Proposed Fiscal Year 2020 Budget

July 1, 2019 – June 30, 2020

Ventura Regional Sanitation District
1001 Partridge Drive, Suite 150
Ventura, CA 93003-0704
Website: www.vrsd.com

Chris Theisen
General Manager

To Be Presented
June 6, 2019

Ventura Regional Sanitation District

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Executive Summary

General Manager Letter to the Board of Directors 6

June 6, 2019

Honorable Board of Directors
Ventura Regional Sanitation District
Ventura County, California

Members of the Board of Directors:

I am pleased to submit the Ventura Regional Sanitation District (District) Fiscal Year 2019-2020 (FY2019-20) Operating and Capital Improvement Plan Budget. The FY2019-20 Budget has been prepared to meet the needs of the District while at the same time complying with the District's mission, goals, and policies. The Budget is the District's financial work plan and serves as the spending plan supported by revenues for the upcoming fiscal year.

This executive summary provides a high-level overview of the District's Budget, including highlights for the fiscal year. The Budget represents staff's best estimate of expenditures and revenue at the time of adoption, but it may change during the fiscal year based on unforeseen and/or unanticipated events.

BUDGET HIGHLIGHTS

- Approximately 444,000 tons of refuse is expected to be placed at the Toland Road Landfill.
- On average, the District's billable hourly rates for Central Administration and Operations employees increased, effective July 1, 2019, due to implementation of the September 2019 Board approved Central Administration overhead cost allocation methodology.
- The District's Capital Improvement Projects for FY2019-20 include improvements at the Toland Road Landfill, budgeted at $2,051,000.
- The District's Capital Outlays are budgeted at $1,832,289. The three largest Capital Outlays components are the purchase of vehicles and equipment for the Solid Waste Division ($1,074,395), the purchase of vehicles and equipment for the Water & Wastewater Division ($445,394), and new finance system software ($250,000).
- The District anticipates meeting the 1.15x debt covenant requirement established by Banc of America Public Capital Corp on the District's existing loan agreements.
- No additional tonnage per day is assumed to be received at Toland Road Landfill during FY2019-20. Reserves during future fiscal years are reflective of additional tonnage beginning in November of 2020, following approval of a modified Conditional Use Permit (CUP).

BUDGET OVERVIEW

OPERATING REVENUES

The operating revenue for FY2019-20 is estimated at $22,911,956. The most notable revenues of the District include Toland Road Landfill municipal solid waste, Water & Wastewater contract services, and Central Administration contract services.

Solid Waste

Toland Road Landfill

The projected landfill refuse disposal revenue for FY2019-20 is estimated to be $14,266,868, with annual tonnage of 443,700. In addition, we expect revenue of $80,000 for alternative daily cover.

Biosolids and Microturbine Electrical Generation Facility

During FY2019-20, the District will receive a minimal amount of sludge from various small customers within the County, amounting to approximately $15,000. The Electrical Generation Project, which was conceptualized as nine low emission microturbines using compressed landfill gas to produce up to 2.32 megawatts of electricity for delivery to the local power grid, will no longer be in operation. As a result, the budget reflects no revenue related to electrical generation and a $173,000 penalty payment to Southern California Edison (SCE) for failure to generate electricity in compliance with the District's contract with SCE.

Other

Additional Solid Waste revenues include the Pyramid Flowers lease ($72,420) and monitoring and maintenance services at River Ridge Golf Course for the City of Oxnard ($102,568).

Water & Wastewater

The District's Water & Wastewater Division (W/WW) is currently providing water and wastewater services to sixteen clients in Ventura County. These services include collection system cleaning, engineering and permitting support, repair and protective coatings, industrial source control, groundwater sampling, and monitoring. FY2019-20 revenue is estimated at $6,671,294. Revenue is generated by charging external customers billable rates developed for each classification or job title. In addition, materials, supplies, and some other charges are billed at cost plus fifteen percent (15%). For more information, please see Page 20 of the FY2019-20 Proposed Budget.

OPERATING EXPENSES

The total operating expense is estimated at $24,968,036, including depreciation. There are three main expense line items that contribute to the bottom line: salaries & employee benefits, depreciation, and other operating expenses.

Salaries & Employee Benefits: Estimated Salaries & Employee Benefits increased by $1,428,429, or 14.68%. The net increase is primarily due to additional proposed positions ($429,726), increases in pension related expenses ($814,975) including VCERA, PARS, and OPEB, and cost of living increases to wages. For more information related to salaries and employee benefits or staffing, please see Pages 68 through 74 of the Proposed FY2019-20 Budget.

Other Operating Expenses: Other operating expenses are decreasing by $295,139, or 3.11%. The net decrease is attributable to decreases in professional services ($637,936), contract labor ($110,000), facility maintenance ($87,259), and general administration ($56,058), offset by increases in materials and supplies ($312,905) and permits, licenses, and fees ($283,209).

CAPITAL OUTLAYS

Capital Outlays typically include short-term or minor dollar amount projects, as well as one-time purchases of vehicles and equipment. The capital outlay spending detail for FY2019-20 is included in Pages 58 through 59 of the Proposed FY2019-20 Budget.

CAPITAL IMPROVEMENT PROJECTS

Capital Improvement Projects typically involve multi-year projects and processes, opposed to simple asset acquisitions. The Capital Improvement Project spending detail for FY2019-20 is included in Pages 42 and 44 through 51 of the Proposed FY2019-20 Budget.

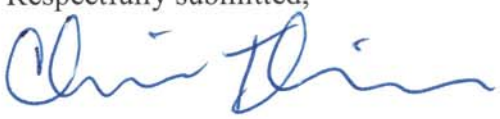
SUMMARY

The District still faces the existential challenge that has been discussed transparently in recent years. Revenues have been insufficient to cover expenses for years and the Board has directed staff to solve this problem through increased tonnage accepted at the Toland Road Landfill. Staff will continue to diligently pursue modification of the Conditional Use Permit for the Toland Road Landfill to enable the District to realize the revenue required for a sustainable future.

I'd like to express my appreciation to the Board of Directors for providing the ongoing vision and support necessary to enable staff to respond to the numerous challenges the District faces. I also need 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.

Additionally, I want to recognize staff's dedication in assessing budgetary needs in light of the fiscal challenges that the District faces. The persistent mindset to identify cost savings, revenue enhancements, additional customers, and overall efficiencies in operations, has resulted in responsible decision-making throughout the organization. With this paradigm, the staff of VRSD will be the foundation for the success of the District's initiative to return to a financially healthy organization poised to serve the residents of Ventura County for years into the future.

Respectfully submitted,



Chris Theisen
General Manager

Enterprise Fund

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VENTURA REGIONAL SANITATION DISTRICT

FISCAL YEAR 2020 BUDGET SUMMARY

ENTERPRISE FUND

Description	Actual FY 2017 Yearend	Actual FY 2018 Yearend	Adopted FY 2019 Budget	Estimated FY 2019 Yearend	Proposed FY 2020 Budget	FY19 vs. FY20 Budget Inc/(Dec)	
Operating revenues:							
Revenue - sales	$ 20,964,561	$ 28,076,964	$ 22,429,403	$ 21,346,641	$ 22,692,864	1%	
Revenue - other	344,907	2,564,307	216,426	267,621	219,092	1%	
Reimb from outside agencies	-	1,305,000	-	-	-	0%	
Total operating revenues	**21,309,468**	**31,946,271**	**22,645,829**	**21,614,263**	**22,911,956**	**1%**	[1]
Operating expenses:							
Salaries and employee benefits	7,979,466	8,789,290	9,729,047	9,315,521	11,157,476	15%	[2]
General administrative	530,954	401,555	819,909	542,699	763,851	-7%	[3]
Operating materials and supplies	2,504,837	3,865,014	2,491,229	2,666,909	2,804,134	13%	[4]
Contract services - labor	536,866	979,830	459,500	425,837	349,500	-24%	[5]
Professional services	2,266,521	4,133,276	2,593,788	1,794,477	1,955,852	-25%	[6]
Facility maintenance	1,009,919	1,670,265	1,328,871	1,416,089	1,241,612	-7%	[7]
Permit, fees & other	1,673,892	2,345,579	1,787,462	1,837,339	2,070,671	16%	[8]
Total operating expenses	**16,502,454**	**22,184,810**	**19,209,807**	**17,998,871**	**20,343,097**	**6%**	
Operating income(loss) before depreciation	**4,807,014**	**9,761,461**	**3,436,022**	**3,615,392**	**2,568,859**	**-25%**	
Depreciation and amortization	4,210,079	4,252,891	4,217,984	4,502,173	4,624,939	10%	
Operating income(loss)	**596,935**	**5,508,570**	**(781,962)**	**(886,781)**	**(2,056,080)**	**163%**	
Non-operating revenues(expenses):							
Interest and investment earnings	64,991	82,514	523,400	744,343	785,900	50%	
Gain(loss) on sales and/or disposals of assets	1,100	16,823	-	8,636	95,000	0%	
Debt service interest expense	(649,977)	(634,937)	(574,159)	(574,159)	(498,253)	-13%	[9]
Grant revenue	-	-	-	-	-	0%	
Other, net	39,712	46,018	104,078	42,746	105,699	2%	
Total non-operating revenues(expenses) before transfers	**(544,174)**	**(489,583)**	**53,319**	**221,566**	**488,346**	**816%**	
Overhead cost allocation - Central Administration	2,919,276	2,273,868	2,871,084	2,270,458	3,094,233	8%	[10]
ISF fleet use	2,289,893	2,311,585	2,101,799	2,111,849	3,342,674	59%	
Intra-department labor transfer	310,346	540,576	160,695	284,136	278,624	73%	
Landfill processing fee transfer	138,102	22,379	11,325	25,709	372	-97%	
Contra-post closure expenses	954,019	637,601	770,452	402,394	733,939	-5%	
Total transfers in	**6,611,636**	**5,786,010**	**5,915,355**	**5,094,545**	**7,449,842**	**26%**	
Overhead cost allocation - Central Administration	(2,919,276)	(2,273,868)	(2,871,084)	(2,270,458)	(3,094,233)	8%	[10]
ISF fleet use	(2,289,893)	(2,311,585)	(2,101,799)	(2,111,849)	(3,342,674)	59%	
Intra-department labor transfer	(310,346)	(538,002)	(160,695)	(284,136)	(278,624)	73%	
Landfill processing fee transfer	(138,102)	(22,379)	(11,325)	(25,709)	(372)	-97%	
Provision for landfill closure/postclosure	(1,455,367)	8,543,857	(663,140)	(610,515)	(550,560)	-17%	[11]
Total transfers out	**(7,112,983)**	**3,398,022**	**(5,808,043)**	**(5,302,666)**	**(7,266,463)**	**25%**	
Net transfers	**(501,347)**	**9,184,032**	**107,312**	**(208,121)**	**183,379**	**71%**	
Total non-operating revenues(expenses), net	**(1,045,522)**	**8,694,449**	**160,631**	**13,445**	**671,725**	**318%**	
Change in net assets before capital expenditures	**$ (448,587)**	**$ 14,203,020**	**$ (621,331)**	**$ (873,335)**	**$ (1,384,355)**	**123%**	
Capital outlays	-	-	(4,702,258)	(4,942,742)	(1,832,289)	-61%	[12]
Capital improvement projects	-	-	(2,333,000)	(2,333,000)	(2,051,000)	-12%	[13]
Change in net assets after capital expenditures	**$ (448,587)**	**$ 14,203,020**	**$ (7,656,589)**	**$ (8,149,077)**	**$ (5,267,644)**	**-31%**	

VENTURA REGIONAL SANITATION DISTRICT

FISCAL YEAR 2020 BUDGET SUMMARY

ENTERPRISE FUND

COMMENTS

[1] Anticipated operating revenues for FY 2020 are $266,127, or approximately 1.18%, more than the revenue in the FY 2019 Adopted Budget.

[2] Budgeted Salaries & Employee Benefits are increasing by approximately $1.43M, or 14.7%. Approximately, $497K, or 5.1%, is attributable to the inclusion of the unfunded pension liability expense. The FY2020 Budget includes funding for 18.3 FTE in Central Administration and 62.75 FTE in Operations. The Salaries and Employee Benefits Schedule, along with organization charts, a staffing summary and classification plan, can be found on Pages 68 through 74.

[3] General Administrative Expenses are budgeted to decrease by approximately $56.1K. Board Member fees and reimbursement of travel expenses are included within this expense category.

[4] An approximately $312.9K increase is budgeted within FY2020 Operating Materials and Supplies. Increases and decreases, by segment, are as follows: $3.2K decrease in Central Administration, $14K increase in Water/Wastewater, $359K increase in Solid Waste, $10K increase in Closed Landfill Maintenance, $180K decrease in the Biosolids & Microturbines Electrical Generation Facility, and $113K increase in Vehicles & Heavy Equipment.

[5] During FY2020, Contract Labor from temporary staffing agencies is anticipated to decrease by $110K. This overall decrease is partially due to an increase in VRSD staff hired during FY2019 and FY2020.

[6] Professional Services are budgeted with a decrease of $637.9K during FY2020. $550.7K is for services provided to billable customers, generating $633.4K in revenues. Non-billable Professional Services are primarily comprised of General Counsel and Labor Attorney Services ($329K), Environmental Consultants ($318.5K), Engineering Consultants ($210K), various IT Services ($204.2K), PARS and OPEB ($47.8K), Contractor Construction ($40K), Accounting & Auditing Services ($29K), investigations ($20K), and mandatory harassment training ($10K). Additionally, $50K is budgeted for safety consulting and $50K is budgeted for a Class & Compensation Study.

[7] Facility Maintenance is budgeted with an $87.3K decrease. This includes a $2.3K decrease in Central Administration, a $5K increase in Water/Wastewater, a $40K decrease in Solid Waste, and a $50K decrease in the Biosolids & Microturbines Electrical Generation Facility.

[8] Permits and Fees are budgeted with an increase of approximately $283.2K, which includes a $19.8K increase in Central Administration, $72.4K increase in Water/Wastewater, $122.1K increase in Solid Waste, $35.1K increase in Closed Landfill Maintenance, and $33.8K increase in the Biosolids & Microturbines Electrical Generation Facility.

[9] Debt service interest expense includes amortization of a 1% call premium in the amount of $18.8K due to the refinancing of the District's outstanding debt in January of 2016.

[10] The allocation of Central Administrative overhead costs are reallocated to the Solid Waste Division, Water Wastewater Division, and the Biosolids & Microturbines Electrical Generation Facility.

[11] The Provision For Landfill Closure/Postclosure decrease is reflective of the decrease in calculated per ton rate needed to reach the required closure/postclosure reserves necessary upon closure of the Toland Road Landfill due to the anticipated approval of an amended CUP.

[12] For a breakdown of all FY2020 Capital Outlays, see Pages 58 through 59.

[13] For a breakdown of all FY2020 Capital Improvement Projects, see Page 42.

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Central Administration

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VENTURA REGIONAL SANITATION DISTRICT

FISCAL YEAR 2020 BUDGET SUMMARY

CENTRAL ADMINISTRATION

Description	Actual FY 2017 Yearend	Actual FY 2018 Yearend	Adopted FY 2019 Budget	Estimated FY 2019 Yearend	Proposed FY 2020 Budget	FY19 vs. FY20 Budget Inc/(Dec)	
Operating revenues:							
Revenue - sales	$ 1,368,963	$ 1,424,274	$ 1,753,391	$ 1,709,064	$ 1,637,134	-7%	[1]
Revenue - other	5,795	7,494	-	7,152	-	0%	
Reimb from outside agencies	-	-	-	-	-	0%	
Total operating revenues	**1,374,759**	**1,431,768**	**1,753,391**	**1,716,216**	**1,637,134**	**-7%**	
Operating expenses:							
Salaries and employee benefits	2,205,889	2,370,871	2,472,110	2,408,110	2,804,598	13%	[2]
General administrative	174,897	115,747	536,835	296,977	507,987	-5%	[3]
Operating materials and supplies	28,502	12,782	65,937	29,779	62,767	-5%	
Contract services - labor	68,514	40,264	25,000	-	25,000	0%	[4]
Professional services	964,875	1,052,689	1,138,324	859,672	878,874	-23%	[5]
Facility maintenance	200,577	164,055	244,514	226,895	242,255	-1%	[6]
Permit, fees & other	116,199	113,250	139,960	143,108	159,735	14%	[7]
Total operating expenses	**3,759,453**	**3,869,658**	**4,622,680**	**3,964,541**	**4,681,216**	**1%**	
Operating income(loss) before depreciation	**(2,384,695)**	**(2,437,889)**	**(2,869,289)**	**(2,248,325)**	**(3,044,082)**	**6%**	
Depreciation and amortization	127,703	75,011	75,011	76,482	70,438	-6%	
Operating income(loss)	**(2,512,398)**	**(2,512,901)**	**(2,944,300)**	**(2,324,806)**	**(3,114,520)**	**6%**	
Non-operating revenues(expenses):							
Interest and investment earnings	274	7,067	75,000	22,014	22,758	-70%	
Gain(loss) on sales and/or disposals of assets	-	-	-	-	-	0%	
Debt service interest expense	-	-	-	-	-	0%	
Grant revenue	-	-	-	-	-	0%	
Other, net	200	-	(3,288)	452	(3,288)	0%	
Total non-operating revenues(expenses) before transfers	**474**	**7,067**	**71,712**	**22,465**	**19,470**	**-73%**	
Overhead cost allocation - Central Administration	2,919,276	2,273,868	2,871,084	2,270,458	3,094,233	8%	[8]
ISF fleet use	2,823	2,875	5,680	3,251	5,680	0%	
Intra-department labor transfer	97,578	18,852	-	9,040	1,190	0%	
Landfill processing fee transfer	-	-	-	-	-	0%	
Contra-post closure expenses	-	-	-	-	-	0%	
Total transfers in	**3,019,677**	**2,295,595**	**2,876,764**	**2,282,749**	**3,101,103**	**8%**	
Overhead cost allocation - Central Administration	-	-	-	-	-	0%	
ISF fleet use	(6,366)	(6,404)	(4,176)	(7,318)	(6,053)	45%	
Intra-department labor transfer	(840)	(29,790)	-	-	-	100%	
Landfill processing fee transfer	-	-	-	-	-	100%	
Provision for landfill closure/postclosure	-	-	-	-	-	0%	
Total transfers out	**(7,206)**	**(36,194)**	**(4,176)**	**(7,318)**	**(6,053)**	**45%**	
Net transfers	**3,012,472**	**2,259,400**	**2,872,588**	**2,275,431**	**3,095,050**	**8%**	
Total non-operating revenues(expenses), net	**3,012,946**	**2,266,467**	**2,944,300**	**2,297,896**	**3,114,520**	**6%**	
Change in net assets before capital expenditures	**$ 500,548**	**$ (246,433)**	**$ 0**	**$ (26,910)**	**$ (0)**	**NA**	
Capital outlays	-	-	(40,000)	(40,331)	(275,000)	588%	[9]
Capital improvement projects	-	-	-	-	-	0%	
Change in net assets after capital expenditures	**$ 500,548**	**$ (246,433)**	**$ (40,000)**	**$ (67,241)**	**$ (275,000)**	**588%**	

VENTURA REGIONAL SANITATION DISTRICT

FISCAL YEAR 2020 BUDGET SUMMARY

CENTRAL ADMINISTRATION

COMMENTS

The Central Administration Budget Segment includes the activities of 18.3 FTEs responsible for administrative support 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 (SSD); b) Triunfo Water & Sanitation District (TWSD); and c) Ventura County Regional Energy Alliance. Services provided include accounting, financial management, customer service, management, utility billing, potable and recycled water system customer service, and support.

