

Adopted Fiscal Year 2020-2021 Budget

July 1, 2020 – June 30, 2021



Ventura Regional Sanitation District

1001 Partridge Drive, Suite 150

Ventura, CA 93003-0704

Website: www.vrsd.com

**Chris Theisen
General Manager**

June 30, 2020

Ventura Regional Sanitation District



2020 Board of Directors

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Chris Theisen – General Manager
Alvertina Rivera – Director of Finance
TBD – Director of Operations
Richard Jones – Operations Manager
Melissa Macias – Human Resources Manager
Michael Castro – Senior Management Analyst
Regina Williams – Senior Accountant

Legal Counsel

Robert Kwong (Arnold LaRochelle Matthews VanConas & Zirbel LLP)

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Executive Summary

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June 30, 2020

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 2020-2021 (FY2020-21) Operating and Capital Improvement Plan Budget. The FY2020-21 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 reasonable estimate of expenditures and revenue at the time of adoption, while recognizing that these estimates are likely to change during the fiscal year based on the outcome of various uncertain conditions the District is currently addressing or monitoring.

BUDGET HIGHLIGHTS

- Approximately 428,400 tons of refuse excluding hard-to-handle, is expected to be placed at the Toland Road Landfill.
- On average, the District's billable FY 2020-21 hourly rates, effective July 1, 2020, for Central Administration and Operations employees remained the same, while Equipment rates increased to cover costs associated with the equipment.
- The District's Capital Improvement Projects of \$1,406,780 for FY2020-21 include only regulatory compliance improvements at the Toland Road Landfill.
- The District's Capital Outlays are budgeted at \$236,635. The Capital Outlays include components of \$49,135 for network/technology related items, \$122,500 for small equipment purchases within the Solid Waste and Wastewater operations, as well as funding for improvements to the breakroom at Toland and Drainage & Basin modifications.
- 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.

BUDGET OVERVIEW

OPERATING REVENUES

The operating revenue for FY2020-21 is estimated at \$22,294,267. 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 FY2020-21 is estimated to be \$14,287,211, with annual tonnage of 428,400.

Miscellaneous

Additional Solid Waste revenues include the Pyramid Flowers lease (\$79,379) and monitoring and maintenance services at River Ridge Golf Course for the City of Oxnard (\$99,816).

Water & Wastewater

The District's Water & Wastewater Division (W/WW) is currently providing water and wastewater services to fifteen 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. FY2020-21 revenue is estimated at \$8,007,057 of which \$1,203,954 is generated by the Central Administration division, with the remaining \$6,803,463 from Water & Wastewater operations. 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 15 of the FY2020-21 Proposed Budget.

OPERATING EXPENSES

The total operating expense is estimated at \$23,931,296, 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 decreased by \$29,748. The net decrease is primarily due to a reduction of 1.44 positions, coupled with slight reductions in pension related expenses including VCERA, PARS, and OPEB, and offset by cost of living increases to wages. For more information related to salaries and employee benefits or staffing, please see Pages 47 through 53 of the Proposed FY2020-21 Budget.

Other Operating Expenses: Other operating expenses are decreasing by \$231,584, or 2.52%. The net decrease is primarily attributable to decreases in temporary labor for the Water/Wastewater division.

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 summary for FY2020-21 of \$236,635, is included in Pages 43 of the Proposed FY2020-21 Budget.

CAPITAL IMPROVEMENT PROJECTS

Capital Improvement Projects typically involve multi-year projects and processes, opposed to simple asset acquisitions. The Capital Improvement Project spending summary and detail by division for FY2020-21 of \$1,406,780, is included in Pages 38 and 39 of the Proposed FY2020-21 Budget.

DEBT SERVICE

Debt Service is comprised of the interest, principal, and other costs associated with repayment of the District's debt obligations. A summary of Debt Service expenditures for FY2020-21 of \$3,661,978 is included in Page 44 of the Proposed FY2020-21 Budget. While the biosolids facility is no longer operational, \$1,411,856 of the annual debt service is associated with the facility and will continue through December 2024.

SUMMARY

Fiscal Year 2019-2020 was particularly challenging for the District due to unforeseen emergencies, which required extensive resources and attention, particularly staff time. The gas extraction system and ground cover improvements were damaged at the closed Bailard landfill by the Olivas Fire of October 11, 2019. The closed Tierra Rejada Landfill, which VRSD maintains and manages on behalf of the Tierra Rejada Consortium, was damaged in the Easy Fire of October 30, 2019. In addition, the COVID-19 pandemic affected all businesses and residents in the County, and this situation will continue to unfold in unknown ways as we head into Fiscal Year 2020-2021.

The District still faces the fiscal 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.

Major events staff anticipates navigating this year include potential economic and other effects due to the COVID-19 pandemic, the possible cessation of TWSD to utilize the District's management services, the modification of the Conditional Use Permit (CUP) for the Toland Road Landfill to allow additional daily and total tonnage, and the renewal of solid waste disposal contracts with our major customers. Whatever known and unknown challenges the new fiscal year brings, staff will continue to face them head-on in the manner we have in the past, and we look forward to enabling the District to realize 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,

A handwritten signature in blue ink, appearing to read "Chris Theisen", with a stylized flourish at the end.

Chris Theisen
General Manager

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Enterprise Fund

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VENTURA REGIONAL SANITATION DISTRICT

Consolidated - Enterprise

| | Actual FY2017-18 | Actual FY2018-19 | Adjusted Budget FY2019-20 | Projected FY2019-20 | Adopted Budget FY2020-21 |
|---------------------------------------------|---------------------|------------------------|------------------------------|------------------------|-----------------------------|
| Revenues: | | | | | |
| Landfill Disposal Fees | 21,229,668 | 14,006,862 | 14,384,436 | 14,065,041 | 14,199,211 |
| Contracted Services - Labor | 6,847,296 | 8,185,513 | 8,258,488 | 7,729,419 | 5,784,816 |
| Contracted Services - Materials & Supplies | - | - | - | - | 1,512,801 |
| Contracted Services - Equipment | - | - | - | - | 809,255 |
| Investment & Interest Earnings | 82,514 | 1,805,781 | 785,900 | 440,866 | 607,140 |
| Other Revenue | 3,915,325 | 433,117 | 1,970,452 | 2,469,692 | 228,998 |
| Special Assessments | - | - | - | - | 38,974 |
| Gain/Loss on Sale of Assets | 16,823 | (11,448,767) | 95,000 | 1,770 | - |
| Total Revenues | 32,091,625 | 12,982,507 | 25,494,275 | 24,706,789 | 23,181,195 |
| Expenditures: | | | | | |
| Wages - Regular | 5,660,255 | 5,927,591 | 6,949,027 | 6,449,475 | 6,992,509 |
| Wages - Overtime | 408,667 | 336,421 | 109,285 | 186,489 | 115,246 |
| Wages - Standby | 50,770 | 55,174 | 37,474 | 70,572 | 47,334 |
| Employee Benefits | 2,669,598 | 3,038,193 | 4,160,223 | 3,705,985 | 3,972,639 |
| Personnel Costs | 8,789,290 | 9,357,379 | 11,256,009 | 10,412,521 | 11,127,728 |
| Professional Services | 4,133,276 | 1,850,987 | 5,355,248 | 5,198,644 | 1,939,844 |
| Temporary Labor | 979,830 | 347,639 | 347,000 | 79,442 | 82,000 |
| Board Members Fees & Expenses | 35,137 | 42,560 | 104,891 | 27,834 | 104,891 |
| Travel, Conference, Seminar & Training | 37,951 | 29,435 | 107,320 | 45,889 | 80,070 |
| Safety Supplies & Clothing | 52,055 | 56,924 | 40,800 | 55,380 | 83,940 |
| Office Expenses | 148,790 | 261,079 | 352,847 | 205,890 | 174,642 |
| Bank Service Charges | - | 108,920 | 91,100 | 98,335 | 80,290 |
| Telephone | - | - | - | - | 82,140 |
| Utilities | 271,614 | 299,674 | 227,072 | 293,412 | 222,320 |
| Insurance | 179,678 | 234,913 | 194,793 | 306,258 | 295,310 |
| Equipment Rental & Leases | 784,552 | 448,430 | 185,430 | 338,226 | 164,430 |
| Operating Services | 1,535,040 | 698,140 | 414,925 | 432,065 | 327,675 |
| Operating Materials & Supplies | 1,506,338 | 1,247,014 | 1,043,709 | 1,219,991 | 761,727 |
| Leachate, Condensate & Sludge Disposal | 59,168 | 83,229 | 1,228,963 | 1,199,041 | 862,453 |
| Lab Services & Supplies | 241,801 | 242,562 | 210,775 | 241,044 | 170,285 |
| Fuel, Gasoline & Diesel | 468,118 | 473,906 | 502,750 | 483,139 | 501,850 |
| Maintenance | 616,595 | 603,132 | 525,110 | 476,268 | 596,705 |
| Permits, Licenses & Fees | 2,345,579 | 1,744,783 | 1,797,902 | 1,716,056 | 1,716,352 |
| Provision for Landfill Closure/Postclosure | (8,543,857) | 626,772 | 550,560 | 498,625 | 532,828 |
| Misc. Expenses | - | - | - | - | 174,284 |
| Operating Expenses | 4,851,663 | 9,400,100 | 13,281,196 | 12,915,539 | 8,954,037 |
| Depreciation & Amortization | 4,252,891 | 4,491,164 | 4,624,939 | 4,199,826 | 3,849,531 |
| General & Administrative (Overhead) Expense | - | - | 8,954 | - | - |
| Fleet Maintenance (Overhead) Expense | (0) | 0 | - | 0 | - |
| Debt Service - Principal | 3,013,781 | 3,087,822 | 3,163,727 | 3,163,727 | 3,241,545 |
| Debt Service - Interest | 634,937 | 560,529 | 479,462 | 479,462 | 401,642 |
| Financing Cost | - | - | 18,791 | 18,791 | 18,791 |
| Debt Service | 3,648,718 | 3,648,351 | 3,661,980 | 3,661,980 | 3,661,978 |
| Capital Improvement Projects | 1,264,996 | 948,850 | 3,345,473 | 1,456,720 | 1,406,780 |
| Capital Outlay | 222,681 | 4,283,123 | 2,458,206 | 2,056,721 | 236,635 |
| Total Expenditures | 23,030,238 | 32,128,966 | 38,636,757 | 34,703,306 | 29,236,689 |
| Contra Postclosure Transfer in | 637,601 | 433,193 | 743,943 | 743,943 | 580,986 |
| Labor Transfers In/(Out) | 2,574 | - | (0) | 0 | - |
| Total Transfers In/(Out) | 640,175 | 433,193 | 743,943 | 743,943 | 580,986 |
| Net Surplus/(Shortfall) | \$ 9,701,562 | \$ (18,713,267) | \$ (12,398,539) | \$ (9,252,574) | \$ (5,474,509) |

