transfers</b>	<b>( 862 )</b>	<b>8,722</b>	<b>16,209</b>	<b>3,856</b>	<b>91,718</b>	<b>466%</b>
Overhead cost allocation - Central Administration	-	-	-	-	-	0%
ISF fleet use	33,193	40,005	9,618	23,936	8,618	-10%
Intra-department labor transfer	991,678	297,727	115,153	275,591	115,153	0% [4]
Landfill processing fee transfer	-	-	-	-	-	0%
Contra-post closure expenses	-	-	-	-	( 10,004 )	0% [5]
<b>Total transfers in</b>	<b>1,024,870</b>	<b>337,731</b>	<b>124,771</b>	<b>299,527</b>	<b>113,767</b>	<b>-9%</b>
Overhead cost allocation - Central Administration	( 605,075 )	( 605,075 )	( 686,047 )	( 686,047 )	( 807,649 )	18% [6]
ISF fleet use	( 401,749 )	( 409,213 )	( 416,594 )	( 421,542 )	( 443,487 )	6%
Intra-department labor transfer	( 59,153 )	( 57,472 )	-	( 43,939 )	-	0%
Landfill processing fee transfer	-	-	-	-	-	0%
Provision for landfill closure/postclosure	-	-	-	-	-	0%
<b>Total transfers out</b>	<b>( 1,065,978 )</b>	<b>( 1,071,760 )</b>	<b>( 1,102,641 )</b>	<b>( 1,151,527 )</b>	<b>( 1,251,136 )</b>	<b>13%</b>
<b>Net transfers</b>	<b>( 41,108 )</b>	<b>( 734,029 )</b>	<b>( 977,870 )</b>	<b>( 852,000 )</b>	<b>( 1,137,369 )</b>	<b>16%</b>
<b>Total non-operating revenues(expenses), net</b>	<b>( 41,969 )</b>	<b>( 725,307 )</b>	<b>( 961,661 )</b>	<b>( 848,144 )</b>	<b>( 1,045,651 )</b>	<b>9%</b>
<b>Change in net assets</b>	<b>\$ 205,768</b>	<b>\$ ( 155,678 )</b>	<b>\$ ( 249,219 )</b>	<b>\$ ( 158,810 )</b>	<b>\$ ( 417,840 )</b>	<b>68%</b>

**VENTURA REGIONAL SANITATION DISTRICT**  
**FISCAL YEAR 2016 BUDGET SUMMARY**  
**WATER WASTEWATER**

**COMMENTS**

VRSD Water and Wastewater Division employees provide a wide range of contract services to member agencies and external customers in the following service areas:

- Potable water system operations;
- Wastewater treatment plant operations;
- Wastewater treatment plant and collection system maintenance;
- Contract potable water service operation, maintenance, and customer service;
- Recycled water system operations and maintenance;
- Environmental monitoring;
- Painting & industrial coatings

Revenue is generated by charging the District's customers time and materials for services provided. Labor is charged based on the published billable rates. A list of billable rates by employee classification is found on Page 10-6.

Materials, supplies, and other charges, are billed at cost plus 15%. A list of the District's Equipment & Supply (Consumable) Rates can be found on Pages 10-7 through 10-8.

The division is also responsible for operating the Malibu Bay Club, a VRSD owned onsite wastewater treatment system (OWWTS). The facility is located at the Ventura County line and serves 136 condominium units. Fees paid by Malibu Bay Club residents include 1913 Act Assessment Fees of \$134.62 per month and monthly sewer fees of \$153.07 (proposed for FY2016). The special assessment fees pay the capital portion of the project while the monthly sewer fees fund maintenance and operation activities and establish a reserve. Of the FY2016 monthly sewer fee, \$110.17 will pay for maintenance and operations, \$36.77 will pay back a portion of the deficit accumulated prior to FY2016, and \$6.13 will establish a Reserve Fund. The special assessment and the monthly sewer fees are collected on the Ventura County property tax rolls.

[1] FY2016 includes \$374,854 designated as Anticipated Reimbursable, which is District staff time not currently assigned to a contract, but available when existing or new clients request additional services.

[2] The Salaries and Employee Benefits increase for FY2016 is primarily due to a decrease in limited term positions, an increase in regular positions, and an overall increase in the Water Wastewater staffing level. The Proposed FY2016 Budget includes 30.16 FTE assigned to the Water Wastewater Division.

[3] The Professional Services increase is primarily due to legal fees related to employment issues.

[4] Water Wastewater staff supporting both Solid Waste and ISF operations.

[5] \$10,004 in FY2016 represents a Malibu Bay Club Reserve Fund. Each unit will contribute \$6.13 per month toward this Reserve Fund.

[6] The \$122K increase is attributable to an increase in Central Administration expenses and a decrease in the Biosolids & Microturbine Electrical Generation Facility revenue. The Central Administration Overhead Cost Allocation is based on percentage of Total Operating Revenue.

# WATER WASTEWATER

## REVENUE BY CUSTOMER

	Budget FY 2016	Forecast [a] FY 2015	Adjusted Budget FY 2015	Budget FY 2015	Actual FY 2014	Actual FY 2013
Anticipated Reimbursable	374,854	-	80,481	80,481	-	-
Cabrillo Economic Development Corporation	5,935	4,818	7,507	7,507	14,593	7,422
City of Camarillo	-	10,396	55,279	55,279	42,769	16,270
Camarillo Sanitary District	-	-	-	-	-	36,073
Camrosa Water District	140,395	140,801	136,112	136,112	123,155	93,807
Cate School	175,944	186,632	180,595	180,595	209,740	187,159
Channel Islands Beach CSD	-	5,258	-	-	789	348
City of Oxnard						
<i>City of Oxnard</i>	-	729	-	-	61,433	37,145
<i>City of Oxnard - Solid Waste</i>	75,051	47,905	-	-	-	-
City of Oxnard Total	75,051	48,634	-	-	61,433	37,145
City of Santa Paula						
<i>City of Santa Paula</i>	-	-	-	-	7,379	32,585
<i>City of Santa Paula - Central Administration</i>	-	825	-	-	-	2,413
City of Santa Paula Total	-	825	-	-	7,379	34,998
City of Ventura	-	3,038	31,392	31,392	5,215	55,959
CSU, Channel Islands	14,805	-	13,129	13,129	13,041	16,105
DTS Engineering Construction	-	-	-	-	-	1,140
Malibu Bay Club	179,797	173,694	173,694	173,694	144,747	131,588
Montalvo Community Services District	-	10,492	-	-	10,478	-
Ojai Valley Sanitary	75,444	119,335	162,391	162,391	120,008	82,191
Ojai Valley School	61,479	56,463	60,439	60,439	49,554	58,043
Sam Hill and Sons, Inc.	-	5,768	-	-	-	44,841
Saticoy Sanitary District						
<i>Saticoy Sanitary District</i>	283,662	488,508	329,800	329,800	391,274	290,091
<i>Saticoy Sanitary District - Central Administration</i>	54,545	70,483	79,290	79,290	49,527	58,781
Saticoy Sanitary District Total	338,207	558,991	409,090	409,090	440,801	348,872
Shadow Ridge	-	19,959	-	-	5,049	3,844
Summerland Sanitary District	-	5,281	-	-	4,281	6,201
Thacher School	85,012	81,195	84,363	84,363	84,560	72,327
Thomas Aquinas College	196,280	281,199	191,143	191,143	222,333	172,027
City of Thousand Oaks						
<i>City of Thousand Oaks</i>	5,841	7,406	20,635	20,635	3,979	3,220
City of Thousand Oaks Total	5,841	7,406	20,635	20,635	3,979	3,220
Top O'Topanga Community Association	156,720	135,527	152,070	152,070	151,752	146,260
Triunfo Sanitation District						
<i>Triunfo Sanitation District</i>	2,788,412	2,706,206	2,848,765	2,848,765	2,368,884	2,412,607
<i>Triunfo Sanitation District - Central Administration</i>	920,788	819,561	894,215	894,215	910,725	907,261
Triunfo Sanitation District Total	3,709,200	3,525,767	3,742,980	3,742,980	3,279,609	3,319,868
County of Ventura						
<i>Moorpark</i>	163,398	53,828	129,621	129,621	161,794	36,016
<i>NorthCoast</i>	382,210	383,309	397,940	397,940	337,482	344,910
<i>Piru</i>	28,689	4,981	2,421	2,421	734	11,835
<i>County of Ventura - Special Projects</i>	63,102	28,995	87,847	87,847	41,908	41,740
County of Ventura Total	637,398	471,113	617,829	617,829	541,918	434,501
Ventura County Regional Energy Alliance	7,819	3,147	9,866	9,866	2,868	4,485
Villa del Arroyo	-	-	-	-	-	1,796
Miscellaneous Customers	-	16,582	-	-	15,325	-
<b>Customer Total</b>	6,240,180	5,872,321	6,128,995	6,128,995	5,555,375	5,316,490
Excluding Central Administration Revenue Sales	(983,152)	(894,016)	(983,371)	(983,371)	(978,881)	(972,940)
Excluding Solid Waste Revenue Sales	(75,051)	(47,905)	-	-	-	-
<b>Total Water Wastewater Revenue Sales</b>	<b>\$ 5,181,977</b>	<b>\$ 4,930,399</b>	<b>\$ 5,145,624</b>	<b>\$ 5,145,624</b>	<b>\$ 4,576,494</b>	<b>\$ 4,343,550</b>

[a] Estimate through June 30th; based on April year-to-date actuals.

# VENTURA REGIONAL SANITATION DISTRICT

## FISCAL YEAR 2016 BUDGET SUMMARY

### MALIBU BAY CLUB

Description	Maintenance	Maintenance - Collection System	Operations	Environmental Monitoring	Total Budget
<b><u>Expense</u></b>					
Labor	37,794	1,350	54,947	10,564	104,655
Operating supplies	3,450	-	9,430	575	13,455
Lab testing	-	-	-	12,075	12,075
Sludge disposal	13,800	-	-	-	13,800
Utilities	-	-	1,200	-	1,200
Permits, licenses, fees	-	-	4,083	4,025	8,108
ISF equipment and mileage	4,230	725	7,500	500	12,955
Property insurance	-	-	7,644	-	7,644
Legal	-	-	1,150	-	1,150
<b>Total Expenses</b>	<b>\$ 59,274</b>	<b>\$ 2,075</b>	<b>\$ 85,954</b>	<b>\$ 27,739</b>	<b>\$ 175,042</b>

Annual sewer service fee [1] 179,797

Annual surplus/(deficit) 4,756

	<b><u>Reserve Fund</u></b>	<b><u>Reimbursement of Advance</u></b>
<b>Beginning Balance</b>	-	402,996
Write-off: Uncollectible Balance		(102,996)
FY 2016 - Tax Roll Apportionment	10,004	(60,009)
Surplus - FY 2016	-	(4,756)
<b>Ending Balance</b>	<b>\$ 10,004</b>	<b>\$ 235,235</b>

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# **Solid Waste .....5**

Fiscal Year 2016 Budget Summary..... 5-1

# VENTURA REGIONAL SANITATION DISTRICT

## FISCAL YEAR 2016 BUDGET SUMMARY

### SOLID WASTE

Description	Actual FY 2013 Yearend	Actual FY 2014 Yearend	Adopted FY 2015 Budget	Estimated FY 2015 Yearend	Adopted FY 2016 Budget	FY15 vs. FY16 Budget Inc/(Dec)
<b>Operating revenues:</b>						
Revenue - sales	\$ 9,394,086	\$ 10,618,088	\$ 10,814,255	\$ 11,725,990	\$ 11,571,117	7% [1]
Revenue - other	238,222	275,773	151,974	165,625	111,600	-27% [2]
Reimb from outside agencies	-	-	-	-	-	0%
<b>Total operating revenues</b>	<b>9,632,307</b>	<b>10,893,861</b>	<b>10,966,229</b>	<b>11,891,615</b>	<b>11,682,717</b>	<b>7%</b>
<b>Operating expenses:</b>						
Salaries and employee benefits	2,408,938	2,379,075	2,759,772	2,439,969	2,994,834	9% [3]
Management and administrative	11,827	19,392	21,320	20,864	19,050	-11%
Operating materials and supplies	1,004,484	765,906	795,288	823,966	837,873	5%
Contract services - labor	235,514	180,573	185,000	126,558	175,000	-5%
Contract services - materials and supplies	-	-	-	-	-	0%
Contract services - capital outlay purchases	-	-	-	-	-	0%
Professional services	508,861	350,948	372,264	383,289	630,388	69% [4]
Facility maintenance	210,813	252,524	193,100	307,746	383,810	99% [5]
Permit, fees & other	858,995	991,935	995,001	867,472	1,065,550	7% [6]
<b>Total operating expenses</b>	<b>5,239,431</b>	<b>4,940,353</b>	<b>5,321,745</b>	<b>4,969,864</b>	<b>6,106,506</b>	<b>15%</b>
<b>Operating income(loss) before depreciation</b>	<b>4,392,877</b>	<b>5,953,509</b>	<b>5,644,484</b>	<b>6,921,750</b>	<b>5,576,211</b>	<b>-1%</b>
Depreciation and amortization	1,998,143	1,992,712	2,108,040	2,019,580	2,007,098	-5%
<b>Operating income(loss)</b>	<b>2,394,734</b>	<b>3,960,796</b>	<b>3,536,444</b>	<b>4,902,170</b>	<b>3,569,112</b>	<b>1%</b>
<b>Non-operating revenues(expenses):</b>						
Interest and investment earnings	9,792	88,294	152,000	62,409	152,000	0%
Gain(loss) on sales and/or disposals of assets	-	-	-	-	-	0%
Debt service interest expense	( 412,927 )	( 421,424 )	( 348,621 )	( 348,621 )	( 315,241 )	-10%
Grant revenue	-	-	-	-	-	0%
Other, net	( 7,235 )	7,203	-	92	-	0%
<b>Total non-operating revenues(expenses) before transfers</b>	<b>( 410,371 )</b>	<b>( 325,926 )</b>	<b>( 196,621 )</b>	<b>( 286,120 )</b>	<b>( 163,241 )</b>	<b>-17%</b>
Overhead cost allocation - Central Administration	-	-	-	-	-	0%
ISF fleet use	128,585	3,773	9,060	5,683	2,560	-72%
Intra-department labor transfer	583,388	280,797	19,320	125,137	19,320	0% [7]
Landfill processing fee transfer	-	152,251	147,600	163,281	98,840	-33%
Contra-post closure expenses	-	-	-	-	-	0%
<b>Total transfers in</b>	<b>711,973</b>	<b>436,821</b>	<b>175,980</b>	<b>294,101</b>	<b>120,720</b>	<b>-31%</b>
Overhead cost allocation - Central Administration	( 1,299,203 )	( 1,299,203 )	( 1,331,185 )	( 1,331,185 )	( 1,792,935 )	35% [8]
ISF fleet use	( 1,604,609 )	( 1,576,822 )	( 1,733,869 )	( 1,614,785 )	( 1,738,980 )	0%
Intra-department labor transfer	( 490,479 )	( 206,768 )	( 54,849 )	( 74,552 )	( 54,849 )	0%
Landfill processing fee transfer	-	-	-	-	-	0%
Provision for landfill closure/postclosure	( 937,265 )	( 1,274,891 )	( 1,265,621 )	( 1,399,325 )	( 1,328,840 )	5% [9]
<b>Total transfers out</b>	<b>( 4,331,557 )</b>	<b>( 4,357,684 )</b>	<b>( 4,385,524 )</b>	<b>( 4,419,847 )</b>	<b>( 4,915,604 )</b>	<b>12%</b>
<b>Net transfers</b>	<b>( 3,619,584 )</b>	<b>( 3,920,863 )</b>	<b>( 4,209,544 )</b>	<b>( 4,125,746 )</b>	<b>( 4,794,884 )</b>	<b>14%</b>
<b>Total non-operating revenues(expenses), net</b>	<b>( 4,029,955 )</b>	<b>( 4,246,789 )</b>	<b>( 4,406,165 )</b>	<b>( 4,411,866 )</b>	<b>( 4,958,125 )</b>	<b>13%</b>
<b>Change in net assets</b>	<b>\$ ( 1,635,221 )</b>	<b>\$ ( 285,993 )</b>	<b>\$ ( 869,721 )</b>	<b>\$ 490,304</b>	<b>\$ ( 1,389,013 )</b>	<b>60%</b>

**VENTURA REGIONAL SANITATION DISTRICT**  
**FISCAL YEAR 2016 BUDGET SUMMARY**  
***SOLID WASTE***

**COMMENTS**

The Solid Waste Division includes revenues and expenditures related to active and closed solid waste facilities owned and managed by the Ventura Regional Sanitation District. Active landfill operational and administrative revenues and expenses are associated with the Toland Road Landfill.

[1] Landfill disposal revenue is projected to be \$11,496,066, based on the disposal of 375,000 tons of refuse. For FY2016, this line also includes \$75,051 from the City of Oxnard for EPG at River Ridge. Prior to FY2016, that revenue is included in *Revenue-Other*.

[2] Revenue decrease is reflective of City of Oxnard (River Ridge) EPG showing in the *Revenue-Sales* line for FY2016. There is also an increase in ADC revenue in FY2016.

[3] Salaries & Employee Benefits increase is primarily due to a reclassification of positions and a decrease in staff on a leave of absence. The Proposed FY2016 Budget includes 23.75 FTE assigned to the Solid Waste Division.

[4] Professional Services increase is due to additional legal and consultant services in FY2016.

[5] Increase is primarily due to an increase in Utilities and Equipment Rental/Lease in FY2016.

[6] Permits and fees have increased primarily due to additional tonnage.

[7] Solid Waste staff supporting operations in other divisions.

[8] The \$462K increase is attributable to an increase in Central Administration expenses and a decrease in the Biosolids & Microturbine Electrical Generation Facility revenue. The Central Administration Overhead Cost Allocation is based on percentage of Total Operating Revenue.

[9] The provision for landfill closure/postclosure has increased by approximately \$63K to reflect the calculated per ton rate needed to reach the required closure/postclosure reserves needed upon closure of the Toland landfill in 2027.