[2] The Salaries and Employee Benefits increase for FY2020 is primarily due to the addition of 1 FTE (Safety Officer) and $118K in unfunded pension expenses, as well as increases to other pension costs.

[3] General administrative expenses include Board fees and reimbursements of travel expenses, seminar and travel expenses associated with District employees, and insurances.

[4] During FY2020, Central Administration requests a $25K allocation for potential labor from temporary staffing agencies during periods of recruitment, as well as extended absences and leaves.

[5] $273.8K of the Professional Services expenses budgeted during FY2020 are billable to Central Administration customers, generating $314.8K in revenue. Non-billable Professional Services are primarily comprised of $149K for General Counsel, $35K for Labor Attorneys, $29K for Accounting & Auditing Services, $20K for investigations, $203.2K for various IT Services, $52.3K for VCERA, PARS and OPEB, and $50K for a Class & Comp study. Additionally, $10K of the $50K budgeted for a safety consultant is budgeted in Central Administration. The net decrease from the previous year's budget is due to the elimination of the general manager services provided to SSD and TSD/TWSD. Those charges are now directly contracted by these Districts.

[6] FY2020 Facility Maintenance is primarily comprised of $179.8K for the District Office building lease (including electricity and common area maintenance) and $57.9K for other utilities.

[7] This is comprised of Finance and IT maintenance agreement licenses and fees.

[8] Central Administration Overhead Costs are reallocated to the operating segments (Solid Waste, Water Wastewater, and the Biosolids & Microturbine Electrical Generation Facility).

[9] For a breakdown of FY2020 Capital Outlays, see Page 58.

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Water Wastewater

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VENTURA REGIONAL SANITATION DISTRICT

FISCAL YEAR 2020 BUDGET SUMMARY

WATER WASTEWATER

Description	Actual FY 2017 Yearend	Actual FY 2018 Yearend	Adopted FY 2019 Budget	Estimated FY 2019 Yearend	Proposed FY 2020 Budget	FY19 vs. FY20 Budget Inc/(Dec)	
Operating revenues:							
Revenue - sales	$ 4,704,596	$ 5,423,022	$ 5,818,885	$ 5,904,100	$ 6,671,294	15%	[1]
Revenue - other	23,152	12,696	10,626	10,750	10,626	0%	
Reimb from outside agencies	-	-	-	-	-	0%	
Total operating revenues	**4,727,747**	**5,435,718**	**5,829,511**	**5,914,850**	**6,681,920**	**15%**	
Operating expenses:							
Salaries and employee benefits	2,872,938	3,268,900	3,663,816	3,528,991	4,164,130	14%	[2]
General administrative	30,477	54,485	79,541	48,403	73,602	-7%	
Operating materials and supplies	643,366	804,585	708,336	1,105,803	722,373	2%	[3]
Contract services - labor	24,348	21,262	252,000	89,703	252,000	0%	[4]
Professional services	55,209	45,780	326,949	44,181	324,500	-1%	[5]
Facility maintenance	78,911	123,645	42,252	140,293	47,252	12%	
Permit, fees & other	35,270	38,202	30,150	60,256	102,550	240%	[6]
Total operating expenses	**3,740,518**	**4,356,859**	**5,103,044**	**5,017,631**	**5,686,407**	**11%**	
Operating income(loss) before depreciation	**987,229**	**1,078,859**	**726,467**	**897,220**	**995,513**	**37%**	
Depreciation and amortization	156,563	156,563	156,563	157,053	157,053	0%	
Operating income(loss)	**830,666**	**922,296**	**569,904**	**740,166**	**838,460**	**47%**	
Non-operating revenues(expenses):							
Interest and investment earnings	2,452	994	3,400	84,676	91,926	2604%	
Gain(loss) on sales and/or disposals of assets	-	-	-	-	-	0%	
Debt service interest expense	(49,231)	(44,897)	(41,822)	(41,822)	(37,686)	-10%	
Grant revenue	-	-	-	-	-	0%	
Other, net	39,482	45,975	107,366	42,294	108,987	2%	
Total non-operating revenues(expenses) before transfers	**(7,297)**	**2,072**	**68,944**	**85,148**	**163,227**	**137%**	
Overhead cost allocation - Central Administration	-	-	-	-	-	0%	
ISF fleet use	20,571	42,477	8,618	26,939	8,618	0%	
Intra-department labor transfer	140,402	449,663	118,135	228,005	234,434	98%	[7]
Landfill processing fee transfer	-	-	-	-	-	0%	
Contra-post closure expenses	-	-	(10,004)	(10,004)	(10,004)	0%	[8]
Total transfers in	**160,973**	**492,140**	**116,749**	**244,940**	**233,048**	**100%**	
Overhead cost allocation - Central Administration	(1,206,660)	(577,308)	(808,014)	(629,833)	(448,217)	-45%	[9]
ISF fleet use	(442,056)	(442,130)	(412,495)	(411,105)	(470,440)	14%	
Intra-department labor transfer	(15,638)	(2,574)	-	(8,024)	(1,190)	0%	
Landfill processing fee transfer	-	-	-	-	-	0%	
Provision for landfill closure/postclosure	-	-	-	-	-	0%	
Total transfers out	**(1,664,354)**	**(1,022,012)**	**(1,220,509)**	**(1,048,962)**	**(919,847)**	**-25%**	
Net transfers	**(1,503,381)**	**(529,871)**	**(1,103,760)**	**(804,022)**	**(686,799)**	**-38%**	
Total non-operating revenues(expenses), net	**(1,510,678)**	**(527,799)**	**(1,034,816)**	**(718,874)**	**(523,572)**	**-49%**	
Change in net assets before capital expenditures	**$ (680,012)**	**$ 394,497**	**$ (464,913)**	**$ 21,292**	**$ 314,888**	**-168%**	
Capital outlays	-	-	(25,250)	(25,250)	(37,500)	49%	[10]
Capital improvement projects	-	-	-	-	-	0%	
Change in net assets after capital expenditures	**$ (680,012)**	**$ 394,497**	**$ (490,163)**	**$ (3,958)**	**$ 277,388**	**-157%**	

VENTURA REGIONAL SANITATION DISTRICT

FISCAL YEAR 2020 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 the District's Hourly Labor Rates by employee classification is found on Page 62. 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 63 through 64.

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 $162.94 (FY2020). 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 FY2020 monthly sewer fee, $120.04 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] Revenue amounts, by customer, are listed on Page 20.

[2] The Proposed FY2020 Budget includes 30.75 FTEs assigned to the Water Wastewater Division, which is an increase of 0.75 FTEs from FY2019. The allocation of Water/Wastewater Workers has increased by 1 FTE, the Water/Wastewater Operations Superintendent has been reclassified to an Operations Manager, and the Office Assistant position has been decreased from 1 FTE to 0.75 FTE. Additionally, $189K of the increase in expense is attributable to unfunded pension expenses.

[3] $600.5K of the Operating Materials & Supplies budgeted during FY2020 are billable to Water/Wastewater Division customers, generating $679K in revenue.

[4] $250K of the Temporary Labor in FY2020 is budgeted to assist regular staff during seasonal projects, short-term vacations, and short-term leaves. Absent revenue to substantiate the need for temporary labor, the expense will not accumulate.

[5] $249K of the Professional Services expenses budgeted during FY2020 are billable to Water/Wastewater Division customers, generating $286.4K in revenue. Non-billable Professional Services include $10K for General Counsel, $25K for Labor Attorneys, and $25.5K for other outside contracted services. Additionally, $15K of the $50K budgeted for a safety consultant is budgeted in Water/Wastewater.

[6] $83.6K of the Permits, Licenses, and Fees, budgeted during FY2020 are billable to Water/Wastewater Division customers, generating $96.1K in revenue. Non-billable Professional Services include $10K for GIS software and service maintenance licenses, $5K for Birdnest software for tracking plant data, and $4K for SEMS license fees.

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

[8] $10,004 represents a Malibu Bay Club Reserve Fund. Each unit will contribute $6.13 per month toward this Reserve Fund.

[9] The $359.8K decrease is attributable to the newly implemented Central Administration overhead allocation methodology, which was approved by the VRSD Board of Directors during FY2019.

[10] For a breakdown of FY2020 Capital Outlays, see Page 58.

WATER WASTEWATER
REVENUE BY CUSTOMER

	Proposed Budget FY 2020	Forecast [a] FY 2019	Adjusted Budget FY 2019	Adopted Budget FY 2019	Actual FY 2018	Actual FY 2017
Anticipated Reimbursable	89,340	-	-	-	-	-
Cabrillo Economic Development Corporation	6,133	4,408	6,391	6,391	6,436	2,964
Camarillo Sanitary District	163,760	86,969	175,000	-	-	-
Camrosa Water District	163,987	93,964	154,775	154,775	144,816	151,576
Cate School	210,405	215,369	215,369	215,369	370,003	215,121
Channel Islands Beach CSD	-	708	-	-	1,326	1,001
City of Santa Paula	353,407	29,862	88,630	-	-	-
City of Thousand Oaks	6,660	4,212	6,381	6,381	2,242	2,698
City of Ventura	-	11,316	-	-	11,950	13,739
County of Ventura						
Moorpark	193,845	184,528	184,528	184,528	213,490	143,808
NorthCoast	406,534	490,664	405,734	405,734	428,170	503,842
Piru	43,745	41,010	41,010	41,010	2,318	21,457
County of Ventura - Special Projects	-	-	1,363	1,363	43,658	74,545
County of Ventura Total	644,124	716,202	632,634	632,634	687,635	743,653
CSU, Channel Islands	-	29,721	-	-	-	15,506
Malibu Bay Club	195,905	188,545	188,545	188,545	263,297	240,883
Ojai Valley Sanitary	90,637	18,788	87,315	87,315	36,735	51,774
Ojai Valley School	67,113	51,553	66,247	66,247	51,237	41,376
Saticoy Sanitary District						
Saticoy Sanitary District	289,416	326,482	326,482	326,482	275,193	275,649
Saticoy Sanitary District - Central Administration	101,261	115,147	125,221	125,221	72,831	74,254
Saticoy Sanitary District Total	390,677	441,629	451,703	451,703	348,023	349,903
Thacher School	149,890	164,176	164,176	164,176	150,604	98,315
Thomas Aquinas College	276,949	278,287	278,287	278,287	218,581	265,556
Top O'Topanga Community Association	206,073	209,664	196,400	196,400	198,144	175,411
Triunfo Water & Sanitation District						
Triunfo Water & Sanitation District	3,700,393	3,441,583	3,441,583	3,441,583	2,969,457	2,406,272
Triunfo Water & Sanitation District - Central Admin	1,525,656	1,588,123	1,620,472	1,620,472	1,347,599	1,291,282
Triunfo Water & Sanitation District Total	5,226,049	5,029,706	5,062,055	5,062,055	4,317,057	3,697,554
Ventura County Regional Energy Alliance	10,216	5,794	7,698	7,698	3,844	3,428
Miscellaneous Customers	57,104	32,290	54,301	54,301	35,367	3,101
Customer Total	8,308,428	7,613,164	7,835,906	7,572,276	6,847,296	6,073,559
Excluding Central Administration Revenue Sales	(1,637,134)	(1,709,064)	(1,753,391)	(1,753,391)	(1,424,274)	(1,368,963)
Total Water Wastewater Revenue Sales	$ 6,671,294	$ 5,904,100	$ 6,082,515	$ 5,818,885	$ 5,423,022	$ 4,704,596

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

VENTURA REGIONAL SANITATION DISTRICT

FISCAL YEAR 2020 BUDGET SUMMARY

MALIBU BAY CLUB

Description	Maintenance	Operations	Environmental Monitoring	Total Budget
Expense				
Labor	42,123	61,645	22,530	126,298
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	7,500	500	12,230
Property insurance	-	9,270	-	9,270
Legal	-	11,500	-	11,500
Total Expenses	$ 63,603	$ 104,628	$ 39,705	$ 207,936
			Annual sewer service fee [1]	195,905
			Annual surplus/(deficit)	$ (12,030)

[1] $120.04 monthly operations and maintenance fee per parcel.

	Reserve Fund	Reimbursement of Advance
Beginning Balance	40,016	59,964
FY 2020 - Tax Roll Apportionment	10,004	(60,009)
Deficit - FY 2020	-	12,030
Ending Balance	$ 50,020	$ 11,986

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Solid Waste

Fiscal Year 2020 Budget Summary.....24

VENTURA REGIONAL SANITATION DISTRICT

FISCAL YEAR 2020 BUDGET SUMMARY

SOLID WASTE

Description	Actual FY 2017 Yearend	Actual FY 2018 Yearend	Adopted FY 2019 Budget	Estimated FY 2019 Yearend	Proposed FY 2020 Budget	FY19 vs. FY20 Budget Inc/(Dec)	
Operating revenues:							
Revenue - sales	$ 12,639,373	$ 20,174,869	$ 14,296,477	$ 12,827,638	$ 14,369,436	1%	[1]
Revenue - other	212,844	2,365,970	155,800	185,971	157,220	1%	[2]
Reimb from outside agencies	-	1,305,000	-	-	-	0%	
Total operating revenues	**12,852,217**	**23,845,839**	**14,452,277**	**13,013,609**	**14,526,656**	**1%**	
Operating expenses:							
Salaries and employee benefits	2,618,915	2,816,993	3,167,074	3,035,017	3,753,691	19%	[3]
General administrative	178,819	62,633	34,000	20,574	47,750	40%	[4]
Operating materials and supplies	752,411	2,071,394	929,956	656,491	1,288,994	39%	[5]
Contract services - labor	379,580	843,598	140,000	307,492	30,000	-79%	[6]
Professional services	785,004	2,761,746	872,416	788,497	542,979	-38%	[7]
Facility maintenance	355,868	875,924	309,810	583,193	269,810	-13%	[8]
Permit, fees & other	1,195,849	1,953,086	1,396,502	1,336,424	1,518,647	9%	[9]
Total operating expenses	**6,266,448**	**11,385,374**	**6,849,758**	**6,727,688**	**7,451,871**	**9%**	
Operating income(loss) before depreciation	**6,585,770**	**12,460,465**	**7,602,519**	**6,285,922**	**7,074,785**	**-7%**	
Depreciation and amortization	2,376,688	2,486,657	2,479,872	2,546,179	2,531,966	2%	
Operating income(loss)	**4,209,082**	**9,973,808**	**5,122,647**	**3,739,743**	**4,542,819**	**-11%**	
Non-operating revenues(expenses):							
Interest and investment earnings	(23,651)	7,519	248,000	418,537	420,621	70%	
Gain(loss) on sales and/or disposals of assets	-	-	-	-	-	0%	
Debt service interest expense	(389,378)	(405,059)	(372,193)	(372,193)	(328,146)	-12%	
Grant revenue	-	-	-	-	-	0%	
Other, net	30	43	-	-	-	0%	
Total non-operating revenues(expenses) before transfers	**(412,999)**	**(397,496)**	**(124,193)**	**46,344**	**92,475**	**-174%**	
Overhead cost allocation - Central Administration	-	-	-	-	-	0%	
ISF fleet use	265	-	3,060	-	3,060	0%	
Intra-department labor transfer	72,366	69,301	20,960	47,091	21,000	0%	[10]
Landfill processing fee transfer	138,102	22,379	11,325	25,709	372	-97%	[11]
Contra-post closure expenses	-	-	-	-	-	0%	
Total transfers in	**210,733**	**91,680**	**35,345**	**72,799**	**24,432**	**-31%**	
Overhead cost allocation - Central Administration	(1,646,496)	(1,436,496)	(1,985,218)	(1,570,788)	(2,593,477)	31%	[12]
ISF fleet use	(1,744,980)	(1,766,258)	(1,565,547)	(1,578,746)	(2,756,931)	76%	
Intra-department labor transfer	(132,535)	(345,408)	(70,029)	(116,499)	(186,644)	167%	
Landfill processing fee transfer	-	-	-	-	-	0%	
Provision for landfill closure/postclosure	(1,455,367)	8,543,857	(663,140)	(610,515)	(550,560)	-17%	[13]
Total transfers out	**(4,979,377)**	**4,995,696**	**(4,283,934)**	**(3,876,548)**	**(6,087,612)**	**42%**	
Net transfers	**(4,768,644)**	**5,087,376**	**(4,248,589)**	**(3,803,749)**	**(6,063,180)**	**43%**	
Total non-operating revenues(expenses), net	**(5,181,643)**	**4,689,879**	**(4,372,782)**	**(3,757,405)**	**(5,970,705)**	**37%**	
Change in net assets before capital expenditures	**$ (972,561)**	**$ 14,663,687**	**$ 749,865**	**$ (17,662)**	**$ (1,427,886)**	**-290%**	
Capital outlays	-	-	-	-	-	0%	
Capital improvement projects	-	-	(2,333,000)	(2,333,000)	(2,051,000)	-12%	[14]
Change in net assets after capital expenditures	**$ (972,561)**	**$ 14,663,687**	**$ (1,583,135)**	**$ (2,350,662)**	**$ (3,478,886)**	**120%**	

VENTURA REGIONAL SANITATION DISTRICT

FISCAL YEAR 2020 BUDGET SUMMARY

SOLID WASTE

COMMENTS

The Solid Waste Division includes revenues and expenditures related to the active solid waste facility 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 $14,266,868, based upon the disposal of 443,700 tons of refuse. This line also includes $102,568 from the City of Oxnard for EPG at River Ridge.

[2] Budgeted Revenue decrease during FY2019 and FY2020 is reflective of the Millenium Grove burning during the FY2018 Thomas Fire.

[3] The FY2020 Budget includes 30 FTEs assigned to the Solid Waste Division. The Salaries & Employee Benefits increase is is reflective of the addition of 1 Solid Waste Equipment Operator and 2 Solid Waste Helpers. Also, $177K of the increase in expense is attributable to unfunded pension expenses.

[4] Budgeted FY2020 General Administrative expenses are comprised of $25K for Conferences, Seminars, & Training; $5.25K for Education Reimbursements; and $17.5K for other general administrative expenses.

[5] Operating Materials and Supplies include Rock & Sand, Lab Services & Supplies, Safety Supplies, Chemical Supplies & Disposal, Wastewater Transportation & Disposal, Computer Equipment, Janitorial Supplies, Leachate and Condensate Hauling, Equipment Repair, Piping.

[6] Temporary Labor will decrease again during FY2020 due to the District establishing a Solid Waste Helper classification during FY2019. The need for some temporary labor will always remain for absences, extended leaves, and temporary projects.