VENTURA REGIONAL SANITATION DISTRICT

Consolidated - Enterprise

| | Actual FY2017-18 | Actual FY2018-19 | Adjusted Budget FY2019-20 | Projected FY2019-20 | Adopted Budget FY2020-21 |
|-----------------------------------------------------|----------------------|----------------------|------------------------------|------------------------|-----------------------------|
| Cash Reserves/Working Capital: | | | | | |
| Beginning Balance July 1 | \$ 39,273,360 | \$ 42,779,323 | \$ 35,958,300 | \$ 41,758,886 | \$ 38,079,610 |
| Net Surplus/(Shortfall) | 9,701,562 | (18,713,267) | (12,398,539) | (9,252,574) | (5,474,509) |
| Add Back Non-cash Financing Cost | - | - | 18,791 | 18,791 | 18,791 |
| Add Back Non-cash Toland CL/PCL Reserve | (8,543,857) | 626,772 | 550,560 | 498,625 | 532,828 |
| Loan Proceeds | - | - | - | - | - |
| Reverse Closed Landfill Activity | (637,601) | (433,193) | (743,943) | (743,943) | (580,986) |
| Add Back Non-cash Depreciation | 4,252,891 | 4,491,164 | 4,624,939 | 4,199,826 | 3,849,531 |
| Accrual Adjustment | (1,267,031) | 1,475,651 | (331,787) | 1,600,000 | (2,909,970) |
| Other Non-cash adjustments | - | 11,532,435 | - | - | - |
| Ending Balance June 30 | \$ 42,779,323 | \$ 41,758,886 | \$ 27,678,321 | \$ 38,079,610 | \$ 33,515,296 |
| Restricted reserves: | | | | | |
| Closure/Postclosure financial assurance req. | | | | | |
| Bailard Post Closure | 4,272,438 | 4,366,432 | 4,459,874 | 4,445,027 | 4,540,954 |
| Coastal Post Closure | 3,703,652 | 3,785,132 | 3,866,135 | 3,853,265 | 3,936,421 |
| Toland Road Closure/Post Closure | 7,664,592 | 9,057,061 | 8,831,820 | 8,753,812 | 9,407,048 |
| Closed landfill maintenance/Other reserves | 797,000 | 797,000 | 797,000 | 731,000 | 731,000 |
| Malibu Bay Club Unanticipated Costs Reserve | 105,012 | 115,016 | 125,020 | 199,795 | 50,000 |
| Total restricted reserves | \$ 16,542,694 | \$ 18,120,641 | \$ 18,079,849 | \$ 17,982,899 | \$ 18,665,423 |
| Committed reserves: | | | | | |
| Closure and Postclosure Funds | | | | | |
| Bailard Post Closure ¹ | 1,542,650 | 1,723,865 | - | - | - |
| Coastal Post Closure ¹ | 535,779 | 651,534 | - | - | - |
| CERCLA | 45,225 | 45,225 | 45,225 | 45,225 | 45,225 |
| Accrued Payables | - | - | - | 1,600,000 | - |
| Total committed reserves | \$ 2,123,654 | \$ 2,420,624 | \$ 45,225 | \$ 1,645,225 | \$ 45,225 |
| Assigned reserves: | | | | | |
| Capital improvement funds ² | 3,977,000 | 3,883,289 | 3,830,010 | 1,643,415 | 5,279,267 |
| Designated Carryovers ³ | - | - | - | 1,309,970 | - |
| Operating funds - 1 yr. debt service obligation | 3,581,418 | 3,643,189 | 3,643,189 | 3,643,189 | 3,643,187 |
| Operating funds - operating expenses ^{4,5} | 16,188,925 | 13,301,528 | 1,632,396 | 11,430,163 | 5,427,911 |
| Insurance fund | 365,632 | 389,615 | 447,652 | 424,749 | 454,283 |
| Total assigned reserves | \$ 24,112,975 | \$ 21,217,621 | \$ 9,553,247 | \$ 18,451,486 | \$ 14,804,648 |
| Ending Cash Reserves/Working Capital | \$ 42,779,323 | \$ 41,758,886 | \$ 27,678,321 | \$ 38,079,610 | \$ 33,515,296 |

NOTES:

[1] Committed reserves represent Board approved levels in order to maintain the CERCLA fund, postclosure reserves held for both the Bailard and the Coastal landfill in excess of restricted reserves, and net accrued payables outstanding at year-end.

[2] Capital improvement reserves needed to fund next fiscal year's capital outlays and projects, outlined in the 5-year Capital Improvement Plan table; FY2022 capital projects. The projected amount for FY2022 is approximately \$5.3 million, which will be funded by assigned reserves.

[3] Designated carryovers consist of capital outlays and projects that were not completed during FY2020.

[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 2021.

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Water Wastewater

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VENTURA REGIONAL SANITATION DISTRICT

Water Wastewater - 200

| | Actual FY2017-18 | Actual FY2018-19 | Adjusted Budget FY2019-20 | Projected FY2019-20 | Adopted Budget FY2020-21 |
|---------------------------------------------|---------------------|---------------------|------------------------------|------------------------|-----------------------------|
| Revenues: | | | | | |
| Landfill Disposal Fees | - | - | - | - | - |
| Contracted Services - Labor | 5,423,022 | 6,517,072 | 6,729,286 | 6,340,519 | 4,869,370 |
| Contracted Services - Materials & Supplies | - | - | - | - | 1,130,402 |
| Contracted Services - Equipment | - | - | - | - | 803,690 |
| Investment & Interest Earnings | 994 | 188,058 | 91,926 | 40,507 | 66,140 |
| Other Revenue | 58,671 | 52,642 | 119,613 | 49,420 | 10,626 |
| Special Assessments | - | - | - | - | 38,974 |
| Gain/Loss on Sale of Assets | - | - | - | - | - |
| Total Revenues | 5,482,687 | 6,757,772 | 6,940,825 | 6,430,446 | 6,919,203 |
| Expenditures: | | | | | |
| Wages - Regular | 2,097,098 | 2,195,182 | 2,621,849 | 2,302,308 | 2,608,915 |
| Wages - Overtime | 86,646 | 94,766 | 20,043 | 83,370 | 20,485 |
| Wages - Standby | 43,012 | 44,890 | 29,328 | 55,038 | 39,188 |
| Employee Benefits | 1,042,144 | 1,179,460 | 1,541,762 | 1,356,677 | 1,510,901 |
| Personnel Costs | 3,268,900 | 3,514,298 | 4,212,982 | 3,797,393 | 4,179,489 |
| Professional Services | 45,780 | 60,586 | 329,748 | 266,789 | 412,500 |
| Temporary Labor | 21,262 | 67,283 | 252,000 | 504 | 2,000 |
| Board Members Fees & Expenses | - | - | - | - | - |
| Travel, Conference, Seminar & Training | 15,707 | 17,288 | 57,120 | 13,003 | 57,120 |
| Safety Supplies & Clothing | 17,366 | 22,620 | 15,300 | 25,921 | 39,440 |
| Office Expenses | 29,597 | 78,383 | 8,421 | 26,022 | 8,589 |
| Bank Service Charges | - | - | - | - | - |
| Telephone | - | - | - | - | 30,600 |
| Utilities | 77,543 | 76,255 | 39,452 | 77,582 | 37,340 |
| Insurance | 9,181 | 16,166 | 8,061 | 8,810 | 34,332 |
| Equipment Rental & Leases | 22,516 | 39,878 | 7,800 | 30,382 | 7,800 |
| Operating Services | 182,153 | 482,565 | 158,372 | 212,313 | 152,372 |
| Operating Materials & Supplies | 416,075 | 494,320 | 380,323 | 327,577 | 341,998 |
| Leachate, Condensate & Sludge Disposal | 45,229 | 54,754 | 63,203 | 34,281 | 57,203 |
| Lab Services & Supplies | 142,694 | 144,198 | 98,925 | 151,724 | 87,185 |
| Fuel, Gasoline & Diesel | 450 | 258 | 6,250 | 725 | 6,250 |
| Maintenance | 24,205 | 14,523 | - | 11,991 | - |
| Permits, Licenses & Fees | 38,202 | 45,253 | 109,729 | 160,097 | 123,916 |
| Provision for Landfill Closure/Postclosure | - | - | - | - | - |
| Misc. Expenses | - | - | - | - | - |
| Operating Expenses | 1,087,959 | 1,614,330 | 1,534,704 | 1,347,721 | 1,398,645 |
| Depreciation & Amortization | 156,563 | 164,697 | 157,053 | 160,875 | 156,967 |
| General & Administrative (Overhead) Expense | 577,308 | 507,668 | 497,078 | (40,133) | 510,475 |
| Fleet Maintenance (Overhead) Expense | 399,653 | 385,133 | 461,822 | 467,918 | 675,619 |
| Debt Service - Principal | 147,553 | 151,579 | 155,714 | 155,714 | 159,963 |
| Debt Service - Interest | 44,897 | 40,845 | 36,116 | 36,116 | 31,868 |
| Financing Cost | - | - | 1,570 | 1,570 | 1,570 |
| Debt Service | 192,450 | 192,424 | 193,400 | 193,400 | 193,401 |
| Capital Improvement Projects | - | - | - | - | - |
| Capital Outlay | 2,274 | 770 | 58,638 | 28,000 | 7,500 |
| Total Expenditures | 5,685,107 | 6,379,320 | 7,115,678 | 5,955,174 | 7,122,097 |
| Contra Postclosure Transfer in | - | - | - | - | - |
| Labor Transfers In/(Out) | 447,089 | 208,489 | 233,244 | 435,907 | 264,911 |
| Total Transfers In/(Out) | 447,089 | 208,489 | 233,244 | 435,907 | 264,911 |
| Net Surplus/(Shortfall) | \$ 244,670 | \$ 586,941 | \$ 58,391 | \$ 911,179 | \$ 62,017 |

VENTURA REGIONAL SANITATION DISTRICT

Water Wastewater - Contracted Services Revenue by Customer

| | Actual FY 2017-18 | Actual FY 2018-19 | Adjusted Budget FY 2019-20 | Projected [a] FY 2019-20 | Adopted Budget FY 2020-21 |
|----------------------------------------------------------------|----------------------|----------------------|-------------------------------|-----------------------------|------------------------------|
| Anticipated Reimbursable | - | - | 89,340 | - | 108,480 |
| Cabrillo Economic Development Corporation | 6,436 | 8,200 | 6,133 | 28,227 | 6,797 |
| Camarillo Sanitary District | - | 94,680 | 163,760 | 5,775 | - |
| Camrosa Water District | 144,816 | 70,795 | 163,987 | 166,940 | 181,527 |
| Cate School | 370,003 | 204,395 | 210,405 | 195,499 | 213,110 |
| Channel Islands Beach CSD | 1,326 | 708 | - | 1,296 | - |
| City of Santa Paula | - | 106,598 | 353,407 | 358,176 | 404,879 |
| City of Thousand Oaks | 2,242 | 5,909 | 6,660 | 4,912 | 7,061 |
| City of Ventura | 11,950 | 8,487 | - | - | - |
| County of Ventura | | | | | |
| <i>Moorpark</i> | 213,490 | 203,125 | 193,845 | 46,991 | 214,984 |
| <i>NorthCoast</i> | 428,170 | 598,892 | 464,526 | 646,107 | 494,996 |
| <i>Piru</i> | 2,318 | 36,551 | 43,745 | 30,553 | 46,818 |
| <i>County of Ventura - Special Projects</i> | 43,658 | 35,121 | - | 93,759 | - |
| County of Ventura Total | 687,635 | 873,689 | 702,116 | 817,411 | 756,797 |
| CSU, Channel Islands | - | 22,291 | - | 28,489 | 19,157 |
| Malibu Bay Club | 263,297 | 245,691 | 195,905 | 195,905 | 36,997 |
| Ojai Valley Sanitary | 36,735 | 14,438 | 90,637 | 80,692 | 96,662 |
| Ojai Valley School | 51,237 | 50,787 | 67,113 | 45,591 | 68,431 |
| Saticoy Sanitary District | | | | | |
| <i>Saticoy Sanitary District</i> | 275,193 | 361,200 | 289,416 | 300,965 | 315,250 |
| <i>Saticoy Sanitary District - Central Administration</i> | 72,831 | 111,596 | 75,081 | 64,391 | 56,973 |
| Saticoy Sanitary District Total | 348,023 | 472,796 | 364,497 | 365,357 | 372,223 |
| Thacher School | 150,604 | 198,167 | 149,890 | 200,406 | 156,140 |
| Thomas Aquinas College | 218,581 | 305,597 | 276,949 | 364,249 | 283,468 |
| Top O'Topanga Community Association | 198,144 | 203,417 | 206,073 | 171,728 | 205,867 |
| Triunfo Water & Sanitation District | | | | | |
| <i>Triunfo Water & Sanitation District</i> | 2,969,457 | 3,714,169 | 3,700,393 | 3,302,451 | 3,902,593 |
| <i>Triunfo Water & Sanitation District - Central Admin</i> | 1,347,599 | 1,551,352 | 1,443,905 | 1,315,822 | 1,136,560 |
| Triunfo Water & Sanitation District Total | 4,317,057 | 5,265,521 | 5,144,298 | 4,618,274 | 5,039,153 |
| Ventura County Regional Energy Alliance | 3,844 | 5,494 | 10,216 | 8,686 | 10,062 |
| Miscellaneous Customers | 35,367 | 27,854 | 57,104 | 71,806 | 40,248 |
| Customer Total | 6,847,296 | 8,185,514 | 8,258,488 | 7,729,419 | 8,007,057 |
| Excluding Central Administration Revenue Sales | (1,424,274) | (1,668,442) | (1,529,202) | (1,388,900) | (1,203,594) |
| Total Water Wastewater Revenue Sales | \$ 5,423,022 | \$ 6,517,072 | \$ 6,729,286 | \$ 6,340,519 | \$ 6,803,463 |

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

VENTURA REGIONAL SANITATION DISTRICT

Malibu Bay Club Special Assessment Fund Operating and Maintenance Costs FY2020-21 Budget

| Description | Maintenance | Operations | Environmental Monitoring | Total Budget |
|---------------------------|------------------|-------------------|-----------------------------|-------------------|
| Labor | 40,224 | 59,224 | 22,209 | 121,657 |
| Operating supplies | 3,450 | 5,750 | 500 | 9,700 |
| Lab testing | - | - | 9,200 | 9,200 |
| Sludge disposal | 6,900 | - | - | 6,900 |
| Utilities | - | 1,380 | - | 1,380 |
| Permits, licenses, fees | - | 4,083 | 3,450 | 7,533 |
| ISF equipment and mileage | 7,290 | 11,250 | 750 | 19,290 |
| Property insurance | - | 30,357 | - | 30,357 |
| Legal | - | 1,150 | - | 1,150 |
| Total Expenses | \$ 57,864 | \$ 113,193 | \$ 36,109 | \$ 207,166 |

Annual sewer service fee [1] 36,997

Annual surplus/(deficit) \$ (170,169)

[1] \$22.67 monthly operations and maintenance fee per parcel.