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# **Post Closed Landfill Maintenance.....6**

Fiscal Year 2016 Budget Summary..... 6-1

**VENTURA REGIONAL SANITATION DISTRICT**  
**FISCAL YEAR 2016 BUDGET SUMMARY**  
**POST CLOSED LANDFILL MAINTENANCE**

Description	Actual FY 2013 Yearend	Actual FY 2014 Yearend	Adopted FY 2015 Budget	Estimated FY 2015 Yearend	Adopted FY 2016 Budget	FY15 vs. FY16 Budget Inc/(Dec)
<b>Operating revenues:</b>						
Revenue - sales	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Revenue - other	31,404	2,440	-	-	-	0%
Reimb from outside agencies	-	-	-	-	-	0%
<b>Total operating revenues</b>	<b>31,404</b>	<b>2,440</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0%</b>
<b>Operating expenses:</b>						
Salaries and employee benefits	-	-	119,454	-	113,172	-5%
Management and administrative	1,790	673	250	1,254	1,500	500%
Operating materials and supplies	164,111	224,115	392,840	180,242	264,500	-33%
Contract services - labor	7,248	4,972	5,000	41,863	-	-100%
Contract services - materials and supplies	-	-	-	-	-	0%
Contract services - capital outlay purchases	-	-	-	-	-	0%
Professional services	76,362	136,267	175,750	150,530	899,854	412% (1)
Facility maintenance	39,486	56,182	48,320	75,576	65,000	35%
Permit, fees & other	67,853	357,682	125,250	68,319	65,100	-48%
<b>Total operating expenses</b>	<b>356,851</b>	<b>779,891</b>	<b>866,864</b>	<b>517,784</b>	<b>1,409,126</b>	<b>63%</b>
<b>Operating income(loss) before depreciation</b>	<b>( 325,447 )</b>	<b>( 777,451 )</b>	<b>( 866,864 )</b>	<b>( 517,784 )</b>	<b>( 1,409,126 )</b>	<b>63%</b>
Depreciation and amortization	33,880	30,551	30,552	32,667	30,852	1%
<b>Operating income(loss)</b>	<b>( 359,327 )</b>	<b>( 808,003 )</b>	<b>( 897,416 )</b>	<b>( 550,451 )</b>	<b>( 1,439,978 )</b>	<b>60%</b>
<b>Non-operating revenues(expenses):</b>						
Interest and investment earnings	27,368	254,381	287,700	141,083	287,700	0%
Gain(loss) on sales and/or disposals of assets	-	-	-	-	-	0%
Debt service interest expense	-	-	-	-	-	0%
Grant revenue	-	-	-	-	-	0%
Other, net	-	-	-	-	-	0%
<b>Total non-operating revenues(expenses) before transfers</b>	<b>27,368</b>	<b>254,381</b>	<b>287,700</b>	<b>141,083</b>	<b>287,700</b>	<b>0%</b>
Overhead cost allocation - Central Administration	-	-	-	-	-	0%
ISF fleet use	-	-	-	-	-	0%
Intra-department labor transfer	-	-	-	-	-	0%
Landfill processing fee transfer	-	-	-	-	-	0%
Contra-post closure expenses	627,423	996,724	632,409	761,774	1,174,971	86%
<b>Total transfers in</b>	<b>627,423</b>	<b>996,724</b>	<b>632,409</b>	<b>761,774</b>	<b>1,174,971</b>	<b>86%</b>
Overhead cost allocation - Central Administration	-	-	-	-	-	0%
ISF fleet use	( 14,765 )	( 10,294 )	( 6,642 )	( 7,606 )	( 6,642 )	0%
Intra-department labor transfer	( 255,872 )	( 179,203 )	( 16,051 )	( 204,422 )	( 16,051 )	0%
Landfill processing fee transfer	-	-	-	-	-	0%
Provision for landfill closure/postclosure	-	-	-	-	-	0%
<b>Total transfers out</b>	<b>( 270,636 )</b>	<b>( 189,497 )</b>	<b>( 22,693 )</b>	<b>( 212,028 )</b>	<b>( 22,693 )</b>	<b>0%</b>
<b>Net transfers</b>	<b>356,786</b>	<b>807,227</b>	<b>609,716</b>	<b>549,746</b>	<b>1,152,278</b>	<b>89%</b>
<b>Total non-operating revenues(expenses), net</b>	<b>384,154</b>	<b>1,061,609</b>	<b>897,416</b>	<b>690,829</b>	<b>1,439,978</b>	<b>60%</b>
<b>Change in net assets</b>	<b>\$ 24,827</b>	<b>\$ 253,606</b>	<b>\$ ( 0 )</b>	<b>\$ 140,378</b>	<b>\$ ( 0 )</b>	<b>0%</b>

**VENTURA REGIONAL SANITATION DISTRICT**  
**FISCAL YEAR 2016 BUDGET SUMMARY**  
***POST CLOSED LANDFILL MAINTENANCE***

**COMMENTS**

Budgeted activities for closed landfill relate to the Coastal landfill (closed 1995), Bailard landfill (closed 1997), Ozena landfill (closed 1987) and the Tierra Rejada landfill (closed 1972). VRSD expenses related to closed landfills are offset by investment earnings and Postclosure reserves designated specifically for ongoing maintenance and environmental monitoring activities.

[1] Increase is primarily due to the addition of Landfill Gas System Reconstruction (\$500K) and Tree Removal/Trimming & Perimeter Security (\$100K) during FY2016.

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## **Biosolids & Microturbine**

# **Electrical Generation Facility .....7**

Fiscal Year 2016 Budget Summary..... 7-1

# VENTURA REGIONAL SANITATION DISTRICT

## FISCAL YEAR 2016 BUDGET SUMMARY

### BIOSOLIDS & MICROTURBINE ELECTRICAL GENERATION FACILITY

Description	Actual FY 2013 Yearend	Actual FY 2014 Yearend	Adopted FY 2015 Budget	Estimated FY 2015 Yearend	Adopted FY 2016 Budget	FY15 vs. FY16 Budget Inc/(Dec)
<b>Operating revenues:</b>						
Revenue - sales	\$ 3,050,524	\$ 3,255,181	\$ 3,438,342	\$ 3,545,042	\$ 1,923,562	-44% [1]
Revenue - other	658,758	306,906	600,000	285,013	250,000	-58% [2]
Reimb from outside agencies	-	-	-	-	-	0%
<b>Total operating revenues</b>	<b>3,709,281</b>	<b>3,562,087</b>	<b>4,038,342</b>	<b>3,830,054</b>	<b>2,173,562</b>	<b>-46%</b>
<b>Operating expenses:</b>						
Salaries and employee benefits	2,690	492,391	665,601	584,718	189,279	-72% [3]
Management and administrative	219,042	54,087	106,134	68,772	106,134	0%
Operating materials and supplies	1,683,439	1,483,299	1,217,330	1,169,940	550,210	-55% [4]
Contract services - labor	3,412	1,246	2,500	-	2,500	0%
Contract services - materials and supplies	-	-	-	-	-	0%
Contract services - capital outlay purchases	-	-	-	-	-	0%
Professional services	356,828	134,827	225,769	74,925	140,950	-38% [5]
Facility maintenance	195,892	132,187	776,520	574,396	275,500	-65% [6]
Permit, fees & other	125,970	286,107	116,400	157,370	78,194	-33% [7]
<b>Total operating expenses</b>	<b>2,587,273</b>	<b>2,584,145</b>	<b>3,110,254</b>	<b>2,630,120</b>	<b>1,342,767</b>	<b>-57%</b>
<b>Operating income(loss) before depreciation</b>	<b>1,122,008</b>	<b>977,942</b>	<b>928,088</b>	<b>1,199,934</b>	<b>830,794</b>	<b>-10%</b>
Depreciation and amortization	823,091	852,757	836,916	983,357	1,000,020	19%
<b>Operating income(loss)</b>	<b>298,916</b>	<b>125,185</b>	<b>91,172</b>	<b>216,577</b>	<b>( 169,226 )</b>	<b>-286%</b>
<b>Non-operating revenues(expenses):</b>						
Interest and investment earnings	1,610	5,282	11,000	2,766	11,000	0%
Gain(loss) on sales and/or disposals of assets	-	-	-	-	-	0%
Debt service interest expense	( 566,515 )	( 525,606 )	( 486,529 )	( 486,529 )	( 442,015 )	-9%
Grant revenue	-	-	-	-	-	0%
Other, net	1,710	945	-	-	-	0%
<b>Total non-operating revenues(expenses) before transfers</b>	<b>( 563,195 )</b>	<b>( 519,379 )</b>	<b>( 475,529 )</b>	<b>( 483,763 )</b>	<b>( 431,015 )</b>	<b>-9%</b>
Overhead cost allocation - Central Administration	-	-	-	-	-	0%
ISF fleet use	-	-	-	-	-	0%
Intra-department labor transfer	-	18,654	-	2,059	-	0%
Landfill processing fee transfer	-	-	-	-	-	0%
Contra-post closure expenses	-	-	-	-	-	0%
<b>Total transfers in</b>	<b>-</b>	<b>18,654</b>	<b>-</b>	<b>2,059</b>	<b>-</b>	<b>0%</b>
Overhead cost allocation - Central Administration	( 495,722 )	( 495,722 )	( 420,155 )	( 420,155 )	( 333,575 )	-21% [8]
ISF fleet use	( 272,749 )	( 112,221 )	( 117,095 )	( 101,450 )	( 117,776 )	1%
Intra-department labor transfer	( 808,535 )	( 114,248 )	( 19,320 )	( 44,474 )	( 19,320 )	0%
Landfill processing fee transfer	-	( 152,251 )	( 147,600 )	( 163,281 )	( 98,840 )	-33% [9]
Provision for landfill closure/postclosure	-	-	-	-	-	0%
<b>Total transfers out</b>	<b>( 1,577,005 )</b>	<b>( 874,443 )</b>	<b>( 704,170 )</b>	<b>( 729,360 )</b>	<b>( 569,511 )</b>	<b>-19%</b>
<b>Net transfers</b>	<b>( 1,577,005 )</b>	<b>( 855,789 )</b>	<b>( 704,170 )</b>	<b>( 727,301 )</b>	<b>( 569,511 )</b>	<b>-19%</b>
<b>Total non-operating revenues(expenses), net</b>	<b>( 2,140,200 )</b>	<b>( 1,375,168 )</b>	<b>( 1,179,699 )</b>	<b>( 1,211,063 )</b>	<b>( 1,000,526 )</b>	<b>-15%</b>
<b>Change in net assets</b>	<b>\$ ( 1,841,284 )</b>	<b>\$ ( 1,249,983 )</b>	<b>\$ ( 1,088,527 )</b>	<b>\$ ( 994,487 )</b>	<b>\$ ( 1,169,751 )</b>	<b>7%</b>

**VENTURA REGIONAL SANITATION DISTRICT**  
**FISCAL YEAR 2016 BUDGET SUMMARY**  
***BIOSOLIDS & MICROTURBINE ELECTRICAL GENERATION FACILITY***

**COMMENTS**

Fiscal Year 2015-2016 (FY2016) is the sixth year of operations for the District's Biosolids and Microturbine Electrical Generation facility. Revenues for this budget division include fees for receiving biosolids (\$1.92M) and sale of self-generated electricity to the grid (\$250K).

[1] The following biosolids customers and deliveries are expected in the FY2016 budget:

- Fillmore and Santa Paula: 2,134 tons at \$62.70/ton

- Oxnard: 28,000 tons at \$63.92

The 44% decrease in Sales Revenue is primarily due to an anticipated 25,866 ton decrease in deliveries to the facility. There is a 3.5% rate increase for FY2016.

[2] Microturbine revenue calculated based upon machinery up-time and contracted electrical sales prices.

[3] The Proposed FY2016 Budget includes a decrease in staffing, with only 3 FTE Biosolids Wastewater Treatment Plant Operators and 0.75 FTE Instrumentation Technician.

[4] Decrease is primarily attributable to a decrease in materials and supplies necessary for drying biosolids.

[5] Professional services decreased primarily due to a decrease in consultant services.

[6] Facility Maintenance reflects a decrease in Utilities and Biosolids & Microturbines machinery parts.

[7] Decrease is primarily due to the decrease in tonnage anticipated during FY2016.

[8] The \$87K decrease is attributable to a decrease in the Biosolids & Microturbine Electrical Generation Facility revenue. The Central Administration Overhead Cost Allocation is based on percentage of Total Operating Revenue.

[9] Decrease is due to the decrease in tonnage anticipated during FY2016.

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# **Vehicles & Heavy Equipment - ISF .....8**

Fiscal Year 2016 Budget Summary..... 8-1

**VENTURA REGIONAL SANITATION DISTRICT**  
**FISCAL YEAR 2016 BUDGET SUMMARY**  
**VEHICLES & HEAVY EQUIPMENT - ISF**

Description	Actual FY 2013 Yearend	Actual FY 2014 Yearend	Adopted FY 2015 Budget	Estimated FY 2015 Yearend	Adopted FY 2016 Budget	FY15 vs. FY16 Budget Inc/(Dec)
<b>Operating revenues:</b>						
Revenue - sales	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Revenue - other	1,028	623	-	427	-	0%
Reimb from outside agencies	-	-	-	-	-	0%
<b>Total operating revenues</b>	<b>1,028</b>	<b>623</b>	<b>-</b>	<b>427</b>	<b>-</b>	<b>0%</b>
<b>Operating expenses:</b>						
Salaries and employee benefits	172,120	150,356	149,760	164,173	149,760	0% [1]
Management and administrative	862	87,580	88,652	84,159	88,652	0%
Operating materials and supplies	540,649	510,620	659,521	432,286	659,521	0%
Contract services - labor	-	-	-	-	-	0%
Contract services - materials and supplies	-	-	-	-	-	0%
Contract services - capital outlay purchases	-	-	-	-	-	0%
Professional services	1,376	592	3,629	197	1,000	-72%
Facility maintenance	512,999	510,056	656,350	323,326	656,350	0%
Permit, fees & other	2,542	2,783	238	2,112	238	0%
<b>Total operating expenses</b>	<b>1,230,549</b>	<b>1,261,987</b>	<b>1,558,150</b>	<b>1,006,253</b>	<b>1,555,521</b>	<b>0%</b>
<b>Operating income(loss) before depreciation</b>	<b>( 1,229,521 )</b>	<b>( 1,261,363 )</b>	<b>( 1,558,150 )</b>	<b>( 1,005,826 )</b>	<b>( 1,555,521 )</b>	<b>0%</b>
Depreciation and amortization	443,998	409,605	456,648	478,996	505,332	11%
<b>Operating income(loss)</b>	<b>( 1,673,519 )</b>	<b>( 1,670,968 )</b>	<b>( 2,014,798 )</b>	<b>( 1,484,822 )</b>	<b>( 2,060,853 )</b>	<b>2%</b>
<b>Non-operating revenues(expenses):</b>						
Interest and investment earnings	202	3,113	6,300	1,155	6,300	0%
Gain(loss) on sales and/or disposals of assets	-	3,832	-	( 14,123 )	-	0%
Debt service interest expense	-	-	-	-	-	0%
Grant revenue	-	-	-	-	-	0%
Other, net	751	565	-	13	-	0%
<b>Total non-operating revenues(expenses) before transfers</b>	<b>953</b>	<b>7,510</b>	<b>6,300</b>	<b>( 12,954 )</b>	<b>6,300</b>	<b>0%</b>
Overhead cost allocation - Central Administration	-	-	-	-	-	0%
ISF fleet use	2,137,841	2,069,144	2,259,164	2,118,890	2,293,767	2%
Intra-department labor transfer	106,579	29,748	16,400	-	16,400	0%
Landfill processing fee transfer	-	-	-	-	-	0%
Contra-post closure expenses	-	-	-	-	-	0%
<b>Total transfers in</b>	<b>2,244,419</b>	<b>2,098,892</b>	<b>2,275,564</b>	<b>2,118,890</b>	<b>2,310,167</b>	<b>2%</b>
Overhead cost allocation - Central Administration	-	-	-	-	-	0%
ISF fleet use	( 179 )	( 639 )	-	( 67 )	-	0%
Intra-department labor transfer	( 79,982 )	( 85,164 )	( 60,653 )	( 80,935 )	( 60,653 )	0%
Landfill processing fee transfer	-	-	-	-	-	0%
Provision for landfill closure/postclosure	-	-	-	-	-	0%
<b>Total transfers out</b>	<b>( 80,161 )</b>	<b>( 85,803 )</b>	<b>( 60,653 )</b>	<b>( 81,002 )</b>	<b>( 60,653 )</b>	<b>0%</b>
<b>Net transfers</b>	<b>2,164,259</b>	<b>2,013,089</b>	<b>2,214,911</b>	<b>2,037,888</b>	<b>2,249,514</b>	<b>2%</b>
<b>Total non-operating revenues(expenses), net</b>	<b>2,165,211</b>	<b>2,020,599</b>	<b>2,221,211</b>	<b>2,024,934</b>	<b>2,255,814</b>	<b>2%</b>
<b>Change in net assets</b>	<b>\$ 491,693</b>	<b>\$ 349,631</b>	<b>\$ 206,413</b>	<b>\$ 540,111</b>	<b>\$ 194,961</b>	<b>-6%</b>

**VENTURA REGIONAL SANITATION DISTRICT**  
**FISCAL YEAR 2016 BUDGET SUMMARY**  
***VEHICLES & HEAVY EQUIPMENT - ISF***

**COMMENTS**

All VRSD on-road equipment, landfill heavy equipment, and certain pieces of specialized equipment and machinery are purchased and maintained through the Fleet Maintenance budget division. This division is commonly referred to as the VRSD Internal Service Fund (ISF).

ISF activities are funded through internal transfers from VRSD operating divisions (Central Administration, Water & Wastewater, Solid Waste, and Biosolids). Internal transfers are not considered operating revenue. Activity between the divisions is identified in the non-operating revenue/expense sections of the budget summary pages.

Expenses for the Fleet Maintenance Division include Salaries and employee benefits for the Fleet Maintenance Supervisor and Mechanic Assistant as well as support from operating divisions for routine maintenance activities. Operating materials and supplies includes fuel, oil and lubricants, operating supplies, and other operating services. Facility maintenance includes heavy equipment repair and equipment rental.

[1] The Proposed FY2016 Budget includes 1 FTE.

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# Capital Plan .....9

Fiscal Year 2016 Budget Summary..... 9-1

Detail by Division ..... 9-3

Five-Year Capital Improvement Program ..... 9-6

**VENTURA REGIONAL SANITATION DISTRICT**  
**FISCAL YEAR 2016 BUDGET SUMMARY**  
**CAPITAL PLAN**

Description	Actual FY 2013 Yearend	Actual FY 2014 Yearend	Adopted FY 2015 Budget	Estimated FY 2015 Yearend	Adopted FY 2016 Budget	FY15 vs. FY16 Budget Inc/(Dec)
<b>Capital expenditures:</b>						
Salaries and employee benefits	-	48,445	-	-	-	0%
Management and administrative	500	-	-	-	-	0%
Operating materials and supplies	52,371	107,728	217,500	253,839	1,053,000	384%
Contract services - labor	-	-	-	-	-	0%
Information technology services	11,749	33,274	-	54,360	15,048	0%
Engineering services	6,771	41,842	636,470	391,716	388,000	-39%
Environmental services	225,141	187,771	-	260,925	35,000	0%
Professional services	16,995	277,745	90,000	276,147	50,000	-44%
Attorney services	2,217	-	-	-	-	0%
Contractor construction	-	-	4,314,242	99,883	4,078,000	-5%
Structures and improvements	94,600	-	35,000	-	60,000	71%
Auto and truck fleet	12,600	62,358	550,000	96,187	375,000	-32%
Heavy equipment	-	-	968,000	1,088,285	825,000	-15%
Other machinery and equipment	218,696	555,115	1,277,288	19,950	1,550,000	21%
Other physical property	25,904	-	-	-	-	0%
Furniture and fixtures	-	9,161	-	-	-	0%
Computer equipment	47,154	18,801	51,200	48,202	52,099	2%
Facility maintenance	492	-	-	-	-	0%
Permit, fees & other	6,555	544	-	111	-	0%
<b>Total capital expenditures</b>	<b>721,744</b>	<b>1,342,785</b>	<b>8,139,700</b>	<b>2,589,604</b>	<b>8,481,147</b>	<b>4%</b>
<b>Capital expenditures before transfers</b>	<b>( 721,744 )</b>	<b>( 1,342,785 )</b>	<b>( 8,139,700 )</b>	<b>( 2,589,604 )</b>	<b>( 8,481,147 )</b>	<b>4%</b>
Overhead cost allocation - Central Administration	-	-	-	-	-	0%
ISF fleet use	-	-	-	-	-	0%
Intra-department labor transfer	-	-	-	-	-	0%
Landfill processing fee transfer	-	-	-	-	-	0%
Contra-post closure expenses	-	-	-	-	-	0%
<b>Total transfers in</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0%</b>
Overhead cost allocation - Central Administration	-	-	-	-	-	0%
ISF fleet use	-	-	-	-	-	0%
Intra-department labor transfer	-	-	-	( 324 )	-	0%
Landfill processing fee transfer	-	-	-	-	-	0%
Provision for landfill closure/postclosure	-	-	-	-	-	0%
<b>Total transfers out</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>( 324 )</b>	<b>-</b>	<b>0%</b>
<b>Net transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>( 324 )</b>	<b>-</b>	<b>0%</b>
<b>Capital expenditures before capital expenditures - contra</b>	<b>\$ ( 721,744 )</b>	<b>\$ ( 1,342,785 )</b>	<b>\$ ( 8,139,700 )</b>	<b>\$ ( 2,589,928 )</b>	<b>\$ ( 8,481,147 )</b>	<b>4%</b>
Capital expenditures - contra	( 721,744 )	( 1,342,785 )	-	-	-	0%
<b>Total capital expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ ( 8,139,700 )</b>	<b>\$ ( 2,589,928 )</b>	<b>\$ ( 8,481,147 )</b>	<b>4%</b>

**VENTURA REGIONAL SANITATION DISTRICT**  
**FISCAL YEAR 2016 BUDGET SUMMARY**  
***CAPITAL PLAN***

**COMMENTS**

A summary of capital improvement projects and expenditures is provided in the following table. Detailed descriptions of each of the items are also included on Pages 9-3 through 9-5.