[7] FY2020 Professional Services are primarily comprised of Engineering Consultants ($165K), Environmental Consultants ($253K), General Counsel ($75K), and Labor Attorneys ($25K). Additionally, $25K of the $50K budgeted for a safety consultant is budgeted in Solid Waste.

[8] Facility Maintenance includes $153.7K for Utilities, $101.1K for Automotive & Equipment Rental, and $15K for Automotive & Equipment Maintenance & Repair.

[9] The increase in Permits, Licenses, and Fees, during FY2020 is primarily due to tonnage redirected to Waste Management's landfill in Simi Valley.

[10] Intra-department Labor Transfer In is reflective of Solid Waste Division staff supporting operations in other divisions.

[11] Landfill Processing Fee Transfer In is reflective of closure/postclosure fees transfered from the Biosolids & Microturbine Electrical Generation Facility to the Solid Waste Division when biosolids/sludge is buried in the landfill. The decrease is reflective of a decrease in biosolids/sludge tonnage to be buried at Toland Road Landfill during FY2020.

[12] The $608.3K increase is attributable to the newly implemented Central Administration overhead allocation methodology, which was approved by the VRSD Board of Directors during FY2019.

[13] The Provision For Landfill Closure/Postclosure decrease is reflective of the decrease in calculated per ton rate needed to reach the required closure/postclosure reserves necessary upon closure of the Toland Road Landfill due to the anticipated approval of an amended CUP.

[14] For a breakdown of FY2020 Capital Improvement Projects, see Pages 42 and 44 through 51.

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Post Closed Landfill Maintenance

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Tierra Rejada Mitigation & Monitoring Costs.....30

VENTURA REGIONAL SANITATION DISTRICT

FISCAL YEAR 2020 BUDGET SUMMARY

POST CLOSED LANDFILL MAINTENANCE

Description	Actual FY 2017 Yearend	Actual FY 2018 Yearend	Adopted FY 2019 Budget	Estimated FY 2019 Yearend	Proposed FY 2020 Budget	FY19 vs. FY20 Budget Inc/(Dec)
Operating revenues:						
Revenue - sales	$ -	$ -	$ -	$ -	$ -	0%
Revenue - other	-	-	-	-	51,246	0% [1]
Reimb from outside agencies	-	-	-	-	-	0%
Total operating revenues	**-**	**-**	**-**	**-**	**51,246**	**0%**
Operating expenses:						
Salaries and employee benefits	-	-	118,033	-	110,577	-6%
General administrative	476	3,211	1,054	-	1,054	0%
Operating materials and supplies	213,444	138,261	140,500	83,247	150,500	7%
Contract services - labor	64,424	74,707	42,500	28,642	42,500	0%
Professional services	446,439	246,713	230,100	91,828	208,500	-9% [2]
Facility maintenance	58,258	28,486	127,500	24,780	127,500	0% [3]
Permit, fees & other	79,837	62,052	75,350	92,441	110,450	47% [4]
Total operating expenses	**862,878**	**553,430**	**735,037**	**320,937**	**751,081**	**2%**
Operating income(loss) before depreciation	**(862,878)**	**(553,430)**	**(735,037)**	**(320,937)**	**(699,835)**	**-5%**
Depreciation and amortization	17,046	17,046	14,559	14,980	13,294	-9%
Operating income(loss)	**(879,924)**	**(570,476)**	**(749,596)**	**(335,917)**	**(713,129)**	**-5%**
Non-operating revenues(expenses):						
Interest and investment earnings	83,816	60,488	190,000	199,073	245,595	29%
Gain(loss) on sales and/or disposals of assets	-	-	-	-	-	0%
Debt service interest expense	-	-	-	-	-	0%
Grant revenue	-	-	-	-	-	0%
Other, net	-	-	-	-	-	0%
Total non-operating revenues(expenses) before transfers	**83,816**	**60,488**	**190,000**	**199,073**	**245,595**	**29%**
Overhead cost allocation - Central Administration	-	-	-	-	-	0%
ISF fleet use	-	-	-	-	-	0%
Intra-department labor transfer	-	-	-	-	-	0%
Landfill processing fee transfer	-	-	-	-	-	0%
Contra-post closure expenses	954,019	637,601	780,456	402,394	743,943	-5%
Total transfers in	**954,019**	**637,601**	**780,456**	**402,394**	**743,943**	**-5%**
Overhead cost allocation - Central Administration	-	-	-	-	-	0%
ISF fleet use	(5,205)	(5,611)	(6,642)	(4,356)	(6,642)	0%
Intra-department labor transfer	(69,513)	(61,969)	(24,218)	(68,931)	(24,172)	0%
Landfill processing fee transfer	-	-	-	-	-	0%
Provision for landfill closure/postclosure	-	-	-	-	-	0%
Total transfers out	**(74,718)**	**(67,580)**	**(30,860)**	**(73,287)**	**(30,814)**	**0%**
Net transfers	**879,302**	**570,021**	**749,596**	**329,107**	**713,129**	**-5%**
Total non-operating revenues(expenses), net	**963,117**	**630,509**	**939,596**	**528,180**	**958,724**	**2%**
Change in net assets before capital expenditures	**$ 83,193**	**$ 60,034**	**$ 190,000**	**$ 192,263**	**$ 245,595**	**0%**
Capital outlays	-	-	-	-	-	0%
Capital improvement projects	-	-	-	-	-	0%
Change in net assets after capital expenditures	**$ 83,193**	**$ 60,034**	**$ 190,000**	**$ 192,263**	**$ 245,595**	**0%**

VENTURA REGIONAL SANITATION DISTRICT

FISCAL YEAR 2020 BUDGET SUMMARY

POST CLOSED LANDFILL MAINTENANCE

COMMENTS

Budgeted activities for closed landfill relate to Coastal Landfill (closed 1995), Bailard Landfill (closed 1997), Ozena Landfill (closed 1987) and 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] $51.2K in FY2020 is representative of contributions from partners in the Tierra Rejada Landfill consortium. For additional information, please see Page 30.

[2] FY2020 Professional Services are primarily comprised of Environmental Consultants ($93.5K), Engineering Consultants ($45K), Contractor Construction ($40K), and General Counsel ($10K).

[3] Facility Maintenance includes Equipment Maintenance ($75K), Equipment Rental (26.5K), and Utilities ($26K).

[4] The increase in Permits, Licenses, and Fees, during FY2020 is due to the inclusion of banking and investment fees.

VENTURA REGIONAL SANITATION DISTRICT

FISCAL YEAR 2020 BUDGET SUMMARY

TIERRA REJADA CLOSED LANDFILL

MITIGATION AND MONITORING COSTS

Description	Maintenance	Environmental Monitoring	Total Budget
Labor	6,162	2,915	9,077
Operating supplies	12,500	2,100	14,600
Operating services	1,000	15,000	16,000
Lab testing	2,500	-	2,500
Environmental Consultants	16,000	-	16,000
Utilities	1,000	-	1,000
Permits, licenses, fees	7,600	750	8,350
ISF equipment and mileage	802	-	802
Total Expenses	$ 47,564	$ 20,765	$ 68,329

	Fund Balance
Beginning balance as of July 1, 2018:	$ (5,693)
FY 2019 Forecasted Activity	(72,365)
Ending balance as of June 30, 2019	(78,058)
[a] *Funding of outstanding balance*	78,058
FY 2020 Budgeted Activity	(68,329)
[a] *Funding of FY 2020 Budgeted Expenses*	68,329
Ending balance as of June 30, 2020:	$ -

	[a] Accumulated Obligation (25%)	
	$ 125,000	
FY2019 Funding	(19,515)	25% of June 30, 2019 balance
FY2020 Funding	(17,082)	25% of FY 2020 budget
Remaining obligation available as of June 30, 2020	$ 88,403	

[a] Annual funding is equally divided among the following four parties of the Tierra Rejada Consortium:

City of Simi Valley ("City")
County of Ventura ("County")
Rancho Simi Recreational and Park District ("Simi Park")
Ventura Regional Sanitation District ("VRSD")

NOTE:

Amendment No. 6 to the July 18, 1991 Agreement was agreed to during 2019, in recognition of the fact that additional funding is needed to continue mitigation and monitoring at the closed Tierra Rejada Landfill and to address issues that may arise in the future.

By October 1st of each year of this Agreement, County, Simi Park and City shall each pay twenty-five percent (25%) of the total funding needed for each fiscal year to cover budgeted expenses, less the existing fund balance, to VRSD pursuant to the provisions of Amendment No.6. Each Party shall be obligated to pay, in addition to amounts previously paid, twenty-five percent (25%) but not to exceed $125,000 based on the current projections through FY 2024. If monitoring is required beyond FY 2024 or if tasks beyond those currently anticipated are required, the agreement will be amended accordingly.

Biosolids & Microturbine Electrical Generation Facility

Fiscal Year 2020 Budget Summary.....32

VENTURA REGIONAL SANITATION DISTRICT

FISCAL YEAR 2020 BUDGET SUMMARY

BIOSOLIDS & MICROTURBINE ELECTRICAL GENERATION FACILITY

Description	Actual FY 2017 Yearend	Actual FY 2018 Yearend	Adopted FY 2019 Budget	Estimated FY 2019 Yearend	Proposed FY 2020 Budget	FY19 vs. FY20 Budget Inc/(Dec)	
Operating revenues:							
Revenue - sales	$ 2,251,628	$ 1,054,799	$ 560,650	$ 905,839	$ 15,000	-97%	[1]
Revenue - other	103,116	178,146	50,000	63,415	-	-100%	[2]
Reimb from outside agencies	-	-	-	-	-	0%	
Total operating revenues	**2,354,744**	**1,232,945**	**610,650**	**969,254**	**15,000**	**-98%**	
Operating expenses:							
Salaries and employee benefits	(8,834)	(6,278)	-	-	-	0%	[3]
General administrative	46,076	47,900	47,500	51,564	6,583	-86%	[4]
Operating materials and supplies	460,871	293,215	181,000	262,428	1,000	-99%	[5]
Contract services - labor	-	-	-	-	-	0%	
Professional services	14,993	26,349	25,000	10,300	-	-100%	[6]
Facility maintenance	33,341	28,474	50,000	24,813	-	-100%	[7]
Permit, fees & other	245,438	177,568	140,500	201,379	174,289	24%	[8]
Total operating expenses	**791,885**	**567,227**	**444,000**	**550,484**	**181,872**	**-59%**	
Operating income(loss) before depreciation	**1,562,859**	**665,718**	**166,650**	**418,770**	**(166,872)**	**-200%**	
Depreciation and amortization	1,004,788	1,004,788	1,004,788	1,004,788	996,167	-1%	
Operating income(loss)	**558,072**	**(339,069)**	**(838,138)**	**(586,018)**	**(1,163,039)**	**39%**	
Non-operating revenues(expenses):							
Interest and investment earnings	1,021	3,828	2,000	14,052	-	-100%	
Gain(loss) on sales and/or disposals of assets	-	-	-	-	-	0%	
Debt service interest expense	(211,368)	(184,981)	(160,144)	(160,144)	(132,421)	-17%	
Grant revenue	-	-	-	-	-	0%	
Other, net	-	-	-	-	-	0%	
Total non-operating revenues(expenses) before transfers	**(210,347)**	**(181,153)**	**(158,144)**	**(146,092)**	**(132,421)**	**-16%**	
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%	
Total transfers in	**-**	**-**	**-**	**-**	**-**	**0%**	
Overhead cost allocation - Central Administration	(66,120)	(260,064)	(77,852)	(59,833)	(52,539)	-33%	[9]
ISF fleet use	(91,286)	(91,183)	(112,939)	(112,938)	(102,608)	-9%	
Intra-department labor transfer	(14,918)	(16,037)	(20,960)	(8,373)	(21,000)	0%	
Landfill processing fee transfer	(138,102)	(22,379)	(11,325)	(25,709)	(372)	-97%	[10]
Provision for landfill closure/postclosure	-	-	-	-	-	0%	
Total transfers out	**(310,427)**	**(389,663)**	**(223,076)**	**(206,854)**	**(176,519)**	**-21%**	
Net transfers	**(310,427)**	**(389,663)**	**(223,076)**	**(206,854)**	**(176,519)**	**-21%**	
Total non-operating revenues(expenses), net	**(520,774)**	**(570,816)**	**(381,220)**	**(352,945)**	**(308,940)**	**-19%**	
Change in net assets before capital expenditures	**$ 37,298**	**$ (909,886)**	**$ (1,219,358)**	**$ (938,963)**	**$ (1,471,979)**	**21%**	
Capital outlays	-	-	-	-	-	0%	
Capital improvement projects	-	-	-	-	-	0%	
Change in net assets after capital expenditures	**$ 37,298**	**$ (909,886)**	**$ (1,219,358)**	**$ (938,963)**	**$ (1,471,979)**	**21%**	

VENTURA REGIONAL SANITATION DISTRICT

FISCAL YEAR 2020 BUDGET SUMMARY

BIOSOLIDS & MICROTURBINE ELECTRICAL GENERATION FACILITY

COMMENTS

Fiscal Year 2019-2020 (FY2020) would be the tenth year of operation of the District's Biosolids & Microturbine Electrical Generation facility.

[1] $15K is budgeted in FY2020 revenue for the receipt of 300 tons of sludge. This budget does not reflect a rate increase for FY2020.

[2] The absence of budgeted electrical generation revenue for FY2020 is due to a planned shutdown of the microturbines.

[3] The FY2019 and FY2020 Budgets include no Biosolids & Microturbine Electrical Generation Facility specific employees.

[4] This decrease is reflective of a decrease in property insurance.

[5] The decrease during FY2020 is reflective of a planned shutdown of the microturbines.

[6] The decrease during FY2020 is reflective of a planned shutdown of the microturbines.

[7] The decrease during FY2020 is reflective of a planned shutdown of the microturbines.

[8] The FY2020 budget includes $173K in anticipation of the penalty from Southern California Edison (SCE) for not generating enough electricity to comply with VRSD's agreement to supply electricity to SCE's power grid. This will be the final penalty due to the planned shutdown of the microturbines.

[9] $52.5K includes the newly implemented Central Administration overhead allocation methodology during FY2020, which was approved by the VRSD Board of Directors during FY2019.

[10] Landfill Processing Fee Transfer Out is reflective of closure/postclosure fees transfered from the Biosolids & Microturbine Electrical Generation Facility to the Solid Waste Division when biosolids/sludge is buried in the landfill. This is calculated using the per ton rate needed to reach the required closure/postclosure reserves necessary upon closure of the Toland Road Landfill.

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Vehicles & Heavy Equipment - ISF

Fiscal Year 2020 Budget Summary.....36

VENTURA REGIONAL SANITATION DISTRICT

FISCAL YEAR 2020 BUDGET SUMMARY

VEHICLES & HEAVY EQUIPMENT - ISF

Description	Actual FY 2017 Yearend	Actual FY 2018 Yearend	Adopted FY 2019 Budget	Estimated FY 2019 Yearend	Proposed FY 2020 Budget	FY19 vs. FY20 Budget Inc/(Dec)	
Operating revenues:							
Revenue - sales	$ -	$ -	$ -	$ -	$ -	0%	
Revenue - other	-	-	-	333	-	0%	
Reimb from outside agencies	-	-	-	-	-	0%	
Total operating revenues	**-**	**-**	**-**	**333**	**-**	**0%**	
Operating expenses:							
Salaries and employee benefits	290,559	338,804	308,014	343,402	324,480	5%	[1]
General administrative	100,208	117,580	120,979	125,180	126,875	5%	[2]
Operating materials and supplies	406,243	544,776	465,500	529,161	578,500	24%	[3]
Contract services - labor	-	-	-	-	-	0%	
Professional services	-	-	1,000	-	1,000	0%	
Facility maintenance	282,963	449,681	554,795	416,116	554,795	0%	[4]
Permit, fees & other	1,299	1,421	5,000	3,731	5,000	0%	[5]
Total operating expenses	**1,081,272**	**1,452,262**	**1,455,288**	**1,417,591**	**1,590,650**	**9%**	
Operating income(loss) before depreciation	**(1,081,272)**	**(1,452,262)**	**(1,455,288)**	**(1,417,257)**	**(1,590,650)**	**9%**	
Depreciation and amortization	527,291	512,826	487,191	702,691	856,021	76%	
Operating income(loss)	**(1,608,562)**	**(1,965,088)**	**(1,942,479)**	**(2,119,948)**	**(2,446,671)**	**26%**	
Non-operating revenues(expenses):							
Interest and investment earnings	1,078	2,617	5,000	5,992	5,000	0%	
Gain(loss) on sales and/or disposals of assets	1,100	16,823	-	8,636	95,000	0%	[6]
Debt service interest expense	-	-	-	-	-	0%	
Grant revenue	-	-	-	-	-	0%	
Other, net	-	-	-	-	-	0%	
Total non-operating revenues(expenses) before transfers	**2,178**	**19,440**	**5,000**	**14,628**	**100,000**	**1900%**	
Overhead cost allocation - Central Administration	-	-	-	-	-	0%	
ISF fleet use	2,266,233	2,266,233	2,084,441	2,081,659	3,325,316	60%	
Intra-department labor transfer	-	2,760	21,600	-	22,000	2%	
Landfill processing fee transfer	-	-	-	-	-	0%	
Contra-post closure expenses	-	-	-	-	-	0%	
Total transfers in	**2,266,233**	**2,268,993**	**2,106,041**	**2,081,659**	**3,347,316**	**59%**	
Overhead cost allocation - Central Administration	-	-	-	-	-	0%	
ISF fleet use	-	-	-	2,615	-	0%	
Intra-department labor transfer	(76,903)	(82,224)	(45,488)	(82,308)	(45,618)	0%	
Landfill processing fee transfer	-	-	-	-	-	0%	
Provision for landfill closure/postclosure	-	-	-	-	-	0%	
Total transfers out	**(76,903)**	**(82,224)**	**(45,488)**	**(79,694)**	**(45,618)**	**0%**	
Net transfers	**2,189,331**	**2,186,769**	**2,060,553**	**2,001,965**	**3,301,698**	**60%**	
Total non-operating revenues(expenses), net	**2,191,509**	**2,206,209**	**2,065,553**	**2,016,593**	**3,401,698**	**65%**	
Change in net assets before capital expenditures	**$ 582,947**	**$ 241,121**	**$ 123,074**	**$ (103,355)**	**$ 955,027**	**676%**	
Capital outlays	-	-	(4,637,008)	(4,877,161)	(1,519,789)	-67%	[7]
Capital improvement projects	-	-	-	-	-	0%	
Change in net assets after capital expenditures	**$ 582,947**	**$ 241,121**	**$ (4,513,934)**	**$ (4,980,516)**	**$ (564,762)**	**-87%**	

VENTURA REGIONAL SANITATION DISTRICT

FISCAL YEAR 2020 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 & Microturbine Electrical Generation Facility). 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.

[1] The FY2020 Budget includes salary and benefits for 1 Fleet Mechanic & Maintenance Supervisor and 1 Solid Waste Equipment Mechanic. The primary reason for the increase is attributable to $11.8K in unfunded pension expenses.

[2] This increase is reflective of an increase in insurance premiums due to addition of new equipment.