NOTE:

The annual sewer service fees are based on the public hearing that Ventura Regional Sanitation District will conduct on July 02, 2020, proposing the adoption of an ordinance outlining sewer service charges imposed by the District on the residential units served by the Malibu Bay Club Onsite Wastewater Treatment System for the next five years: July 1, 2020 through June 30, 2025.

| Period | Monthly Service Charge per | Assessed Amount | Actual Expenses | Annual Surplus/(Deficit) | Accumulated Surplus/(Deficit) |
|----------------|-------------------------------|-----------------|-----------------|-----------------------------|----------------------------------|
| | Residential Unit | | | | |
| <i>FY 2016</i> | \$116.30 | 189,801.00 | 190,282.11 | (481.11) | (481.11) |
| <i>FY 2017</i> | \$116.96 | 190,878.56 | 129,395.88 | 61,482.68 | 61,001.57 |
| <i>FY 2018</i> | \$118.62 | 193,587.68 | 144,240.09 | 49,347.59 | 110,349.16 |
| <i>FY 2019</i> | \$121.66 | 198,548.96 | 160,183.25 | 38,365.71 | 148,714.87 |
| <i>FY 2020</i> | \$126.17 | 205,909.28 | 154,829.33 [2] | 51,079.95 | 199,794.82 [3] |
| <i>FY 2021</i> | \$22.67 | 36,997.44 | 207,166.05 | (170,168.61) | 29,626.21 |

[2] Estimated FY2020 Operating and Maintenance expenses.

[3] Estimated accumulated reserve at end of FY2020.

Solid Waste

| | |
|--------------------------------------|----|
| Fiscal Year 2021 Budget Summary..... | 21 |
|--------------------------------------|----|

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VENTURA REGIONAL SANITATION DISTRICT

Solid Waste - 400

| | Actual FY2017-18 | Actual FY2018-19 | Adjusted Budget FY2019-20 | Projected FY2019-20 | Adopted Budget FY2020-21 |
|---------------------------------------------|----------------------|-----------------------|------------------------------|------------------------|-----------------------------|
| Revenues: | | | | | |
| Landfill Disposal Fees | 20,174,869 | 13,093,423 | 14,369,436 | 14,038,789 | 14,174,211 |
| Contracted Services - Labor | - | - | - | - | 26,352 |
| Contracted Services - Materials & Supplies | - | - | - | - | 67,898 |
| Contracted Services - Equipment | - | - | - | - | 5,565 |
| Investment & Interest Earnings | 7,519 | 1,022,338 | 420,621 | 253,772 | 350,665 |
| Other Revenue | 3,671,013 | 309,267 | 157,220 | 465,980 | 167,379 |
| Special Assessments | - | - | - | - | - |
| Gain/Loss on Sale of Assets | - | (136,750) | - | - | - |
| Total Revenues | 23,853,402 | 14,288,278 | 14,947,277 | 14,758,541 | 14,792,070 |
| Expenditures: | | | | | |
| Wages - Regular | 1,665,626 | 1,820,568 | 2,249,016 | 2,134,487 | 2,231,067 |
| Wages - Overtime | 280,800 | 213,254 | 89,242 | 89,281 | 94,761 |
| Wages - Standby | 7,758 | 10,284 | 8,146 | 15,534 | 8,146 |
| Employee Benefits | 862,809 | 1,036,830 | 1,435,332 | 1,286,940 | 1,492,769 |
| Personnel Costs | 2,816,993 | 3,080,936 | 3,781,736 | 3,526,242 | 3,826,743 |
| Professional Services | 2,761,746 | 872,939 | 598,191 | 919,372 | 712,579 |
| Temporary Labor | 843,598 | 258,874 | 30,000 | 54,893 | 30,000 |
| Board Members Fees & Expenses | - | - | - | - | - |
| Travel, Conference, Seminar & Training | 8,601 | 3,159 | 30,250 | 15,608 | 2,000 |
| Safety Supplies & Clothing | 33,113 | 32,244 | 20,000 | 27,438 | 32,000 |
| Office Expenses | 46,653 | 3,196 | 17,500 | 14,227 | 15,948 |
| Bank Service Charges | - | 21,488 | 26,400 | 21,458 | 15,240 |
| Telephone | - | - | - | - | 25,600 |
| Utilities | 118,965 | 156,408 | 103,680 | 142,090 | 171,240 |
| Insurance | 7,379 | - | - | 840 | 58,648 |
| Equipment Rental & Leases | 735,071 | 377,009 | 151,130 | 210,799 | 126,130 |
| Operating Services | 1,270,060 | 141,470 | 182,029 | 182,029 | 117,029 |
| Operating Materials & Supplies | 732,982 | 375,439 | 503,643 | 503,643 | 282,595 |
| Leachate, Condensate & Sludge Disposal | 6,368 | 26,191 | 1,164,760 | 1,164,760 | 800,000 |
| Lab Services & Supplies | 26,978 | 54,114 | 51,350 | 54,872 | 45,600 |
| Fuel, Gasoline & Diesel | 17 | 1,576 | - | - | - |
| Maintenance | 23,764 | 14,848 | 27,000 | 14,453 | 10,000 |
| Permits, Licenses & Fees | 1,953,086 | 1,356,742 | 1,448,037 | 1,341,198 | 1,423,073 |
| Provision for Landfill Closure/Postclosure | (8,543,857) | 626,772 | 550,560 | 498,625 | 532,828 |
| Misc. Expenses | - | - | - | - | - |
| Operating Expenses | 24,524 | 4,322,467 | 4,904,530 | 5,166,304 | 4,400,510 |
| Depreciation & Amortization | 2,486,657 | 2,546,179 | 2,531,966 | 2,563,772 | 2,559,876 |
| General & Administrative (Overhead) Expense | 1,436,496 | 1,245,086 | 2,658,588 | 2,241,191 | 2,549,487 |
| Fleet Maintenance (Overhead) Expense | 1,766,258 | 1,575,983 | 2,753,871 | 2,880,962 | 2,531,425 |
| Debt Service - Principal | 1,641,636 | 1,684,530 | 1,728,578 | 1,728,578 | 1,773,810 |
| Debt Service - Interest | 405,059 | 361,875 | 322,817 | 322,817 | 277,582 |
| Financing Cost | - | - | 5,329 | 5,329 | 5,329 |
| Debt Service | 2,046,695 | 2,046,405 | 2,056,724 | 2,056,724 | 2,056,721 |
| Capital Improvement Projects | 1,264,996 | 948,850 | 3,345,473 | 1,456,720 | 1,406,780 |
| Capital Outlay | - | - | - | - | 45,305 |
| Total Expenditures | 11,842,618 | 15,765,906 | 22,032,888 | 19,891,916 | 19,376,847 |
| Contra Postclosure Transfer in | - | - | - | - | - |
| Labor Transfers In/(Out) | (253,728) | (25,331) | (165,272) | (345,073) | (225,308) |
| Total Transfers In/(Out) | (253,728) | (25,331) | (165,272) | (345,073) | (225,308) |
| Net Surplus/(Shortfall) | \$ 11,757,056 | \$ (1,502,959) | \$ (7,250,883) | \$ (5,478,448) | \$ (4,810,085) |

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Post Closed Landfill Maintenance

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|------------------------------------------------------------|----|
| Fiscal Year 2021 Budget Summary..... | 24 |
| Tierra Rejada Landfill Mitigation & Monitoring Costs | 25 |

VENTURA REGIONAL SANITATION DISTRICT

Post Closed Landfill Maintenance Fund - 45X

| | Actual FY2017-18 | Actual FY2018-19 | Adjusted Budget FY2019-20 | Projected FY2019-20 | Adopted Budget FY2020-21 |
|---------------------------------------------|---------------------|---------------------|------------------------------|------------------------|-----------------------------|
| Revenues: | | | | | |
| Landfill Disposal Fees | - | - | - | - | - |
| Contracted Services - Labor | - | - | - | - | - |
| Contracted Services - Materials & Supplies | - | - | - | - | - |
| Contracted Services - Equipment | - | - | - | - | - |
| Investment & Interest Earnings | 60,488 | 478,996 | 245,595 | 140,072 | 173,637 |
| Other Revenue | - | - | 1,696,907 | 1,946,907 | 50,993 |
| Special Assessments | - | - | - | - | - |
| Gain/Loss on Sale of Assets | - | - | - | - | - |
| Total Revenues | 60,488 | 478,996 | 1,942,502 | 2,086,979 | 224,630 |
| Expenditures: | | | | | |
| Wages - Regular | - | - | 110,577 | - | 106,138 |
| Wages - Overtime | - | - | - | - | - |
| Wages - Standby | - | - | - | - | - |
| Employee Benefits | - | - | - | - | - |
| Personnel Costs | - | - | 110,577 | - | 106,138 |
| Professional Services | 246,713 | 114,149 | 3,570,215 | 3,570,215 | 191,467 |
| Temporary Labor | 74,707 | 21,481 | 40,000 | 24,045 | 25,000 |
| Board Members Fees & Expenses | - | - | - | - | - |
| Travel, Conference, Seminar & Training | - | - | - | - | - |
| Safety Supplies & Clothing | - | - | - | 79 | - |
| Office Expenses | 3,211 | - | 1,054 | 143 | 1,054 |
| Bank Service Charges | - | 30,734 | 35,100 | 27,712 | 13,260 |
| Telephone | - | - | - | - | - |
| Utilities | 22,613 | 16,806 | 26,000 | 24,648 | 13,500 |
| Insurance | - | - | - | - | - |
| Equipment Rental & Leases | 4,501 | 5,906 | 26,500 | 95,559 | 28,000 |
| Operating Services | 12,185 | 32,416 | 50,500 | 29,874 | 25,250 |
| Operating Materials & Supplies | 50,063 | 30,447 | 41,500 | 308,676 | 35,000 |
| Leachate, Condensate & Sludge Disposal | 7,570 | 2,284 | 1,000 | - | 5,250 |
| Lab Services & Supplies | 68,211 | 40,551 | 57,500 | 33,729 | 37,500 |
| Fuel, Gasoline & Diesel | 233 | 271 | - | 1,470 | - |
| Maintenance | 1,373 | 625 | 35,000 | - | 50,000 |
| Permits, Licenses & Fees | 62,052 | 60,692 | 60,350 | 51,687 | 63,350 |
| Provision for Landfill Closure/Postclosure | - | - | - | - | - |
| Misc. Expenses | - | - | - | - | - |
| Operating Expenses | 553,430 | 356,362 | 3,944,719 | 4,167,836 | 488,631 |
| Depreciation & Amortization | 17,046 | 14,559 | 13,294 | 13,294 | 13,294 |
| General & Administrative (Overhead) Expense | - | - | - | - | - |
| Fleet Maintenance (Overhead) Expense | 5,611 | 4,681 | 6,642 | 16,970 | 6,642 |
| Debt Service - Principal | - | - | - | - | - |
| Debt Service - Interest | - | - | - | - | - |
| Financing Cost | - | - | - | - | - |
| Debt Service | - | - | - | - | - |
| Capital Improvement Projects | - | - | - | - | - |
| Capital Outlay | - | - | - | - | - |
| Total Expenditures | 576,086 | 375,603 | 4,075,232 | 4,198,100 | 614,705 |
| Contra Postclosure Transfer in | 637,601 | 433,193 | 743,943 | 743,943 | 580,986 |
| Labor Transfers In/(Out) | (61,969) | (72,686) | (24,172) | (266,177) | (22,274) |
| Total Transfers In/(Out) | 575,632 | 360,507 | 719,771 | 477,766 | 558,712 |
| Net Surplus/(Shortfall) | \$ 60,034 | \$ 463,900 | \$ (1,412,959) | \$ (1,633,355) | \$ 168,636 |