Funding for Capital expenditures in FY2016 is expected to come from the use of District reserves. Additional discussion of the impact on reserves is included in the Debt and Reserve Analysis included with the FY2016 Budget.

<b>Project</b>	<b>Amount</b>
Payroll Outsourcing Integration	25,000
VCERA Integration	25,000
VMServer9	8,204
VMServer10	8,204
SAN Replacement	34,749
VMWare Server to Manage10 VM Servers	9,330
Gates	15,000
WWW Office Equipment	7,000
Rehab Existing Building for Storage	10,000
Toland Road Site Improvement	240,000
Toland Road Landfill Scalehouse	246,000
Toland Miscellaneous Capital Projects	22,000
Toland Road Landfill Phase 4	3,846,000
Gas Collection	2,653,000
Water System	15,000
Toland Firewall	6,661
Toland Maintenance Shop Upgrades	35,000
ISF - WWW Capital	255,000
ISF - SW Capital	1,020,000
<b>Total</b>	<b>\$ 8,481,147</b>

# VENTURA REGIONAL SANITATION DISTRICT

## FISCAL YEAR 2016 BUDGET SUMMARY

### CAPITAL PLAN - DETAIL BY DIVISION

Project	Description	Cost
<b>CENTRAL ADMINISTRATION</b>		
<b>Payroll Outsourcing Integration</b>		
90 - 190 - 52080 - 199907	Professional Services	25,000
	<b>Project Total</b>	<b>\$ 25,000</b>
<b>VCERA Integration</b>		
90 - 190 - 52080 - 199908	Professional Services	25,000
	<b>Project Total</b>	<b>\$ 25,000</b>
<b>VMServer9</b>		
90 - 190 - 52073 - 199910	IT Labor	2,052
90 - 190 - 52360 - 199910	Rack Server	4,407
90 - 190 - 52360 - 199910	Modules	1,114
90 - 190 - 52360 - 199910	Hard Drive	540
90 - 190 - 52360 - 199910	DVD Reader	90
	<b>Project Total</b>	<b>\$ 8,204</b>
<b>VMServer10</b>		
90 - 190 - 52073 - 199911	IT Labor	2,052
90 - 190 - 52360 - 199911	Rack Server	4,407
90 - 190 - 52360 - 199911	Modules	1,114
90 - 190 - 52360 - 199911	Hard Drive	540
90 - 190 - 52360 - 199911	DVD Reader	90
	<b>Project Total</b>	<b>\$ 8,204</b>
<b>SAN Replacement</b>		
90 - 190 - 52073 - 199912	IT Labor	6,840
90 - 190 - 52360 - 199912	HP 2040 SAN Array - 24 x HDD Supported	27,909
	<b>Project Total</b>	<b>\$ 34,749</b>
<b>VMWare Server to Manage 10 VM Servers</b>		
90 - 190 - 52073 - 199913	IT Labor	2,736
90 - 190 - 52073 - 199913	VMWare VCenter Server 6	5,345
90 - 190 - 52073 - 199913	VMWare Production Support for VCenter Server	1,249
	<b>Project Total</b>	<b>\$ 9,330</b>
<b>Total Central Administration Capital Spending</b>		<b>\$ 110,486</b>
<b>WATER/WASTEWATER</b>		
<b>Gates</b>		
90 - 290 - 52340 - 299901	Automate 2 Gates and Replace 1 Gate	15,000
	<b>Project Total</b>	<b>\$ 15,000</b>
<b>WWW Office Equipment</b>		
90 - 290 - 52220 - 299902	Bailard Office Color Copier	7,000
	<b>Project Total</b>	<b>\$ 7,000</b>
<b>Rehab Existing Building for Storage</b>		
90 - 290 - 52310 - 299903	Structures and Improvements	10,000
	<b>Project Total</b>	<b>\$ 10,000</b>
<b>Total Water/Wastewater Capital Spending</b>		<b>\$ 32,000</b>

# VENTURA REGIONAL SANITATION DISTRICT

## FISCAL YEAR 2016 BUDGET SUMMARY

### CAPITAL PLAN - DETAIL BY DIVISION

Project	Description	Cost
<b>SOLID WASTE</b>		
<b>Toland Road Site Improvement</b>		
90 - 490 - 52082 - 499900	Entrance Road - Pavement Replacement	240,000
	<b>Project Total</b>	<b>\$ 240,000</b>
<b>Toland Road Landfill - Scalehouse</b>		
90 - 490 - 52340 - 499901	Scalehouse & Scale Replacement	246,000
	<b>Project Total</b>	<b>\$ 246,000</b>
<b>Toland Miscellaneous Capital Projects</b>		
90 - 490 - 52220 - 499902	Toland Office Color Copier	7,000
90 - 490 - 52310 - 499902	Toland Office Reconfiguration	15,000
	<b>Project Total</b>	<b>\$ 22,000</b>
<b>Phase 4</b>		
90 - 490 - 52074 - 499920	Phase 4A: Engineering & CQA	150,000
90 - 490 - 52074 - 499920	Phase 4B: Liner Engineering Design	223,000
90 - 490 - 52079 - 499920	Phase 4 Miscellaneous Environmental Consultants	35,000
90 - 490 - 52082 - 499920	Phase 4 Earthwork Construction	2,598,000
90 - 490 - 52082 - 499920	Phase 4A: Liner Construction	840,000
	<b>Project Total</b>	<b>\$ 3,846,000</b>
<b>Gas Collection</b>		
90 - 490 - 52082 - 499921	LFG Extraction Wells & Piping - Phase 2B/3A	400,000
90 - 490 - 52185 - 499921	Sulfa-Treat - Foundation & Piping for New Vessel	150,000
90 - 490 - 52185 - 499921	LFG 24" Perimeter Header (2500 LF)	903,000
90 - 490 - 52340 - 499921	Additional Flare (Permit, Purchase, and Install)	1,000,000
90 - 490 - 52340 - 499921	Sulfa-Treat Vessels (Buy 1 New and Repair 1 Vessel)	200,000
	<b>Project Total</b>	<b>\$ 2,653,000</b>
<b>Water System</b>		
90 - 490 - 52074 - 499923	New Controls for Deep Well & Booster #1	15,000
	<b>Project Total</b>	<b>\$ 15,000</b>
<b>Toland Firewall</b>		
90 - 490 - 52073 - 499925	IT Labor	1,368
90 - 490 - 52360 - 499925	Fortigate 200D Bundle	5,293
	<b>Project Total</b>	<b>\$ 6,661</b>
<b>Toland Maintenance Shop Upgrades</b>		
90 - 490 - 52310 - 499927	Structures and Improvements	35,000
	<b>Project Total</b>	<b>\$ 35,000</b>
<b>Total Solid Waste Capital Spending</b>		<b>\$ 7,063,661</b>

# VENTURA REGIONAL SANITATION DISTRICT

## FISCAL YEAR 2016 BUDGET SUMMARY

### CAPITAL PLAN - DETAIL BY DIVISION

Project	Description	Cost
<b>VEHICLES &amp; HEAVY EQUIPMENT - ISF</b>		
<b>ISF - WWW Capital</b>		
90 - 590 - 52320 - 599900	Maintenance Truck	45,000
90 - 590 - 52320 - 599900	Vans (2)	70,000
90 - 590 - 52320 - 599900	Pickup Truck	30,000
90 - 590 - 52320 - 599900	Chase Truck	35,000
90 - 590 - 52340 - 599900	70K Backup Generator	75,000
<b>Project Total</b>		<b>\$ 255,000</b>
<b>ISF - SW Capital</b>		
90 - 590 - 52320 - 599901	Water Truck (4000 Gallon)	125,000
90 - 590 - 52320 - 599901	Maintenance Truck	40,000
90 - 590 - 52320 - 599901	Pickup Truck (4WD)	30,000
90 - 590 - 52330 - 599901	D8T Dozer	825,000
<b>Project Total</b>		<b>\$ 1,020,000</b>
<b>Total Vehicles &amp; Heavy Equipment - ISF Capital Spending</b>		<b>\$ 1,275,000</b>
<b>Total District Capital Spending</b>		<b>\$ 8,481,147</b>

# VENTURA REGIONAL SANITATION DISTRICT

## FIVE-YEAR CAPITAL IMPROVEMENT PLAN (CIP)

Description	FY2016 <sup>1</sup>	FY 2017	FY 2018	FY 2019	FY 2020
<b><u>Central Administration:</u></b>					
Payroll Outsourcing Integration	25,000				
VCERA Integration	25,000				
Servers	60,486				
<b><u>Water/Wastewater</u></b>					
Automate Gates	15,000				
Rehab Existing Building for Storage	10,000				
WWW Office Equipment	7,000				
<b><u>Solid Waste:</u></b>					
Toland Road Site Improvement	240,000				
Toland Road Landfill - Scalehouse	246,000				
Toland Road Landfill Phase 4	3,846,000		7,997,000		2,668,000
Gas Collection	2,653,000				
Water System	15,000				
Toland Firewall	6,661				
Toland Office Color Copier	7,000				
Toland Office Reconfiguration	15,000				
Toland Maintenance Ship Upgrades	35,000				
Toland - Asphalt Overlay Access Road <sup>2</sup>		107,377		288,237	
<b><u>Biosolids/Microturbine Electrical Generation:</u></b>					
Biosolids Capital	-				
Microturbines Capital	-				
<b><u>Vehicles &amp; Heavy Equipment:</u><sup>3</sup></b>					
WWW-ISF	255,000	281,672	142,974	56,974	88,011
SW-ISF	1,020,000	1,655,511	2,063,263	395,277	
Biosolids-ISF	-	-			
District-ISF	-	40,807			
<b>Fiscal Year Grand Total:</b>	<b>\$ 8,481,147</b>	<b>\$ 2,085,367</b>	<b>\$ 10,203,237</b>	<b>\$ 740,488</b>	<b>\$ 2,756,011</b>
<b>Running Total:</b>	<b>8,481,147</b>	<b>10,566,514</b>	<b>20,769,751</b>	<b>21,510,239</b>	<b>24,266,250</b>

**Notes:**

- 1 FY is Fiscal Year, the year shown is the end of the fiscal year (e.g. - FY2016 is July 2015 through June 2016).
- 2 AC Overlays require ongoing evaluation to determine optimal actual year of placement - Main access road has no obvious signs of deterioration at this time.
- 3 Amounts based on ISF replacement schedule.
- 4 Amounts presented in future dollar value.

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## **Supplemental Information .....10**

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**VENTURA REGIONAL SANITATION DISTRICT**  
**FISCAL YEAR 2016 BUDGET: TEN YEAR FINANCIAL TREND**  
**ENTERPRISE FUND**

Description	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimated
<b>Operating revenues:</b>					
Revenue - sales	\$ 14,686,929	\$ 17,470,978	\$ 17,761,100	\$ 19,428,644	\$ 21,095,447
Revenue - other	372,867	1,120,862	945,210	607,696	467,423
Reimb from outside agencies	-	-	-	-	-
<b>Total operating revenues</b>	<b>15,059,796</b>	<b>18,591,840</b>	<b>18,706,309</b>	<b>20,036,340</b>	<b>21,562,870</b>
<b>Operating expenses:</b>					
Salaries and employee benefits	7,934,358	7,199,335	7,194,099	7,838,223	7,961,784
Management and administrative	261,203	331,381	488,368	415,343	436,873
Operating materials and supplies	1,791,726	3,719,109	4,176,587	3,806,463	3,553,893
Contract services - labor	305,181	451,451	352,553	187,737	327,283
Contract services - materials and supplies	1,080,826	-	-	-	-
Contract services - capital outlay purchases	-	-	-	-	-
Professional services	867,009	1,405,717	1,578,825	1,506,147	1,539,445
Facility maintenance	810,960	1,605,805	1,203,011	1,209,466	1,565,253
Permit, fees & other	1,012,627	1,126,361	1,157,655	1,706,722	1,154,969
<b>Total operating expenses</b>	<b>14,063,890</b>	<b>15,839,158</b>	<b>16,151,098</b>	<b>16,670,101</b>	<b>16,539,500</b>
<b>Operating income(loss) before depreciation</b>	<b>995,905</b>	<b>2,752,682</b>	<b>2,555,212</b>	<b>3,366,239</b>	<b>5,023,370</b>
Depreciation and amortization	2,259,862	3,733,127	3,535,354	3,529,371	3,763,727
<b>Operating income(loss)</b>	<b>( 1,263,957 )</b>	<b>( 980,444 )</b>	<b>( 980,143 )</b>	<b>( 163,132 )</b>	<b>1,259,643</b>
<b>Non-operating revenues(expenses):</b>					
Interest and investment earnings	2,037,428	590,889	40,182	360,061	211,585
Gain(loss) on sales and/or disposals of assets	4,908	5,022	-	4,832	( 14,123 )
Debt service interest expense	( 749,938 )	( 1,155,824 )	( 1,082,492 )	( 1,045,024 )	( 929,141 )
Grant revenue	34,024	975,000	-	-	-
Other, net	158,096	123,422	81,378	107,325	94,867
<b>Total non-operating revenues(expenses) before transfers</b>	<b>1,484,518</b>	<b>538,509</b>	<b>( 960,932 )</b>	<b>( 572,807 )</b>	<b>( 636,812 )</b>
Overhead cost allocation - Central Administration	2,449,222	2,300,000	2,400,000	2,400,000	2,437,387
ISF fleet use	1,882,651	2,286,652	2,306,494	2,118,485	2,153,710
Intra-department labor transfer	-	1,162,261	1,723,951	662,364	448,646
Landfill processing fee transfer	-	-	-	152,251	163,281
Contra-post closure expenses	495,333	604,218	627,423	996,724	761,774
<b>Total transfers in</b>	<b>4,827,206</b>	<b>6,353,131</b>	<b>7,057,867</b>	<b>6,329,824</b>	<b>5,964,798</b>
Overhead cost allocation - Central Administration	( 2,497,527 )	( 2,300,000 )	( 2,400,000 )	( 2,400,000 )	( 2,437,387 )
ISF fleet use	( 1,456,790 )	( 2,286,606 )	( 2,306,494 )	( 2,118,485 )	( 2,153,710 )
Intra-department labor transfer	-	( 1,162,261 )	( 1,723,951 )	( 662,364 )	( 448,322 )
Landfill processing fee transfer	-	-	-	( 152,251 )	( 163,281 )
Provision for landfill closure/postclosure	( 781,351 )	( 1,230,208 )	( 937,265 )	( 1,274,891 )	( 1,399,325 )
<b>Total transfers out</b>	<b>( 4,735,668 )</b>	<b>( 6,979,074 )</b>	<b>( 7,367,710 )</b>	<b>( 6,607,991 )</b>	<b>( 6,602,025 )</b>
<b>Net transfers</b>	<b>91,538</b>	<b>( 625,944 )</b>	<b>( 309,843 )</b>	<b>( 278,167 )</b>	<b>( 637,227 )</b>
<b>Total non-operating revenues(expenses), net</b>	<b>1,576,056</b>	<b>( 87,435 )</b>	<b>( 1,270,775 )</b>	<b>( 850,974 )</b>	<b>( 1,274,039 )</b>
<b>Change in net assets</b>	<b>\$ 312,099</b>	<b>\$ ( 1,067,879 )</b>	<b>\$ ( 2,250,918 )</b>	<b>\$ ( 1,014,106 )</b>	<b>\$ ( 14,396 )</b>

**VENTURA REGIONAL SANITATION DISTRICT**  
**FISCAL YEAR 2016 BUDGET: TEN YEAR FINANCIAL TREND**  
**ENTERPRISE FUND**

Description	FY 2016 Budget	FY 2017 Forecast	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast
<b>Operating revenues:</b>					
Revenue - sales	\$ 19,659,808	\$ 19,104,314	\$ 19,310,391	\$ 19,521,282	\$ 19,736,125
Revenue - other	372,226	377,650	383,155	388,743	394,415
Reimb from outside agencies	-	-	-	-	-
<b>Total operating revenues</b>	<b>20,032,034</b>	<b>19,481,964</b>	<b>19,693,546</b>	<b>19,910,025</b>	<b>20,130,540</b>
<b>Operating expenses:</b>					
Salaries and employee benefits	9,048,016	8,965,667	9,100,152	9,236,654	9,375,204
Management and administrative	480,874	381,122	386,839	392,642	398,531
Operating materials and supplies	3,100,182	3,014,634	3,059,854	3,105,752	3,152,338
Contract services - labor	255,800	299,100	303,586	308,140	312,762
Contract services - materials and supplies	-	-	-	-	-
Contract services - capital outlay purchases	-	-	-	-	-
Professional services	2,846,061	2,122,563	2,154,402	2,186,718	2,219,518
Facility maintenance	1,627,779	1,647,324	1,672,034	1,697,114	1,722,571
Permit, fees & other	1,289,843	1,309,191	1,328,829	1,348,761	1,368,993
<b>Total operating expenses</b>	<b>18,648,556</b>	<b>17,739,601</b>	<b>18,005,695</b>	<b>18,275,780</b>	<b>18,549,917</b>
<b>Operating income(loss) before depreciation</b>	<b>1,383,478</b>	<b>1,742,363</b>	<b>1,687,852</b>	<b>1,634,245</b>	<b>1,580,624</b>
Depreciation and amortization	3,792,422	4,006,917	4,093,056	4,168,465	4,218,882
<b>Operating income(loss)</b>	<b>( 2,408,944 )</b>	<b>( 2,264,554 )</b>	<b>( 2,405,204 )</b>	<b>( 2,534,220 )</b>	<b>( 2,638,258 )</b>
<b>Non-operating revenues(expenses):</b>					
Interest and investment earnings	472,500	478,149	483,868	489,659	495,522
Gain(loss) on sales and/or disposals of assets	-	-	-	-	-
Debt service interest expense	( 845,751 )	( 769,864 )	( 679,339 )	( 584,737 )	( 485,875 )
Grant revenue	-	-	-	-	-
Other, net	164,425	159,261	153,850	148,166	142,217
<b>Total non-operating revenues(expenses) before transfers</b>	<b>( 208,826 )</b>	<b>( 132,454 )</b>	<b>( 41,621 )</b>	<b>53,088</b>	<b>151,864</b>
Overhead cost allocation - Central Administration	2,934,159	2,978,171	3,022,844	3,068,187	3,114,209
ISF fleet use	2,310,625	2,345,284	2,380,464	2,416,171	2,452,413
Intra-department labor transfer	150,873	153,136	155,433	157,765	160,131
Landfill processing fee transfer	98,840	100,322	101,827	103,354	104,905
Contra-post closure expenses	1,164,967	465,700	473,829	482,094	490,498
<b>Total transfers in</b>	<b>6,659,463</b>	<b>6,042,614</b>	<b>6,134,397</b>	<b>6,227,571</b>	<b>6,322,156</b>
Overhead cost allocation - Central Administration	( 2,934,159 )	( 2,978,171 )	( 3,022,844 )	( 3,068,187 )	( 3,114,209 )
ISF fleet use	( 2,310,625 )	( 2,225,742 )	( 2,259,128 )	( 2,293,015 )	( 2,327,410 )
Intra-department labor transfer	( 150,873 )	( 332,377 )	( 337,363 )	( 342,423 )	( 347,560 )
Landfill processing fee transfer	( 98,840 )	( 100,322 )	( 101,827 )	( 103,354 )	( 104,905 )
Provision for landfill closure/postclosure	( 1,328,840 )	( 1,348,772 )	( 1,369,004 )	( 1,389,539 )	( 1,410,382 )
<b>Total transfers out</b>	<b>( 6,823,336 )</b>	<b>( 6,985,384 )</b>	<b>( 7,090,165 )</b>	<b>( 7,196,518 )</b>	<b>( 7,304,465 )</b>
<b>Net transfers</b>	<b>( 163,873 )</b>	<b>( 942,770 )</b>	<b>( 955,769 )</b>	<b>( 968,947 )</b>	<b>( 982,309 )</b>
<b>Total non-operating revenues(expenses), net</b>	<b>( 372,699 )</b>	<b>( 1,075,225 )</b>	<b>( 997,390 )</b>	<b>( 915,859 )</b>	<b>( 830,445 )</b>
<b>Change in net assets</b>	<b>\$ ( 2,781,643 )</b>	<b>\$ ( 3,339,779 )</b>	<b>\$ ( 3,402,593 )</b>	<b>\$ ( 3,450,079 )</b>	<b>\$ ( 3,468,704 )</b>

[1] Operating revenues increase annually by 1.5%, with the exception of revenue generated by the Biosolids facility; which increases 3.5% per year.