[3] Operating Materials and Supplies includes fuel, oil and lubricants, operating supplies, and other operating services. For FY2020, fuel accounts for $497K of this budget.

[4] Facility maintenance includes heavy equipment repair and equipment rental. Additionally, $100K is budgeted for two undercarriages in FY2019 and FY2020.

[5] FY2019 and FY2020 are reflective of a license purchase associated with a fuel tracking software change.

[6] FY2020 is reflective of the sale of used vehicles and equipment for $95,000.

[7] For a breakdown of FY2020 Capital Outlays, see Page 59.

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Capital Improvement Projects

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Five-Year Capital Improvement Projects Plan 43
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VENTURA REGIONAL SANITATION DISTRICT

FISCAL YEAR 2020 BUDGET SUMMARY

CAPITAL IMPROVEMENT PROJECTS

Description	Actual FY 2017 Yearend	Actual FY 2018 Yearend	Adopted FY 2019 Budget	Estimated FY 2019 Yearend	Proposed FY 2020 Budget	FY19 vs. FY20 Budget Inc/(Dec)
Capital expenditures:						
Salaries and employee benefits	-	-	-	-	-	0%
General administrative	-	170	30,000	30,000	-	-100%
Operating materials and supplies	255,556	572,310	565,000	542,249	825,000	46%
Contract services - labor	-	-	-	-	-	0%
Information technology services	8,955	6,465	24,000	24,000	-	-100%
Engineering services	522,059	207,986	260,000	260,000	382,000	47%
Environmental services	12,091	-	-	-	-	0%
Professional services	122,504	84,447	156,000	156,000	219,000	40%
Attorney services	-	-	-	-	-	0%
Contractor construction	1,125,480	133,278	1,200,000	1,222,751	625,000	-48%
Structures and improvements	14,639	2,274	5,100	5,100	-	-100%
Auto and truck fleet	10,395	213,056	655,804	680,937	-	-100%
Heavy equipment	27,284	-	3,981,204	4,196,224	-	-100%
Other machinery and equipment	9,867	260,437	110,000	110,331	-	-100%
Other physical property	-	-	-	-	-	0%
Furniture and fixtures	11,737	-	2,500	2,500	-	-100%
Computer equipment	-	-	27,650	27,650	-	-100%
Facility maintenance	-	-	15,000	15,000	-	-100%
Permit, fees & other	-	4,680	3,000	3,000	-	-100%
Total capital expenditures	**2,120,568**	**1,485,103**	**7,035,258**	**7,275,742**	**2,051,000**	**-71%**
Capital expenditures before transfers	**(2,120,568)**	**(1,485,103)**	**(7,035,258)**	**(7,275,742)**	**(2,051,000)**	**-71%**
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%
Total transfers in	**-**	**-**	**-**	**-**	**-**	**0%**
Overhead cost allocation - Central Administration	-	-	-	-	-	0%
ISF fleet use	-	-	-	-	-	0%
Intra-department labor transfer	-	(2,574)	-	-	-	0%
Landfill processing fee transfer	-	-	-	-	-	0%
Provision for landfill closure/postclosure	-	-	-	-	-	0%
Total transfers out	**-**	**(2,574)**	**-**	**-**	**-**	**0%**
Net transfers	**-**	**(2,574)**	**-**	**-**	**-**	**0%**
Capital expenditures before capital expenditures - contra	**$ (2,120,568)**	**$ (1,487,677)**	**$ (7,035,258)**	**$ (7,275,742)**	**$ (2,051,000)**	**-71%**
Capital expenditures - contra	(2,120,568)	(1,487,677)	-	-	-	0%
Total capital expenditures	**$ 0**	**$ -**	**$ (7,035,258)**	**$ (7,275,742)**	**$ (2,051,000)**	**-71%**

VENTURA REGIONAL SANITATION DISTRICT

FISCAL YEAR 2020 BUDGET SUMMARY

CAPITAL IMPROVEMENT PROJECTS

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 44 through 51.

Capital Improvement Projects	Amount
Toland Landfill Extension	201,000
Toland Gas Collection	750,000
Toland Maintenance Shop Upgrades	100,000
West Perimeter Slope Repair - Partial Site Closure	350,000
Toland Deep Well and Pipeline	200,000
Toland Drainage and Basin Modifications	450,000
Total Capital Projects	$ 2,051,000

Funding for Capital expenditures in FY2020 is expected to come from the use of District reserves. Additional discussion of the impact on reserves is included in the Reserve Analysis (Page 56).

VENTURA REGIONAL SANITATION DISTRICT

FISCAL YEAR 2020 BUDGET SUMMARY

CAPITAL IMPROVEMENT PROJECTS - DETAIL BY DIVISION

Project	Description		Cost
SOLID WASTE (90-490)			
Toland Landfill Extension (499914)			
52080	Professional Services		201,000
		Project Total	**$ 201,000**
Gas Collection (499921)			
52074	Engineering Consultants		125,000
52082	Contractor Construction		250,000
52185	Operating Supplies		375,000
		Project Total	**$ 750,000**
Toland Maintenance Shop Upgrades (499927)			
52082	Contractor Construction		100,000
		Project Total	**$ 100,000**
West Perimeter Slope Repair - Partial Site Closure (499931)			
52074	Engineering Consultants		125,000
52082	Contractor Construction		125,000
52185	Operating Supplies		100,000
		Project Total	**$ 350,000**
Toland Deep Well and Pipeline (499932)			
52074	Engineering Consultants		82,000
52080	Professional Services		18,000
52185	Operating Supplies		100,000
		Project Total	**$ 200,000**
Toland Drainage and Basin Modifications (499933)			
52074	Engineering Consultants		50,000
52082	Contractor Construction		150,000
52185	Operating Supplies		250,000
		Project Total	**$ 450,000**
		Total Solid Waste Capital Improvement Projects Spending	**$ 2,051,000**
		Total District Capital Improvement Projects Spending	**$ 2,051,000**

VENTURA REGIONAL SANITATION DISTRICT

FIVE-YEAR CAPITAL IMPROVEMENT PROJECTS PLAN

Description	FY 2020[1]	FY 2021	FY 2022	FY 2023	FY 2024
Central Administration:					
Water/Wastewater					
Solid Waste:					
Toland Access Road Upgrades				200,000	
Toland Landfill Extension	201,000				
Toland Landfill Phase 4		1,000,000	1,000,000		
Toland Gas Collection	750,000	2,000,000	750,000	350,000	200,000
Toland Maintenance Shop Upgrades	100,000				
West Perimeter Slope Repair - Partial Site Closure	350,000	250,000	250,000		
Toland Deep Well and Pipeline	200,000				
Toland Drainage and Basin Modifications	450,000				
Biosolids/Microturbine Electrical Generation:					
Vehicles & Heavy Equipment:					
Fiscal Year Grand Total:	$ 2,051,000	$ 3,250,000	$ 2,000,000	$ 550,000	$ 200,000
Running Total:	$ 2,051,000	$ 5,301,000	$ 7,301,000	$ 7,851,000	$ 8,051,000

Notes:

1 FY is Fiscal Year, the year shown is the end of the fiscal year (e.g. - FY2020 is July 2019 through June 2020)

2 Amounts presented in future dollar value.

Toland Access Road Upgrades

Project Number: 499900
Department: Solid Waste
Estimated Percent Complete at Beginning of FY 2019: 0%
Estimated Completion Date: Summer 2022 (Phase 1); Summer 2032 (Phase 2)

Description:

This project includes development of plans and specifications for chip/slurry seal of the Toland Access Road and parking lot. Construction and material costs are included.

This work will be conducted during the Summer of 2022. The completed road will provide 10 years of service life. The next phase of upgrade will be conducted in FY2032.

Status:

This project was approved in FY2017-18 and FY2018-10, but was not started due to the Thomas Fire (FY2017-18) and higher priority projects (FY2018-19). The project will not be started during FY2019-20 since the road is considered serviceable until summer of 2022.

Budget and Cost Information

Fund or Account No.	Actual Costs Prior to FY 2018-19	FY 2018-19 Appropriation	FY 2018-19 Estimated Spent	FY 2018-19 Remaining*	FY 2019-20 Appropriation	Estimated Future Costs FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24 and beyond	Estimated Total Cost
Consultants										
90-490-499900-52074		20,000		20,000				20,000	20,000	60,000
				-						-
				-						-
				-						-
				-						-
				-						-
				-						-
				-						-
Subtotal	-	**20,000**	-	**20,000**	-	-	-	**20,000**	**20,000**	**60,000**
Construction										
90-490-499900-52082		180,000		180,000				180,000	180,000	540,000
				-						-
				-						-
				-						-
				-						-
				-						-
				-						-
				-						-
Subtotal	-	**180,000**	-	**180,000**	-	-	-	**180,000**	**180,000**	**540,000**
Project Totals	-	**200,000**	-	**200,000**	-	-	-	**200,000**	**200,000**	**600,000**

*Unexpended balances may be carried over to the next fiscal year.

Toland Landfill Extension

Project Number: 499914
Department: Solid Waste
Estimated Percent Complete at Beginning of FY 2019-20: 72%
Estimated Completion Date: December 2019

Description:

Application with County Planning regarding time extension for Toland Road Landfill, as well as request for expansion of daily tonnage limit. This project involves working with consultants to address possible changes to Toland EIR in response to County Planning and consulting with respect to CEQA process and preparation for public hearings.

Status:

Staff put the final EIR preparation on hold with County Planning while discussions were conducted with Toland Landfill neighbors regarding the project. Staff restarted EIR and CEQA efforts in February 2019. It is anticipated that supplemental EIR will be finalized in Fall 2019 and that final CUP modification application will be approved by end of 2019.

Budget and Cost Information

Fund or Account No.	Actual Costs Prior to FY 2018-19	FY 2018-19 Appropriation	FY 2018-19 Estimated Spent	FY 2018-19 Remaining*	FY 2019-20 Appropriation	Estimated Future Costs FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24 and beyond	Estimated Total Cost
Consultants										
90-490-499914-52080	67,775	125,000	34,680	90,320	201,000					393,775
				-						-
				-						-
				-						-
				-						-
				-						-
				-						-
				-						-
Subtotal	**67,775**	**125,000**	**34,680**	**90,320**	**201,000**	**-**	**-**	**-**	**-**	**393,775**
Construction										
				-						-
				-						-
				-						-
				-						-
				-						-
				-						-
				-						-
				-						-
Subtotal	-	-	-	-	-	-	-	-	-	-
Project Totals	**67,775**	**125,000**	**34,680**	**90,320**	**201,000**	**-**	**-**	**-**	**-**	**393,775**

*Unexpended balances may be carried over to the next fiscal year.

Phase 4 Liner Construction

Project Number: 499920
Department: Solid Waste
Estimated Percent Complete at Beginning of FY 2019-20: 12%
Estimated Completion Date: June 30, 2029

Description:

This project provides for development of engineering plans, permitting, construction quality assurance, and construction of future Phase 4 lined cells (Phase 4B, 4C, and 4D).

Status:

This is ongoing construction activity to continue over 3 additional phases. Phase 4A was completed in FY2016-17. Future subphases (B through D) will take place in FY2020-21, FY2023-24, and FY2028-29.

Budget and Cost Information

Fund or Account No.	Actual Costs Prior to FY 2018-19	FY 2018-19 Appropriation	FY 2018-19 Estimated Spent	FY 2018-19 Remaining*	FY 2019-20 Appropriation	Estimated Future Costs FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24 and beyond	Estimated Total Cost
Consultants										
90-490-499920-52074	275,000			-		150,000	50,000		500,000	975,000
90-490-499920-52079	30,000			-					50,000	80,000
				-						-
				-						-
				-						-
				-						-
				-						-
				-						-
Subtotal	**305,000**	**-**	**-**	**-**	**-**	**150,000**	**50,000**	**-**	**550,000**	**1,055,000**
Construction										
90-490-499920-52082	2,664,196			-		350,000	800,000		5,550,000	9,364,196
90-490-499920-52185				-		500,000	150,000			650,000
				-						-
				-						-
				-						-
				-						-
				-						-
				-						-
Subtotal	**2,664,196**	**-**	**-**	**-**	**-**	**850,000**	**950,000**	**-**	**5,550,000**	**10,014,196**
Project Totals	**2,969,196**	**-**	**-**	**-**	**-**	**1,000,000**	**1,000,000**	**-**	**6,100,000**	**11,069,196**

*Unexpended balances may be carried over to the next fiscal year.

Landfill Gas Collection System

Project Number: 499921
Department: Solid Waste
Estimated Percent Complete at Beginning of FY 2019-20: 33%
Estimated Completion Date: June 30, 2037

Description:

This project provides for development of engineering plans, permitting, construction quality assurance, and construction of vertical/horizontal gas collection wells and the collection header system. Costs include consultant time, construction, equipment, materials, and services during the project.

The majority of work is scheduled to be completed by FY2020-21, when the new flare will be installed and the perimeter gas collection header will be completed. Additional work will be added until the site closes due to modifications to the system, addition of wells, and modification to the header as thes site is expanded.

Status:

This is ongoing construction activity and it will continue over many years. FY2019-20 work will include continued building out of the perimeter header system, installation of new vertical and horizontal gas wells, and design of the new Toland companion flare.

1343497

Budget and Cost Information

Fund or Account No.	Actual Costs Prior to FY 2018-19	FY 2018-19 Appropriation	FY 2018-19 Estimated Spent	FY 2018-19 Remaining*	FY 2019-20 Appropriation	Estimated Future Costs FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24 and beyond	Estimated Total Cost
Consultants										
90-490-499921-52074	248,790	75,000	75,000	-	125,000	250,000	150,000	50,000	500,000	1,398,790
				-						-
				-						-
				-						-
				-						-
				-						-
				-						-
				-						-
Subtotal	**248,790**	**75,000**	**75,000**	**-**	**125,000**	**250,000**	**150,000**	**50,000**	**500,000**	**1,398,790**
Construction										
90-490-499921-52082	318,097	250,000	250,000	-	250,000	500,000	250,000	100,000	2,000,000	3,668,097
90-490-499921-52185	759,245	127,249	127,249	-	375,000	600,000	350,000	100,000	500,000	2,811,494
90-490-499921-52186	3,320	100,000	100,000	-						103,320
90-490-499921-52340	76,600			-		650,000		100,000	200,000	1,026,600
				-						-
				-						-
				-						-
				-						-
Subtotal	**1,157,262**	**477,249**	**477,249**	**-**	**625,000**	**1,750,000**	**600,000**	**300,000**	**2,700,000**	**7,609,511**
Project Totals	**1,406,052**	**552,249**	**552,249**	**-**	**750,000**	**2,000,000**	**750,000**	**350,000**	**3,200,000**	**9,008,301**

*Unexpended balances may be carried over to the next fiscal year.

Toland Maintenance Shop Upgrades

Project Number: 499927
Department: Solid Waste
Estimated Percent Complete at Beginning of FY 2019-20: 20%
Estimated Completion Date: Summer 2019

Description:

Upgrades to the shop and plant for FY2019-20 include paving of the dirt parking area and rehabilitation and repaving of buckled drive areas around the plant.

Status:

Work to take place in July and August 2019.

Budget and Cost Information

Fund or Account No.	Actual Costs Prior to FY 2018-19	FY 2018-19 Appropriation	FY 2018-19 Estimated Spent	FY 2018-19 Remaining*	FY 2019-20 Appropriation	Estimated Future Costs FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24 and beyond	Estimated Total Cost
Consultants										
				-						-
				-						-
				-						-
				-						-
				-						-
				-						-
				-						-
				-						-
Subtotal	-	-	-	-	-	-	-	-	-	-
Construction										
90-490-499927-52082	14,639			-	100,000					114,639
				-						-
				-						-
				-						-
				-						-
				-						-
				-						-
				-						-
Subtotal	**14,639**	-	-	-	**100,000**	-	-	-	-	**114,639**
Project Totals	**14,639**	-	-	-	**100,000**	-	-	-	-	**114,639**

*Unexpended balances may be carried over to the next fiscal year.

West Perimeter Slope Repair and Partial Closure

Project Number: 499931
Department: Solid Waste
Estimated Percent Complete at Beginning of FY 2019-20: 27%
Estimated Completion Date: June 30, 2022

Description:

This project includes development of engineering plans, permitting, bidding, and construction work to lay back oversteepened native slopes on the perimeter of the landfill footprint. Material excavated from slopes will be used for closing portions of the site that are filled to maximum allowable grades.

This work will be conducted during the Summer and Fall to address slope failures due to natural gradients of surrounding slopes. Phased work will be completed prior to the start of each rainy season.

Status:

Repair work is in planning stages and set to begin during the Spring of 2019. This works is phased over a 3-year period.

Budget and Cost Information

Fund or Account No.	Actual Costs Prior to FY 2018-19	FY 2018-19 Appropriation	FY 2018-19 Estimated Spent	FY 2018-19 Remaining*	FY 2019-20 Appropriation	Estimated Future Costs FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24 and beyond	Estimated Total Cost
Consultants										
90-490-499931-52074	51,574	20,000	560	19,440	125,000					196,574
				-						-
				-						-
				-						-
				-						-
				-						-
				-						-
				-						-
Subtotal	**51,574**	**20,000**	**560**	**19,440**	**125,000**	**-**	**-**	**-**	**-**	**196,574**
Construction										
90-490-499931-52082		172,751		172,751	125,000	100,000	100,000			497,751
90-490-499931-52185				-	100,000	150,000	150,000			400,000
90-490-499931-52340			8,277	-						-
				-						-
				-						-
				-						-
				-						-
				-						-
Subtotal	**-**	**172,751**	**8,277**	**172,751**	**225,000**	**250,000**	**250,000**	**-**	**-**	**897,751**
Project Totals	**51,574**	**192,751**	**8,837**	**192,191**	**350,000**	**250,000**	**250,000**	**-**	**-**	**1,094,325**

*Unexpended balances may be carried over to the next fiscal year.

Toland Deep Well & Piping Installation

Project Number: 499932
Department: Solid Waste
Estimated Percent Complete at Beginning of FY 2019-20: 15%
Estimated Completion Date: October 2019

Description:

This project number is for miscellaneous capital purchases that may arise throughout the FY. During FY2018-19, design and specifications for a new deep well was developed and a pilot hole was drilled in order to support future operations. The existing well was rehabbed during FY2017-18, but is not considered reliable long term.

Status:

Toland Deep Well project should be complete by Fall 2019.

Budget and Cost Information

Fund or Account No.	Actual Costs Prior to FY 2018-19	FY 2018-19 Appropriation	FY 2018-19 Estimated Spent	FY 2018-19 Remaining*	FY 2019-20 Appropriation	Estimated Future Costs FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24 and beyond	Estimated Total Cost
Consultants										
90-490-499902-52080		100,000		100,000	18,000					118,000
90-490-499902-52074			10,051	(10,051)	82,000					82,000
				-						-
				-						-
				-						-
				-						-
				-						-
				-						-
Subtotal	-	**100,000**	**10,051**	**89,949**	**100,000**	-	-	-	-	**200,000**
Construction										
90-490-499902-52082		600,000		600,000	50,000					650,000
90-490-499902-52185		300,000		300,000	50,000					350,000
				-						-
				-						-
				-						-
				-						-
				-						-
				-						-
Subtotal	-	**900,000**	-	**900,000**	**100,000**	-	-	-	-	**1,000,000**
Project Totals	-	**1,000,000**	**10,051**	**989,949**	**200,000**	-	-	-	-	**1,200,000**

*Unexpended balances may be carried over to the next fiscal year.