VENTURA REGIONAL SANITATION DISTRICT

Tierra Rejada Closed Landfill Mitigation & Monitoring Costs FY2020-21 Budget

| Description | Maintenance | Environmental Monitoring | Total Budget |
|---------------------------|------------------|--------------------------|------------------|
| Labor | \$ 5,928 | \$ 2,810 | \$ 8,738 |
| Operating supplies | - | 15,100 | 15,100 |
| Operating services | - | 15,250 | 15,250 |
| Lab testing | 2,500 | 250 | 2,750 |
| Environmental Consultants | 16,000 | - | 16,000 |
| Utilities | - | 1,000 | 1,000 |
| Permits, licenses, fees | 8,350 | - | 8,350 |
| ISF equipment and mileage | 802 | - | 802 |
| Total Expenses | \$ 33,580 | \$ 34,410 | \$ 67,990 |

| | Funding | Actual Expenses | Annual Surplus/(Deficit) | Accumulated Surplus/(Deficit) |
|------------------------------------------------------------------------------------|---------------------|---------------------|--------------------------|-------------------------------|
| Beginning balance as of July 1, 2018: | \$ - | \$ - | \$ (5,693) | \$ (5,693) |
| <i>FY 2019 Actual Activity</i> | - | 54,688 | (54,688) | (60,381) |
| ^[a] <i>Funding of outstanding balance</i> | 60,381 | - | 60,381 | - |
| ^[a] <i>Funding of FY 2020 Budgeted Expenses</i> | 68,328 | 68,328 | - | - |
| ^[a] <i>Funding of Tierra Rejada/Easy Fire FY 2021 Budgeted Activity</i> | 2,194,216 | 2,194,216 | - | - |
| ^[a] <i>Funding of FY 2021 Budgeted Expenses</i> | 67,990 | 67,990 | (67,990) | (67,990) |
| Ending balance as of June 30, 2021: | \$ 2,390,915 | \$ 2,385,222 | \$ - | \$ - |

| | ^[a] Accumulated Obligation (25%) | |
|----------------------------------------------------|---------------------------------------------|------------------------------|
| | \$ 120,000 | |
| FY2019 Funding | (15,095) | 25% of June 30, 2019 balance |
| FY2020 Funding | (17,082) | 25% of FY 2020 Forecast |
| FY2021 Funding | (16,998) | 25% of FY 2021 budget |
| Remaining obligation available as of June 30, 2021 | <u>\$ 87,823</u> | |

[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 on September 5, 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 \$120,000 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.

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Biosolids & Microturbine Electrical Generation Facility

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| Fiscal Year 2021 Budget Summary..... | 29 |
|--------------------------------------|----|

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VENTURA REGIONAL SANITATION DISTRICT

Biosolids - 300

| | Actual FY2017-18 | Actual FY2018-19 | Adjusted Budget FY2019-20 | Projected FY2019-20 | Adopted Budget FY2020-21 |
|---------------------------------------------|-----------------------|------------------------|------------------------------|------------------------|-----------------------------|
| Revenues: | | | | | |
| Landfill Disposal Fees | 1,054,799 | 913,439 | 15,000 | 26,252 | 25,000 |
| Contracted Services - Labor | - | - | - | - | - |
| Contracted Services - Materials & Supplies | - | - | - | - | - |
| Contracted Services - Equipment | - | - | - | - | - |
| Investment & Interest Earnings | 3,828 | 11,139 | - | 14 | - |
| Other Revenue | 178,146 | 63,431 | - | - | - |
| Special Assessments | - | - | - | - | - |
| Gain/Loss on Sale of Assets | - | (11,532,435) | - | - | - |
| Total Revenues | 1,236,773 | (10,544,425) | 15,000 | 26,266 | 25,000 |
| Expenditures: | | | | | |
| Wages - Regular | - | - | - | - | - |
| Wages - Overtime | - | - | - | - | - |
| Wages - Standby | - | - | - | - | - |
| Employee Benefits | (6,278) | - | - | - | - |
| Personnel Costs | (6,278) | - | - | - | - |
| Professional Services | 26,349 | 8,817 | - | 177 | - |
| Temporary Labor | - | - | - | - | - |
| Board Members Fees & Expenses | - | - | - | - | - |
| Travel, Conference, Seminar & Training | - | - | - | - | - |
| Safety Supplies & Clothing | - | - | - | - | - |
| Office Expenses | (334) | (1,710) | 250 | - | - |
| Bank Service Charges | - | - | - | - | - |
| Telephone | - | - | - | - | - |
| Utilities | 23,287 | 23,251 | - | 22,984 | - |
| Insurance | 48,234 | 36,390 | 6,333 | 5,663 | - |
| Equipment Rental & Leases | 5,187 | - | - | - | - |
| Operating Services | 45,081 | 30,641 | 1,000 | - | - |
| Operating Materials & Supplies | 247,311 | 252,983 | - | - | - |
| Leachate, Condensate & Sludge Disposal | - | - | - | - | - |
| Lab Services & Supplies | 823 | - | - | - | - |
| Fuel, Gasoline & Diesel | - | - | - | - | - |
| Maintenance | - | 1,148 | - | - | - |
| Permits, Licenses & Fees | 177,568 | 186,116 | 44,651 | 47,435 | 500 |
| Provision for Landfill Closure/Postclosure | - | - | - | - | - |
| Misc. Expenses | - | - | - | - | - |
| Operating Expenses | 573,505 | 537,636 | 52,234 | 76,259 | 500 |
| Depreciation & Amortization | 1,004,788 | 1,004,788 | 996,167 | 308,719 | 29,995 |
| General & Administrative (Overhead) Expense | 260,064 | 45,672 | 52,539 | 45,402 | - |
| Fleet Maintenance (Overhead) Expense | 91,183 | 112,938 | 102,608 | - | - |
| Debt Service - Principal | 1,224,592 | 1,251,713 | 1,279,435 | 1,279,435 | 1,307,772 |
| Debt Service - Interest | 184,981 | 157,808 | 120,529 | 120,529 | 92,192 |
| Financing Cost | - | - | 11,892 | 11,892 | 11,892 |
| Debt Service | 1,409,573 | 1,409,521 | 1,411,856 | 1,411,856 | 1,411,856 |
| Capital Improvement Projects | - | - | - | - | - |
| Capital Outlay | - | - | - | - | - |
| Total Expenditures | 3,332,835 | 3,110,555 | 2,615,404 | 1,842,236 | 1,442,351 |
| Contra Postclosure Transfer in | - | - | - | - | - |
| Labor Transfers In/(Out) | (38,416) | (32,655) | (21,372) | (55) | (1,960) |
| Total Transfers In/(Out) | (38,416) | (32,655) | (21,372) | (55) | (1,960) |
| Net Surplus/(Shortfall) | \$ (2,134,478) | \$ (13,687,635) | \$ (2,621,776) | \$ (1,816,025) | \$ (1,419,311) |

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Vehicles & Heavy Equipment - ISF

| | |
|----------------------------------------|----|
| Fiscal Year 2021 Budget Summary..... | 32 |
| ISF Allocation to Other Divisions..... | 33 |

VENTURA REGIONAL SANITATION DISTRICT

Internal Service Fund - 500

| | Actual FY2017-18 | Actual FY2018-19 | Adjusted Budget FY2019-20 | Projected FY2019-20 | Adopted Budget FY2020-21 |
|---------------------------------------------|---------------------|-----------------------|------------------------------|------------------------|-----------------------------|
| Revenues: | | | | | |
| Landfill Disposal Fees | - | - | - | - | - |
| Contracted Services - Labor | - | - | - | - | - |
| Contracted Services - Materials & Supplies | - | - | - | - | - |
| Contracted Services - Equipment | - | - | - | - | - |
| Investment & Interest Earnings | 2,617 | 57,692 | 5,000 | - | 5,000 |
| Other Revenue | - | 250 | - | - | - |
| Special Assessments | - | - | - | - | - |
| Gain/Loss on Sale of Assets | 16,823 | 220,419 | 95,000 | 1,770 | - |
| Total Revenues | 19,440 | 278,361 | 100,000 | 1,770 | 5,000 |
| Expenditures: | | | | | |
| Wages - Regular | 191,590 | 195,462 | 194,718 | 203,603 | 195,483 |
| Wages - Overtime | 36,659 | 21,794 | - | 6,173 | - |
| Wages - Standby | - | - | - | - | - |
| Employee Benefits | 110,555 | 117,012 | 129,933 | 123,157 | 135,237 |
| Personnel Costs | 338,804 | 334,268 | 324,651 | 332,933 | 330,720 |
| Professional Services | - | - | 1,000 | - | 1,000 |
| Temporary Labor | - | - | - | - | - |
| Board Members Fees & Expenses | - | - | - | - | - |
| Travel, Conference, Seminar & Training | - | - | - | - | - |
| Safety Supplies & Clothing | 1,557 | 2,060 | 3,000 | 1,943 | 10,000 |
| Office Expenses | 17 | 256 | - | 131 | - |
| Bank Service Charges | - | - | - | - | - |
| Telephone | - | - | - | - | - |
| Utilities | 1,003 | 1,074 | - | 863 | - |
| Insurance | 117,563 | 126,295 | 122,875 | 213,476 | 197,469 |
| Equipment Rental & Leases | 17,278 | 25,637 | - | 1,486 | - |
| Operating Services | 16,956 | - | 6,500 | 2,780 | 6,500 |
| Operating Materials & Supplies | 55,750 | 72,726 | 74,500 | 68,194 | 65,500 |
| Leachate, Condensate & Sludge Disposal | - | - | - | - | - |
| Lab Services & Supplies | 3,095 | 3,699 | 3,000 | 718 | - |
| Fuel, Gasoline & Diesel | 467,418 | 471,801 | 496,500 | 480,944 | 495,600 |
| Maintenance | 431,400 | 383,339 | 278,795 | 278,795 | 349,800 |
| Permits, Licenses & Fees | 1,421 | 2,799 | 6,600 | 2,693 | 5,000 |
| Provision for Landfill Closure/Postclosure | - | - | - | - | - |
| Misc. Expenses | - | - | - | - | - |
| Operating Expenses | 1,113,458 | 1,089,686 | 992,770 | 1,052,024 | 1,130,869 |
| Depreciation & Amortization | 512,826 | 684,031 | 856,021 | 1,077,581 | 1,032,171 |
| General & Administrative (Overhead) Expense | - | - | - | - | - |
| Fleet Maintenance (Overhead) Expense | (2,266,233) | (2,082,750) | (3,325,316) | (3,371,454) | (3,213,883) |
| Debt Service - Principal | - | - | - | - | - |
| Debt Service - Interest | - | - | - | - | - |
| Financing Cost | - | - | - | - | - |
| Debt Service | - | - | - | - | - |
| Capital Improvement Projects | - | - | - | - | - |
| Capital Outlay | 213,056 | 4,262,960 | 2,109,568 | 2,013,264 | 115,000 |
| Total Expenditures | (88,089) | 4,288,194 | 957,694 | 1,104,349 | (605,123) |
| Contra Postclosure Transfer in | - | - | - | - | - |
| Labor Transfers In/(Out) | (79,464) | (86,923) | (23,618) | (117,886) | (16,509) |
| Total Transfers In/(Out) | (79,464) | (86,923) | (23,618) | (117,886) | (16,509) |
| Net Surplus/(Shortfall) | \$ 28,065 | \$ (4,096,757) | \$ (881,312) | \$ (1,220,466) | \$ 593,614 |

VENTURA REGIONAL SANITATION DISTRICT

Internal Service Fund Allocation: FY2020-21 Budget

| | <u>% of Total</u> | <u>District Fleet</u> |
|------------------------|-------------------|-----------------------|
| Central Administration | 0.2% | 31,556 |
| Water Wastewater | 20.7% | 2,935,739 |
| Solid Waste | 79.1% | 11,241,634 |
| Total District Fleet | 100.0% | \$ 14,208,929 |

The Internal Service Fund exists to repair and maintain the District's Fleet. Most repair and maintenance costs are allocated directly to individual pieces of equipment when incurred. Remaining costs are allocated by a proportionate share of the total value of the District's Fleet.

| | <u>District Fleet Expenses</u> | | | |
|-------------------------------------------|--------------------------------|-------------------|--------------------|------------------|
| | <u>Central</u> | <u>Water</u> | | |
| | <u>Administration</u> | <u>Wastewater</u> | <u>Solid Waste</u> | <u>Total ISF</u> |
| Labor Costs | 916 | 19,816 | 326,499 | 347,231 |
| Insurance Expense | 303 | 30,736 | 166,430 | 197,469 |
| Fuel, Gasoline & Diesel | 600 | 105,000 | 390,000 | 495,600 |
| Repair & Maintenance | 2,300 | 107,980 | 322,520 | 432,800 |
| Total Fleet Operating & Maintenance Costs | \$ 4,119 | \$ 263,532 | \$ 1,205,449 | \$ 1,473,100 |
| Depreciation Expense | \$ - | \$ 287,870 | \$ 744,301 | \$ 1,032,171 |
| Total ISF Expenses | \$ 4,119 | \$ 551,402 | \$ 1,949,750 | \$ 2,505,271 |

| | <u>Recovery of ISF Obligations</u> | | | |
|----------------------|------------------------------------|-------------------|--------------------|------------------|
| | <u>Central</u> | <u>Water</u> | | |
| | <u>Administration</u> | <u>Wastewater</u> | <u>Solid Waste</u> | <u>Total ISF</u> |
| Operating Reserve | 4,119 | 263,532 | 1,205,449 | 1,473,100 |
| Depreciation Reserve | - | 287,870 | 744,301 | 1,032,171 |
| Replacement Reserve | 1,758 | 131,335 | 575,519 | 708,612 |
| | \$ 5,877 | \$ 682,737 | \$ 2,525,269 | \$ 3,213,883 |