[2] Operating expenses increase annually by 1.5%.

[3] Depreciation and amortization increases .005% annually.

[4] Interest and investment earnings increase annually by 2%.

[5] Debt service is based on the individual loan payment schedules.

[6] Five-year capital plan not included in the change in net assets.

**VENTURA REGIONAL SANITATION DISTRICT**  
**FISCAL YEAR 2016 BUDGET SUMMARY**  
**CONSOLIDATED - RESERVE ANALYSIS**

Description	Actual FY 2013 Yearend	Actual FY 2014 Yearend	Adopted FY 2015 Budget	Estimated FY 2015 Yearend	Adopted FY 2016 Budget			
<b>RESERVE LEVEL BALANCE:</b>								
Beginning cash, cash equiv. & investments:	\$ 37,555,612	\$ 37,393,838	\$ 38,650,149	\$ 37,277,421	\$ 37,047,063			
Change in net assets on a cash basis <sup>1</sup>	( 161,774 )	( 116,416 )	( 7,575,127 )	( 230,359 )	757,803			
Ending cash, cash equiv. & investments:	<b>\$ 37,393,838</b>	<b>\$ 37,277,421</b>	<b>\$ 31,075,022</b>	<b>\$ 37,047,063</b>	<b>\$ 37,804,866</b>			
<b>RESERVE LEVELS:</b>						<b>RESERVE LEVEL RECAP</b>		
<b>Restricted reserves:</b>						<b>Projected Reserve Level</b>	<b>Reserve Level Policy</b>	<b>Over (Under) Requirement</b>
Closure/Postclosure financial assurance req.								
Bailard Post Closure	4,854,256	4,927,070	5,085,087	5,000,976	5,115,998	5,115,998	5,115,998	-
Coastal Post Closure	3,512,645	3,565,334	3,679,679	3,618,814	3,702,047	3,702,047	3,702,047	-
Toland Road Closure/Post Closure	9,226,530	9,918,961	10,695,073	10,685,533	11,563,297	11,563,297	11,563,297	-
Closed landfill maintenance/Other reserves	1,119,769	1,085,223	1,054,723	1,007,568	939,572	939,572	939,572	-
<b>Total restricted reserves</b>	<b>18,713,200</b>	<b>19,496,588</b>	<b>20,514,562</b>	<b>20,312,891</b>	<b>21,320,914</b>	<b>21,320,914</b>	<b>21,320,914</b>	<b>-</b>
<b>Committed reserves:</b>								
Closure and Postclosure Funds								
Bailard Post Closure <sup>2</sup>	4,469,656	4,536,701	4,682,198	4,604,751	4,710,661	4,710,661	4,710,661	-
Coastal Post Closure <sup>2</sup>	3,140,057	3,187,157	3,289,373	3,234,965	3,309,370	3,309,369	3,309,369	-
Toland Road Closure/Post Closure	1,895,128	1,202,697	284,260	436,125	384,160	384,160	384,160	-
CERCLA	45,225	45,225	45,225	45,225	45,225	45,225	45,225	-
Significant future capital projects	-	-	-	-	-	-	-	-
Future facilities	-	-	-	-	-	-	-	-
<b>Total committed reserves</b>	<b>9,550,066</b>	<b>8,971,780</b>	<b>8,301,056</b>	<b>8,321,066</b>	<b>8,449,416</b>	<b>8,449,415</b>	<b>8,449,415</b>	<b>-</b>
<b>Assigned reserves:</b>								
Replacement fund - FFE	1,914,612	( 0 )	( 0 )	( 0 )	0	( 5,791,262 )	7,951,603	( 13,742,865 ) <sup>3</sup>
Capital improvement funds	135,000	-	2,259,404	8,413,106	2,085,367	2,085,367	2,085,367	- <sup>4</sup>
Insurance fund	669,144	221,581	-	-	-	331,481	331,481	-
Operating funds - 6 mos. of operating expenses	4,738,274	6,356,084	0	( 0 )	3,159,933	8,619,715	8,619,715	- <sup>5</sup>
Operating funds - 1 yr. debt service obligation	1,673,542	2,231,389	-	-	2,789,236	2,789,236	2,789,236	- <sup>5</sup>
<b>Total assigned reserves</b>	<b>9,130,572</b>	<b>8,809,053</b>	<b>2,259,404</b>	<b>8,413,105</b>	<b>8,034,536</b>	<b>8,034,537</b>	<b>21,777,402</b>	<b>( 13,742,865 )</b>
<b>Total reserve level</b>	<b>37,393,838</b>	<b>37,277,421</b>	<b>31,075,022</b>	<b>37,047,062</b>	<b>37,804,866</b>	<b>37,804,866</b>	<b>51,547,731</b>	<b>( 13,742,865 )</b>
<b>Ending cash, cash equiv. &amp; investments</b>	<b>\$ 37,393,838</b>	<b>\$ 37,277,421</b>	<b>\$ 31,075,022</b>	<b>\$ 37,047,063</b>	<b>\$ 37,804,866</b>	<b>\$ 37,804,866</b>	<b>\$ 37,804,866</b>	<b>\$ -</b>
<b>Balance over/(under) requirements</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>( 13,742,865 )</b>	<b>( 13,742,865 )</b>

**NOTES:**

- [1] Change in net assets on a cash basis reflects adjustments made to exclude non-cash items such as depreciation & amortization expense, as well as to include additional cash outflows such as principal payments on debt service. The District is expecting to acquire a \$10 million loan in FY 2016, to fund the Toland Landfill Phase 4 capital project.
- [2] Committed reserves represent Board approved levels in order to maintain postclosure activity for an additional 15 years; up to 30 years. The official closure date for the two landfills are as follows: Bailard - July 1998 and Coastal - November 1995.
- [3] The replacement fund represents 100% of accumulated depreciation. Currently, this category is not being funded.
- [4] Capital improvement reserves needed to fund next fiscal year's capital projects, outlined in the 5-year Capital Improvement Plan table; FY2017 capital projects.
- [5] Operating funds represents 100% of the following: six months of the District's operating expenses and one year of debt service obligations. Approximately 37% of the operating reserve is projected to be funded for FY2016.

**VENTURA REGIONAL SANITATION DISTRICT**  
**FISCAL YEAR 2016 BUDGET: FIVE-YEAR FORECAST**  
**CONSOLIDATED - RESERVE ANALYSIS**

Description	FY 2016 Estimated	FY 2017 Forecast	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast		
<b><u>RESERVE LEVEL BALANCE:</u></b>							
Beginning cash, cash equiv. & investments:	\$ 37,047,063	\$ 37,804,866	\$ 35,354,041	\$ 34,735,371	\$ 33,530,434		
Change in net assets on a cash basis	757,803	( 2,450,824 )	( 618,670 )	( 1,204,937 )	( 3,269,532 )		
Ending cash, cash equiv. & investments:	<u>\$ 37,804,866</u>	<u>\$ 35,354,041</u>	<u>\$ 34,735,371</u>	<u>\$ 33,530,434</u>	<u>\$ 30,260,902</u>	[1]	
<b><u>RESERVE LEVELS:</u></b>							
<b>Restricted reserves:</b>						<b>FY 2020 Reserve Level Policy</b>	<b>Over (Under) Requirement</b>
Closure/Postclosure financial assurance req.							
Bailard Post Closure	5,115,998	5,233,666	5,354,041	5,477,184	5,603,159	5,603,159	-
Coastal Post Closure	3,702,047	3,787,194	3,874,300	3,963,408	4,054,567	4,054,567	-
Toland Road Closure/Post Closure	11,563,297	12,126,022	12,947,054	13,799,438	14,684,184	14,684,184	-
Closed landfill maintenance/Other reserves	939,572	917,576	895,580	873,584	851,588	851,588	-
<b>Total restricted reserves</b>	<b>21,320,914</b>	<b>22,064,458</b>	<b>23,070,975</b>	<b>24,113,614</b>	<b>25,193,498</b>	<b>25,193,498</b>	<b>-</b>
<b>Committed reserves:</b>							
Closure and Postclosure Funds							
Bailard Post Closure	4,710,661	1,941,476	4,929,843	3,488,416	2,159,224	5,159,224	( 3,000,000 ) [2]
Coastal Post Closure	3,309,370	615,485	3,463,351	2,443,008	1,234,384	3,624,497	( 2,390,113 ) [2]
Toland Road Closure/Post Closure	384,160	484,160	584,160	684,160	784,160	784,160	-
CERCLA	45,225	45,225	45,225	45,225	45,225	45,225	-
Significant future capital projects	-	-	-	-	-	-	-
Future facilities	-	-	-	-	-	-	-
<b>Total committed reserves</b>	<b>8,449,416</b>	<b>3,086,346</b>	<b>9,022,579</b>	<b>6,660,809</b>	<b>4,222,993</b>	<b>9,613,106</b>	<b>( 5,390,113 ) [8]</b>
<b>Assigned reserves:</b>							
Replacement fund - FFE [3]	( 0 )	( 0 )	0	0	0	9,106,342	( 9,106,342 ) [4]
Capital improvement funds	2,085,367	10,203,237	740,488	2,756,011	844,411	844,411	- [5]
Insurance fund	-	-	-	-	-	331,481	( 331,481 ) [6]
Operating funds - 6 mos. of operating expenses	3,159,933	0	( 0 )	( 0 )	( 0 )	9,001,831	( 9,001,831 ) [7]
Operating funds - 1 yr. debt service obligation	2,789,236	-	1,901,329	-	-	2,789,236	( 2,789,236 ) [7]
<b>Total assigned reserves</b>	<b>8,034,536</b>	<b>10,203,237</b>	<b>2,641,817</b>	<b>2,756,011</b>	<b>844,411</b>	<b>22,073,301</b>	<b>( 21,228,890 ) [8]</b>
<b>Total reserve level</b>	<b>37,804,865</b>	<b>35,354,041</b>	<b>34,735,371</b>	<b>33,530,434</b>	<b>30,260,902</b>	<b>56,879,905</b>	<b>( 26,619,003 )</b>
Ending cash, cash equiv. & investments	\$ 37,804,866	\$ 35,354,041	\$ 34,735,371	\$ 33,530,434	\$ 30,260,902	\$ 30,260,902	\$ -
<b>Balance over/(under) requirements</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ ( 0 )</b>	<b>\$ 0</b>	<b>\$ ( 0 )</b>	<b>\$ ( 26,619,003 )</b>	<b>\$ ( 26,619,003 )</b>

**NOTES:**

[1] Change in net assets on a cash basis reflects adjustments made to exclude non-cash items such as depreciation & amortization expense, as well as to include additional cash outflows such as principal payments on debt service. The District is expecting to acquire a \$10 million loan in FY 2016. In addition, the District will seek an additional \$10 million loan in FY 2018, to fund the Toland Landfill Phase 4 capital project.

[2] Expenses associated with the postclosure maintenance of Bailard and Coastal exceed the interest earnings on the reserve balance. In addition, funds are expected to be used in order to fund capital projects, as well as continuing operations.

[3] The replacement fund represents 100% of accumulated depreciation however, is not currently being funded.

[4] Deficit shown here in order to fulfill other commitments.

[5] Capital improvement reserves needed to fund next fiscal year's capital projects, outlined in the 5-year Capital Improvement Plan table.

[6] Insurance fund is not expected to be funded in the 5-year projection.

[7] Operating funds represents 100% of the following: six months of the District's operating expenses and one year of debt service obligations. However, the current forecast does not enable the District to set these reserves aside.

[8] As of the end of FY2020, Assigned reserves will have been depleted with the exception of the funds set aside for the next year's capital improvement projects. In addition, postclosure committed reserves set aside for Bailard and Coastal will be reduced in part to fund ongoing operations, as well as capital projects.

# VENTURA REGIONAL SANITATION DISTRICT

## DEBT SERVICE

### FISCAL YEAR 2016

#### OUTSTANDING DEBT SERVICE SUMMARY

	<b>Biosolids - 1</b> <i>Loan #07-031</i>	<b>Biosolids - 2</b> <i>Loan #08-077</i>	<b>Solid Waste</b> <i>Loan #06-080</i>	<b>Water/Wastewater</b> <i>Loan #07-007</i>	<b>Solid Waste</b> <i>Loan #10-017</i>	<b>Combined Loan</b> <b>Amount</b>
Original Loan Amount	\$7,000,000	\$9,000,000	\$7,000,000	\$2,665,600	\$5,000,000	\$30,665,600
Interest Rate	4.43%	4.48%	4.48%	4.80%	4.25%	n/a
Due Dates	Jun and Dec	Nov and May	Oct and Apr	Jun and Dec	Dec and Jun	n/a
Lender	[1]	[1]	[1]	[1]	[1]	
Assignee	[2]	[2]	[3]	[2]	[4]	
Balance Due as of June 30, 2015	\$4,069,972	\$6,095,777	\$3,607,730	\$1,872,942	\$3,815,118	\$19,461,539
Principal Payment through June 30, 2016	\$468,562	\$563,614	\$489,713	\$118,642	\$295,171	\$1,935,702
Interest Payment through June 30, 2016	\$175,167	\$266,848	\$156,202	\$88,494	\$159,039	\$845,751
Balance Due as of June 30, 2016	\$3,601,410	\$5,532,163	\$3,118,017	\$1,754,300	\$3,519,947	\$17,525,837

#### Notes:

- [1] Lender: Municipal Finance Corporation
- [2] Assignee: Citizens Business Bank
- [3] Assignee: City National Bank
- [4] Assignee: Bank of America

#### Additional Information

<b><u>Loan #07-031</u></b>	Description:	Acquire and construct the Biosolids drying facility
	Term:	June 2008 - December 2022
<b><u>Loan #08-077</u></b>	Description:	Purchase and construction of microturbines and Biosolids drying facility
	Term:	June 2009 - December 2024
<b><u>Loan #06-080</u></b>	Description:	Construction of Toland Road Landfill liner
	Term:	June 2007 - December 2021
<b><u>Loan #07-007</u></b>	Description:	Malibu Bay Club Onsite Wastewater treatment system
	Source of Funding:	Assessment District
	Term:	October 2007 - April 2027
<b><u>Loan #10-017</u></b>	Description:	Construction of Toland Road Landfill liner Phase 3B
	Term:	December 2010 - December 2025

**VENTURA REGIONAL SANITATION DISTRICT**  
**HOURLY RATES**  
**JULY 1, 2015 THROUGH JUNE 30, 2016**

			FY 2015		FY 2016	
<b><u>CENTRAL ADMINISTRATION</u></b>						
<b>Div.</b>	<b>Pos.</b>	<b>Title</b>	<b>Hourly</b>	<b>OT</b>	<b>Hourly</b>	<b>OT</b>
CA	103	Management Analyst	\$91	n/a	\$92	n/a
CA	105	Management Specialist	\$69	n/a	\$70	n/a
CA	107	Human Resource Analyst	\$84	n/a	\$85	n/a
CA	208	Executive Assistant	\$73	n/a	\$74	n/a
CA	209	Office Assistant	\$52	\$77	\$53	\$80
CA	501	General Manager	\$177	n/a	\$179	n/a
CA	502	Director of Finance & Administration	\$145	n/a	\$147	n/a
CA	601	Fiscal Assistant	\$63	\$94	\$64	\$96
CA	TBD	Project Coordinator	n/a	n/a	\$79	n/a
CA	603	Accounting Supervisor	\$78	n/a	\$79	n/a
<b><u>OPERATIONS</u></b>						
<b>Div.</b>	<b>Pos.</b>	<b>Title</b>	<b>Hourly</b>	<b>OT</b>	<b>Hourly</b>	<b>OT</b>
WWW	105	Management Specialist	\$69	\$104	\$70	\$105
WWW	207	Administrative Assistant	n/a	n/a	\$53	\$80
WWW	209	Office Assistant	\$52	\$77	\$53	\$80
WWW	316	Construction Specialist	\$91	\$136	\$92	\$138
WWW	414	Senior Source Control Inspector	\$107	\$162	\$109	\$164
WWW	415	Source Control Inspector	\$98	\$147	\$99	\$149
WWW	450	Environmental Resource Analyst	\$106	\$159	\$107	\$161
WWW	720	W/WW Supervisor	\$109	\$164	\$110	\$165
WWW	722	W/WW Technical Services Supervisor	\$133	\$200	\$135	\$203
WWW	723	W/WW Operations & Maintenance Superintendent	\$123	\$185	\$125	\$188
WWW	901	Instrumentation Technician	\$108	\$162	\$109	\$164
WWW	902	Senior W/WW Worker	\$94	\$141	\$95	\$143
WWW	903	Water Distribution Specialist	\$109	\$164	\$111	\$167
WWW	911	Electrical/Mechanical Worker	\$98	\$147	\$99	\$149
WWW	904	W/WW Mechanic	\$98	\$147	\$99	\$149
WWW	905	W/WW Treatment Operator I	\$98	\$147	\$99	\$149
WWW	906	W/WW Treatment Operator II	\$98	\$147	\$99	\$149
WWW	910	W/WW Treatment Operator III	\$98	\$147	\$99	\$149
WWW	913	W/WW Treatment Operator IV	\$98	\$147	\$99	\$149
WWW	914	W/WW Treatment Operator V	\$98	\$147	\$99	\$149
WWW	907	W/WW Treatment Plant Operator	\$109	\$164	\$110	\$165
WWW	908	W/WW Worker	\$74	\$111	\$75	\$113
WWW	909	W/WW Helper	\$50	\$76	\$51	\$77
SW	314	Engineering Technician	\$101	\$152	\$102	\$153
SW	717	Solid Waste Technical Operations Supervisor	\$109	\$164	\$110	\$165
SW	823	Solid Waste Supervisor	n/a	n/a	\$108	\$162
SW	806	Senior Solid Waste Equipment Operator	\$98	\$147	\$99	\$149
SW	818	Senior Solid Waste Worker	\$98	\$147	\$99	\$149
SW	820	Solid Waste Equipment Operator	\$98	\$147	\$99	\$149
SW	821	Solid Waste Worker	\$74	\$111	\$75	\$113