Toland Drainage & Basin Modifications

Project Number: 499933
Department: Solid Waste
Estimated Percent Complete at Beginning of FY 2019-20: 0%
Estimated Completion Date: Summer 2019

Description:

Work to upgrade debris basin to include a sand filter to improve efficiency of removing sediment from stormwater leaving the site. Also includes purchase of new drainage pipe to construct conveyances throughout the site.

Status:

Work to take place in August and September 2019.

Budget and Cost Information

Fund or Account No.	Actual Costs Prior to FY 2018-19	FY 2018-19 Appropriation	FY 2018-19 Estimated Spent	FY 2018-19 Remaining*	FY 2019-20 Appropriation	Estimated Future Costs FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24 and beyond	Estimated Total Cost
Consultants										
90-490-499903-52074				-	50,000					50,000
				-						-
				-						-
				-						-
				-						-
				-						-
				-						-
				-						-
Subtotal	-	-	-	-	**50,000**	-	-	-	-	**50,000**
Construction										
90-490-499903-52082				-	150,000					150,000
90-490-499903-52185				-	250,000					250,000
				-						-
				-						-
				-						-
				-						-
				-						-
				-						-
Subtotal	-	-	-	-	**400,000**	-	-	-	-	**400,000**
Project Totals	-	-	-	-	**450,000**	-	-	-	-	**450,000**

*Unexpended balances may be carried over to the next fiscal year.

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VENTURA REGIONAL SANITATION DISTRICT

FISCAL YEAR 2020 BUDGET: TEN YEAR FINANCIAL TREND

ENTERPRISE FUND

Description	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated
Operating revenues:					
Revenue - sales	$ 21,415,729	$ 21,149,414	$ 20,964,561	$ 28,076,964	$ 21,346,641
Revenue - other	456,575	346,222	344,907	2,564,307	267,621
Operating Revenue Adjustments	-	-	-	-	-
Total operating revenues	**21,872,303**	**21,495,637**	**21,309,468**	**31,946,271**	**21,614,263**
Operating expenses:					
Salaries and employee benefits	8,039,978	7,878,690	7,979,466	8,789,290	9,315,521
General administrative	495,050	421,978	530,954	401,555	542,699
Operating materials and supplies	3,680,851	3,267,255	2,504,837	3,865,014	2,666,909
Contract services - labor	395,707	566,164	536,866	979,830	425,837
Professional services	1,581,407	2,835,425	2,266,521	4,133,276	1,794,477
Facility maintenance	1,851,291	1,259,686	1,009,919	1,670,265	1,416,089
Permit, fees & other	1,407,009	1,872,692	1,673,892	2,345,579	1,837,339
Operating Expense Adjustments	-	-	-	-	-
Total operating expenses	**17,451,293**	**18,101,890**	**16,502,454**	**22,184,810**	**17,998,871**
Operating income(loss) before depreciation	**4,421,010**	**3,393,747**	**4,807,014**	**9,761,461**	**3,615,392**
Depreciation and amortization	3,776,744	3,813,051	4,210,079	4,252,891	4,502,173
Operating income(loss)	**644,266**	**(419,304)**	**596,935**	**5,508,570**	**(886,781)**
Non-operating revenues(expenses):					
Interest and investment earnings	367,628	636,112	64,991	82,514	744,343
Gain(loss) on sales and/or disposals of assets	(12,552)	47,883	1,100	16,823	8,636
Debt service interest expense	(922,435)	(1,124,123)	(649,977)	(634,937)	(574,159)
Grant revenue	-	-	-	-	-
Other, net	94,792	144,738	39,712	46,018	42,746
Total non-operating revenues(expenses) before transfers	**(472,568)**	**(295,389)**	**(544,174)**	**(489,583)**	**221,566**
Overhead cost allocation - Central Administration	2,437,387	2,934,156	2,919,276	2,273,868	2,270,458
ISF fleet use	2,185,256	2,306,178	2,289,893	2,311,585	2,111,849
Intra-department labor transfer	516,864	467,080	310,346	540,576	284,136
Landfill processing fee transfer	171,776	145,376	138,102	22,379	25,709
Contra-post closure expenses	805,553	1,481,706	954,019	637,601	392,390
Total transfers in	**6,116,836**	**7,334,495**	**6,611,636**	**5,786,010**	**5,084,541**
Overhead cost allocation - Central Administration	(2,437,387)	(2,934,156)	(2,919,276)	(2,273,868)	(2,260,454)
ISF fleet use	(2,185,256)	(2,306,178)	(2,289,893)	(2,311,585)	(2,111,849)
Intra-department labor transfer	(516,864)	(467,080)	(310,346)	(538,002)	(284,136)
Landfill processing fee transfer	(171,776)	(145,376)	(138,102)	(22,379)	(25,709)
Provision for landfill closure/postclosure	(1,407,536)	(1,442,183)	(1,455,367)	8,543,857	(610,515)
Total transfers out	**(6,718,819)**	**(7,294,973)**	**(7,112,983)**	**3,398,022**	**(5,292,662)**
Net transfers	**(601,983)**	**39,522**	**(501,347)**	**9,184,032**	**(208,121)**
Total non-operating revenues(expenses), net	**(1,074,551)**	**(255,867)**	**(1,045,522)**	**8,694,449**	**13,445**
Change in net assets before capital expenditures	**$ (430,285)**	**$ (675,171)**	**$ (448,587)**	**$ 14,203,020**	**$ (873,335)**
Capital outlays	-	-	-	-	-
Capital improvement projects	-	-	-	-	-
Change in net assets after capital expenditures	**$ (430,285)**	**$ (675,171)**	**$ (448,587)**	**$ 14,203,020**	**$ (873,335)**

VENTURA REGIONAL SANITATION DISTRICT

FISCAL YEAR 2020 BUDGET: TEN YEAR FINANCIAL TREND

ENTERPRISE FUND

Description	FY 2020 Budget	FY 2021 Forecast	FY 2022 Forecast	FY 2023 Forecast	FY 2024 Forecast	
Operating revenues:						
Revenue - sales	$ 22,692,864	$ 23,146,421	$ 23,609,050	$ 24,080,931	$ 24,562,249	
Revenue - other	219,092	223,261	227,514	231,852	236,276	
Operating Revenue Adjustments	-	1,849,309	2,898,369	2,956,337	3,015,463	[7]
Total operating revenues	**22,911,956**	**25,218,991**	**26,734,933**	**27,269,119**	**27,813,989**	[1]
Operating expenses:						
Salaries and employee benefits	11,157,476	11,267,837	11,493,194	11,723,057	11,957,519	
General administrative	763,851	779,128	794,711	810,605	826,817	
Operating materials and supplies	2,804,134	2,860,217	2,917,421	2,975,769	3,035,285	
Contract services - labor	349,500	356,490	363,620	370,892	378,310	
Professional services	1,955,852	1,994,969	2,034,868	2,075,566	2,117,077	
Facility maintenance	1,241,612	1,266,445	1,291,773	1,317,609	1,343,961	
Permit, fees & other	2,070,671	2,112,085	2,154,326	2,197,413	2,241,361	
Operating Expense Adjustments	-	462,497	585,335	470,727	534,263	
Total operating expenses	**20,343,097**	**21,099,667**	**21,635,248**	**21,941,638**	**22,434,593**	[2]
Operating income(loss) before depreciation	**2,568,859**	**4,119,325**	**5,099,685**	**5,327,481**	**5,379,396**	
Depreciation and amortization	4,624,939	4,747,394	4,924,459	5,041,698	5,080,308	[3]
Operating income(loss)	**(2,056,080)**	**(628,069)**	**175,226**	**285,782**	**299,088**	
Non-operating revenues(expenses):						
Interest and investment earnings	785,900	799,162	812,665	826,413	840,411	[4]
Gain(loss) on sales and/or disposals of assets	95,000	-	-	-	-	
Debt service interest expense	(498,253)	(401,643)	(321,861)	(249,354)	(187,896)	[5]
Grant revenue	-	-	-	-	-	
Other, net	105,699	101,881	97,517	93,034	18,415	
Total non-operating revenues(expenses) before transfers	**488,346**	**499,401**	**588,321**	**670,092**	**670,930**	
Overhead cost allocation - Central Administration	3,094,233	3,136,345	3,231,877	3,201,715	3,319,603	
ISF fleet use	3,342,674	3,409,527	3,477,718	3,547,272	3,618,218	
Intra-department labor transfer	278,624	284,196	289,880	295,678	301,592	
Landfill processing fee transfer	372	250	258	268	278	
Contra-post closure expenses	733,939	635,763	648,413	661,315	684,480	
Total transfers in	**7,449,842**	**7,466,082**	**7,648,146**	**7,706,248**	**7,924,171**	
Overhead cost allocation - Central Administration	(3,094,233)	(3,136,345)	(3,231,877)	(3,201,715)	(3,319,603)	
ISF fleet use	(3,342,674)	(3,409,527)	(3,477,718)	(3,547,272)	(3,618,218)	
Intra-department labor transfer	(278,624)	(284,196)	(289,880)	(295,678)	(301,592)	
Landfill processing fee transfer	(372)	(250)	(258)	(268)	(278)	
Provision for landfill closure/postclosure	(550,560)	(635,325)	(709,100)	(735,407)	(762,521)	
Total transfers out	**(7,266,463)**	**(7,465,644)**	**(7,708,834)**	**(7,780,340)**	**(8,002,212)**	
Net transfers	**183,379**	**438**	**(60,688)**	**(74,092)**	**(78,041)**	
Total non-operating revenues(expenses), net	**671,725**	**499,839**	**527,633**	**596,001**	**592,888**	
Change in net assets before capital expenditures	**$ (1,384,355)**	**$ (128,231)**	**$ 702,859**	**$ 881,783**	**$ 891,976**	[6]
Capital outlays	(1,832,289)	(580,010)	(1,652,452)	(1,169,089)	(1,383,147)	
Capital improvement projects	(2,051,000)	(3,250,000)	(2,000,000)	(550,000)	(200,000)	
Change in net assets after capital expenditures	**$ (5,267,644)**	**$ (3,958,241)**	**$ (2,949,593)**	**$ (837,306)**	**$ (691,171)**	

[1] Operating revenues increase annually based on the following rate increases: Solid Waste - 2%, Water Wastewater - 2%. Central Administration - 2%.

[2] Majority of operating expenses increase annually by 2%.

[3] Depreciation and amortization increases annually based on the Five-year capital plans.

[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.

[7] Revenue reflects a modified CUP taking effect on November 1, 2020.

VENTURA REGIONAL SANITATION DISTRICT

FISCAL YEAR 2020 BUDGET SUMMARY

CONSOLIDATED - RESERVE ANALYSIS

Description	Actual FY 2017 Yearend	Actual FY 2018 Yearend	Adopted FY 2019 Budget	Estimated FY 2019 Yearend	Proposed FY 2020 Budget	FY 2020 Minimum Reserve Level Policy	Over (Under) Minimum Requirement	
RESERVE LEVEL BALANCE:								
Beginning cash, cash equiv. & investments:	**$ 40,681,107**	**$ 39,273,360**	**$ 43,186,093**	**$ 42,779,325**	**$ 36,262,723**			
Change in net assets on a cash basis [1]	(1,407,747)	3,505,965	(6,633,739)	(6,516,602)	(4,312,811)			
Ending cash, cash equiv. & investments:	**$ 39,273,360**	**$ 42,779,325**	**$ 36,552,354**	**$ 36,262,723**	**$ 31,949,912**			
RESERVE LEVELS:								
Restricted reserves:								
Closure/Postclosure financial assurance req.								
Bailard Post Closure	5,050,986	4,272,438	4,366,859	4,365,150	4,459,874	4,459,874	-	
Coastal Post Closure	3,642,291	3,703,652	3,785,503	3,784,021	3,866,135	3,866,135	-	
Toland Road Closure/Post Closure	11,563,297	7,664,592	8,245,846	8,245,846	8,831,820	8,831,820	-	
Closed landfill maintenance/Other reserves	939,352	902,012	912,016	912,016	922,020	922,020	-	
Total restricted reserves	**21,195,926**	**16,542,694**	**17,310,224**	**17,307,033**	**18,079,849**	**18,079,849**	**-**	
Committed reserves:								
Closure and Postclosure Funds								
Bailard Post Closure [2]	4,700,799	1,542,650	1,072,333	1,074,042	-	-	-	
Coastal Post Closure [2]	3,295,947	535,779	253,928	255,410	-	-	-	
Toland Road Closure/Post Closure	219,305	-	-	-	-	-	-	
CERCLA	45,225	45,225	45,225	45,225	45,225	45,225	-	
Pension Liability Funding	-	-	-	-	496,732	496,732	-	
Total committed reserves	**8,261,276**	**2,123,654**	**1,371,485**	**1,374,676**	**541,957**	**541,957**	**-**	
Assigned reserves:								
Capital improvement funds [3]	3,977,000	3,977,000	895,613	3,883,289	3,830,010	3,830,010	-	
Insurance fund	331,481	365,632	435,985	389,615	428,447	428,447	-	
Operating funds - operating expenses [4]	1,920,244	16,188,925	12,895,857	9,664,920	5,426,459	4,898,004	528,455	[5]
Operating funds - 1 yr. debt service obligation	3,422,580	3,581,419	3,643,190	3,643,190	3,643,190	3,643,190	-	
Total assigned reserves	**9,651,303**	**24,112,976**	**17,870,645**	**17,581,014**	**13,328,106**	**12,799,651**	**528,455**	
Total reserve level	**39,108,505**	**42,779,325**	**36,552,354**	**36,262,723**	**31,949,912**	**31,421,457**	**528,455**	
Ending cash, cash equiv. & investments	**$ 39,108,505**	**$ 42,779,325**	**$ 36,552,354**	**$ 36,262,723**	**$ 31,949,912**	**$ 31,421,457**	**$ 528,455**	

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.

[2] Committed reserves represent Board approved levels in order to maintain the CERCLA fund. In addition, postclosure reserves are held for both the Bailard and the Coastal landfill in excess of restricted reserves.

[3] Capital improvement reserves needed to fund next fiscal year's capital outlays and projects, outlined in the 5-year Capital Improvement Plan table; FY2021 capital projects. The projected amount for FY2021 is approximately $3.8 million, which will be funded by assigned reserves.

[4] Operating funds-operating expenses represents the District's operating obligations; ranging from a minimum of three months to a maximum of six months.

[5] The District is able to fund approximately three and a half months of operating expenses for FY 2020.

VENTURA REGIONAL SANITATION DISTRICT

FISCAL YEAR 2020 BUDGET: FIVE-YEAR FORECAST

CONSOLIDATED - RESERVE ANALYSIS

Description	FY 2020 Estimated	FY 2021 Forecast	FY 2022 Forecast	FY 2023 Forecast	FY 2024 Forecast
RESERVE LEVEL BALANCE:					
Beginning cash, cash equiv. & investments:	**$ 36,262,723**	**$ 31,949,912**	**$ 29,117,283**	**$ 27,757,417**	**$ 29,181,216**
Change in net assets on a cash basis [1]	(4,312,811)	(2,832,629)	(1,359,866)	1,423,799	1,854,237
Ending cash, cash equiv. & investments:	**$ 31,949,912**	**$ 29,117,283**	**$ 27,757,417**	**$ 29,181,216**	**$ 31,035,452**
RESERVE LEVELS:					
Restricted reserves:					
Closure/Postclosure financial assurance req.					
Bailard Post Closure	4,459,874	4,556,653	4,655,532	4,756,557	4,700,000
Coastal Post Closure	3,866,135	3,950,030	4,000,000	4,040,000	4,080,400
Toland Road Closure/Post Closure	8,831,820	9,467,145	10,176,246	10,911,653	11,674,174
Closed landfill maintenance/Other reserves	922,020	902,012	912,016	922,020	847,020
Total restricted reserves	**18,079,849**	**18,875,840**	**19,743,794**	**20,630,230**	**21,301,594**
Committed reserves:					
Closure and Postclosure Funds					
Bailard Post Closure [2]	-	-	-	-	-
Coastal Post Closure [2]	-	-	-	-	-
Toland Road Closure/Post Closure	-	-	-	-	-
CERCLA	45,225	45,225	45,225	45,225	45,225
Pension Liability Funding	496,732	993,464	1,490,196	1,986,928	2,483,660
Total committed reserves	**541,957**	**1,038,689**	**1,535,421**	**2,032,153**	**2,528,885**
Assigned reserves:					
Capital improvement funds [3]	3,830,010	3,652,452	1,719,089	1,583,147	4,231,082
Insurance fund	428,447	461,272	481,597	487,422	489,747
Operating funds - operating expenses [4]	5,426,459	1,445,840	944,444	1,732,782	76,132
Operating funds - 1 yr. debt service obligation	3,643,190	3,643,189	3,333,071	2,715,482	2,408,011
Total assigned reserves	**13,328,106**	**9,202,754**	**6,478,202**	**6,518,833**	**7,204,972**
Total reserve level	**31,949,912**	**29,117,283**	**27,757,417**	**29,181,216**	**31,035,452**
Ending cash, cash equiv. & investments	**$ 31,949,912**	**$ 29,117,283**	**$ 27,757,417**	**$ 29,181,216**	**$ 31,035,452**
Balance over/(under) minimum requirements	**$ 528,455**	**$ (3,665,748)**	**$ (4,297,772)**	**$ (3,582,702)**	**$ (5,359,190)**

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. Net assets also reflects a modified CUP taking effect on November 1, 2020.

[2] Committed reserves represent Board approved levels in order to maintain the CERCLA fund. In addition, postclosure reserves are held for both the Bailard and the Coastal landfill in excess of restricted reserves.

[3] Capital improvement reserves needed to fund the next fiscal year's capital plan, outlined in the 5-year Capital Improvement Projects and Capital Outlays plans.

[4] Operating funds-operating expenses represents the District's operating obligations; ranging from a minimum of three months to a maximum of six months per current reserve policy. The District is not able to meet the minimum requirement during fiscal years 2021 through 2024.