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Central Administration

| | |
|------------------------------------------------------------|----|
| Fiscal Year 2021 Budget Summary..... | 36 |
| Central Administration Allocation to Other Divisions | 37 |

VENTURA REGIONAL SANITATION DISTRICT

Central Administration Overhead Fund - 100

| | Actual FY2017-18 | Actual FY2018-19 | Adjusted Budget FY2019-20 | Projected FY2019-20 | Adopted Budget FY2020-21 |
|---------------------------------------------|---------------------|---------------------|------------------------------|------------------------|-----------------------------|
| Revenues: | | | | | |
| Landfill Disposal Fees | - | - | - | - | - |
| Contracted Services - Labor | 1,424,274 | 1,668,442 | 1,529,202 | 1,388,900 | 889,094 |
| Contracted Services - Materials & Supplies | - | - | - | - | 314,500 |
| Contracted Services - Equipment | - | - | - | - | - |
| Investment & Interest Earnings | 7,067 | 47,558 | 22,758 | 6,502 | 11,698 |
| Other Revenue | 7,494 | 7,527 | (3,288) | 7,385 | - |
| Special Assessments | - | - | - | - | - |
| Gain/Loss on Sale of Assets | - | - | - | - | - |
| Total Revenues | 1,438,835 | 1,723,526 | 1,548,672 | 1,402,787 | 1,215,292 |
| Expenditures: | | | | | |
| Wages - Regular | 1,705,942 | 1,716,379 | 1,772,867 | 1,809,077 | 1,850,356 |
| Wages - Overtime | 4,561 | 6,607 | - | 7,664 | - |
| Wages - Standby | - | - | - | - | - |
| Employee Benefits | 660,368 | 704,892 | 1,053,196 | 939,211 | 833,732 |
| Personnel Costs | 2,370,871 | 2,427,877 | 2,826,063 | 2,755,952 | 2,684,088 |
| Professional Services | 1,052,689 | 794,496 | 856,094 | 442,091 | 622,299 |
| Temporary Labor | 40,264 | - | 25,000 | - | 25,000 |
| Board Members Fees & Expenses | 35,137 | 42,560 | 104,891 | 27,834 | 104,891 |
| Travel, Conference, Seminar & Training | 13,642 | 8,988 | 19,950 | 17,278 | 20,950 |
| Safety Supplies & Clothing | 19 | - | 2,500 | - | 2,500 |
| Office Expenses | 69,646 | 180,954 | 325,622 | 165,367 | 149,051 |
| Bank Service Charges | - | 56,698 | 29,600 | 49,165 | 51,790 |
| Telephone | - | - | - | - | 25,940 |
| Utilities | 28,201 | 25,881 | 57,940 | 25,245 | 240 |
| Insurance | (2,678) | 56,062 | 57,524 | 77,469 | 4,861 |
| Equipment Rental & Leases | - | - | - | - | 2,500 |
| Operating Services | 8,605 | 11,048 | 16,524 | 5,070 | 26,524 |
| Operating Materials & Supplies | 4,158 | 21,099 | 43,743 | 11,901 | 36,634 |
| Leachate, Condensate & Sludge Disposal | - | - | - | - | - |
| Lab Services & Supplies | - | - | - | - | - |
| Fuel, Gasoline & Diesel | - | - | - | - | - |
| Maintenance | 135,854 | 188,650 | 184,315 | 171,029 | 186,905 |
| Permits, Licenses & Fees | 113,250 | 93,181 | 128,535 | 112,946 | 100,513 |
| Provision for Landfill Closure/Postclosure | - | - | - | - | - |
| Misc. Expenses | - | - | - | - | 174,284 |
| Operating Expenses | 1,498,787 | 1,479,619 | 1,852,239 | 1,105,394 | 1,534,881 |
| Depreciation & Amortization | 75,011 | 76,910 | 70,438 | 75,584 | 57,228 |
| General & Administrative (Overhead) Expense | (2,273,868) | (1,798,426) | (3,199,251) | (2,246,460) | (3,059,962) |
| Fleet Maintenance (Overhead) Expense | 3,530 | 4,015 | 373 | 5,604 | 197 |
| Debt Service - Principal | - | - | - | - | - |
| Debt Service - Interest | - | - | - | - | - |
| Financing Cost | - | - | - | - | - |
| Debt Service | - | - | - | - | - |
| Capital Improvement Projects | - | - | - | - | - |
| Capital Outlay | 7,351 | 19,393 | 290,000 | 15,458 | 68,830 |
| Total Expenditures | 1,681,682 | 2,209,388 | 1,839,862 | 1,711,532 | 1,285,262 |
| Contra Postclosure Transfer in | - | - | - | - | - |
| Labor Transfers In/(Out) | (10,938) | 9,106 | 1,190 | 293,284 | 1,140 |
| Total Transfers In/(Out) | (10,938) | 9,106 | 1,190 | 293,284 | 1,140 |
| Net Surplus/(Shortfall) | \$ (253,785) | \$ (476,756) | \$ (290,000) | \$ (15,461) | \$ (68,830) |

VENTURA REGIONAL SANITATION DISTRICT
Central Administration Overhead Calculation: FY2020-21 Budget

Budgeted FY 2020-21 Allocation:

| | Rate | Overhead Expense Allocation |
|-----------------------|-------------|-----------------------------------|
| Water Wastewater Fund | 35% | 1,399,569 |
| Solid Waste Fund | 65% | 2,549,488 |
| | <u>100%</u> | <u>\$ 3,949,056</u> |

Projected FY 2019-20 Allocation:

| | Rate | Overhead Expense Allocation |
|-----------------------|-------------|-----------------------------------|
| Water Wastewater Fund | 37% | 1,346,788 |
| Solid Waste Fund | 62% | 2,237,902 |
| Biosolids Fund | 1% | 50,673 |
| | <u>100%</u> | <u>\$ 3,635,363</u> |

Allocation Basis:

| | FY20 Net Operating Expense Budget | | FY21 Net Operating Expense Budget | |
|-----------------------|--------------------------------------|-------------|--------------------------------------|-------------|
| Water Wastewater Fund | 5,603,968 | 37% | 5,939,243 | 35% |
| Solid Waste Fund | 9,311,885 | 62% | 10,819,067 | 65% |
| Biosolids Fund | 210,848 | 1% | - | 0% |
| | <u>\$ 15,126,701</u> | <u>100%</u> | <u>\$ 16,758,310</u> | <u>100%</u> |

The District Central Administration Overhead Fund is used to account for administrative costs such as salaries of office personnel, accounting, financial reporting and miscellaneous expenses of the District's main office in support of both Operational Funds. An indirect cost allocation method was approved by the Board of Directors in September of 2018 based on the District's operating expenses.

Contract Service Revenue to be moved to WWW:

| | Projected FY2019-20 | Budgeted FY2020-21 |
|-----------------------------|------------------------|-----------------------|
| Gross CA Allocation | \$ 3,635,363 | \$ 3,949,056 |
| CA Contract Service Revenue | (1,388,900) | (889,094) |
| Net CA Allocation | <u>\$ 2,246,463</u> | <u>\$ 3,059,962</u> |

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Capital Improvement Projects

| | |
|---------------------------------------------------------|----|
| Fiscal Year 2021 Budget Summary..... | 40 |
| Capital Improvement Projects - Detail by Division | 41 |

VENTURA REGIONAL SANITATION DISTRICT

Capital Improvement Projects

| | Actual FY2017-18 | Actual FY2018-19 | Adjusted Budget FY2019-20 | Projected FY2019-20 | Adopted Budget FY2020-21 |
|---------------------------------------------|-----------------------|---------------------|------------------------------|------------------------|-----------------------------|
| Revenues: | | | | | |
| Landfill Disposal Fees | - | - | - | - | - |
| Contracted Services - Labor | - | - | - | - | - |
| Contracted Services - Materials & Supplies | - | - | - | - | - |
| Contracted Services - Equipment | - | - | - | - | - |
| Investment & Interest Earnings | - | - | - | - | - |
| Other Revenue | - | - | - | - | - |
| Special Assessments | - | - | - | - | - |
| Gain/Loss on Sale of Assets | - | - | - | - | - |
| Total Revenues | - | - | - | - | - |
| Expenditures: | | | | | |
| Wages - Regular | - | - | - | - | - |
| Wages - Overtime | - | - | - | - | - |
| Wages - Standby | - | - | - | - | - |
| Employee Benefits | - | - | - | - | - |
| Personnel Costs | - | - | - | - | - |
| Professional Services | 424,825 | 472,002 | 2,212,543 | 623,790 | 871,780 |
| Temporary Labor | - | - | - | - | - |
| Board Members Fees & Expenses | - | - | - | - | - |
| Travel, Conference, Seminar & Training | - | - | - | - | - |
| Safety Supplies & Clothing | - | - | - | - | - |
| Office Expenses | 170 | 445 | - | - | - |
| Bank Service Charges | - | - | - | - | - |
| Telephone | - | - | - | - | - |
| Utilities | - | - | - | - | - |
| Insurance | - | - | - | - | - |
| Equipment Rental & Leases | - | 3,974 | - | - | - |
| Operating Services | 3,328 | 67,708 | 7,161 | 7,161 | - |
| Operating Materials & Supplies | 829,419 | 401,206 | 1,121,921 | 821,921 | 532,196 |
| Leachate, Condensate & Sludge Disposal | - | - | - | - | - |
| Lab Services & Supplies | - | 2,520 | 848 | 848 | - |
| Fuel, Gasoline & Diesel | - | - | - | - | - |
| Maintenance | - | - | - | - | - |
| Permits, Licenses & Fees | 4,680 | 995 | 3,000 | 3,000 | 2,804 |
| Provision for Landfill Closure/Postclosure | - | - | - | - | - |
| Misc. Expenses | - | - | - | - | - |
| Operating Expenses | 1,262,422 | 948,850 | 3,345,473 | 1,456,720 | 1,406,780 |
| Depreciation & Amortization | - | - | - | - | - |
| General & Administrative (Overhead) Expense | - | - | - | - | - |
| Fleet Maintenance (Overhead) Expense | - | - | - | - | - |
| Debt Service - Principal | - | - | - | - | - |
| Debt Service - Interest | - | - | - | - | - |
| Financing Cost | - | - | - | - | - |
| Debt Service | - | - | - | - | - |
| Capital Improvement Projects | - | - | - | - | - |
| Capital Outlay | - | - | - | - | - |
| Total Expenditures | 1,262,422 | 948,850 | 3,345,473 | 1,456,720 | 1,406,780 |
| Contra Postclosure Transfer in | - | - | - | - | - |
| Labor Transfers In/(Out) | (2,574) | - | - | - | - |
| Total Transfers In/(Out) | (2,574) | - | - | - | - |
| Net Surplus/(Shortfall) | \$ (1,264,996) | \$ (948,850) | \$ (3,345,473) | \$ (1,456,720) | \$ (1,406,780) |

VENTURA REGIONAL SANITATION DISTRICT

Capital Improvement Projects Included in FY2020-21 Budget

| Project Name | Description | Total |
|----------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|---------------------|
| Project #499901 - Toland Scalehouse | | 35,000 |
| 52074 | | 20,000 |
| | Engineering (Grading, Electrical, Fire, Architectural) | 20,000 |
| 52082 | | 5,000 |
| | Installation of Scalehouse skid | 5,000 |
| 52150 | | 2,804 |
| | County Permit Fees | 2,804 |
| 52185 | | 5,000 |
| | Concrete, Furniture, Misc. supplies | 5,000 |
| 52340 | | 2,196 |
| | New Scalehouse (10x30) on skid: \$55,951 includes \$53,755 rolled over and \$2,196 new appropriations | 2,196 |
| Project #499920 - Phase 4 | | 100,000 |
| 52074 | | 100,000 |
| | Final Plans, Bid Specifications - Phase 4B Liner project (A-Mehr, Inc.) | 100,000 |
| Project #499921 - Gas Collection | | 1,171,780 |
| 52074 | | 396,780 |
| | Engineering Design for wellfield and New Flare at Toland; Construction Mgmt, CQA; SCADA improvements (Biogas Engineering) | 371,780 |
| | Test Engineers - Flare Manufacturer | 25,000 |
| 52082 | | 250,000 |
| | Drilling. Pipeline, Flare Contractor: \$450,000 includes \$200,000 rolled over and \$250,000 new appropriations | 250,000 |
| 52185 | | 125,000 |
| | Operating Supplies: \$225,000 includes \$100,000 rolled over and \$125,000 new appropriations | 125,000 |
| 52340 | | 400,000 |
| | New Ultra Low NOx Flare - 4000 scfm: \$600,000 includes \$200,000 rolled over and \$400,000 new appropriations | 400,000 |
| Project #499930 - Leachate Treatment System | | 100,000 |
| 52074 | | 100,000 |
| | Conceptual Design for Leachate Treatment (Geosyntec Consultants) | 100,000 |
| Grand Total | | \$ 1,406,780 |