- EMERGENCY CALL OUTS ARE PER PERSON, PORTAL TO PORTAL (3 HOUR MINIMUM).
- OBSERVED VRSD HOLIDAYS WILL BE CHARGED AT DOUBLE TIME (3 HOUR MINIMUM).
- OVERHEAD RATES APPLIED, AS FOLLOWS:
  - All Other Services: 15%

**VENTURA REGIONAL SANITATION DISTRICT  
EQUIPMENT & SUPPLY (CONSUMABLE) RATES  
JULY 1, 2015 THROUGH JUNE 30, 2016**

EQUIPMENT	CHARGE					
	Mile	Use	Hour	Day	Week	Month
Air Compressor				\$100		
Airless Sprayer Epic 660E				\$35		
Bulldog Nozzle		\$25				
Chlorine Residuals, Field Tests		\$4				
Coatings & Linings - Hand Tools				\$20		
Coatings & Linings - Power Tools (includes Hand Tools rate)				\$50		
Compressor, Air				\$100		
Computer, Laptop				\$50		
Concrete Mixer				\$50		
Confined Space Tripod/Harness System w/air blower				\$50		
Debris Catcher				\$25		
Digital Manometer		\$1				
Epoxy Injection Machine				\$310		
Fleet Vehicle Use (mileage)	\$1					
Fuel Filtering System				\$55		
Gas Analyzer (GEM)						\$228
Gas Scope (meter)		\$20				
Generator - 2kw				\$25		
Generator - 5kw				\$25		
Generator - 70kw				\$100		
Grunfos Control Box		\$15				
Laptop computer				\$50		
Laser Alignment Equipment				\$75		
Lateral Camera (use = each lateral)		\$100				
Load Bank				\$45		
Locator (or metal detector)				\$25		
Manhole Rehab Equipment = \$65/vertical foot		\$65/vft				
Metal Detector (Locator)				\$25		
Meter - Electrical Conductivity		\$5				
Meter - QED Flow Cell Meter		\$20				
Mule (ATV)						\$280
Oil System				\$40		
Peristolic Pump		\$20				
pH, Field Tests		\$5				
Polymixer						\$130
Portable Hydorrodder				\$375		
Portable Welder				\$20		
Pressure Washer			\$5	\$40		
Pressure Washer - High Pressure/Hot Water				\$55		



**VENTURA REGIONAL SANITATION DISTRICT  
EQUIPMENT & SUPPLY (CONSUMABLE) RATES (continued)  
JULY 1, 2015 THROUGH JUNE 30, 2016**

EQUIPMENT	CHARGE					
	Mile	Use	Hour	Day	Week	Month
Pulse Air System				\$55		
Pump - 3" Pump				\$40		
Pump - 4" Godwin				\$100	\$560	\$2,250
Pump - 4" Trailer-Mounted Pump				\$60	\$336	\$1,350
Pump - Dewatering Pump (Potable)				\$50	\$150	\$400
Pump - Diaphragm Pump				\$100	\$560	\$2,250
Pump - King Pump				\$100	\$560	\$2,250
Pump - Trash Pump, 6"				\$100	\$560	\$2,250
Pumper Trailer				\$50		
Push Camera				\$75		
Root Saw or Chain Scraper				\$25		
Sampler - Automatic (ISCO)		\$30				
Sandblaster				\$45		
Spec. Small Tools & Equip (incl. Gas Tech, Fluke meter, etc)				\$30-\$130		
Sprayer, Airless and Manhole				\$100		
Sprayer, Extreme Airless				\$250		
Test Bench, Water (Ford)						\$250
Traffic Control Items (cones/signs)				\$30		
Vactor with Chase Truck (for traffic control) *			\$75	\$550		
Vactor without Chase Truck *			\$62	\$500		
Vacuum Truck *				\$300		
Vehicle - MULE (all terrain vehicle)						\$280
Vehicle - Standby Truck w/crane, pump, & tank		\$25				
Vehicle or Forklift				\$25		
Vehicle #2107 (Assigned to TSD)						\$600
Vehicle #2122 (Assigned to TSD)						\$1,000
Vehicle #2131 (Assigned to TSD)						\$620
Video Inspection Vehicle (TV Van) *				\$300		
Water line depth sounder		\$2				
Water Trailer (250 Tank)				\$60		
Well Control Box (pump controller-QED)		\$10				

\* Hourly/Daily rate does not include fuel surcharge.

SUPPLY (CONSUMABLE)	CHARGE					
	Mile	Use	Hour	Day	Week	Month
Bailers & Disposable supplies (filters)		\$15				
Consumables				\$3		
Float Switch		\$53				
Float Weight		\$10				

**VENTURA REGIONAL SANITATION DISTRICT**  
**FISCAL YEAR 2016 BUDGET SUMMARY**  
**SEMINARS, LODGING & TRAVEL**

Program	Account	Description	Cost
<b>CENTRAL ADMINISTRATION</b>			
<b>Administration</b>			
	25 - 100 - 52035 - 100100	CSMFO Chapter Meetings	100
	25 - 100 - 52035 - 100100	Annual GAAP update (VD)	560
	25 - 100 - 52035 - 100100	CSMFO Conf/Seminars (VD)	1,500
	25 - 100 - 52035 - 100100	Great Plains Training Classes	6,000
	25 - 100 - 52035 - 100100	CASA Conference Attendance	4,000
	25 - 100 - 52035 - 100100	GFOA Conference & Seminar	1,500
	25 - 100 - 52035 - 100100	City Clerks Assn of CA Workshop	600
		<b>Project Total</b>	<b>\$ 14,260</b>
<b>Administration - Public Info/Outreach</b>			
	25 - 100 - 52035 - 100102	Seminar Attendance	600
		<b>Project Total</b>	<b>\$ 600</b>
<b>Administration - Human Resources</b>			
	25 - 100 - 52035 - 100104	HR Training & Seminars	6,000
	25 - 100 - 52035 - 100104	Textbooks & Tuition; Classes/Seminars	15,000
		<b>Project Total</b>	<b>\$ 21,000</b>
<b>Administration - Triunfo Sanitation District</b>			
	25 - 110 - 52035 - 121100	District Manager Conference	1,500
		<b>Project Total</b>	<b>\$ 1,500</b>
		<b>Total Central Administration Seminars, Lodging &amp; Travel</b>	<b>\$ 37,360</b>
<b>WATER/WASTEWATER</b>			
<b>Administration - Water Wastewater</b>			
	20 - 270 - 52035 - 200100	Mileage/Seminar/Travel	8,000
		<b>Project Total</b>	<b>\$ 8,000</b>
<b>Administration - Water Wastewater Training</b>			
	20 - 270 - 52035 - 200103	Textbook & Tuition; Classes/Seminars; Cert Ed	42,000
		<b>Project Total</b>	<b>\$ 42,000</b>
		<b>Total Water/Wastewater Seminars, Lodging &amp; Travel</b>	<b>\$ 50,000</b>
<b>SOLID WASTE DIVISION</b>			
<b>Safety - Solid Waste</b>			
	25 - 470 - 52035 - 400101	HazMatSchool.com	150
	25 - 470 - 52035 - 400101	HazWoper Training	3,750
		<b>Project Total</b>	<b>\$ 3,900</b>
		<b>Total Solid Waste Seminars, Lodging &amp; Travel</b>	<b>\$ 3,900</b>
		<b>Total District Seminars, Lodging &amp; Travel</b>	<b>\$ 91,260</b>

# VENTURA REGIONAL SANITATION DISTRICT

## FISCAL YEAR 2016 BUDGET SUMMARY

### *BOARD MEMBER FEES & EXPENSES*

Program	Account	Description	Cost
<b>CENTRAL ADMINISTRATION</b>			
<b>Board Member Fees</b>			
	25 - 100 - 52000 - 100100	24 Days of Service CASA	4,464
	25 - 100 - 52000 - 100100	9 Members x 12 Committee Meetings	20,088
	25 - 100 - 52000 - 100100	9 Members Regular Meetings	36,828
	25 - 100 - 52000 - 100100	6 Days of Service CSDA	1,116
		<b>Project Total</b>	<b>\$ 62,496</b>
<b>Board Member Expenses</b>			
	25 - 100 - 52001 - 100100	Board Refreshments	286
	25 - 100 - 52001 - 100100	Mileage	5,000
	25 - 100 - 52001 - 100100	Registration (CASA)	9,000
	25 - 100 - 52001 - 100100	Lodging (CASA)	18,225
	25 - 100 - 52001 - 100100	Washington DC CASA (1 board member)	4,000
	25 - 100 - 52001 - 100100	Sacramento CASA (1 board member)	2,000
	25 - 100 - 52001 - 100100	Registration (CSDA)	1,100
	25 - 100 - 52001 - 100100	Lodging (CSDA)	1,350
	25 - 100 - 52001 - 100100	Registration (CSDA Legislative Days)	275
	25 - 100 - 52001 - 100100	Per Diem	5,000
		<b>Project Total</b>	<b>\$ 46,236</b>
		<b>Total Board Member Fees &amp; Expenses</b>	<b>\$ 108,732</b>

# VENTURA REGIONAL SANITATION DISTRICT

## FISCAL YEAR 2016 BUDGET SUMMARY

### SALARIES AND EMPLOYEE BENEFITS SCHEDULE

Description	Central Admin	Water Wastewater Division	Solid Waste Division <sup>[1]</sup>	Biosolids Division	Internal Service Fund	District Total
Wages - Regular	\$ 1,263,237	\$ 1,726,850	\$ 1,517,105	\$ 103,632	\$ 68,905	\$ 4,679,729
Wages - Holiday Leave	117,694	168,504	150,386	9,306	7,632	453,522
Wages - CAL	232,389	311,965	280,446	16,126	17,640	858,566
Wages - Overtime	-	20,485	144,526	-	-	165,011
Wages - Standby	-	29,328	171	-	-	29,499
Allowance/Incentives	5,625	-	-	-	-	5,625
	<b>1,618,945</b>	<b>2,257,132</b>	<b>2,092,634</b>	<b>129,064</b>	<b>94,177</b>	<b>6,191,952</b>
FICA/Medicare	115,192	169,294	146,148	10,179	7,240	448,053
Unemployment Insurance	5,091	7,641	6,216	583	259	19,790
Worker's Comp Expense	9,285	137,309	176,784	8,636	9,787	341,801
	<b>129,568</b>	<b>314,244</b>	<b>329,148</b>	<b>19,398</b>	<b>17,286</b>	<b>809,644</b>
Medical Insurance	104,280	175,200	128,016	9,378	5,280	422,154
Dental Insurance	-	-	-	-	-	-
Life Insurance	521	779	634	40	26	2,000
Employee Assistance Program	545	814	662	41	28	2,090
CalPers Mandated Medical	29,151	43,542	35,424	2,214	1,476	111,807
	<b>134,497</b>	<b>220,335</b>	<b>164,736</b>	<b>11,673</b>	<b>6,810</b>	<b>538,051</b>
VCERA	294,131	373,982	355,251	24,193	17,782	1,065,339
PARS	119,574	145,870	130,813	2,737	12,229	411,223
OPEB	29,151	43,542	35,424	2,214	1,476	111,807
	<b>442,856</b>	<b>563,394</b>	<b>521,488</b>	<b>29,144</b>	<b>31,487</b>	<b>1,588,369</b>
Workers' Comp Dividend	(60,000)	-	-	-	-	(60,000)
Workers' Comp Retro Adjustment	(20,000)	-	-	-	-	(20,000)
	<b>(80,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(80,000)</b>
<b>Total Salaries &amp; Employee Benefits</b>	<b>\$ 2,245,866</b>	<b>\$ 3,355,105</b>	<b>\$ 3,108,006</b>	<b>\$ 189,279</b>	<b>\$ 149,760</b>	<b>\$ 9,048,016</b>

[1] Includes \$137,248 in salaries and employee benefits allocated to Post Closed Landfill maintenance.

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## **Addenda .....11**

Organization Charts..... 11-1

Staffing Summaries ..... 11-4

Classification Plan ..... 11-6

Investment Policy ..... 11-7

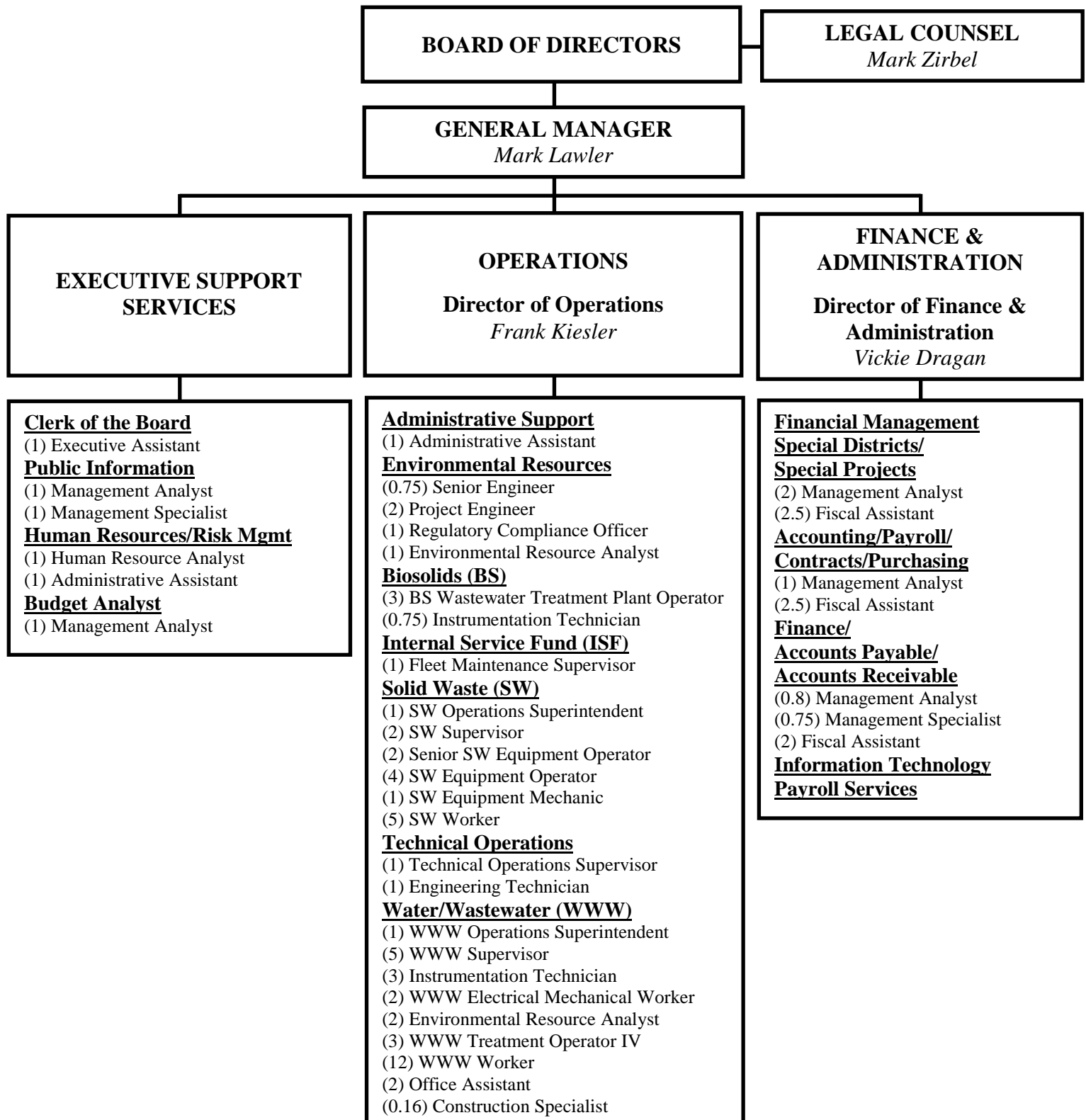
Purchasing Policy ..... 11-17

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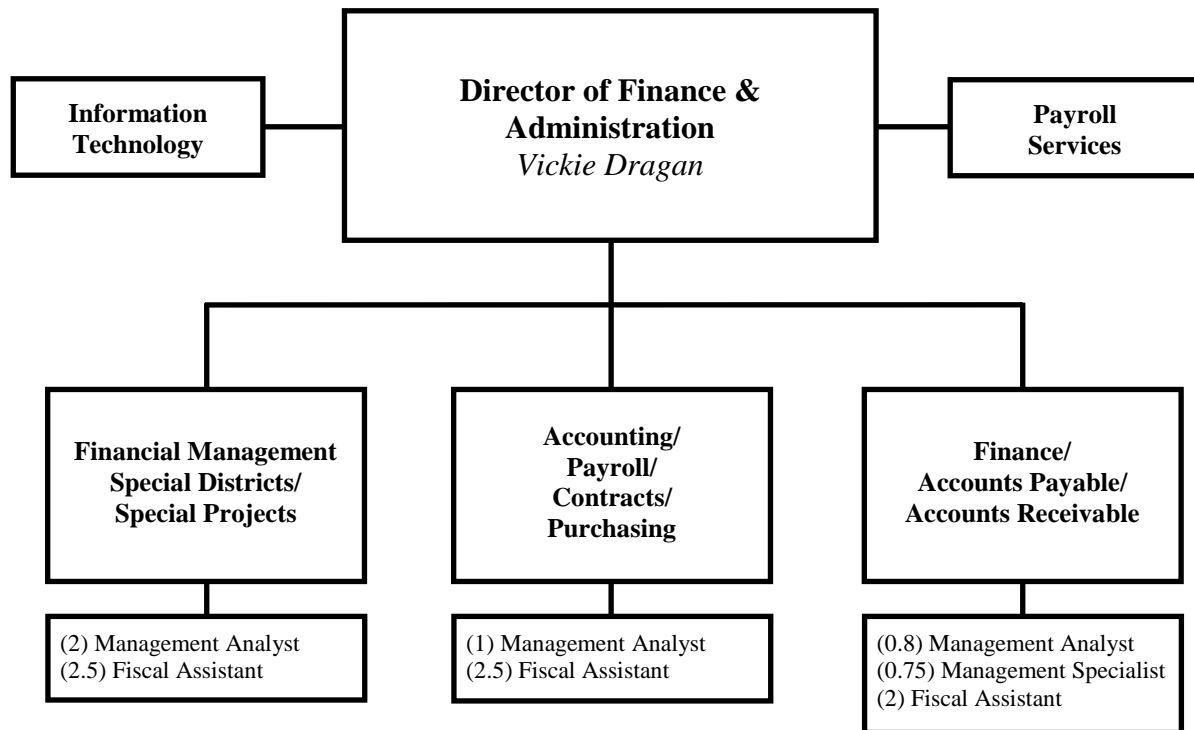
# VENTURA REGIONAL SANITATION DISTRICT