VENTURA REGIONAL SANITATION DISTRICT

FISCAL YEAR 2020 BUDGET SUMMARY

CAPITAL OUTLAYS - DETAIL BY DIVISION

Project		Description		Cost
CENTRAL ADMINISTRATION (90-190)				
Central Administration Miscellaneous (199914)				
	52065	Miscellaneous		25,000
			Project Total	**$ 25,000**
Finance System Software (199918)				
	52360	Finance System		250,000
			Project Total	**$ 250,000**
			Total Central Administration Capital Spending	**$ 275,000**
WATER/WASTEWATER (90-290)				
Automate Gates (299901)				
	52350	Machinery and Equipment		25,000
			Project Total	**$ 25,000**
Water/Wastewater Miscellaneous (299904)				
	52340	Machinery and Equipment		7,500
			Project Total	**$ 7,500**
Water/Wastewater Office Reconfiguration (299905)				
	52350	Furniture and Fixtures		5,000
			Project Total	**$ 5,000**
			Total Water/Wastewater Capital Spending	**$ 37,500**

VENTURA REGIONAL SANITATION DISTRICT

FISCAL YEAR 2020 BUDGET SUMMARY

CAPITAL OUTLAYS - DETAIL BY DIVISION

Project	Description		Cost
VEHICLES & HEAVY EQUIPMENT - ISF (90-590)			
ISF - WWW Capital (599900)			
52320	Light Duty Truck		25,750
52320	Tool Truck		67,144
52320	CCTV Van		257,500
52320	Hydro Jetter		65,000
52320	Misc (Generators, Pumps, CCTV Cameras, etc.)		30,000
		Project Total	**$ 445,394**
ISF - SW Capital (599901)			
52330	Skid Steer Loader		96,305
52330	336F Excavator		400,670
52330	730C2 Rock Truck		400,000
52340	Vacuum Trailer for GCS and Leachate		90,000
52340	Misc (Light Plants, Pumps, etc.)		87,420
		Project Total	**$ 1,074,395**
		Total Vehicles & Heavy Equipment - ISF Capital Spending	**$ 1,519,789**
		Total District Capital Spending	**$ 1,832,289**

VENTURA REGIONAL SANITATION DISTRICT

FIVE-YEAR CAPITAL OUTLAYS PLAN

Description	FY 2020[1]	FY 2021	FY 2022	FY 2023	FY 2024
Central Administration:					
Miscellaneous	25,000	25,000	25,000	25,000	25,000
Finance System	250,000				
Water/Wastewater					
Automate Gates	25,000				
Office Reconfiguration	5,000				
Miscellaneous	7,500	7,500	7,500	7,500	7,500
Solid Waste:					
Biosolids/Microturbine Electrical Generation:					
Vehicles & Heavy Equipment:[2]					
ISF - Water/Wastewater	445,394		949,506		
ISF - Solid Waste	1,074,395	547,510	670,446	1,136,589	1,350,647
ISF - Biosolids & Microturbines					
ISF - Central Administration					
Fiscal Year Grand Total:	$ 1,832,289	$ 580,010	$ 1,652,452	$ 1,169,089	$ 1,383,147
Running Total:	$ 1,832,289	$ 2,412,299	$ 4,064,751	$ 5,233,840	$ 6,616,987

Notes:

1 FY is Fiscal Year, the year shown is the end of the fiscal year (e.g. - FY2020 is July 2019 through June 2020)

2 Amounts based on ISF replacement schedule.

3 Amounts presented in future dollar value.

VENTURA REGIONAL SANITATION DISTRICT

DEBT SERVICE

FISCAL YEAR 2020

OUTSTANDING DEBT SERVICE SUMMARY

	Biosolids - 1 *Loan #07-031*	**Biosolids - 2** *Loan #08-077*	**Solid Waste** *Loan #06-080*	**Water/Wastewater** *Loan #07-007*	**Solid Waste** *Loan #10-017*	**Solid Waste** *Loan #16-01*	**Combined Loan Amount**
Original Loan Amount	$3,980,887	$6,037,415	$3,491,504	$1,825,000	$3,709,711	$10,068,000	$29,112,517
Interest Rate	2.12%	2.27%	1.99%	2.71%	2.87%	2.94%	n/a
Due Dates	Jun and Dec	May and Nov	Jun and Dec	Oct and Apr	Jun and Dec	Jul and Jan	n/a
Lender	[1]	[1]	[1]	[3]	[1]	[1]	
Assignee	[2]	[2]	[2]	[4]	[2]	[2]	
Balance Due as of June 30, 2019	$2,063,867	$3,690,811	$1,505,358	$1,371,390	$2,529,665	$7,871,326	$19,032,417
Principal Payment through June 30, 2020	$574,215	$705,220	$593,216	$155,714	$359,344	$776,018	$3,163,727
Interest Payment through June 30, 2020	$40,727	$79,802	$27,020	$36,117	$70,042	$225,755	$479,463
Balance Due as of June 30, 2020	$1,489,652	$2,985,591	$912,142	$1,215,676	$2,170,321	$7,095,308	$15,868,690

Notes:

[1] Lender: Banc of America Public Capital Corporation

[2] Assignee: not assigned

[3] Lender: BBVA Compass Bank

[4] Assignee: not assigned

Additional Information

Loan #07-031	Description:	Acquire and construct the Biosolids drying facility
	Term:	January 2016 - December 2022
Loan #08-077	Description:	Purchase and construction of microturbines and Biosolids drying facility
	Term:	January 2016 - December 2024
Loan #06-080	Description:	Construction of Toland Road Landfill liner
	Term:	January 2016 - December 2021
Loan #07-007	Description:	Malibu Bay Club Onsite Wastewater Treatment System
	Source of Funding:	Assessment District
	Term:	June 2016 - April 2027
Loan #10-017	Description:	Construction of Toland Road Landfill liner Phase 3B
	Term:	January 2016 - December 2025
Loan #16-01	Description:	Implementation/Construction of Toland Road Landfill liner Phase 4
	Term:	January 2016 - January 2028

VENTURA REGIONAL SANITATION DISTRICT
HOURLY RATES
JULY 1, 2019 THROUGH JUNE 30, 2020

			FY 2019		FY 2020	
CENTRAL ADMINISTRATION						
Div.	**Pos.**	**Title**	**Hourly**	**OT**	**Hourly**	**OT**
CA	110	Human Resources Technician	$59	$88	$86	$129
CA	207	Administrative Assistant	$59	$88	$86	$129
CA	209	Office Assistant	$59	$88	NA	NA
CA	601	Fiscal Assistant	$70	$106	$88	$132
CA	605	Senior Fiscal Assistant	$70	$106	$88	$132
CA	208	Executive Assistant/Clerk of the Board	$82	$123	$104	$156
CA	103	Management Analyst	$102	NA	$119	NA
CA	109	Senior Management Analyst	$102	NA	$119	NA
CA	112	Safety Officer	NA	NA	$119	NA
CA	607	Accountant	$102	NA	$119	NA
CA	608	Senior Accountant	$102	NA	$119	NA
CA	111	Human Resources Manager	$94	NA	$132	NA
CA	502	Director of Finance	$162	NA	$175	NA
CA	501	General Manager	$198	NA	$194	NA
OPERATIONS						
Div.	**Pos.**	**Title**	**Hourly**	**OT**	**Hourly**	**OT**
WWW	209	Office Assistant	$59	$88	$86	$129
WWW	207	Administrative Assistant	$59	$88	$86	$129
WWW	909	W/WW Helper	$58	$87	$69	$103
WWW	908	W/WW Worker	$85	$128	$92	$138
WWW	911	Electrical/Mechanical Worker	$109	$164	$105	$158
WWW	916	W/WW Operator in Training	$109	$164	$105	$158
WWW	905	W/WW Treatment Operator I	$109	$164	$105	$158
WWW	906	W/WW Treatment Operator II	$109	$164	$105	$158
WWW	910	W/WW Treatment Operator III	$109	$164	$105	$158
WWW	913	W/WW Treatment Operator IV	$109	$164	$105	$158
WWW	914	W/WW Treatment Operator V	$109	$164	$105	$158
WWW	450	Environmental Resource Analyst	$117	$176	$112	$168
WWW	901	Instrumentation Technician	$119	$179	$106	$159
WWW	915	Electrical & Instrumentation Control Supervisor	$122	NA	$130	NA
WWW	720	W/WW Operations Supervisor	$122	NA	$130	NA
WWW	723	W/WW Operations Superintendent	$138	NA	$162	NA
WWW	950	Operations Manager	NA	NA	$173	NA
SW	820	Solid Waste Equipment Operator	$109	$164	$105	$158
SW	314	Engineering Technician	$112	$169	$106	$159
SW	320	Engineer	$122	NA	$130	NA
SW	315	Senior Engineer	$122	NA	$130	NA
SW	319	Senior Engineering Technician	$122	$183	$130	$195
SW	506	Director of Operations	$162	NA	$175	NA

• 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
PROPOSED EQUIPMENT & SUPPLY (CONSUMABLE) RATES
JULY 1, 2019 THROUGH JUNE 30, 2020

	CHARGE					
EQUIPMENT	**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 Hydrorodder				$375		
Portable Welder				$20		
Pressure Washer			$5	$40		
Pressure Washer - High Pressure/Hot Water				$55		

VENTURA REGIONAL SANITATION DISTRICT
PROPOSED EQUIPMENT & SUPPLY (CONSUMABLE) RATES (continued)
JULY 1, 2019 THROUGH JUNE 30, 2020

	CHARGE					
EQUIPMENT	**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 (includes 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	$650		
Vactor without Chase Truck *			$62	$600		
Vacuum Truck *				$400		
Vehicle - MULE (all terrain vehicle)						$280
Vehicle - Standby Truck w/crane, pump, & tank		$25				
Vehicle or Forklift				$25		
Vehicle #2106 (Assigned to TSD)						$578
Vehicle #2107 (Assigned to TSD)						$600
Vehicle #2122 (Assigned to TSD)						$1,000
Vehicle #2131 (Assigned to TSD)						$620
Video Inspection Vehicle (TV Van) *				$400		
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.

	CHARGE					
SUPPLY (CONSUMABLE)	**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 2020 BUDGET SUMMARY

SEMINARS, LODGING & TRAVEL

Program	Account	Description		Cost
CENTRAL ADMINISTRATION				
Administration				
	25 - 100 - 52030 - 100100	Personal Vehicle Mileage		1,500
	25 - 100 - 52035 - 100100	GFOA Conference & Seminar		1,500
	25 - 100 - 52035 - 100100	CSDA Board Sec'y Clerk Certificate Program		1,200
	25 - 100 - 52035 - 100100	League of CA Cities Clerks Conf		1,300
	25 - 100 - 52035 - 100100	City Clerk Assn Annual Conf		1,300
	25 - 100 - 52035 - 100100	Finance/Payroll Training Courses		2,800
		Project Total	**$**	**9,600**
Administration - Human Resources				
	25 - 100 - 52035 - 100104	HR Training & Seminars		5,100
	25 - 100 - 52035 - 100104	Textbooks & Tuition; Classes/Seminars		5,250
		Project Total	**$**	**10,350**
		Total Central Administration Seminars, Lodging & Travel	**$**	**19,950**
WATER/WASTEWATER				
Administration - Water Wastewater				
	20 - 270 - 52035 - 200100	Mileage/Seminar/Travel		8,160
		Project Total	**$**	**8,160**
Administration - Water Wastewater Training				
	20 - 270 - 52035 - 200103	Textbook & Tuition; Classes/Seminars; Cert Ed		42,840
	20 - 270 - 52035 - 200103	InduSoft Training in Austin, TX		6,120
		Project Total	**$**	**48,960**
		Total Water/Wastewater Seminars, Lodging & Travel	**$**	**57,120**
SOLID WASTE DIVISION				
Safety - Solid Waste				
	25 - 470 - 52035 - 400100	Conferences, Seminars, Training		25,000
		Project Total	**$**	**25,000**
		Total Solid Waste Seminars, Lodging & Travel	**$**	**25,000**
		Total District Seminars, Lodging & Travel	**$**	**102,070**

VENTURA REGIONAL SANITATION DISTRICT

FISCAL YEAR 2020 BUDGET SUMMARY

BOARD MEMBER FEES & EXPENSES

Program	Account	Description		Cost
CENTRAL ADMINISTRATION				
Board Member Fees				
	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
		Project Total	**$**	**61,380**
Board Member Expenses				
	25 - 100 - 52001 - 100100	Board Refreshments		286
	25 - 100 - 52001 - 100100	Mileage		5,000
	25 - 100 - 52001 - 100100	Registration (CASA)		9,000
	25 - 100 - 52001 - 100100	Lodging (CASA)		18,225
	25 - 100 - 52001 - 100100	Washington DC CASA (1 board member)		4,000
	25 - 100 - 52001 - 100100	Sacramento CASA (1 board member)		2,000
	25 - 100 - 52001 - 100100	Per Diem		5,000
		Project Total	**$**	**43,511**
		Total Board Member Fees & Expenses	**$**	**104,891**

VENTURA REGIONAL SANITATION DISTRICT

FISCAL YEAR 2020 BUDGET SUMMARY

LEGAL

Program	Account	Description		Cost
CENTRAL ADMINISTRATION				
Administration				
	25 - 100 - 52070 - 100100	General Counsel		144,000
			Project Total	**$ 144,000**
Administration - Human Resources				
	25 - 150 - 52070 - 100104	General Counsel		5,000
	25 - 150 - 52070 - 100104	Labor Attorneys		30,000
	25 - 150 - 52070 - 100104	Labor Attorneys (MOU Issues/Reopener)		5,000
	25 - 150 - 52070 - 100104	Miscellaneous Investigations		20,000
			Project Total	**$ 60,000**
			Total Central Administration Legal Expenses	**$ 204,000**
WATER/WASTEWATER				
Administration - Water Wastewater				
	25 - 270 - 52070 - 200100	General Counsel		10,000
	25 - 270 - 52070 - 200100	Labor Attorneys		10,000
	25 - 270 - 52070 - 200100	Labor Attorneys (IUOE Negotiations)		15,000
			Project Total	**$ 35,000**
Operations - Malibu Bay Club				
	25 - 210 - 52070 - 209300	General Counsel		10,000
			Project Total	**$ 10,000**
			Total Water/Wastewater Legal Expenses	**$ 45,000**
SOLID WASTE				
Administration - Solid Waste				
	25 - 470 - 52070 - 400100	General Counsel		75,000
	25 - 470 - 52070 - 400100	Labor Attorneys		10,000
	25 - 470 - 52070 - 400100	Labor Attorneys (SEIU Negotiations)		15,000
			Project Total	**$ 100,000**
Coastal Landfill Maintenance				
	25 - 452 - 52070 - 400800	General Counsel		5,000
			Project Total	**$ 5,000**
Bailard Landfill Maintenance				
	25 - 452 - 52070 - 400802	General Counsel		5,000
			Project Total	**$ 5,000**
			Total Solid Waste Legal Expenses	**$ 110,000**
			Total District Legal Expenses	**$ 359,000**

General Counsel	$254,000
Labor Attorneys	85,000
Miscellaneous Investigations	$20,000
Total District Legal Expenses	$359,000

VENTURA REGIONAL SANITATION DISTRICT

FISCAL YEAR 2020 BUDGET SUMMARY

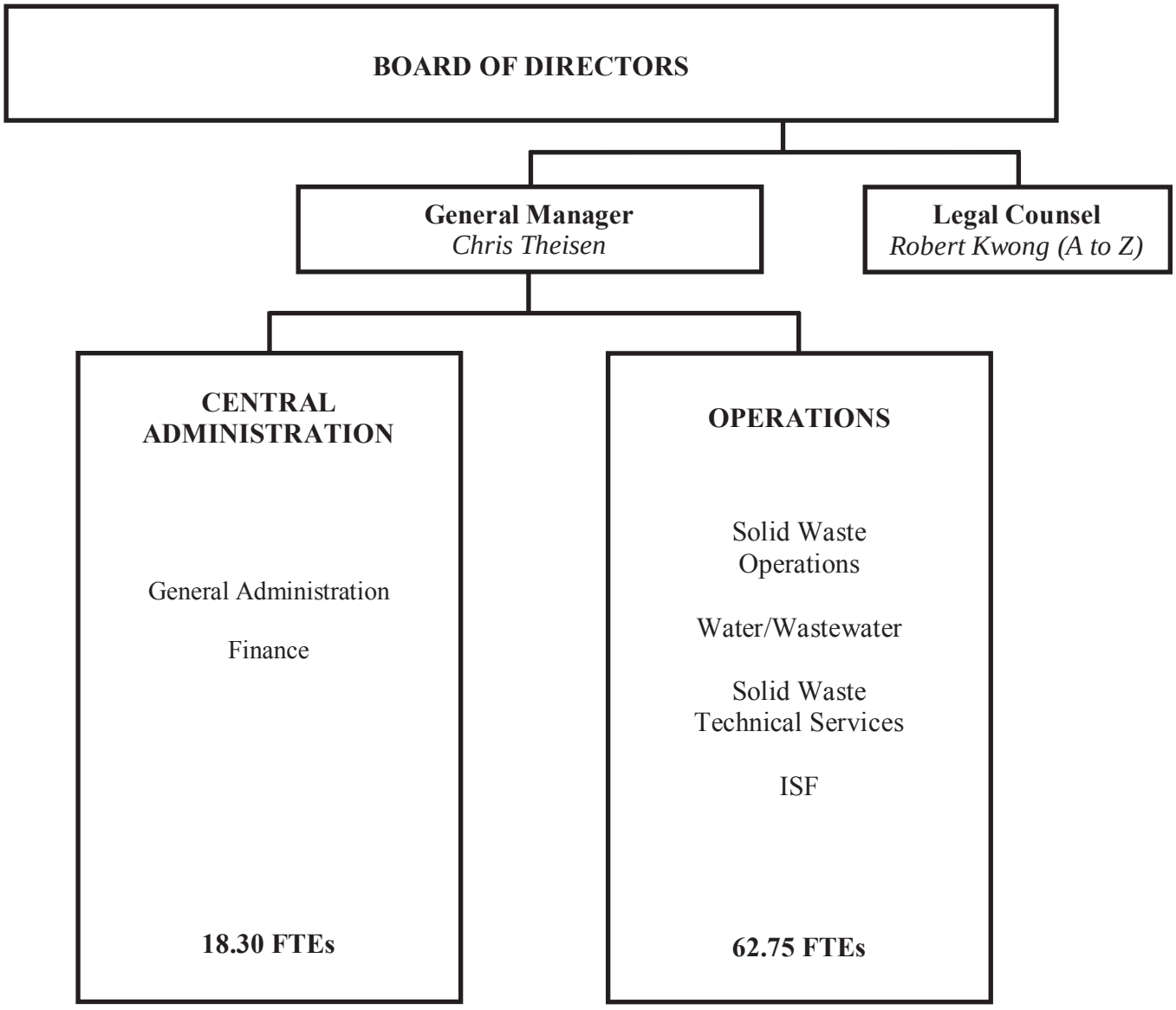
SALARIES AND EMPLOYEE BENEFITS SCHEDULE

Description	Central Admin	Water Wastewater Division	Solid Waste Division [1]	Biosolids Division	Internal Service Fund	District Total
Wages - Regular	$ 1,460,660	$ 1,987,928	$ 1,798,886	$ -	$ 145,741	$ 5,393,215
Wages - Holiday Leave	144,178	212,256	195,588	-	16,848	568,870
Wages - CAL	275,166	372,813	337,074	-	31,958	1,017,011
Wages - Overtime	-	20,043	89,242	-	-	109,285
Wages - Standby	-	29,328	8,146	-	-	37,474
Allowance/Incentives	5,625	-	-	-	-	5,625
	1,885,629	**2,622,368**	**2,428,936**	**-**	**194,547**	**7,131,480**
FICA/Medicare	133,270	196,476	175,447	-	14,915	520,108
Unemployment Insurance	5,272	8,825	8,610	-	574	23,281
State Disability Insurance	-	-	-	-	-	-
Worker's Comp Expense	8,294	107,839	167,214	-	19,323	302,670
	146,836	**313,140**	**351,271**	**-**	**34,812**	**846,059**
Medical Insurance	135,327	219,264	217,440	-	14,244	586,275
Dental Insurance	-	-	-	-	-	-
Life Insurance	602	975	914	-	61	2,552
Employee Assistance Program	571	925	868	-	58	2,422
CalPers Mandated Medical	29,625	48,000	45,000	-	3,000	125,625
	166,125	**269,164**	**264,222**	**-**	**17,363**	**716,874**
VCERA	456,722	644,877	593,025	-	46,616	1,741,240
PARS	135,487	261,589	177,134	-	27,830	602,040
OPEB	32,706	52,992	49,680	-	3,312	138,690
	624,915	**959,458**	**819,839**	**-**	**77,758**	**2,481,970**
Workers' Comp Dividend	(40,000)	-	-	-	-	(40,000)
Workers' Comp Retro Adjustment	21,093	-	-	-	-	21,093
	(18,907)	**-**	**-**	**-**	**-**	**(18,907)**
Total Salaries & Employee Benefits	**$ 2,804,598**	**$ 4,164,130**	**$ 3,864,268**	**$ -**	**$ 324,480**	**$ 11,157,476**

[1] Includes $125,661 in salaries and employee benefits allocated to Post Closed Landfill maintenance.