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Supplemental Information

| | |
|--------------------------------------------------------|----|
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| Capital Outlays – Detail by Division..... | 45 |
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| VRSD FY2021 Equipment & Supply (Consumable) Rates..... | 57 |

VENTURA REGIONAL SANITATION DISTRICT

Professional Services Included in FY2020-21 Budget

| Expense/Description | Central Admin OH Fund | Water Wastewater Fund | MBC Special Assessment Fund | Solid Waste Fund | Post Closure Landfill Fund | CIP Fund | ISF Fund | Total |
|-----------------------------------------|--------------------------|-----------------------------|-----------------------------------|---------------------|-------------------------------|------------------|----------------|--------------------|
| Accounting and Auditing Services | 22,500 | | | | | | | 22,500 |
| Attorney Services | 204,000 | 35,000 | 1,000 | 90,000 | 10,000 | | | 340,000 |
| General Counsel | 149,000 | 10,000 | 1,000 | 70,000 | 10,000 | | | 240,000 |
| Labor Attorneys | 35,000 | 25,000 | | 20,000 | | | | 80,000 |
| Miscellaneous investigations | 20,000 | | | | | | | 20,000 |
| Contractor Construction | | 188,500 | | | 25,000 | 265,000 | | 478,500 |
| Engineering Consultants | | 13,000 | | 316,000 | 55,000 | 616,780 | | 1,000,780 |
| Environmental Consultants | | | | 306,579 | 101,467 | | | 408,045 |
| Information Technology Services | 222,593 | 5,000 | | | | 4,275 | 1,000 | 232,868 |
| Other Professional Services | 173,206 | 170,000 | | | | | | 343,206 |
| Grand Total | \$622,299 | \$411,500 | \$1,000 | \$712,579 | \$191,467 | \$886,055 | \$1,000 | \$2,825,899 |

VENTURA REGIONAL SANITATION DISTRICT

Capital Outlays Included in FY2020-21 Budget

| Division | Project Name | Description | Total |
|------------------------------------|------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|-------------------|
| Central Administration | | | 68,830 |
| | Project #199914 - Central Admin Misc | | 25,000 |
| | 52065 | | 25,000 |
| | | miscellaneous | 25,000 |
| | Project #199916 - Exchange Server | | 10,550 |
| | 52072 | | 10,550 |
| | | (FTI) MS Exch Server License: \$650 includes \$600 rolled over from FY2019 and \$50 new appropriations | 50 |
| | | (FTI) MS Exch User Licenses: \$16,000 includes \$5,500 rolled over from FY2019 and \$10,500 new appropriations | 10,500 |
| | Project #199919 - Datto SIRIS 3 | | 22,125 |
| | 52072 | | 14,000 |
| | | (FTI) Datto 1-Year Retention | 14,000 |
| | 52073 | | 4,275 |
| | | (FTI) Configure & Install Datto | 4,275 |
| | 52360 | | 3,850 |
| | | (FTI) Datto SIRIS 3 - Partridge | 3,850 |
| | Project #199920 - TSOPS Upgrade to Windows Server 2019 | | 11,155 |
| | 52072 | | 6,880 |
| | | (FTI) MS Win Svr 2019 - TSOPS | 880 |
| | | (FTI) MS Win Svr 2019 Remote Desk CALs- TSOPS | 4,800 |
| | | (FTI) MS Win Svr 2019 User CALs- TSOPS | 1,200 |
| | 52073 | | 4,275 |
| | | (FTI) Upgrade TSOPS to 2019 | 4,275 |
| ISF - Internal Service Fund | | | 115,000 |
| | Project #599900 - ISF - WWW Capital | | 15,000 |
| | 52320 | | 15,000 |
| | | Misc.[generators, pumps, CCTV cameras | 15,000 |
| | Project #599901 - ISF - SW Capital | | 100,000 |
| | 52340 | | 100,000 |
| | | Misc [lights plants, pumps, generators/compressors, lightweight equipment, mowers, tool attachments] | 100,000 |
| Solid Waste | | | 45,305 |
| | Project #499933 - Toland Drainage and Basin Modifications | | 25,000 |
| | 52185 | | 25,000 |
| | | Construction materials for Debris Basin replenishment | 25,000 |
| | Project #499934 - Toland SCADA Server Upgrade to Windows | | 5,305 |
| | 52072 | | 1,030 |
| | | (FTI) MS Win Svr 2019 - Toland SCADA | 880 |
| | | (FTI) MS Win Svr 2019 User CALs- Toland SCADA | 150 |
| | 52073 | | 4,275 |
| | | (FTI) Upgrade VRSD-SCADA-TLND to 2019 | 4,275 |
| | Project #499935 - Toland Personnel Room Upgrade | | 15,000 |
| | 52082 | | 10,000 |
| | | Contractor - Flooring & plumbing | 10,000 |
| | 52185 | | 5,000 |
| | | Materials - Flooring & Plumbing | 5,000 |
| Water Wastewater | | | 7,500 |
| | Project #299904 - W/WW Miscellaneous | | 7,500 |
| | 52340 | | 7,500 |
| | | miscellaneous | 7,500 |
| Grand Total | | | \$ 236,635 |

VENTURA REGIONAL SANITATION DISTRICT

Outstanding Debt Service Summary Fiscal Year 2020-21

| | Biosolids - 1 <i>Loan #07-031</i> | Biosolids - 2 <i>Loan #08-077</i> | Solid Waste <i>Loan #06-080</i> | Water/Wastewater <i>Loan #07-007</i> | Solid Waste <i>Loan #10-017</i> | Solid Waste <i>Loan #16-01</i> | 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] | [2] | [1] | [1] | |
| 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 |
| Principal Payment through June 30, 2021 | 586,453 | 721,319 | 605,079 | 159,963 | 369,731 | 799,000 | \$3,241,545 |
| Interest Payment through June 30, 2021 | 28,489 | 63,703 | 15,156 | 31,868 | 59,654 | 202,772 | \$401,642 |
| Balance Due as of June 30, 2021 | \$903,199 | \$2,264,272 | \$307,063 | \$1,055,713 | \$1,800,590 | \$6,296,308 | \$12,627,145 |

Notes:

[1] Lender: Banc of America Public Capital Corporation

[2] Lender: BBVA Compass Bank

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

VENTURA REGIONAL SANITATION DISTRICT

Seminars, Education, Lodging & Travel Included in FY2020-21 Budget

| Department | Type of Expense | Central Admin OH Fund | Water Wastewater Fund | Solid Waste Fund | Total |
|------------------------------------------------|--------------------------------------------------------|-----------------------|-----------------------|------------------|------------------|
| Project Number | Description | | | | |
| Administration | | | | | |
| 100100 | | | | | |
| | Conference and Seminar Expenses | | | | |
| | City Clerk Assn Annual Conf | 1,300 | | | 1,300 |
| | CSDA Board Sec'y Clerk Certificate Program placeholder | 1,200 | | | 1,200 |
| | CSMFO Conf/Seminars | 2,000 | | | 2,000 |
| | Finance/Payroll training courses | 1,800 | | | 1,800 |
| | Finance/Payroll training courses-travel & lodge | 1,000 | | | 1,000 |
| | League of CA Cities Clerks Conf | 1,300 | | | 1,300 |
| | Misc. Conference & Seminar | 500 | | | 500 |
| | Conference and Seminar Expenses Total | 9,100 | | | 9,100 |
| | Personal Vehicle Mileage | | | | |
| | Personal Vehicle Mileage Reimbursement | 1,500 | | | 1,500 |
| | Personal Vehicle Mileage Total | 1,500 | | | 1,500 |
| 100100 Total | | 10,600 | | | 10,600 |
| Administration Total | | 10,600 | | | 10,600 |
| Administration - Human Resources | | | | | |
| 100104 | | | | | |
| | Conference and Seminar Expenses | | | | |
| | HR Training & Seminars | 5,100 | | | 5,100 |
| | Textbook & Tuition; Classes/Seminars | 5,250 | | | 5,250 |
| | Conference and Seminar Expenses Total | 10,350 | | | 10,350 |
| 100104 Total | | 10,350 | | | 10,350 |
| Administration - Human Resources Total | | 10,350 | | | 10,350 |
| Administration - Solid Waste | | | | | |
| 400100 | | | | | |
| | Education Reimbursements | | | | |
| | Education Reimbursement | | | 2,000 | 2,000 |
| | Education Reimbursements Total | | | 2,000 | 2,000 |
| 400100 Total | | | | 2,000 | 2,000 |
| Administration - Solid Waste Total | | | | 2,000 | 2,000 |
| Administration - Water Wastewater | | | | | |
| 200100 | | | | | |
| | Conference and Seminar Expenses | | | | |
| | Mileage/Seminar/Travel | | 8,160 | | 8,160 |
| | Conference and Seminar Expenses Total | | 8,160 | | 8,160 |
| 200100 Total | | | 8,160 | | 8,160 |
| Administration - Water Wastewater Total | | | 8,160 | | 8,160 |
| Administration - WWW Training | | | | | |
| 200103 | | | | | |
| | Conference and Seminar Expenses | | | | |
| | InduSoft Training in Austin, TX | | 6,120 | | 6,120 |
| | Textbook & Tuition; Classes/Seminars; Cert Ed | | 42,840 | | 42,840 |
| | Conference and Seminar Expenses Total | | 48,960 | | 48,960 |
| 200103 Total | | | 48,960 | | 48,960 |
| Administration - WWW Training Total | | | 48,960 | | 48,960 |
| Grand Total | | \$ 20,950 | \$ 57,120 | \$ 2,000 | \$ 80,070 |

VENTURA REGIONAL SANITATION DISTRICT

Board Member Fees & Expenses Included in FY2020-21 Budget

| Department | Project Number | Type of Expense | Description | Total |
|-----------------------------|---------------------|--------------------------------------------------------|-------------|-------------------|
| Administration | | | | |
| | 100100 | | | |
| | | Board Member Expenses | | |
| | | 9x2 registration (CASA) | | 9,000 |
| | | 9x9 nights lodging (CASA) | | 18,225 |
| | | Board refreshments | | 286 |
| | | CASA (1 board member) - Sacramento Public Policy Forum | | 2,000 |
| | | CASA (1 board member) - Washington DC | | 4,000 |
| | | mileage | | 5,000 |
| | | per diem | | 5,000 |
| | | Board Member Expenses Total | | 43,511 |
| | | Board Member Fees | | |
| | | 24 days of svc CASA | | 4,464 |
| | | 9 members regular meetings | | 36,828 |
| | | 9 members x 12 committee meetings | | 20,088 |
| | | Board Member Fees Total | | 61,380 |
| | 100100 Total | | | 104,891 |
| Administration Total | | | | 104,891 |
| Grand Total | | | | \$ 104,891 |