## Organization Chart



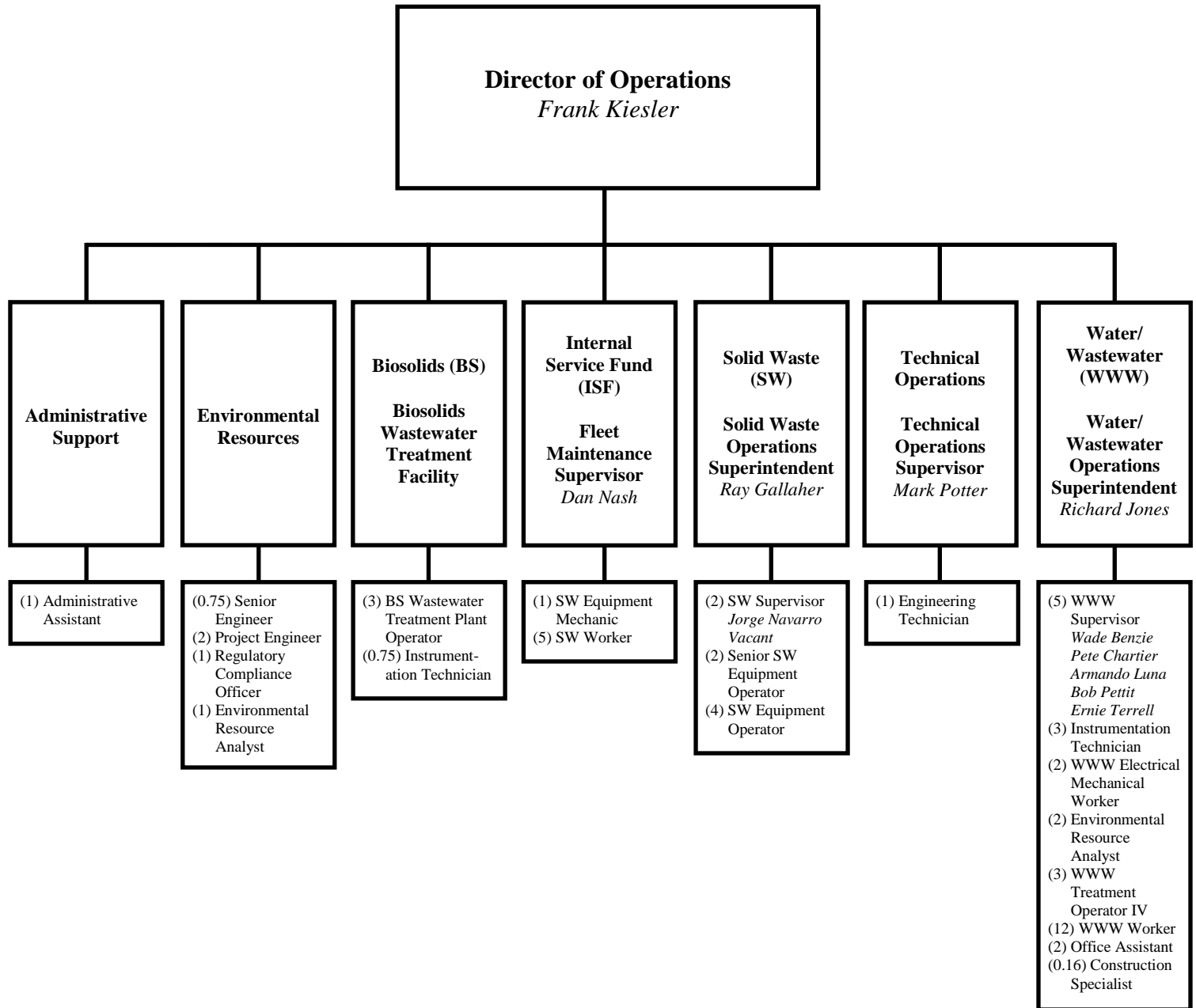
# VENTURA REGIONAL SANITATION DISTRICT

## Finance Organization Chart



# VENTURA REGIONAL SANITATION DISTRICT

## Operations Organization Chart





# VENTURA REGIONAL SANITATION DISTRICT

## STAFFING SUMMARY

(Full-Time Equivalent Positions)

Central Administration	FY 2014-2015			FY 2015-2016	
	Allocations	Mid Year Adjustments	Amended	Additions/Deletions	Allocations
Accounting Supervisor	1.00	0.00	1.00	-1.00	0.00
Administrative Assistant	1.00	0.00	1.00	0.00	1.00
Director of Finance & Administration	1.00	0.00	1.00	0.00	1.00
Executive Assistant	1.00	0.00	1.00	0.00	1.00
Fiscal Assistant	4.00	0.00	4.00	3.00	7.00
General Manager	1.00	0.00	1.00	0.00	1.00
Human Resources Analyst	1.00	0.00	1.00	0.00	1.00
Management Analyst	4.80	0.00	4.80	1.00	5.80
Management Specialist	0.75	0.00	0.75	1.00	1.75
Office Assistant	1.56	0.00	1.56	-1.56	0.00
TOTAL	17.11	0.00	17.11	2.44	19.55

Water Wastewater	FY 2014-2015			FY 2015-2016	
	Allocations	Mid Year Adjustments	Amended	Additions/Deletions	Allocations
Environmental Resource Analyst	2.00	0.00	2.00	0.00	2.00
Instrumentation Technician	1.00	1.00	2.00	0.00	2.00
Management Specialist	1.00	0.00	1.00	-1.00	0.00
Office Assistant	1.00	0.00	1.00	1.00	2.00
Water/Wastewater Electrical Mechanical Worker	1.00	1.00	2.00	0.00	2.00
Water/Wastewater Mechanic	1.00	-1.00	0.00	0.00	0.00
Water/Wastewater Operations Superintendent	1.00	0.00	1.00	0.00	1.00
Water/Wastewater Supervisor	4.00	1.00	5.00	0.00	5.00
Water/Wastewater Treatment Operator I	0.00	0.00	0.00	0.00	0.00
Water/Wastewater Treatment Operator II	0.00	0.00	0.00	0.00	0.00
Water/Wastewater Treatment Operator III	0.00	0.00	0.00	0.00	0.00
Water/Wastewater Treatment Operator IV	3.00	0.00	3.00	0.00	3.00
Water/Wastewater Treatment Operator V	0.00	0.00	0.00	0.00	0.00
Water/Wastewater Worker	10.00	0.00	10.00	1.00	11.00
Extra Help - Construction Specialist	0.16	0.00	0.16	0.00	0.16
Limited Term - Instrumentation Technician	1.00	-1.00	0.00	1.00	1.00
Limited Term Water/Wastewater Worker	3.00	2.00	5.00	-4.00	1.00
TOTAL	29.16	3.00	32.16	-2.00	30.16

# VENTURA REGIONAL SANITATION DISTRICT

## STAFFING SUMMARY

(Full-Time Equivalent Positions)

Solid Waste	FY 2014-2015			FY 2015-2016	
	Allocations	Mid Year Adjustments	Amended	Additions/ Deletions	Allocations
Administrative Assistant	1.00	0.00	1.00	0.00	1.00
Director of Operations	1.00	0.00	1.00	0.00	1.00
Engineering Technician	1.00	0.00	1.00	0.00	1.00
Environmental Resource Analyst	2.00	-1.00	1.00	0.00	1.00
Project Engineer	0.00	2.00	2.00	0.00	2.00
Regulatory Compliance Officer	0.00	1.00	1.00	0.00	1.00
Senior Engineer	0.75	0.00	0.75	0.00	0.75
Senior Solid Waste Equipment Operator	0.00	2.00	2.00	0.00	2.00
Senior Solid Waste Worker	1.00	-1.00	0.00	0.00	0.00
Solid Waste Equipment Mechanic	1.00	0.00	1.00	0.00	1.00
Solid Waste Equipment Operator	6.00	-1.00	5.00	-1.00	4.00
Solid Waste Operations Superintendent	2.00	0.00	2.00	-1.00	1.00
Solid Waste Supervisor	2.00	0.00	2.00	0.00	2.00
Solid Waste Worker	5.00	0.00	5.00	0.00	5.00
Technical Operations Supervisor	1.00	0.00	1.00	0.00	1.00
Limited Term Project Engineer	0.00	0.00	0.00	0.00	0.00
Limited Term Solid Waste Equipment Operator	1.00	0.00	1.00	-1.00	0.00
TOTAL	24.75	2.00	26.75	-3.00	23.75

Biosolids	FY 2014-2015			FY 2015-2016	
	Allocations	Mid Year Adjustments	Amended	Additions/ Deletions	Allocations
Biosolids Wastewater Treatment Facility Superintendent	1.00	0.00	1.00	-1.00	0.00
Biosolids Wastewater Treatment Plant Operator	4.00	0.00	4.00	-1.00	3.00
Instrumentation Technician	0.00	0.00	0.00	0.75	0.75
Water/Wastewater Electrical Mechanical Worker	1.00	0.00	1.00	-1.00	0.00
TOTAL	6.00	0.00	6.00	-2.25	3.75

ISF	FY 2014-2015			FY 2015-2016	
	Allocations	Mid Year Adjustments	Amended	Additions/ Deletions	Allocations
Fleet Maintenance Supervisor	1.00	0.00	1.00	0.00	1.00
TOTAL	1.00	0.00	1.00	0.00	1.00

FY 2014-2015			FY 2015-2016	
Allocations	Mid Year Adjustments	Amended	Additions/ Deletions	Allocations
78.02	5.00	83.02	-4.81	78.21

# VENTURA REGIONAL SANITATION DISTRICT

## CLASSIFICATION PLAN

*Salary ranges and monthly salaries are subject to change due to negotiations.*

Position	FY 2014-15			FY 2015-16		Approximate Monthly Salary		
	Allocations	Mid Year Adjustments	Amended	Additions/ Deletions	Allocations			
Accounting Supervisor	1	0	1	-1	0	\$5,437.00	-	\$6,623.42
Administrative Assistant	2	0	2	0	2	\$3,836.84	-	\$4,671.41
Biosolids Wastewater Treatment Facility Superintendent	1	0	1	-1	0	\$6,515.56	-	\$7,945.98
Biosolids Wastewater Treatment Facility Operator	4	0	4	-1	3	\$3,935.86	-	\$6,543.86
Director of Finance & Administration	1	0	1	0	1	\$10,437.28	-	\$12,719.93
Director of Operations	1	0	1	0	1	\$10,437.28	-	\$12,719.93
Engineering Technician	1	0	1	0	1	\$4,489.27	-	\$5,467.06
Environmental Resource Analyst	4	-1	3	0	3	\$6,041.70	-	\$7,358.95
Executive Assistant	1	0	1	0	1	\$4,648.41	-	\$5,668.63
Fiscal Assistant	4	0	4	3	7	\$3,836.84	-	\$4,671.41
Fleet Maintenance Supervisor	1	0	1	0	1	\$6,041.70	-	\$7,358.95
General Manager	1	0	1	0	1	\$12,812.92	-	\$15,801.24
Human Resources Analyst	1	0	1	0	1	\$6,359.96	-	\$7,749.72
Instrumentation Technician	1	1	2	0.75	2.75	\$5,589.07	-	\$7,061.90
Management Analyst	4.8	0	4.8	1	5.8	\$6,041.70	-	\$7,358.95
Management Specialist	1.75	0	1.75	0	1.75	\$4,326.62	-	\$5,267.26
Office Assistant	2.56	0	2.56	-0.56	2	\$3,265.74	-	\$3,971.23
Project Engineer	0	2	2	0	2	\$7,406.69	-	\$9,146.53
Regulatory Compliance Officer	0	1	1	0	1	\$6,041.70	-	\$7,358.95
Senior Engineer	0.75	0	0.75	0	0.75	\$7,406.69	-	\$9,146.53
Senior Solid Waste Equipment Operator	0	2	2	0	2	\$5,062.15	-	\$6,476.66
Senior Solid Waste Worker	1	-1	0	0	0	\$4,020.73	-	\$5,150.57
Solid Waste Equipment Mechanic	1	0	1	0	1	\$5,062.15	-	\$5,581.98
Solid Waste Equipment Operator	6	-1	5	-1	4	\$4,630.73	-	\$5,928.54
Solid Waste Operations Superintendent	2	0	2	-1	1	\$6,515.56	-	\$7,940.67
Solid Waste Supervisor	2	0	2	0	2	\$6,041.70	-	\$7,358.95
Solid Waste Worker	5	0	5	0	5	\$3,573.40	-	\$4,572.38
Technical Operations Supervisor	1	0	1	0	1	\$6,041.70	-	\$7,358.95
Water/Wastewater Electrical Mechanical Worker	2	1	3	-1	2	\$4,807.54	-	\$6,089.44
Water/Wastewater Mechanic	1	-1	0	0	0	\$4,807.54	-	\$6,089.44
Water/Wastewater Operations Superintendent	1	0	1	0	1	\$6,515.56	-	\$7,940.67
Water/Wastewater Supervisor	4	1	5	0	5	\$6,041.70	-	\$7,358.95
Water/Wastewater Treatment Operator I	0	0	0	0	0	\$3,935.86	-	\$5,021.49
Water/Wastewater Treatment Operator II	0	0	0	0	0	\$4,747.43	-	\$6,018.72
Water/Wastewater Treatment Operator III	0	0	0	0	0	\$5,157.63	-	\$6,535.01
Water/Wastewater Treatment Operator IV	3	0	3	0	3	\$5,528.94	-	\$6,906.31
Water/Wastewater Treatment Operator V	0	0	0	0	0	\$5,656.24	-	\$7,033.63
Water/Wastewater Worker	10	0	10	1	11	\$3,935.86	-	\$5,203.61
Extra Help - Construction Specialist	0.16	0	0.16	0	0.16	\$5,115.19	-	\$6,241.50
Limited Term - Instrumentation Technician	1	-1	0	1	1	\$5,589.07	-	\$7,061.90
Limited Term - Water/Wastewater Worker	3	2	5	-4	1	\$3,935.86	-	\$5,203.61
Limited Term - Solid Waste Equipment Operator	1	0	1	-1	0	\$4,630.73	-	\$5,928.54
<b>TOTAL ALLOCATIONS</b>	<b>78.02</b>	<b>5.00</b>	<b>83.02</b>	<b>-4.81</b>	<b>78.21</b>			

## VENTURA REGIONAL SANITATION DISTRICT

1001 PARTRIDGE DRIVE, SUITE 150 ■ VENTURA, CA 93003-0704



### 2.1.02 Investment Policy

Revised: 02/01/07

Affirmed: 12/08/09

Revised: 06/17/10

Reaffirmed: 10/20/11

Revised 07/18/13

Revised 01/28/15

### 2.1.02 Investment Policy

#### Policy

It shall be the policy of the Ventura Regional Sanitation District to invest funds in accordance with all statutes governing the investment of the District's funds, and do so in a manner which provides the maximum security while meeting the daily cash flow demands of the District and providing a return in line with the performance benchmark.

#### Background

The Ventura Regional Sanitation District Bylaws authorize the Finance Officer (current title Director of Finance & Administration) to act as the Treasurer of the District and direct the collection and disbursement of all monies into and out of the District treasury, and make investments as necessary to conduct the business of the District. Opening & closing bank accounts requires prior approval of the Board.

Undesignated funds of the Ventura Regional Sanitation District shall be invested using sound treasury management principles and in accordance with provisions of California Government Code ("CGC") Sections 53600 et seq. and this Investment Policy.

An independent auditor annually reviews internal controls as related to the duties of the Treasurer in accordance with adopted investment policy and reports any conflict or exceptions to the Board of Directors.

The Treasurer of the Ventura Regional Sanitation District shall annually prepare and submit a statement of the District's investment policy, along with any recommended changes to that policy, to the Board of Directors for review and approval at a public meeting.

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Ventura County • **CITIES:** Camarillo • Fillmore • Ojai • Oxnard • Port Hueneme • San Buenaventura • Santa Paula • Thousand Oaks  
**SPECIAL DISTRICTS:** Camarillo Sanitary • Camrosa Water • Channel Islands Beach Community Services • Montalvo Municipal Improvement •  
Ojai Valley Sanitary • Saticoy Sanitary • Triunfo Sanitation • Ventura County Waterworks Nos. 1 and 16

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### **Guidelines**

This policy covers all funds and investment activities under the direct authority and control of the District, including moneys resulting from debt issuance. In cases where the legal documents governing the investment of debt proceeds conflict with the District's investment policy, the legal documents shall govern. The specific language recommended to govern the investment of debt proceeds shall be submitted to the Personnel and Finance Committee and then to the Board of Directors for explicit approval. Funds held in trusts, if any, for retiree pension and medical benefits will be governed by the investment policies of the respective trusts.

### **Prudence**

The Treasurer of the Ventura Regional Sanitation District manages pooled cash under the prudent investor standard. This standard states, "When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency."

### **Objectives**

When investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the primary objectives, in priority order, of the investment activities shall be:

1. Safety: Safety of principal is the foremost objective of the investment program. Investments of the Ventura Regional Sanitation District shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.
2. Liquidity: The investment portfolio will remain sufficiently liquid to enable the Ventura Regional Sanitation District to meet all operating requirements, which might be reasonably anticipated.
3. Return on Investments: The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and the cash flow characteristics of the portfolio.

### **Investment Philosophy**

The investment program of the District shall be managed in a professional manner that is worthy of public trust. The District's philosophy prohibits speculation, leveraging or borrowing money for the purpose of investment. The District may contract for

investment management services. When such services are acquired, periodic evaluations of performance measured against established benchmarks shall be conducted. There are times when it is necessary to sell a security and realize a loss, such as:

1. When interest rates are rising and the funds can be invested shorter term at higher rates.
2. When swapping opportunities arise that will result in an increase in safety of principal for the District's portfolio.
3. When swapping opportunities arise that will result in an increase in overall interest income to the District.
4. When the District's cash needs are greater than expected.

When any of the above instances occur, an explanation shall be included in the next investment report.

#### **Delegation of Authority**

Management responsibility for the investment program is hereby delegated to the Treasurer for a one-year period. In accordance with CGC 53607, subject to review, the Board of Directors may renew the delegation of authority pursuant each year. The Treasurer shall make a monthly report of transactions to the Board of Directors.

The Treasurer shall establish written procedures for the operation of the investment program consistent with this investment policy. Such procedures shall include explicit delegation of authority to certain employees and investment managers approved by the Board, and consultants and banks responsible for investment transactions. No persons or organization may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Treasurer. The Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate staff and organizations. The Treasurer is a trustee and a fiduciary subject to the prudent investor standard.

#### **Ethics and Conflicts of Interest**

Officers, employees, consultants, investment managers and banks involved in the investment process shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

#### **Authorized Investments**

Where this section specifies a percentage limitation for a particular security type, that percentage is applied on the date of purchase. Credit criteria listed in this section refers to the credit rating at the time the security is purchased. If an investment's credit rating

falls below the minimum rating required at the time of purchase, the Treasurer will perform a timely review and decide whether to sell or hold the investment.

No more than 5 percent of the District's portfolio may be invested in any single issuer regardless of security type excluding U.S. Treasuries, Federal Agencies, Supranationals, and pooled investments such as LAIF, Ventura County Pool, money market funds, and shares of beneficial interest issued by JPAs.

From the eligible securities permitted by CGC Section 53600 et seq., the Treasurer is authorized to use the following:

- U.S. Government — United States Treasury bills, notes, & bonds, or certificates of indebtedness, or those for which the full faith and credit of the United States Government are pledged for the payment of principal and interest.
- U.S. Agencies — Federal agency or United States government senior debt-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.
- State Municipal Securities — Registered treasury notes or bonds issued by any of the 50 United States, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any state. Securities eligible for investment under this paragraph shall be rated in the rating category of at least "AA" or "A-1" (for short-term securities), their respective equivalents, or better by a nationally recognized statistical-rating organization (NRSRO).
- California Local Agency Municipal Securities — Bonds, notes, warrants or other evidence of debt issued by a local agency or municipality located within the State of California, including debt securities issued by the District. Securities eligible for investment under this paragraph shall be rated at least "AA" or "A-1", their respective equivalents, or better by a NRSRO.
- Non-Negotiable Certificates of Deposit (CDs) — Non-negotiable deposits in a state or national bank, savings association or federal association, federal or state credit union in the State of California. In accordance with CGC Section 53635.2, to be eligible to receive District deposits, a financial institution shall have received an overall rating of not less than "satisfactory" in its most recent evaluation by the appropriate federal financial supervisory agency of its record of meeting the credit needs of California's communities. CDs are required to be collateralized as specified under CGC Section 53630 et. seq. The Treasurer, at his/her discretion, may waive the collateralization requirements for any portion that is covered by federal deposit insurance. The District shall have a signed agreement with any depository accepting District funds per CGC Section 53649. No deposits shall be made at any time in CDs issued by a financial institution if a member of the

Board of Directors or the General Manager or Treasurer serves on the board of directors of any committee appointed by the board of directors of the financial institution. In accordance with CGC Section 53638, any deposit shall not exceed that total shareholder's equity of any depository bank, nor shall the deposit exceed the total net worth of any institution. The maturity of CDs may not exceed one year in maturity. A maximum of 20 percent of the portfolio may be invested in CDs.