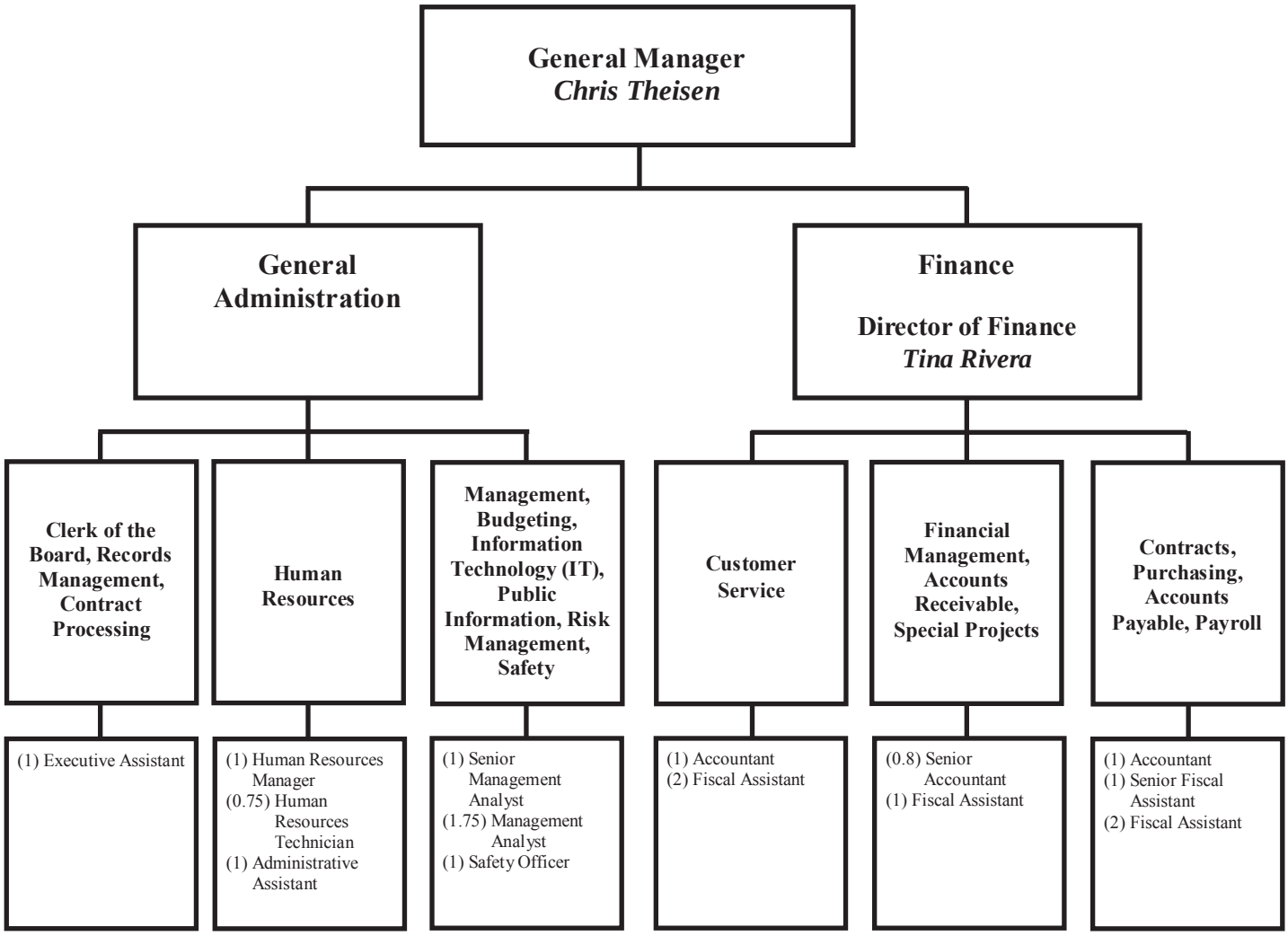
VENTURA REGIONAL SANITATION DISTRICT

Organization Chart



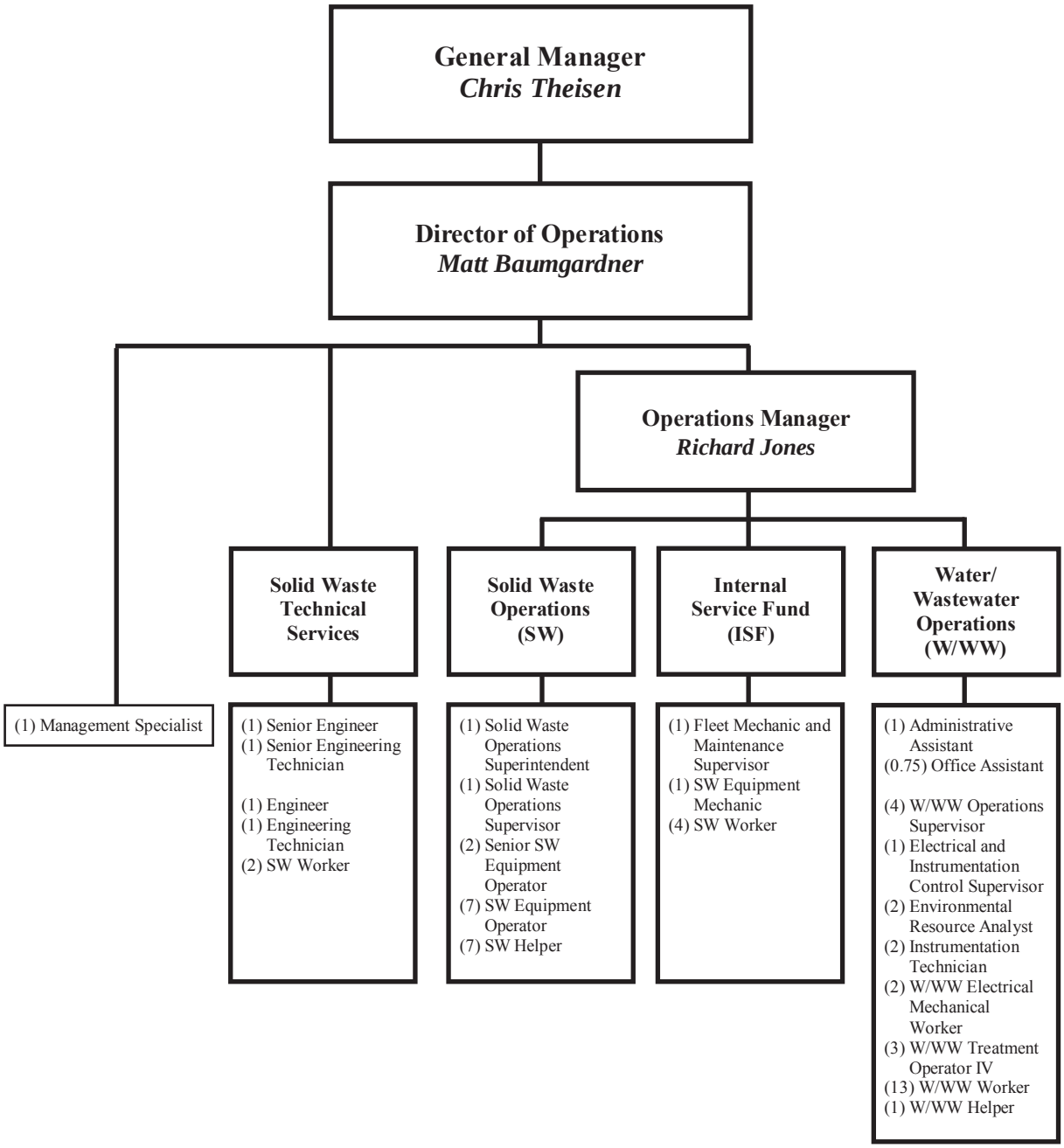
VENTURA REGIONAL SANITATION DISTRICT

Central Administration Organization Chart



VENTURA REGIONAL SANITATION DISTRICT

Operations Organization Chart



VENTURA REGIONAL SANITATION DISTRICT
STAFFING SUMMARY
(Full-Time Equivalent Positions)

Central Administration	FY 2018-2019 - as restated			FY 2019-2020	
	Allocations	Mid Year Adjustments	Amended	Additions/ Deletions	Allocations
Accountant	2.00	0.00	2.00	0.00	2.00
Administrative Assistant	1.00	0.00	1.00	0.00	1.00
Director of Finance	1.00	0.00	1.00	0.00	1.00
Executive Assistant	1.00	0.00	1.00	0.00	1.00
Fiscal Assistant [a]	5.00	0.00	5.00	0.00	5.00
General Manager	1.00	0.00	1.00	0.00	1.00
Human Resources Manager	1.00	0.00	1.00	0.00	1.00
Human Resources Technician	0.75	0.00	0.75	0.00	0.75
Management Analyst	1.75	0.00	1.75	0.00	1.75
Safety Officer	0.00	0.00	0.00	1.00	1.00
Senior Accountant	0.80	0.00	0.80	0.00	0.80
Senior Fiscal Assistant	1.00	0.00	1.00	0.00	1.00
Senior Management Analyst	1.00	0.00	1.00	0.00	1.00
SUBTOTAL	17.30	0.00	17.30	1.00	18.30

VENTURA REGIONAL SANITATION DISTRICT
STAFFING SUMMARY
(Full-Time Equivalent Positions)

Operations	FY 2018-2019 - as restated			FY 2019-2020	
	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
Electrical and Instrumentation Control Supervisor	1.00	0.00	1.00	0.00	1.00
Engineer	1.00	0.00	1.00	0.00	1.00
Engineering Manager [b]	0.00	0.00	0.00	0.00	0.00
Engineering Technician	1.00	0.00	1.00	0.00	1.00
Environmental Resource Analyst	2.00	0.00	2.00	0.00	2.00
Fleet Mechanic and Maintenance Supervisor	1.00	0.00	1.00	0.00	1.00
Instrumentation Technician	2.00	0.00	2.00	0.00	2.00
Management Specialist	1.00	0.00	1.00	0.00	1.00
Office Assistant	1.00	0.00	1.00	-0.25	0.75
Operations Manager	0.00	0.00	0.00	1.00	1.00
Senior Engineer [c]	1.00	0.00	1.00	0.00	1.00
Senior Engineering Technician	1.00	0.00	1.00	0.00	1.00
Senior Solid Waste Equipment Operator	2.00	0.00	2.00	0.00	2.00
Solid Waste Equipment Mechanic	1.00	0.00	1.00	0.00	1.00
Solid Waste Equipment Operator	6.00	0.00	6.00	1.00	7.00
Solid Waste Helper	5.00	0.00	5.00	2.00	7.00
Solid Waste Operations Superintendent	1.00	0.00	1.00	0.00	1.00
Solid Waste Operations Supervisor	1.00	0.00	1.00	0.00	1.00
Solid Waste Worker	6.00	0.00	6.00	0.00	6.00
Water/Wastewater Electrical Mechanical Worker	2.00	0.00	2.00	0.00	2.00
Water/Wastewater Helper [d]	0.00	1.00	1.00	0.00	1.00
Water/Wastewater Operations Superintendent	1.00	0.00	1.00	-1.00	0.00
Water/Wastewater Operations Supervisor [e]	4.00	0.00	4.00	0.00	4.00
Water/Wastewater Treatment Operator IV	3.00	0.00	3.00	0.00	3.00
Water/Wastewater Treatment Operator-in-Training [f]	0.00	0.00	0.00	0.00	0.00
Water/Wastewater Worker	12.00	0.00	12.00	1.00	13.00
SUBTOTAL	58.00	1.00	59.00	3.75	62.75

	FY 2018-2019 - as restated			FY 2019-2020	
	Allocations	Mid Year Adjustments	Amended	Additions/ Deletions	Allocations
TOTAL	**75.30**	**1.00**	**76.30**	**4.75**	**81.05**

[a] Does not include one additional Fiscal Assistant during FY2018-2019 and FY2019-2020, with funding for only CAL Accrual and Cafeteria Plan.

[b] FY2018-2019 Allocations originally included one unfunded Engineering Manager.

[c] FY2018-2019 Allocations originally included one additional unfunded Senior Engineer.

[d] FY2018-2019 Allocations originally included two unfunded Water/Wastewater Helpers.

[e] Does not include one additional unfunded Water/Wastewater Operations Supervisor during FY2018-2019 and FY2019-2020.

[f] FY2018-2019 Allocations originally included one unfunded Water/Wastewater Treatment Operator-in-Training.

VENTURA REGIONAL SANITATION DISTRICT

CLASSIFICATION PLAN

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

	FY 2018-2019 - as restated			FY 2019-2020		
		Mid Year		Additions/		Approximate
Position	Allocations	Adjustments	Amended	Deletions	Allocations	Annual Salary
Accountant	2	0	2	0	2	$75,067.20 - $91,603.20
Administrative Assistant	2	0	2	0	2	$45,718.40 - $55,764.80
Assistant Accountant	0	0	0	0	0	$68,244.80 - $83,283.20
Assistant Engineer	0	0	0	0	0	$75,816.00 - $92,497.60
Assistant Engineering Technician	0	0	0	0	0	$53,976.00 - $65,852.80
Assistant Environmental Resource Analyst	0	0	0	0	0	$68,244.80 - $83,283.20
Assistant Fiscal Assistant	0	0	0	0	0	$41,588.40 - $50,689.60
Assistant Management Analyst	0	0	0	0	0	$68,244.80 - $83,283.20
Biosolids Wastewater Treatment Facility Operator	0	0	0	0	0	$48,193.60 - $80,121.60
Director of Finance	1	0	1	0	1	$151,923.20 - $185,369.60
Director of Operations	1	0	1	0	1	$131,851.20 - $160,908.80
Electrical and Instrumentation Control Supervisor	1	0	1	0	1	$82,867.20 - $101,150.40
Engineer	1	0	1	0	1	$83,387.20 - $101,732.80
Engineering Manager [a]	0	0	0	0	0	$105,497.60 - $128,710.40
Engineering Technician	1	0	1	0	1	$59,363.20 - $72,425.60
Environmental Resource Analyst	2	0	2	0	2	$75,067.20 - $91,603.20
Executive Assistant	1	0	1	0	1	$68,889.60 - $84,073.60
Fiscal Assistant [b]	5	0	5	0	5	$45,718.40 - $55,764.80
Fleet Mechanic and Maintenance Supervisor	1	0	1	0	1	$82,867.20 - $101,150.40
General Manager	1	0	1	0	1	$177,299.20 - $216,351.00
Human Resources Analyst	0	0	0	0	0	$75,067.20 - $91,603.20
Human Resources Manager	1	0	1	0	1	$100,089.60 - $122,116.80
Human Resources Technician	0.75	0	0.75	0	0.75	$51,854.40 - $63,273.60
Instrumentation Technician	2	0	2	0	2	$69,472.00 - $87,942.40
Management Analyst	1.75	0	1.75	0	1.75	$75,067.20 - $91,603.20
Management Specialist	1	0	1	0	1	$52,832.00 - $64,480.00
Mechanic Assistant	0	0	0	0	0	$47,715.20 - $61,048.00
Office Assistant	1	0	1	-0.25	0.75	$41,558.40 - $50,689.60
Operations Manager	0	0	0	1	1	$105,497.60 - $128,710.40
Safety Officer	0	0	0	1	1	$90,646.40 - $110,614.40
Senior Accountant	0.8	0	0.8	0	0.8	$86,340.80 - $105,331.20
Senior Engineer [c]	1	0	1	0	1	$91,728.00 - $111,924.80
Senior Engineering Technician	1	0	1	0	1	$65,312.00 - $79,705.60
Senior Environmental Resource Analyst	0	0	0	0	0	$82,576.00 - $100,755.20
Senior Fiscal Assistant	1	0	1	0	1	$50,273.60 - $61,339.20
Senior Grounds Maintenance Worker	0	0	0	0	0	$53,393.60 - $68,390.40
Senior Instrumentation Technician	0	0	0	0	0	$73,236.80 - $92,123.20
Senior Management Analyst	1	0	1	0	1	$90,646.40 - $110,614.40
Senior Solid Waste Equipment Operator	2	0	2	0	2	$61,339.20 - $78,478.40
Senior Solid Waste Worker	0	0	0	0	0	$48,734.40 - $62,420.80
Senior Water/Wastewater Worker	0	0	0	0	0	$57,865.60 - $71,968.00
Solid Waste Equipment Mechanic	1	0	1	0	1	$61,339.20 - $78,478.40
Solid Waste Equipment Operator	6	0	6	1	7	$56,118.40 - $71,843.20
Solid Waste Helper	5	0	5	2	7	$33,342.40 - $40,684.80
Solid Waste Operations Superintendent	1	0	1	0	1	$95,305.60 - $116,292.80
Solid Waste Operations Supervisor	1	0	1	0	1	$82,867.20 - $101,150.40
Solid Waste Worker	6	0	6	0	6	$43,305.60 - $55,411.20
Water/Wastewater Electrical Mechanical Worker	2	0	2	0	2	$60,174.40 - $76,460.80
Water/Wastewater Helper [d]	0	1	1	0	1	$33,446.40 - $43,784.00
Water/Wastewater Mechanic	0	0	0	0	0	$58,864.00 - $74,526.40
Water/Wastewater Operations Superintendent	1	0	1	-1	0	$95,305.60 - $116,292.80
Water/Wastewater Operations Supervisor [e]	4	0	4	0	4	$82,867.20 - $101,150.40
Water/Wastewater Treatment Operator-in-Training [f]	0	0	0	0	0	$51,875.20 - $66,476.80
Water/Wastewater Treatment Operator I	0	0	0	0	0	$54,454.40 - $69,804.80
Water/Wastewater Treatment Operator II	0	0	0	0	0	$60,382.40 - $76,793.60
Water/Wastewater Treatment Operator III	0	0	0	0	0	$66,643.20 - $84,468.80
Water/Wastewater Treatment Operator IV	3	0	3	0	3	$73,444.80 - $92,913.60
Water/Wastewater Treatment Operator V	0	0	0	0	0	$75,337.60 - $95,222.40
Water/Wastewater Worker	12	0	12	1	13	$48,193.60 - $64,147.20
TOTAL ALLOCATIONS	**75.30**	**1.00**	**76.30**	**4.75**	**81.05**	

[a] FY2018-2019 Allocations originally included one unfunded Engineering Manager.