VENTURA REGIONAL SANITATION DISTRICT

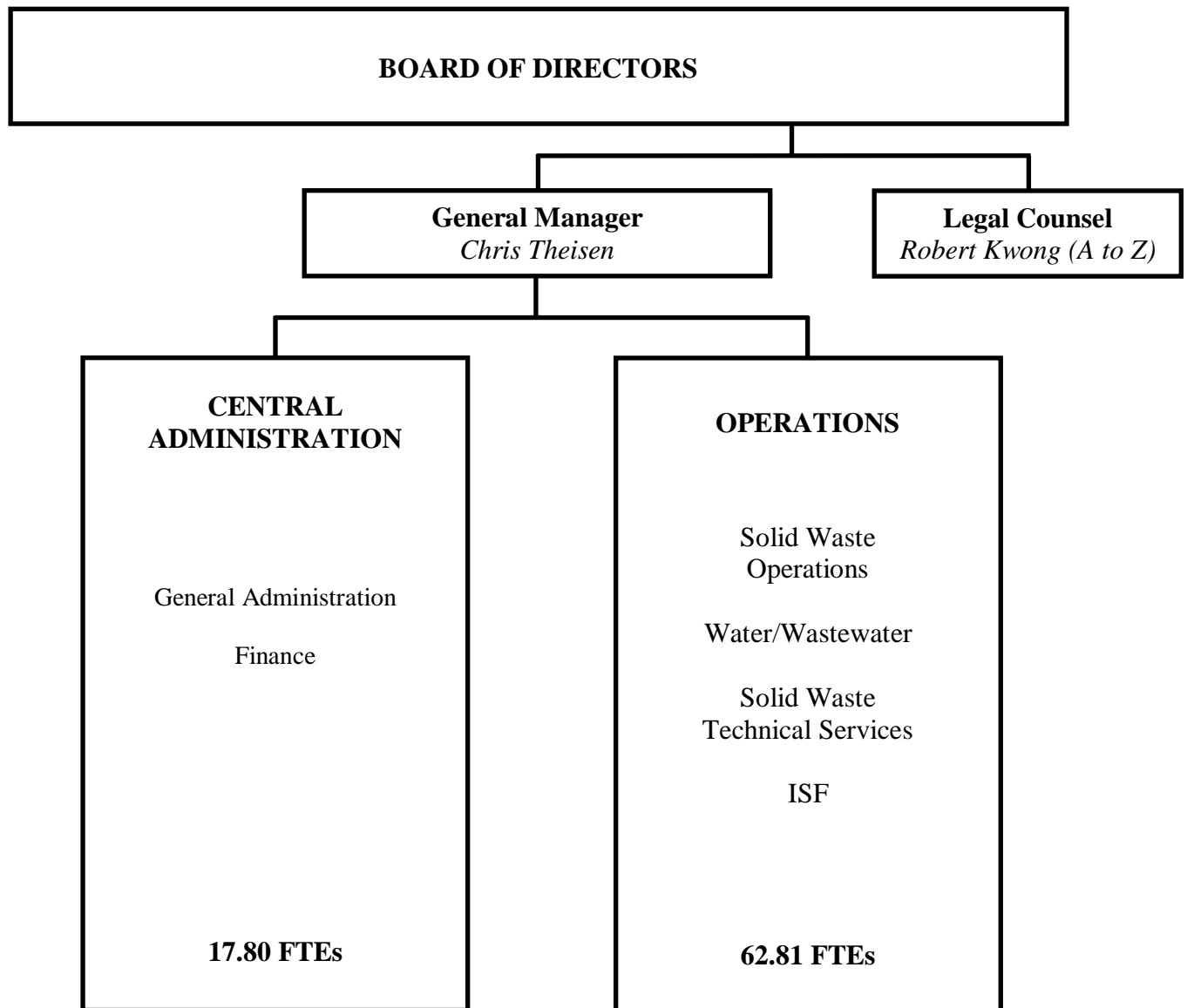
Salary & Employee Benefit Schedule - FY2020-21

| Description | Central Admin OH Fund | Water Wastewater Fund | Solid Waste Fund [1] | Internal Service Fund | District Total |
|-----------------------------------------------|--------------------------|--------------------------|-------------------------|--------------------------|----------------------|
| Wages - Regular | \$ 1,441,008 | \$ 2,020,795 | \$ 1,789,501 | \$ 145,531 | \$ 5,396,835 |
| Wages - Holiday Leave | 139,240 | 213,228 | 198,828 | 17,172 | 568,468 |
| Wages - CAL | 270,108 | 374,892 | 348,876 | 33,330 | 1,027,206 |
| Wages - Overtime | - | 20,485 | 94,761 | - | 115,246 |
| Wages - Standby | - | 39,188 | 8,146 | - | 47,334 |
| Allowance/Incentives | 5,625 | - | - | - | 5,625 |
| | 1,855,981 | 2,668,588 | 2,440,112 | 196,033 | 7,160,714 |
| FICA/Medicare | 131,833 | 199,752 | 176,792 | 15,063 | 523,440 |
| Unemployment Insurance | 5,109 | 8,840 | 8,610 | 574 | 23,133 |
| State Disability Insurance | - | - | - | - | - |
| Worker's Comp Expense | 28,687 | 175,307 | 275,927 | 32,834 | 512,755 |
| | 165,629 | 383,899 | 461,329 | 48,471 | 1,059,328 |
| Medical Insurance | 123,336 | 212,412 | 217,980 | 14,244 | 567,972 |
| Dental Insurance | - | - | - | - | - |
| Life Insurance | 549 | 945 | 914 | 61 | 2,469 |
| Employee Assistance Program | 521 | 897 | 868 | 58 | 2,344 |
| CalPers Mandated Medical | 43,200 | 74,400 | 72,000 | 4,800 | 194,400 |
| | 167,606 | 288,654 | 291,762 | 19,163 | 767,185 |
| Net Unfunded Pension Liability | 119,334 | 205,518 | 198,889 | 13,259 | 537,000 |
| VCERA | 291,935 | 404,559 | 361,729 | 30,744 | 1,088,967 |
| PARS | 71,838 | 175,447 | 127,940 | 20,192 | 395,417 |
| OPEB | 30,672 | 52,824 | 51,120 | 3,408 | 138,024 |
| | 513,779 | 838,348 | 739,678 | 67,603 | 2,159,408 |
| Workers' Comp Dividend | (40,000) | - | - | - | (40,000) |
| Workers' Comp Retro Adjustment | 21,093 | - | - | - | 21,093 |
| | (18,907) | - | - | - | (18,907) |
| Total Salaries & Employee Benefits | \$ 2,684,088 | \$ 4,179,489 | \$ 3,932,881 | \$ 331,270 | \$ 11,127,728 |

[1] Includes \$106,138 in salaries and employee benefits allocated to Post Closed Landfill maintenance.

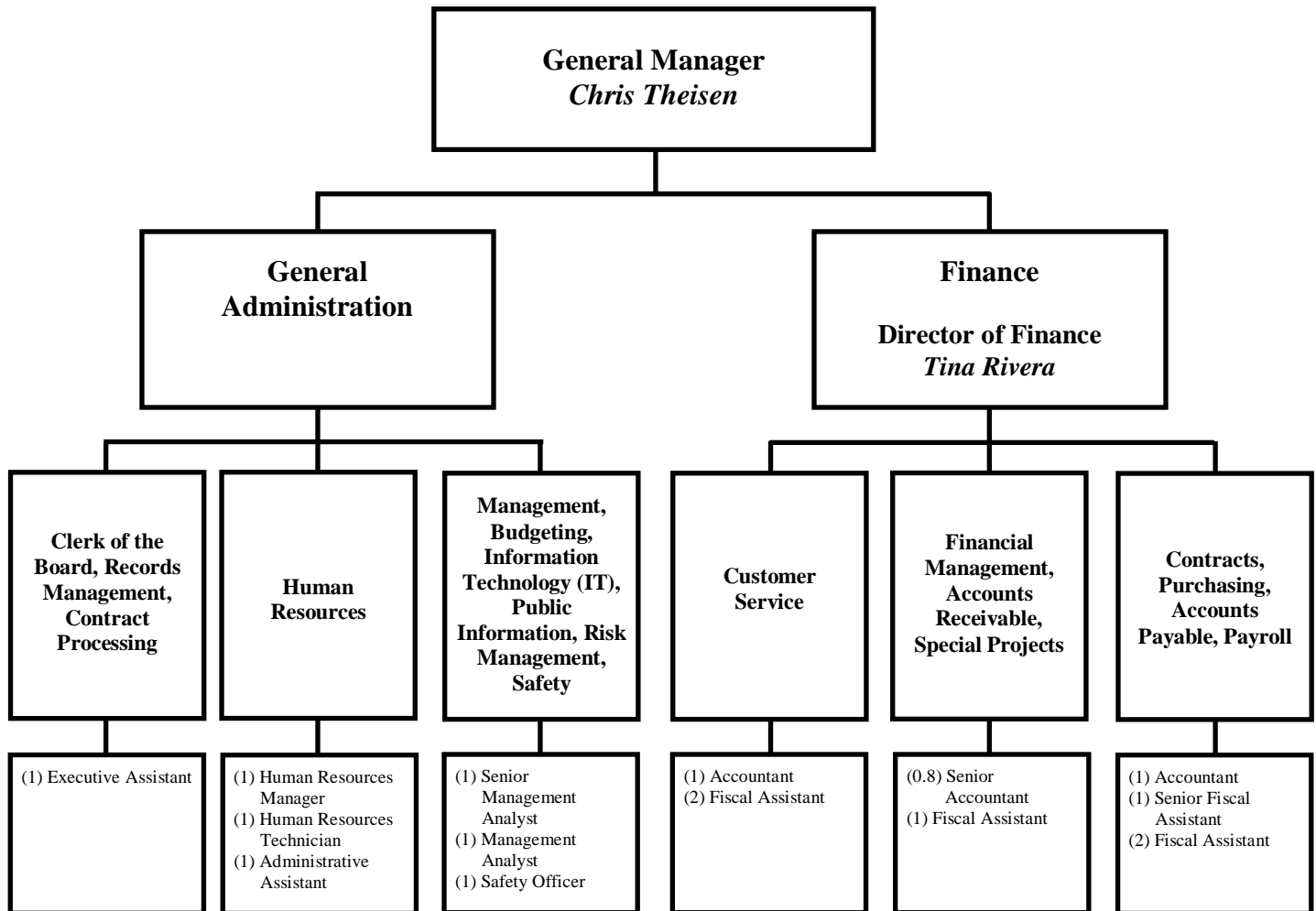
VENTURA REGIONAL SANITATION DISTRICT

Organization Chart



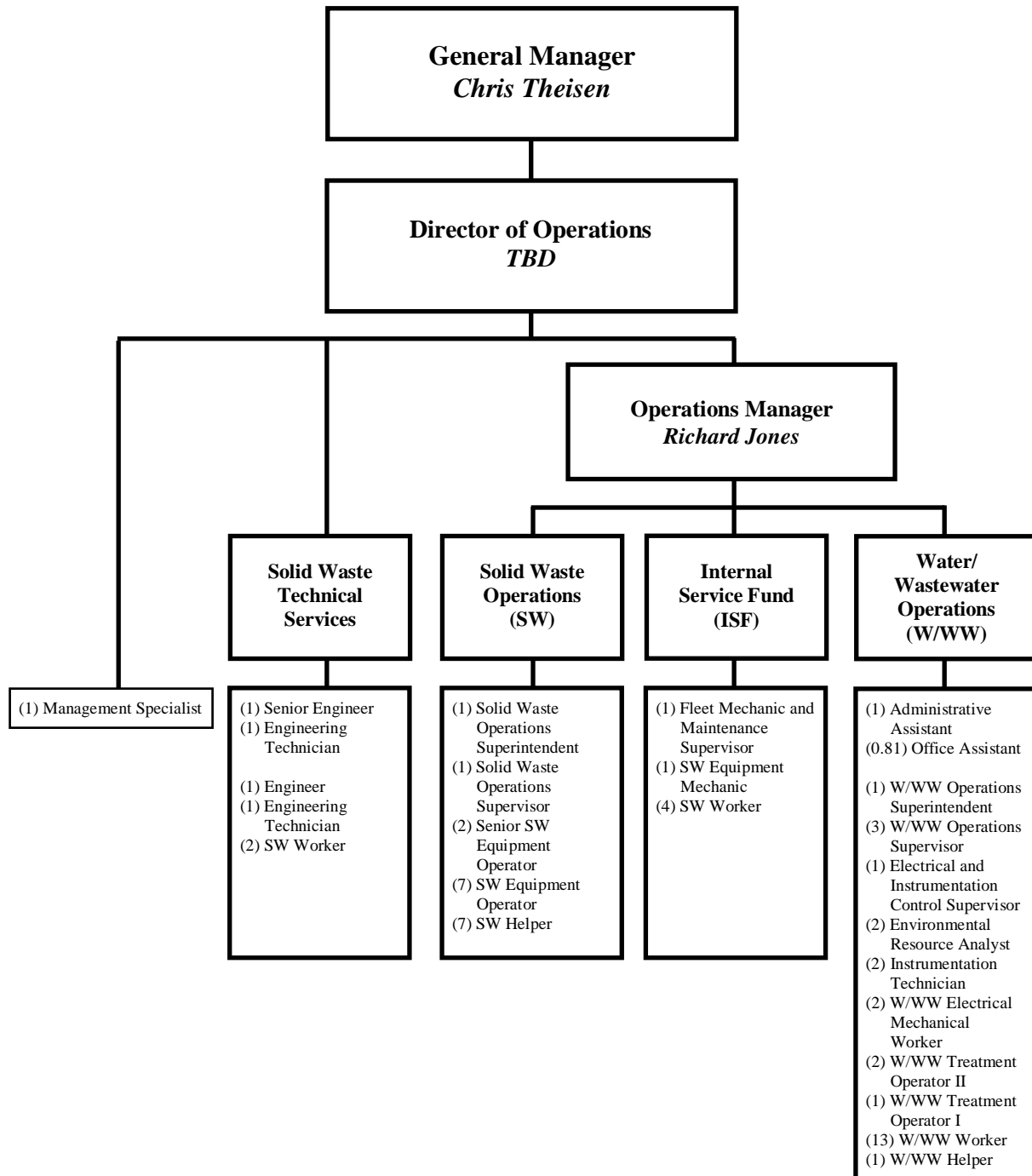
VENTURA REGIONAL SANITATION DISTRICT

Central Administration Organization Chart



VENTURA REGIONAL SANITATION DISTRICT

Operations Organization Chart



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

| Central Administration | FY 2019-2020 | | | FY 2020-2021 | |
|-------------------------------|--------------|----------------------|---------|---------------------|-------------|
| | 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 | 0.25 | 1.00 |
| Management Analyst | 1.75 | 0.00 | 1.75 | -0.75 | 1.00 |
| Safety Officer | 1.00 | 0.00 | 1.00 | 0.00 | 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 | 18.30 | 0.00 | 18.30 | -0.50 | 17.80 |