- **Placement Services for Certificates of Deposit** — The District may invest a portion of its funds in certificates of deposit at a commercial bank, savings bank, savings and loan association, or credit union that uses a private sector entity that assists in the placement of certificates of deposit, provided that the purchases of placement certificates of deposit and negotiable certificates of deposit do not, in total, exceed 30 percent (in combination with negotiable CDs) of the District's funds. The selected depository for placement services must be: a nationally or state chartered, commercial bank, savings bank, savings and loan association, or credit union in California. Further, the selected depository institution may submit the funds to a private sector entity that assists in the placement of certificates of deposit with one or more commercial banks, savings banks, savings and loan associations, or credit unions that are located in the United States, for the District's account. The full amount of the principal and the interest that may be accrued during the maximum term of each certificate of deposit shall at all times be insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration. The selected depository institution shall serve as a custodian for each certificate of deposit that is issued with the placement service for the District's account. The maturity of placement service certificates of deposit may not exceed one year in maturity.
- **State Investment Pool** — California State Treasurer's Local Agency Investment Fund (LAIF) as authorized by CGC Section 16429.1(b).
- **Ventura County Investment Pool** — Ventura County Treasurer's Investment Pool as authorized by CGC Section 53684.
- **Other Pools** — Shares of beneficial interest issued by a joint powers authority organized in the state of California pursuant to Section 6509.7 that invests in the securities and obligations authorized in CGC Section 53601 subdivisions (a) to (o), inclusive. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. Purchases are limited to those pools that seek to maintain a constant net asset value and are rated in the highest category by a NRSRO. To be eligible under this section, the joint powers authority issuing the shares shall have retained an investment adviser that meets all of the following criteria: (1) The adviser is registered or exempt from registration with the Securities and Exchange Commission; (2) the adviser has not less than five years of experience investing in the securities and obligations authorized in subdivisions (a) to (o), inclusive; and (3) the adviser has assets under management in excess of five hundred million dollars (\$500,000,000).



- **Money Market Funds** — Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 et seq.). Such funds must carry the highest rating of at least two of the three largest national rating agencies or have retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of five hundred million dollars (\$500,000,000). Not more than 20 percent of funds shall be invested in Money Market Funds. All such investments shall be placed only in money market funds intended to maintain constant net asset value and that invest solely in U.S. Treasuries and Federal Agency obligations and repurchase agreements invested in such obligations.
- **Bankers' Acceptances** — Bills of exchange or time drafts drawn on and accepted by a commercial bank, otherwise known as 'bankers' acceptances. Purchases of bankers' acceptances may not exceed 180 days' maturity, or 40 percent of the District's portfolio. Eligible bankers' acceptances are restricted to issuing financial institutions with short-term paper rated in the highest category by one NRSRO.
- **Commercial Paper** — Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical-rating organization (NRSRO). The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (1) or paragraph (2) below:
  1. The entity meets the following criteria: (A) is organized and operating in the United States as a general corporation. (B) has total assets in excess of five hundred million dollars (\$500,000,000). (C) has debt other than commercial paper, if any, that is rated "A" or higher by a NRSRO.
  2. The entity meets the following criteria: (a) is organized within the United States as a special purpose corporation, trust, or limited liability company. (b) Has program wide credit enhancements including, but not limited to, over collateralization, letters of credit, or surety bond. (c) Has commercial paper that is rated "A-1" or higher, or the equivalent, by a NRSRO.

Eligible commercial paper shall have a maximum maturity of 270 days or less. No more than 25 percent of the District's portfolio may be invested in eligible commercial paper, and the District may purchase no more than 10 percent of the outstanding commercial paper of any single issuer.

- **Medium-Term Corporate Notes** — Medium term notes with a maximum maturity of five years issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating

within the United States that are rated at least "A" by a NRSRO. Purchases of medium term notes may not exceed 30 percent of the District's portfolio.

- Negotiable Certificates of Deposit – Negotiable CDs issued by a nationally or state-chartered bank or a state or federal savings and loan association, a state or federal credit union, or by a federally- or state-licensed branch of a foreign bank. Purchases of negotiable CDs (in combination with CDs purchased through a deposit placement service) may not exceed 30 percent of the District's portfolio. Negotiable CDs issued with maturities in excess of one year must be rated at least "A" by a NRSRO. Negotiable CDs with maturities under one year must be rated at least "A-1," its equivalent, or better by a NRSRO.
- Asset-Backed Security – Any mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-back certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond of a maximum of five years maturity. Eligible securities must be rated, by a nationally recognized rating service, as "AA" or higher, and the issuer of the security must have an "A" or higher rating for its debt as provided by a NRSRO. No more than 20 percent of the District's portfolio may be invested in this type of security.
- Supranational – United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), or Inter-American Development Bank (IADB), with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision shall be rated at least "AA" by a NRSRO.

Purchases of these securities shall not exceed 30 percent of the District's portfolio. Supranationals will be permitted by California Government Code §53601 (q) and this Policy effective January 1, 2015.

Only the Board of Directors may authorize other types of investments permitted by the CGC.

#### **Prohibited Investments**

Under the provisions of CGC Sections 53601.6, the Ventura Regional Sanitation District shall not invest any funds covered by this Investment Policy in inverse floaters, range notes, interest-only strips that are derived from a pool of mortgages, repurchase & reverse repurchase agreements and stocks. The use of derivatives, options, futures or buying on margin is also specifically prohibited.

#### **Maximum Maturities**

To the extent possible, the Treasurer will attempt to match investments with anticipated cash flow requirements. Unless matched to a specific cash flow and

explicitly authorized by the Board of Directors no less than three months prior to the investment, investments shall have a maturity no more than five (5) years from the date of purchase.

#### **Safekeeping and Custody**

All security transactions entered into by the Ventura Regional Sanitation District shall be conducted on delivery-versus-payment basis. All securities purchased or acquired shall be in the name of the District and be held in safekeeping by a bank or trust company. The only exception to the foregoing shall be depository accounts and securities purchases made with: (i) local government investment pools; (ii) time certificates of deposit, and, (iii) money market mutual funds, since the purchased securities are not deliverable. Evidence of each of these investments will be held by the District.

#### **Distribution of Investment Earnings**

Whenever practical, District cash shall be consolidated and invested on a pooled concept basis. Interest earnings shall be allocated according to average monthly balances on a calendar month basis.

#### **Reporting**

The Treasurer shall submit to each member of the Board and the General Manager a monthly investment report of all funds held at the end of each month which are directly controlled and managed by the Treasurer including a detailed listing of all investment transactions during the month or, if none, a statement to that effect. As recommended by CGC Section 53646(b)(1), this report shall include a complete description of the portfolio, the type of investments, the issuers, maturity dates, par values, dollar amount invested and the current market values of each component of the portfolio, including funds managed for Ventura Regional Sanitation District by third party contracted managers. This report shall also include the source of the portfolio valuation and an explanation when it is necessary to sell a security and realize a loss. However, for funds invested in the County of Ventura Pool or in the State of California Local Agency Investment Fund, market values need not be reported.

Each investment report shall be submitted within 30 days following the end of the period covered by the report and must also include a certification that (1) all investment actions executed since the last report have been made in full compliance with the Investment Policy or state areas of non-compliance and (2) the Ventura Regional Sanitation District will meet its expenditure obligations for the next six months or state why sufficient money shall, or may, not be available.

#### **Investment Policy Review**

The Treasurer shall annually render to the Board a Statement of Investment Policy, which the Board shall consider at a public meeting.

## **Glossary**

**Broker-Dealer** – a person or a firm who can act as a broker or a dealer depending on the transaction. A broker brings buyers and sellers together for a commission. They do not take a position. A dealer acts as a principal in all transactions, buying and selling for his own account.

**Certificate of Deposit (CD)** – A time deposit with a specific maturity evidenced by a Certificate. Large-denomination CDs are typically negotiable.

**Collateral** – Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

**Custody** – Safekeeping services offered by a bank, financial institution or trust company, referred to as the "custodian." Service normally includes the holding and reporting of the customer's securities, the collection and disbursement of income, securities settlement and market values.

**Delivery Versus Payment** – A type of securities transaction in which the purchaser pays for the securities when they are delivered either to the purchaser or custodian. It ensures that securities are deposited in an eligible financial institution prior to the release of funds. Securities should be held by a third-party custodian as evidenced by safekeeping receipts.

**Diversification** – Dividing investment funds among a variety of securities offering independent returns.

**Federal Agency Obligation** – A debt instrument issued by one of the federal agencies. Federal agencies are considered second in credit quality and liquidity only to U.S. Treasuries.

**Liquidity** – An investment that can be converted easily and rapidly into cash without a substantial loss of value.

**Local Agency Investment Fund (LAIF)** – The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

**Market Value** – The price at which a security is trading and could presumably be purchased or sold on a specific date.

**Maturity** – The date upon which the principal or stated value of an investment becomes due and payable.

**Money Market Fund** – a type of safe investment comprising a variety of short-term securities with high quality and high liquidity. The fund provides interest to shareholders and must maintain a stable net asset value (NAV) of \$1 per share.

**Portfolio** – Collection of securities held by an investor,

**Principal** – the original cost of a security. It represents the amount of capital or money that the investor pays for the investment.

**Prudent Investor Standard** – An investment standard that all investments should be made with care, skill, prudence and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.

**U.S. Treasury** – Government debt issued by the United States Department of the Treasury through the Bureau of the Public Debt. Treasury securities are the debt financing instruments of the United States federal government, and they are often referred to simply as Treasuries. There are four types of marketable treasury securities: Treasury bills, Treasury notes, Treasury bonds, and Treasury Inflation Protected Securities (TIPS). All of the marketable Treasury securities are very liquid and are heavily traded on the secondary market.

**VENTURA REGIONAL SANITATION DISTRICT  
RESOLUTION NO. 89-13**

**PERTAINING TO PURCHASE OF SUPPLIES, EQUIPMENT & SERVICES;  
CONSULTANT CONTRACTING PROCEDURE; AND  
DISPOSITION OF SURPLUS PERSONAL PROPERTY**

**WHEREAS**, the Ventura Regional Sanitation District Board of Directors wishes to establish policy pertaining to the purchase of supplies, equipment & services; contracts for consultants; and disposition of surplus personal property; and

**WHEREAS**, it is necessary for efficiency of critical public health and safety operations to delegate responsibility and authority to the appropriate officials who will carry out these responsibilities on a day-to-day basis;

**NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED** as follows:

**PART I - GENERAL**

Section 100 - Short Title and Purpose of Resolution

This Resolution shall be known as the VRSD Purchasing Resolution, effective November 9, 1989, and may be cited as such. Its purposes are to establish policy for purchase of supplies, equipment & services at the lowest possible cost commensurate with the quality needed; exercise positive financial control over purchases; clearly define authority for the purchasing function; assure the quality of purchases; establish policy for negotiated procurement of consulting services; and establish policy for disposal of surplus personal property.

Section 101 - Definitions

The definitions given in this section shall be used in the interpretation of this Resolution unless another meaning for the word is apparent from the context.

- (a) "Board" means the Ventura Regional Sanitation District Board of Directors.
- (b) "Consultant" means any specially trained and experienced person, firm or corporation, including but not limited to those providing services in the area of accounting, administrative, economic, engineering, environmental, financial, legal or personnel matters.
- (c) "District" means the Ventura Regional Sanitation District.
- (d) "Emergency" means circumstances or conditions that pose an immediate threat to public health, welfare or safety as determined by the General Manager in which no time exists to seek Board action or approval, if otherwise such action or approval were required.

- (e) "General Manager" means the Ventura Regional Sanitation District General Manager or his/her designee.
- (f) "Impossible" means actual impossibility or extremely and unreasonably difficult or expensive.
- (g) "Impractical" means incapable of being performed by the bid procedure.
- (h) "Incongruous" means not suitable or compatible with the bid procedure.
- (i) "Negotiated Procurement" means any contract awarded as a result of negotiations rather than competitive bids.
- (j) "Purchase" includes rental or lease.
- (k) "Purchasing Agent" means the Ventura Regional Sanitation District Finance Officer or his/her designee.
- (l) "Supplies, equipment & services" means all supplies, equipment & services generally referred to as part of the 200, 300 and 400 series in the District object of expense accounts except contracts for consultants, and equipment generally referred to as part of the 700 series in the District object of expense accounts.

#### Section 102 - Public Projects

"Public projects" as defined in the Uniform Public Construction Cost Accounting Act, Public Contract Code, Section 22000, et. seq. shall be administered by the General Manager in conformance with said code. This Resolution does not apply to such public projects.

#### Section 103 - Administrative Rules & Procedures

The General Manager and/or Purchasing Agent shall promulgate and enforce such administrative rules & procedures as required and necessary to carry out the intent and purposes of this Resolution. Among these shall be a prohibition against "splitting" orders to avoid established purchasing or contracting requirements.

#### Section 104 - Purchasing Agent

The Purchasing Agent shall have authority to:

- (a) Purchase or contract for the supplies, equipment & services required by the District in accordance with the purchasing policies set forth in this Resolution and such administrative rules & procedures as shall be issued from time-to-time;
- (b) Negotiate and recommend the execution of contracts for the purchase of supplies, equipment & services;
- (c) Act to procure the needed quality in supplies, equipment & services at the least overall expense to the District;

- (d) Endeavor to obtain as full and open competition as reasonable on purchases;
- (e) Prepare, update, and implement administrative rules & procedures governing the purchasing of supplies, equipment & services for the District;
- (f) Keep informed of current developments in the field of purchasing as well as prices, market conditions, and new products;
- (g) Prescribe and maintain such records as are reasonably necessary to document compliance with the provisions of this Resolution and other administrative rules & regulations;
- (h) Approve the transfer of surplus or unused supplies & equipment between groups as needed, and dispose of all supplies & equipment which cannot be used by any group or which have become unsuitable for District use; and
- (i) Maintain records needed for efficient operation of the purchasing function.

## **PART II - AUTHORIZATION TO PURCHASE**

### **Section 200 - Authorization by Board of Directors**

The Board of Directors must specifically authorize the purchase of any supplies, equipment &/or services having an estimated value greater than \$25,000. Authorization shall be in the form of an adopted District budget which includes such supplies, equipment &/or services or other specific Board action.

### **Section 201 - Specific Authorization for District Employees to Purchase**

Purchase of any supplies, equipment &/or services having an estimated value of \$25,000 or less may be authorized by the Purchasing Agent. The Purchasing Agent shall require that such purchases or contracts be made in conformity with the policies established by this Resolution, and may further require periodic reports from District employees regarding purchases and contracts made under such authorization.

### **Section 202 - Encumbrance of Funds**

Except in cases of emergency, no contract or purchase order shall be issued for supplies, services or equipment unless there exists an unencumbered appropriation against which the current year's portion of such purchase is to be charged.

## **PART III - SUPPLIES, EQUIPMENT & SERVICES PURCHASING PROCEDURE**

### **Section 300 - Formal Bidding Procedures**

Except as otherwise provided in this Resolution, the following formal bidding procedure shall apply to purchases of supplies, equipment & services having an estimated value greater than \$60,000:



- (a) Notice Inviting Bids. Notices inviting bids shall include a general description of the articles &/or services to be purchased, and state where bid blanks & specifications may be secured and the time & place for opening bids.
  - (1) Published Notices. Notices inviting bids shall be published at least ten (10) days before the date of the bid opening.
  - (2) Bidders List. The Purchasing Agent shall solicit sealed bids from all responsible prospective suppliers whose names are on the bidders list which the Purchasing Agent shall maintain, or who have requested their names to be added thereto.
- (b) Bid Opening Procedure. Sealed bids shall be submitted to the Purchasing Agent and be identified as bids on the envelope. Such bids shall be opened in public at the time and place stated in the public notice. A tabulation of all bids received shall be available for public inspection during regular business hours for a period of not less than fifteen (15) calendar days after the bid opening.
- (c) Rejection of Bids. At its discretion, the Board may reject any and all bids presented and readvertise for bids. The Board may also waive any and all irregularity in any bid.
- (d) Award of Bids. Bids shall be awarded to the lowest responsible bidder provided that the Board may give consideration to factors other than price when such factors are identified in District specifications or are related to availability of merchandise or relevant administrative considerations.
- (e) Tie Bids. If two (2) or more bids received are for the same total amount or unit price, quality and service being equal, and if the public interest will not permit the delay of readvertising for bids, the Board may accept the bid it chooses or accept the lowest bid by negotiation with the bidders at the time of its next regularly-scheduled meeting.
- (f) No Bids. If no bids are received, the Board may authorize the purchase of goods &/or services in compliance with informal bidding procedures.

#### Section 301 - Informal Bidding Procedures

Except as otherwise provided in this resolution, the following informal bidding procedures shall apply to the purchase of supplies, equipment & services having an estimated value of \$60,000 or less.

- (a) Minimum Number of Bids. Open market purchases shall, wherever possible, be based on at least three (3) bids and shall be awarded to the lowest responsible bidder provided that the Board of Directors (for purchases of more than \$25,000) or the Purchasing Agent (for purchases of \$25,000 or less) may consider factors other than price when such factors are identified in District specifications or are related to availability of merchandise or relevant administrative considerations.
- (b) Notice Inviting Bids. The Purchasing Agent shall solicit bids by written request, telephone or legal advertising.

- (c) Retention of Bids. Informal written bids shall be submitted to the Purchasing Agent who shall keep a record of all open market orders and bids until the affected fiscal year's financial audit is completed. All such records, while so kept, shall be open to public inspection.

#### Section 302 - Negotiated Procurement

Notwithstanding the provisions of Sections 300 and 301 of this Resolution, supplies, equipment or services may be purchased by negotiated procurement: (1) where competitive bidding would be impossible, impractical or incongruous; (2) in an emergency; (3) when the supply, equipment or service can be obtained from only one vendor or the price is controlled by law; (4) when the amount involved is \$25,000 or less; (5) when the purchase is for provision of landfill cover pursuant to VRSD Resolution No. 88-11; or (6) where compelling economic or administrative considerations warrant employment of alternate purchasing procedures. Such considerations may include circumstances where service has been previously rendered by a supplier who has thereby gained and exhibited unique and/or superior experience and/or expertise in relation to District's operational requirements. Purchases made pursuant to Section 302(6) of this Resolution shall be approved by the Board.

#### Section 303 - Cooperative Agreements

No provision of this Resolution shall be interpreted or construed to prohibit or prevent the District from purchasing supplies, equipment or services by contracts or arrangements for cooperative purchasing with the State of California, the County of Ventura, or any other public or municipal agency; provided, however, the contract or arrangement for such purchases shall be approved by the Board if such approval would otherwise be required.

#### Section 304 - Annual Contracts for Supplies, Equipment & Services

No provision of this resolution shall be interpreted or construed to prohibit or prevent the District from contracting with suppliers on an annual basis to provide supplies, equipment or services as needed; provided, however, that normal selection procedures are used in the original supplier selection. A maximum of four annual extensions of such contracts, based on satisfactory performance documented by written evaluation, shall be allowed. Such contracts obligating the District to any payment exceeding \$25,000 per year shall be approved by the Board if such approval would otherwise be required.