[b] Does not include one additional Fiscal Assistant during FY2018-2019 and FY2019-2020, with funding for only CAL Accrual and Cafeteria Plan.

[c] FY2018-2019 Allocations originally included one additional unfunded Senior Engineer.

[d] FY2018-2019 Allocations originally included two unfunded Water/Wastewater Helpers.

[e] Does not include one additional unfunded Water/Wastewater Operations Supervisor during FY2018-2019 and FY2019-2020.

[f] FY2018-2019 Allocations originally included one unfunded Water/Wastewater Treatment Operator-in-Training.

Addenda

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2.1.09 Debt Management Policy
Date Adopted: 03/16/17

2.1.09 Debt Management Policy

INTRODUCTION

The purpose of this Debt Management Policy ("Debt Policy") is to organize and formalize debt issuance and management related policies and procedures for the Ventura Regional Sanitation District (District). The debt policies of the District are subject to and limited by applicable provisions of state and federal law and to prudent debt management principles.

When used in this Policy, "debt" refers to all indebtedness and financing lease and installment purchase obligations.

DEBT POLICY OBJECTIVE

The primary objectives of the District's debt and financing related activities are to

- Maintain cost-effective access to the capital markets through prudent fiscal management policies and practices;
- Minimize debt service commitments through effective planning and cash management;
- Ensure the District is in compliance with all applicable federal and state securities laws; and
- Achieve the highest practical credit ratings.

This Debt Policy is intended to comply with SB 1029, specifically Government Code Section 8855(i), and is applicable to the Ventura Regional Sanitation District for which the District Board of Directors acts as legislative body.

BACKGROUND/DISCUSSION

Government Code section 8855(i) requires any issuer of public debt to provide the California Debt and Investment Advisory Commission (CDIAC) no later than 30 days prior to the sale of any debt issue a report of the proposed issuance. Effective January 1, 2017, issuers must certify on the Report of Proposed Debt Issuance that they have adopted local debt policies concerning the use of debt and that the proposed issuance is consistent with those polices. The issuer's local debt policies must include the following:

A. Purposes for Which Debt May Be Used

Long-Term Debt. Long-term debt may be issued to finance the construction, acquisition, and rehabilitation of capital improvements and facilities, equipment and land to be owned and operated by the District.

a) Long-term debt financings are appropriate when the following conditions exist:

- When the project to be financed is necessary to provide basic services.
- When the project to be financed will provide benefit to constituents over multiple years.
- When total debt does not constitute an unreasonable burden to the District's investment policies as they relate to the investment of bond proceeds and its taxpayers and ratepayers.
- When the debt is used to refinance outstanding debt in order to produce debt service savings or to realize the benefits of a debt restructuring.

b) Long-term debt financings will not generally be considered appropriate for current operating expenses and routine maintenance expenses.

c) The District may use long-term debt financings subject to the following conditions:

- The project to be financed must be approved by the District Board.
- The weighted average maturity of the debt (or the portion of the debt allocated to the project) will not exceed the average useful life of the project to be financed by more than 20%.
- The District estimates that sufficient revenues will be available to service the debt through its maturity.
- The District determines that the issuance of the debt will comply with the applicable state and federal law.

Short-term debt. Short-term debt may be issued to provide financing for the District's operational cash flows in order to maintain a steady and even cash flow balance. Short-term debt may also be used to finance short-lived capital projects; for example, the District may undertake lease-purchase financing for equipment.

Financings on Behalf of Other Entities. The District may also find it beneficial to issue debt on behalf of other governmental agencies or private third parties in order to further the public purposes of the District. In such cases, the District shall take reasonable steps to confirm the financial feasibility of the project to be financed and the financial solvency of any borrower and that the issuance of such debt is consistent with the policies set forth herein.

B. Types of Debt Issued

The following types of debt are allowable under this Debt Policy:

- general obligation and revenue bonds
- lease revenue bonds and lease-purchase transactions
- certificates of participation
- bank and direct private placement loans
- Commercial paper
- bond or grant anticipation notes
- tax and revenue anticipation notes

The District may from time to time find that other forms of debt would be beneficial to further its public purposes and may approve such debt without an amendment of this Debt Policy.

Debt shall be issued as fixed rate debt unless the District makes a specific determination as to why a variable rate issue would be beneficial to the District in a specific circumstance.

C. Relationship of Debt to Capital Improvement Program and Budget

The District is committed to long-term capital planning. The District intends to issue debt for the purposes stated in this Debt Management Policy and to implement policy decisions incorporated in the District's capital budget and the capital improvement plan.

The District shall strive to fund the upkeep and maintenance of its infrastructure and facilities due to normal wear and tear through the expenditure of available operating revenues. The District shall seek to avoid the use of debt to fund infrastructure and facilities improvements that are the result of normal wear and tear.

The District shall integrate its debt issuances with the goals of its capital improvement program by timing the issuance of debt to ensure that projects are available when needed in furtherance of the District's public purposes.

The District shall seek to avoid the use of debt to fund infrastructure and facilities improvements in circumstances when the sole purpose of such debt financing is to reduce annual budgetary expenditures.

The District shall seek to issue debt in a timely manner to avoid having to make unplanned expenditures for capital improvements or equipment from its reserves.

D. Policy Goals Related to District's Planning Goals and Objectives

The District is committed to long-term financial planning, maintaining appropriate reserves levels and employing prudent practices in governance, management and budget administration. The District intends to issue debt for the purposes stated in this Policy and to implement policy decisions incorporated in the District's annual operations budget.

It is a policy goal of the District to protect taxpayers, ratepayers and constituents by utilizing conservative financing methods and techniques so as to obtain the highest practical credit ratings (if applicable) and the lowest practical borrowing costs.

The District will comply with applicable state and federal law as it pertains to the maximum term of debt and the procedures for levying and imposing any related taxes, assessments, rates and charges.

When refinancing debt, it shall be the policy goal of the District is to realize, whenever possible, and subject to any overriding non-financial policy considerations, (i) minimum net present value debt service savings equal to or greater than 3.0% of the refunded principal amount, and (ii) present value debt service savings equal to or greater than 100% of any escrow fund negative arbitrage.

E. Internal Control Procedures That the District Has Implemented or Will

When issuing debt, in addition to complying with the terms of this Debt Policy, the District shall comply with any other applicable policies regarding initial bond disclosure, continuing disclosure, post-issuance compliance, and investment of bond proceeds.

The District will periodically review the requirements of and will remain in compliance with the following:

- any continuing disclosure undertakings under SEC Rule 15c2-12;
- any federal tax compliance requirements, including without limitation arbitrage and rebate compliance, related to any prior bond issues; and
- the District's investment policies as they relate to the investment of bond proceeds.

Whenever reasonably possible, proceeds of debt will be held by a third-party trustee and the District will submit written requisitions for such proceeds. The District will submit a requisition only after obtaining the signature of the Finance Director/Treasurer or General Manager of the District. In those cases, where it is not reasonably possible for the proceeds of debt to be held by a third-party trustee, the Finance Director/Treasurer of the District shall retain records of all expenditures of proceeds through the final payment date for the debt.

2.1.08 Fraud Reporting Policy

POLICY

The Ventura Regional Sanitation District (District) will investigate possible fraudulent activity or dishonest use of District resources by its employees. Anyone found to have engaged in fraudulent activity is subject to disciplinary action, including dismissal and civil or criminal prosecution when warranted.

Confidentiality and Discretion

Great care will be taken in dealing with suspected fraudulent activity to avoid:

- violating a person's rights to due process,
- making statements that could lead to claims of false accusations or other civil rights violations,
- alerting suspected individuals that an investigation is underway.

The investigation may be discussed only with those individuals who have a legitimate need-to-know. The employee is considered innocent of all allegations unless and until the facts prove otherwise.

Reporting Suspected Fraud

District employees are expected to report good faith concerns about suspected fraud.

Acting in Good Faith

Anyone filing a complaint concerning a violation or suspected violation must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation. Allegations that prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense.

Protection from Retaliation

Retaliation against employees for making good faith reports is prohibited. Employees making good faith reports of suspected misconduct should feel safe and protected from retaliation. The District will provide appropriate support to reporting employees to protect against retaliation and respond to concerns of retaliation or unfair treatment linked to the employee's reporting.

BACKGROUND

The District is committed to the highest standards of moral, legal, and ethical behavior. All District management and staff members have a responsibility for the stewardship of the District's resources. Internal controls are intended to protect the District's assets and interests by detecting or preventing improper activities, however, there are no absolute safeguards against willful violations of laws, regulations, policies, or procedures.
The District is required to report any suspected theft, loss, misuse, or inappropriate action involving District funds, equipment, supplies, or other assets to the Chairperson of the Board.

APPLICABILITY

This Policy applies to all District Staff members and Managers.

DEFINITIONS

Fraud - Fraud encompasses an array of irregularities and illegal acts characterized by intentional deception or theft which produces a loss or misuse of resources or property. It can be perpetrated for the benefit of individuals or the agency, or may be detrimental to the agency. Fraud may be committed by persons outside as well as inside the agency. Actions constituting fraud include but are not limited to:

- forgery or alteration of a check, bank draft, account, or any Authority document
- misappropriation of funds, supplies, or other assets
- impropriety in the handling or reporting of money or financial transactions
- disclosing confidential and proprietary information to outside parties
- accepting or seeking bribes or items for personal gain from contractors, vendors, or persons seeking to provide services/material to the District
- destruction, removal, or inappropriate use of records, furniture, fixtures, and equipment
- falsification of research results.

RESPONSIBILITY

All Employees

Report good faith concerns about fraudulent activity. Be truthful and cooperative in investigations of alleged wrongdoing.

Managers

Maintain confidentiality, notify the General Manager and Director of Finance and other appropriate individuals, support reporting employees and protect them against retaliation.

General Manager

Gather information and determine if a formal investigation is required.

PROCEDURE

Reporting Fraud

Employees are encouraged to attempt to resolve their concern at the most local level, by communicating their concerns to their supervisor or other appropriate contact person. If an employee feels uncomfortable addressing their concerns at the local level, they may make their report directly to any of the following:

- Chairperson of the Board
- General Manager
- Director of Finance
- Legal Counsel

When reporting fraudulent activity, provide as much detail as possible. The report may be submitted anonymously, however providing your contact information may be helpful if questions arise. All information will be treated as confidential to the extent permitted by law.

Initial Investigation

Anyone receiving a report of fraudulent activity should notify the General Manager and/or the Chairperson of the Board. The General Manager or appropriate District Officer will consider the allegations and gather additional information to determine, in consultation with another appropriate District Officer, whether a formal inquiry is warranted.

If the reported concern is minor and the solution is straightforward without the need for substantial investigation, the General Manager or appropriate District Officer will work with appropriate supervisor or another District Officer to develop and implement a solution, protect the rights of the parties involved, and maintain documentation.

Formal Inquiry

When a formal inquiry is warranted, a Fraud Investigation Team will be formed and may include the Chairperson of the Board, General Manager, Director of Finance, Legal Counsel and/or Human Resources Administrator.

Depending on the nature and severity of the allegation, the General Manager or appropriate District Officer will review the matter with the Chairperson of the Board and keep him/her apprised of the investigation as necessary.

The Fraud Investigation Team will determine:

- when notification is given to the employee against whom the allegation has been made. In most cases, the notice will be given to that employee and his/her supervisor by the General Manager or appropriate District Officer. Upon being advised, the suspected employee shall be encouraged to provide documentation or other evidence to support his/her views
- if a suspected employee should be suspended with or without pay or temporarily reassigned in accordance with law and/or the appropriate employment agreement
- in conjunction with the supervisor, if it is necessary to safeguard all records relating to the alleged activity by removing them from the employee's custody

- in consultation with the General Manager or appropriate District Officer, the final course of action. This decision will be reviewed and communicated by the General Manager or appropriate District Officer to the supervisor and the employee after it has been reviewed by the Chairperson of the Board.

The General Manager or appropriate District Officer, in consultation with Legal Counsel, will determine and coordinate any legal arrangements between the District and the employee or his/her attorney.

The General Manager or appropriate District Officer will also ensure that appropriate reports are completed and distributed as required.

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
Reaffirmed: 01/28/16
Revised: 12/15/16
Revised: 12/21/17

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 to do so in a manner which provides the maximum security, solvency and creditworthiness 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) 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 practices in accordance with provisions of California Government Code ("Gov. Code") 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.

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 District's 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]." Gov. Code § 27000.3.

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 and consistent with its fiduciary duty. The District's investment philosophy prohibits speculation, and leveraging or borrowing money for the purpose of investment. The District may contract for professional 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, which includes, but is not limited to, the following:

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 for such investment decision or action 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 Gov. Code § 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.

The Treasurer may retain, with the approval of the Board, the services of an outside investment advisor or manager to assist with the District's investment program. Qualified outside managers will be either SEC Registered Investment Advisors or Bank Money Managers. The investment advisor shall make all investment decisions and transactions in strict accordance with State and Federal law, this Policy and such other

written instructions as are provided. The investment advisor or manager may not take possession of the District's cash or securities.

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 on behalf of the District.

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 Local Agency Investment Fund, Ventura County Pool, money market funds, and shares of beneficial interest issued by Joint Powers Authorities.

From the eligible securities permitted by Gov. Code 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 higher 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 in a rating categories at least "AA" or

"A-1", their respective equivalents, or higher 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 Gov. Code 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 Gov. Code 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 Service Deposits — The District may deposit a portion of its funds with commercial bank, savings bank, savings and loan association, or credit union that uses a private sector entity that assists in the placement federally insured deposits. Purchases of placement service deposits may not 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 Gov. Code Section 16429.1(b).

- Ventura County Investment Pool — Ventura County Treasurer's Investment Pool as authorized by Gov. Code Section 53684.

- Other Pools — Shares of beneficial interest issued by a joint powers authority

organized in the State of California pursuant to Gov. Code Section 6509.7 that invests in the securities and obligations authorized in Gov. Code Section 53601 subdivisions (a) to (q), 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 (q), inclusive, of [Gov. Code] section 53601; and (3) the adviser has assets under management in excess of five hundred million dollars ($500,000,000). Gov. Code § 6509.7(a).

- 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 in a rating category of "A", the equivalent 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 in a rating category of "A-1" or the equivalent or higher 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 in a rating category of "A", the equivalent or higher 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 may not exceed 30 percent (in combination with CDs purchased through a deposit placement service) of the District's portfolio. Negotiable CDs issued with maturities in excess of one year must be rated in a rating category of "A", the equivalent or higher by a NRSRO. Negotiable CDs with maturities under one year must be rated in a rating category of "A-1," the equivalent, or higher 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 in a rating category, by a nationally recognized rating service, of "AA", the equivalent or higher, and the issuer of the security must be rated in a rating category of "A", the equivalent 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 in a rating category of "AA", the equivalent or higher by a NRSRO.

  Purchases of these securities shall not exceed 30 percent of the District's portfolio. [RB1]

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

Government Code.

Prohibited Investments

Under the provisions of Gov. Code Section 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 Gov. Code 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

Asset-Backed Securities (ABS) - Securities whose income payments and hence value is derived from and collateralized (or "backed") by a specified pool of underlying assets which are receivables. Pooling the assets into financial instruments allows them to be sold to general investors, a process called securitization, and allows the risk of investing in the underlying assets to be diversified because each security will represent a fraction of the total value of the diverse pool of underlying assets. The pools of underlying assets can comprise common payments credit cards, auto loans, mortgage loans, and other types of assets. Interest and principal is paid to investors from borrowers who are paying down their debt.

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.

Supranationals – Securities issued or unconditionally guaranteed by multi-lateral international financial institutions whose member nations contribute capital and participate in management.

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/ 6/03
Date Revised: 02/03/11
Date Revised: 12/15/16

2.1.05 Reserve Level Policy

PURPOSE

Ventura Regional Sanitation District (District) is an enterprise-based, municipal solid waste and wastewater management agency that recovers the cost of providing these services to its municipal customers through contract and ordinance-based 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, the District demonstrates financial assurance to the California Department of Resource Recovery and Recycling (CalRecycle), for closure, postclosure, corrective action, and operating liability costs associated with its closed and operating landfills by holding cash reserves or acceptable financial instruments. In addition, the District needs 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.

In summary, the District's Reserve Level Policy is a fiscal management guideline with goals to be achieved over a period of time. Fiscal reserves are essential to: maintain the District's credit worthiness; offset cyclical variations in revenue and expenses; withstand economic downturns; and provide for 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, legally-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 statutory and regulatory requirements, contractual agreements, and trustee requirements. The District is limited in the means by which it may use restricted cash reserves for District operations 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 shall hold cash reserves or acceptable financial instruments 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. **Closed landfill maintenance reserves**
   The District shall hold funds provided by the Tierra Rejada Consortium (i.e., Simi Valley Sanitation District, County of Ventura, Simi Valley Parks and Recreation District and the District) to be used specifically for the maintenance of the Tierra Rejada closed landfill.

3. **Conditional Use Permits and other deposits**
   The District issued Certificates of Deposit as a requirement from regulatory and/or governmental agencies for conditional land 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 District 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.

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. **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. The calculation of funds maintained in this category will exclude any funding obtained from outside sources such as loans, grants, or bond funding.

2. **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.

3. **Operating Fund**
   The District will maintain cash in the operating fund at a minimum level equal to three months of its annual operating expenses and a maximum level equal to six months of its annual operating expenses, excluding depreciation. This reserve bridges the gap between the time expenses are paid and the time revenues from the same service are collected from customers. The fund will ensure continuity of service regardless of cash flow.

4. **Debt Service Reserve Fund**
   The District shall establish and maintain funds equivalent to one year's debt service obligations. This fund will provide additional security for the payment of annual debt service if rates and other funds are insufficient or not available.

RESERVE PROCEDURES

The Finance Department will perform an annual reserve analysis as part of the annual budget to be submitted to the Board of Directors during budget deliberations, midyear budget review, and when a major change in conditions threatens the reserve levels established in the policy.

CONCLUSION

The Reserve Level Policy is intended to serve as a guide to the District Board of Directors, management and staff for decisions and recommendations related to the District's financial profile.

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 2019-2020 is abbreviated "FY2019-2020," "FY19-20," or "FY2020."

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.

Proposed Fiscal Year 2020 Budget
Ventura Regional Sanitation District

1001 Partridge Drive, Suite 150
Ventura, CA 93003-0704
www.vrsd.com