### **PART IV - CONSULTANT CONTRACTING PROCEDURE**

#### Section 400 - Authority to Contract

The Board shall have sole authority to approve and enter into consultant contracts, except that the General Manager shall have authority to enter into consultant contracts that meet all of the following criteria:

- a. The contract does not obligate the District to any payment exceeding \$25,000 per year.
- b. The work and cost has the prior approval of the Board in the form of an adopted District Budget which includes such work or other specific Board action;
- c. The contract is not for legal services or legal consultation; and

- d. The District standard consulting agreement form, preapproved as to form by District legal counsel, is used.

#### Section 401 - Formal Consultant Selection Procedure

Contracts with consultants having an estimated value greater than \$75,000 shall be made by written agreement pursuant to the following procedure.

- a. Qualification. The General Manager shall encourage consultants generally qualified to undertake the types of work required by the District to submit statements of qualification and performance data. Such statements shall be kept on file and may be utilized to evaluate consultant qualifications. Other evaluation criteria shall include, but not be limited to, prior experience with, personal interview with, or references of prospective consultants.
- b. Selection Committee. A Selection Committee comprised of knowledgeable District and/or outside representatives shall be appointed by the General Manager to select a consultant for each contract. Depending on the size and importance of the work to be performed, the membership of the Committee may vary.
- c. Interview of Consultants. The Selection Committee shall evaluate consultants' abilities relative to the proposed project based on information gained in accordance with Section 401a of this Resolution. The Committee may make requests for proposals to selected consultants. The Committee shall conduct discussions with no less than three (3) consultants whenever possible regarding anticipated concepts and the relative utility of alternative methods of approach for furnishing the required services.
- d. Selection of Consultant. The Selection Committee shall prepare a list in order of preference of the three (3) consultants deemed to be the most qualified to provide the services required based on established criteria. Price shall not be the only determining factor in the selection of a consultant. Other factors such as related experience, professional skills, approach, professional credentials, availability of personnel, understanding of scope of work, quality of response to request for proposal, references, etc., may be considered. The basis of all selection decisions shall be documented in writing.
- e. Contract Negotiations.
  - (1) The General Manager shall negotiate a contract with the best qualified consultant at compensation which the General Manager determines is fair and reasonable.
  - (2) Should the General Manager be unable to negotiate a satisfactory contract with the consultant considered to be most qualified, at a price he determines to be fair and reasonable, negotiations with that consultant shall be formally terminated. The General Manager shall then undertake negotiations with the second most qualified consultant. Failing accord with the second most qualified consultant, the General Manager shall terminate negotiations. The General Manager shall then undertake negotiations with the third most qualified consultant.
  - (3) Should the General Manager be unable to negotiate a satisfactory contract with any of the selected consultants, he shall select additional consultants in order of their competence & qualification and continue negotiations until agreement is reached.

- (4) The General Manager's recommendation shall be forwarded to the Board for approval.

#### Section 402 - Informal Consultant Selection Procedure

Contracts with consultants having an estimated value of \$75,000 or less shall be made by written agreement pursuant to the following procedure.

- a. Qualification. The General Manager shall encourage firms generally qualified to undertake the types of work required by the District to periodically submit statements of qualifications and performance data. Such statements shall be kept on file and may be utilized to evaluate consultant qualifications. Other evaluation criteria shall include, but not be limited to, prior experience with, personal interview with, or references of prospective consultants.
- b. Selection of Consultant. The General Manager shall determine the most qualified consultant to provide the services required. Price shall not be the only determining factor in the selection of a consultant. Other factors such as related experience, professional skills, approach, professional credentials, availability of personnel, understanding of scope of work, quality of response to request for proposal, references, etc., may be considered. The basis of all selection decisions shall be documented in writing.
- c. Contract Negotiations. The General Manager shall negotiate a contract with the selected consultant at compensation he/she determines is fair and reasonable. His/her recommendation shall be forwarded to the Board for approval if the contract is for more than \$25,000.

#### Section 403 - Negotiated Procurement

Notwithstanding the provisions of Sections 401 and 402 of this Resolution, consultant contracts may be entered into by negotiated procurement: (1) where the use of standard consultant selection procedures would be impossible, impractical or incongruous; (2) in an emergency; (3) when the amount involved is \$25,000 or less; or (4) where compelling economic or administrative considerations warrant employment of alternate consultant selection procedures. Such considerations may include circumstances where a particular consultant has previously rendered work for the District and has consequently acquired unique and/or superior experience and/or expertise in relation to District's requirements. Consultant contracts entered into pursuant to Section 403(4) shall be approved by the Board.

#### Section 404 - Annual Contracts

No provision of this Resolution shall be interpreted or construed to prohibit or prevent the District from contracting with consultants on an annual basis to provide services as needed; provided, however, that normal selection procedures are used in the original consultant selection. A maximum of four annual extensions of such contracts, based on satisfactory performance documented by written evaluation (Section 405), shall be allowed where no significant change in quantity or type of work is involved. Such contracts obligating the District to any payment exceeding \$25,000 per year shall be approved by the Board.

#### Section 405 - Performance Evaluation

The General Manager shall prepare a performance evaluation at the close of each consultant contract, or fiscal year in the case of annual contracts. The evaluation shall address such performance factors as completeness & quality of work product, timeliness, availability of personnel, etc. Such performance evaluation shall be in writing and kept on file with other consultant data for future reference.

### **PART V - CHANGE ORDERS**

#### Section 500 - Purchasing Agent

The Purchasing Agent shall be authorized to approve change orders to purchase orders provided that sufficient funds have been appropriated for such expenditures. Each change order shall not exceed ten percent of the purchase order, and the aggregate total of all change orders shall not exceed \$25,000.

#### Section 501 - General Manager

The General Manager shall be authorized to approve change orders to contracts provided that sufficient funds have been appropriated for such expenditures. Each change order shall not exceed ten percent of the contract, and the aggregate total of all change orders shall not exceed \$25,000.

### **PART VI - DISPOSITION OF SURPLUS PERSONAL PROPERTY**

#### Section 600 - Disposition by Purchasing Agent

Any District-owned personal property, which has a current book value of \$10,000 or less, and (1) which no longer can be used, (2) has not been purchased with grant funds, or (3) which is inoperative, unrepairable, or not economically repairable shall be disposed of by the Purchasing Agent. Reasonable attempts shall be made to maximize the value received from such surplus personal property.

#### Section 601 - Disposition by Board Approval

Prior to disposing of any salvageable personal property which has a current book value of more than \$10,000, the Purchasing Agent shall inform the Board of the condition of the item proposed for disposition and obtain the Board's determination that such item is obsolete or surplus and approval of the means of disposal before proceeding with disposition.

#### Section 602 - Exceptions

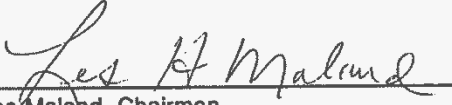
Sections 600 and 601 of this Resolution shall not apply to any items of District-owned personal property used or to be used in trade or exchange for replacement property of a similar nature.

**PART VII - APPLICABILITY**

This Resolution supersedes all resolutions and instructions previously adopted or issued concerning the purchase of supplies, equipment & services; consultant contracting procedures; and disposition of surplus personal property. It shall be reviewed for continuing adequacy at least once every three years.

**ADOPTED AND APPROVED** this ninth day of November 1989.

VENTURA REGIONAL SANITATION DISTRICT

  
Les Maland, Chairman  
Board of Directors

ATTEST:

  
Sherrill Smith, CPS  
Clerk of the Board

### **2.1.05 Reserve Level Policy**

Date Adopted: 11/06/03

Date Revised: 02/03/11

## **2.1.05 Reserve Level Policy**

### **PURPOSE**

Ventura Regional Sanitation District (District) is an enterprise public waste management agency and recovers the cost of providing service to its customers through fees and charges. The District does not receive any property tax monies and solely relies on revenues derived from fees and charges. Consistent with Title 27 of the California Code of Regulations, and to demonstrate financial assurance to the CalRecycle, the District holds cash reserves for closure, postclosure, corrective action, and operating liability at its closed and operating landfills. In addition, the District requires adequate reserves to ensure the District maintains a prudent level of financial resources to offset cyclical variations in revenues and expenses and to protect against reducing service levels or raising fees because of temporary revenue shortfalls or unexpected one-time expenses. Adequate reserves are essential to the District's financial stability to withstand economic downturns, protect against catastrophic events, unforeseen revenue declines, short-term capital improvements, and operating cash flow needs.

### **POLICY**

It is the policy of the Ventura Regional Sanitation District that all funds held in reserve be designated to specific uses, and to take into consideration the minimum level necessary to maintain the District's credit worthiness and adequately provide for operating reserves, mandated closure and postclosure funding, future debt or capital obligations, cash flow requirements, and legal requirements. This policy is in conformity with Generally Accepted Accounting Practices (GAAP), Government Finance Officers Association (GFOA) and Governmental Accounting Standards Board (GASB) Guidance. Reserve levels will be set as follows:

#### **A. Restricted Reserves**

The District will maintain reserves in an amount equal to funds restricted by legal requirements, contractual agreements, and trustee requirements. The District is limited in the means in which it may use restricted cash reserves due to legal requirements and contractual agreements.

**1. Closure and Postclosure financial assurance requirements**

Consistent with Title 27 of the California Code of Regulations (CCR) for demonstrating financial assurances to CalRecycle, the District holds cash reserves for closure, postclosure, corrective action, and operating liability at its closed and operating landfills as specified by CalRecycle in conjunction with Title 27 of the CCR.

**2. Bond Covenants**

Cash is held as a surety that the annual bond payment and interest will be made. Established and maintained as prescribed by the bond covenants adopted at the time of the issuance of debt.

**3. Closed landfill maintenance reserves**

The District hold funds donated by the Tierra Rejada Consortium to be used specifically for the maintenance of the Tierra Rejada closed landfill.

**4. Conditional Use Permits and other deposits**

The District issued Certificates of Deposit as a requirement from regulatory and/or governmental agencies for conditional use permits and possible interconnection fees tax liability.

**B. Committed Reserves**

These funds are made available for other uses only by the express authorization of the Board of Directors.

**1. Closure and Postclosure funds**

Funds in excess of the financial assurance requirements specified by CalRecycle in conjunction with Title 27 of the CCR for the closed landfills and active landfill will be maintained in this category.

**2. Comprehensive Environmental Response Compensation & Liability Act (CERCLA)**

The District will set aside funds for possible future legal actions and judgments against closed landfills.

**3. Significant Future Capital Projects**

The District shall establish funds to adequately meet the needed cash flow for significant future capital projects. The funds will be established in the committed reserves based on a schedule of funding which may be adjusted annually by the Board.

For example, for fiscal year 2011, funding for the first component of the Phase 4 Liner project (\$8 Million) shall be:



## 2.1.05 Reserve Level Policy

<u>Schedule of Funding</u>	<u>Balance shall be:</u>
Year one	10%
Year two	20%
Year three	30%
Year four	40%
Year five	50%
Year six	60%
Year seven	70%
Year eight	80%
Year nine	90%
Year ten	100%

### 4. Future Facilities

The District shall set aside funds for the development of the next viable facility to replace the Toland Road Landfill or to develop waste-to-energy capital projects that will continue to serve the waste management requirements of the District's service area. The funds will be established in the committed reserves based on a schedule of funding to be adjusted annually by the Board.

### C. Assigned Reserves

The District will have available cash reserve to cover operating shortfalls to be used for both short term cash flow and contingency planning for unforeseen situations such as unexpected increases in costs or declines in revenues, legislative or judicial mandates, new or expanded services or programs, natural disaster emergencies, one-time Board approved non-capital expenditures or capital needs, and interruptions in billing process to customers.

#### 1. Replacement Fund for Equipment, Vehicles, Facilities, and Furnishings

The District will maintain reserves for replacement of equipment, computers, furnishings, software, and vehicles equal to 100% of accumulated depreciation to fund replacement of these items when they reach the end of their useful lives. The funds will be established based on the schedule of funding as follows:

<u>Schedule of Funding</u>	<u>Balance shall be:</u>
Year one	50%
Year two	60%
Year three	70%
Year four	80%
Year five	90%
Year six	100%

**2. Capital Improvement Fund**

The District shall establish and maintain funds to adequately meet the needed cash flow for the next fiscal year's capital improvement projects outlined in the Five-Year Capital Improvement Plan.

**3. Insurance Fund**

The District will maintain funds in the insurance fund to cover deductibles, self-insurance retentions and claims not covered by insurance. The target for this fund is one percent (1%) of the total net value of capital assets that are insured less the value of land.

**4. Operating Fund**

The District will maintain cash in the operating fund at a level equal to six months of its annual operating expenses plus one year's debt service obligations. The funds will be established as follows:

<u>Schedule of Funding</u>	<u>Balance shall be:</u>
Year one	20%
Year two	40%
Year three	60%
Year four	80%
Year five	100%

**GUIDELINES**

Finance shall perform a reserve analysis to be submitted to the Board of Directors as follows:

- Board of Directors' deliberation of the annual budget;
- midyear budget review; and
- when a major change in conditions threatens the reserve levels established within this policy.

## **BUDGET GLOSSARY**

**Appropriation** - An authorization made by the Board that permits the District to incur obligations and expend resources.

**Accrual Basis** - A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.

**Audit** - Prepared by an independent certified public accountant (CPA), the primary objective of an audit is to determine if the District's Financial Statements present fairly the District's financial position and results of operations in conformity with generally accepted accounting principles. In conjunction with its performance of an audit, the independent auditor is required to issue a Management Letter stating the adequacy of the District's internal controls as well as recommending improvements to the District's financial management practices.

**Board of Directors** - The District's nine-member governing body (Board), consisting of one council member from each of the eight participating cities and a single elected representative from the participating independent special districts. Each Director has one vote; a majority of the members must be present for action to be taken; and a majority of those present is required to act on any matter (except as otherwise required by law).

**Budget** - A financial plan adopted by the Board of Directors for a specified period of time that establishes management policies, goals, and objectives for all programs within the District and allocates planned revenues and expenditures to District services.

**Budget Adjustment** - An amendment or supplement to the budget approved by majority Board vote any time after budget adoption. A budget adjustment may increase or decrease the budget.

**Budget Policies** – The general and specific guidelines adopted by the Board that govern financial plan preparation and administration.

**Budget Review Process** - The series of Board meetings and discussions used to provide policy guidance and direction for the program objectives to be accomplished the ensuing year.

**Budget Transfer** - An action transferring appropriations and revenues from one budget location to another without changing overall totals.

**Capital Improvement Plan** - A plan to provide for the major modification or replacement of existing public facilities & assets, and for the construction or acquisition of new ones.

**Capital Improvement Fund** - This fund type is used to accumulate over time financial resources used in the acquisition, construction, development and long-term modification of major capital facilities (see Fund).

**Cash Basis** - A basis of accounting in which transactions are recognized only when cash is increased or decreased.

**Contract Services Fund** - This fund type is used when the District provides services to another governmental agency by contractual agreement on a cost reimbursement basis.

**Debt Service** - A predetermined schedule of payments on debt principal and interest.

**Debt Service Fund** - A Fund used to account for the accumulation and payment of resources related to general long-term debt principal and interest (see Fund).

**Department** - A major organizational unit of the District, which has been assigned overall management responsibility for an operation or group of related operations.

**Depreciation** - An expense based on the expectation that an asset will gradually decline in value or have to be replaced. The cost of the asset is therefore spread (depreciated) out over its estimated useful life. The intent is to charge the Operation over the real time of its useful life.

**Designated Retained Earnings** - A portion of unreserved retained earnings designated by District policy for a specific future use.

**Direct Expense/Revenue** - Expense or revenue that is directly attributable to the service being provided. Also sometimes called operating expense/revenue.

**District Mission** - The District's statement of purpose, updated April 1999: "The Ventura Regional Sanitation District is a non-tax supported public agency providing sanitation services. We offer the highest quality service at the lowest possible cost for our customers and we will provide solutions by involving our staff, our customers and our community."

**Eastin Trust Fund** - Dedicated funding, required by state law and held by a third party trustee, which provides financial assurance for landfill closure and postclosure maintenance for a 15-year period thereafter. Effective, April 9, 1997, the Eastin requirement for landfill postclosure financial assurance increased to 30 years.

**Encumbrance** - The reservation of funds to be expended (see Expense).

**Enterprise Fund** - A Fund used to account for operations that are financed and operated in a manner similar to private sector enterprises where it is the District's intent that costs (including depreciation) of providing services to the general public be financed or recovered primarily through user charges. All operating programs of the District operate as enterprises.

**Executive Summary** - Included in the opening section of the budget, the Executive Summary provides the Board and public with a general summary of the most important aspects of the budget, changes from previous fiscal years, and the views and recommendations of the District General Manager.

**Expense** - The outflow or using up of assets for capital purchases, goods & services (see Encumbrance).

**Fiscal Year (FY)** - An annual period for recording District financial transactions beginning July 1 and ending June 30. Fiscal Year 2010-2011 is abbreviated "FY10-11" or "FY2011".

**Fixed Assets** - Long-term major assets with a purchase price of \$5,000 or more and a useful life greater than one year, such as land, buildings, machinery, furniture, and other equipment.

**Fund** - The District accounts for all its operations and activities as an enterprise fund. This fund is comprised of various fund types such as operations, capital projects, internal services and contract services.

**GAAP** - Generally Accepted Accounting Principles. Uniform minimum standards for financial accounting and recording encompassing the conventions, rules, and procedures that define accepted accounting principles.

**Goal** - A statement of broad direction, purpose, or intent. Program Goals support District Goals that, in turn, support the District Mission.

**Internal Service Fund (ISF)** - This fund is used to account for costs of maintenance & operations and acquisition or replacement of all equipment for which a user is charged a fee. Internal Services Funds have been established for wastewater, solid waste, central administration, and the biosolids/microturbine budget divisions.

**Inventoried Equipment** - Each individual piece of equipment having a purchase price of less than \$5,000 that can be labeled and tracked. This includes equipment such as personal computers, laptop computers, cell phones, pagers, radios, etc.

**Line Item Budget** - A budget that lists detailed expenditure categories (permit fees, telephone service, travel, etc.) separately, along with the amount budgeted for each specified category. The District uses a program rather than line item budget, although detail line item accounts are maintained and recorded for financial reporting and control purposes.

**Operating Budget** - A financial plan that pertains to daily operations and maintenance of existing facilities providing basic services.

**Other Resources** - Revenues other than those collected directly for a specific program, such as overhead charges, equipment charges and other inter-fund transfers.

**Overhead** - An administrative allocation of indirect costs necessary for the functioning of the organization as a whole, but which cannot be directly assigned to one service. Overhead includes charges for District office space, communications, copy equipment, typewriters and computers. These charges are transferred from each department to the Central Administration Facilities Fund (89). The charge also includes a component for insurance, which is transferred from each department to the Risk Management Fund (86).

**Program** - A grouping of specific activities organized to accomplish District goals.

**Program Budget** - The type of budget used by the District, it shows budget amounts by program and category (salaries, supplies, services, etc.) rather than line item. Detail line item accounts are maintained and recorded for financial reporting and control purposes, but are not included in the budget document.

**Reserve** - An account used either to set aside budgeted revenues that are not required for spending in the current year or to earmark revenues for a specific future purpose.

**Retained Earnings** - The accumulated net earnings of an Enterprise entity which have been retained and which are not reserved for any specific purpose.

**Revenues** - Monies received or earned by the District.

**Risk Management** - An organized attempt to protect District assets against accidental loss in the most cost-effective manner.

**Transfers** - Charges against one program that are recorded as revenue to others. The most common are facilities charges (including insurance), overhead charges, ISF equipment charges (including vehicles, heavy power equipment, vacuum trucks and various machinery/tools) and in-house laboratory charges.

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**FY 2016 Adopted Budget**  
**Ventura Regional Sanitation District**  
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Website: [www.vrsd.com](http://www.vrsd.com)