VENTURA REGIONAL SANITATION DISTRICT

STAFFING SUMMARY

(Full-Time Equivalent Positions)

| Operations | FY 2019-2020 | | | FY 2020-2021 | |
|-----------------------------------------------------|--------------|----------------------|---------|---------------------|-------------|
| | 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 Technician | 1.00 | 0.00 | 1.00 | 1.00 | 2.00 |
| 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 | 0.75 | 0.00 | 0.75 | 0.06 | 0.81 |
| Operations Manager | 1.00 | 0.00 | 1.00 | 0.00 | 1.00 |
| Senior Engineer | 1.00 | 0.00 | 1.00 | 0.00 | 1.00 |
| Senior Engineering Technician | 1.00 | 0.00 | 1.00 | -1.00 | 0.00 |
| 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 | 7.00 | 0.00 | 7.00 | 0.00 | 7.00 |
| Solid Waste Helper | 7.00 | 0.00 | 7.00 | 0.00 | 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 | 1.00 | 0.00 | 1.00 | 0.00 | 1.00 |
| Water/Wastewater Operations Superintendent | 0.00 | 0.00 | 0.00 | 1.00 | 1.00 |
| Water/Wastewater Operations Supervisor ^b | 4.00 | 0.00 | 4.00 | -1.00 | 3.00 |
| Water/Wastewater Treatment Operator I | 0.00 | 0.00 | 0.00 | 1.00 | 1.00 |
| Water/Wastewater Treatment Operator II | 0.00 | 0.00 | 0.00 | 2.00 | 2.00 |
| Water/Wastewater Treatment Operator IV | 3.00 | 0.00 | 3.00 | -3.00 | 0.00 |
| Water/Wastewater Worker | 13.00 | 1.00 | 14.00 | -1.00 | 13.00 |
| SUBTOTAL | 62.75 | 1.00 | 63.75 | -0.94 | 62.81 |

| | FY 2019-2020 | | | FY 2020-2021 | |
|-------|--------------|----------------------|---------|---------------------|-------------|
| | Allocations | Mid Year Adjustments | Amended | Additions/Deletions | Allocations |
| TOTAL | 81.05 | 1.00 | 82.05 | -1.44 | 80.61 |

^a Does not include one additional unfunded Fiscal Assistant during FY2019-2020 and FY2020-2021.

^b Does not include one additional unfunded Water/Wastewater Operations Supervisor during FY2019-2020 and FY2020-2021.

VENTURA REGIONAL SANITATION DISTRICT

CLASSIFICATION PLAN

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

| Position | FY 2019-2020 | | | | FY 2020-2021 | | |
|-----------------------------------------------------|--------------|---------------------|--------------|---------------------|--------------|---------------------------|----------------|
| | Allocations | Mid Year Adjustment | Amended | Additions/Deletions | Allocations | Approximate 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 | 0 | 0 | 0 | 0 | 0 | \$105,497.60 | - \$128,710.40 |
| Engineering Technician | 1 | 0 | 1 | 1 | 2 | \$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 ^a | 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 | 0.25 | 1 | \$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 | -0.75 | 1 | \$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 | 0.75 | 0 | 0.75 | 0.06 | 0.81 | \$41,558.40 | - \$50,689.60 |
| Operations Manager | 1 | 0 | 1 | 0 | 1 | \$105,497.60 | - \$128,710.40 |
| Safety Officer | 1 | 0 | 1 | 0 | 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 | 1 | 0 | 1 | 0 | 1 | \$91,728.00 | - \$111,924.80 |
| Senior Engineering Technician | 1 | 0 | 1 | -1 | 0 | \$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 | 7 | 0 | 7 | 0 | 7 | \$56,118.40 | - \$71,843.20 |
| Solid Waste Helper | 7 | 0 | 7 | 0 | 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 | 1 | 0 | 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 | 0 | 0 | 0 | 1 | 1 | \$95,305.60 | - \$116,292.80 |
| Water/Wastewater Operations Supervisor ^b | 4 | 0 | 4 | -1 | 3 | \$82,867.20 | - \$101,150.40 |
| Water/Wastewater Treatment Operator-in-Training | 0 | 0 | 0 | 0 | 0 | \$51,875.20 | - \$66,476.80 |
| Water/Wastewater Treatment Operator I | 0 | 0 | 0 | 1 | 1 | \$54,454.40 | - \$69,804.80 |
| Water/Wastewater Treatment Operator II | 0 | 0 | 0 | 2 | 2 | \$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 | -3 | 0 | \$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 | 13 | 1 | 14 | -1 | 13 | \$48,193.60 | - \$64,147.20 |
| TOTAL ALLOCATIONS | 81.05 | 1.00 | 82.05 | -1.44 | 80.61 | | |

^a Does not include one additional unfunded Fiscal Assistant during FY2019-2020 and FY2020-2021.

^b Does not include one additional unfunded Water/Wastewater Operations Supervisor during FY2019-2020 and FY2020-2021.

VENTURA REGIONAL SANITATION DISTRICT
PROPOSED HOURLY RATES
JULY 1, 2020 THROUGH JUNE 30, 2021

| | | | FY 2020 | | FY 2021 | |
|--------------------------------------|-------------|-------------------------------------------------|---------------|-----------|---------------|-----------|
| <u>CENTRAL ADMINISTRATION</u> | | | | | | |
| Div. | Pos. | Title | Hourly | OT | Hourly | OT |
| CA | 110 | Human Resources Technician | \$86 | \$129 | \$84 | \$126 |
| CA | 207 | Administrative Assistant | \$86 | \$129 | \$84 | \$126 |
| CA | 601 | Fiscal Assistant | \$88 | \$132 | \$86 | \$129 |
| CA | 605 | Senior Fiscal Assistant | \$88 | \$132 | \$86 | \$129 |
| CA | 208 | Executive Assistant/Clerk of the Board | \$104 | \$156 | \$103 | \$155 |
| CA | 103 | Management Analyst | \$119 | NA | \$114 | NA |
| CA | 109 | Senior Management Analyst | \$119 | NA | \$114 | NA |
| CA | 112 | Safety Officer | \$119 | NA | \$121 | NA |
| CA | 607 | Accountant | \$119 | NA | \$114 | NA |
| CA | 608 | Senior Accountant | \$119 | NA | \$114 | NA |
| CA | 111 | Human Resources Manager | \$132 | NA | \$131 | NA |
| CA | 502 | Director of Finance | \$175 | NA | \$175 | NA |
| CA | 501 | General Manager | \$194 | NA | \$197 | NA |
| <u>OPERATIONS</u> | | | | | | |
| Div. | Pos. | Title | Hourly | OT | Hourly | OT |
| WWW | 209 | Office Assistant | \$86 | \$129 | \$84 | \$126 |
| WWW | 207 | Administrative Assistant | \$86 | \$129 | \$84 | \$126 |
| WWW | 909 | W/WW Helper | \$69 | \$103 | \$66 | \$103 |
| WWW | 908 | W/WW Worker | \$92 | \$138 | \$90 | \$135 |
| WWW | 911 | Electrical/Mechanical Worker | \$105 | \$158 | \$104 | \$156 |
| WWW | 916 | W/WW Operator in Training | \$105 | \$158 | \$104 | \$156 |
| WWW | 905 | W/WW Treatment Operator I | \$105 | \$158 | \$104 | \$156 |
| WWW | 906 | W/WW Treatment Operator II | \$105 | \$158 | \$104 | \$156 |
| WWW | 910 | W/WW Treatment Operator III | \$105 | \$158 | \$104 | \$156 |
| WWW | 913 | W/WW Treatment Operator IV | \$105 | \$158 | \$104 | \$156 |
| WWW | 914 | W/WW Treatment Operator V | \$105 | \$158 | \$104 | \$156 |
| WWW | 450 | Environmental Resource Analyst | \$112 | \$168 | \$110 | \$165 |
| WWW | 901 | Instrumentation Technician | \$106 | \$159 | \$107 | \$161 |
| WWW | 915 | Electrical & Instrumentation Control Supervisor | \$130 | NA | \$131 | NA |
| WWW | 720 | W/WW Operations Supervisor | \$130 | NA | \$131 | NA |
| WWW | 723 | W/WW Operations Superintendent | \$162 | NA | \$141 | NA |
| WWW | 950 | Operations Manager | \$173 | NA | \$172 | NA |
| SW | 820 | Solid Waste Equipment Operator | \$105 | \$158 | \$104 | \$156 |
| SW | 314 | Engineering Technician | \$106 | \$159 | \$107 | \$161 |
| SW | 320 | Engineer | \$130 | NA | \$131 | NA |
| SW | 315 | Senior Engineer | \$130 | NA | \$131 | NA |
| SW | 319 | Senior Engineering Technician | \$130 | \$195 | \$131 | \$197 |
| SW | 506 | Director of Operations | \$175 | 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 ADOPTED
EQUIPMENT & SUPPLY (CONSUMABLE) RATES JULY 1,
2020 THROUGH JUNE 30, 2021**

| EQUIPMENT | CHARGE | | | | | |
|----------------------------------------------------------------|--------|-------------|--------|----------|------|-------|
| | Mile | Use | Hour | Day | Week | Month |
| Air Compressor | | | | \$150 | | |
| Airless Sprayer Epic 660E | | | | \$52.50 | | |
| Bulldog Nozzle | | \$37.50 | | | | |
| Chlorine Residuals, Field Tests | | \$6 | | | | |
| Coatings & Linings - Hand Tools | | | | \$30 | | |
| Coatings & Linings - Power Tools (includes Hand Tools rate) | | | | \$75 | | |
| Compressor, Air | | | | \$150 | | |
| Computer, Laptop | | | | \$75 | | |
| Concrete Mixer | | | | \$75 | | |
| Confined Space Tripod/Harness System w/air blower | | | | \$75 | | |
| Debris Catcher | | | | \$37.50 | | |
| Digital Manometer | | \$1.50 | | | | |
| Epoxy Injection Machine | | | | \$465 | | |
| Fleet Vehicle Use (mileage) | \$1.50 | | | | | |
| Fuel Filtering System | | | | \$82.50 | | |
| Gas Analyzer (GEM) | | | | | | \$342 |
| Gas Scope (meter) | | \$30 | | | | |
| Generator - 2kw | | | | \$37.50 | | |
| Generator - 5kw | | | | \$37.50 | | |
| Generator - 70kw | | | | \$150 | | |
| Grunfos Control Box | | \$22.50 | | | | |
| Laptop computer | | | | \$75 | | |
| Laser Alignment Equipment | | | | \$112.50 | | |
| Lateral Camera (use = each lateral) | | \$150 | | | | |
| Load Bank | | | | \$67.50 | | |
| Locator (or metal detector) | | | | \$37.50 | | |
| Manhole Rehab Equipment = \$97.50/vertical foot | | \$97.50/vft | | | | |
| Metal Detector (Locator) | | | | \$37.50 | | |
| Meter - Electrical Conductivity | | \$7.50 | | | | |
| Meter - QED Flow Cell Meter | | \$30 | | | | |
| Mule (ATV) | | | | | | \$420 |
| Oil System | | | | \$60 | | |
| Peristolic Pump | | \$30 | | | | |
| pH, Field Tests | | \$7.50 | | | | |
| Polymixer | | | | | | \$195 |
| Portable Hydorrod | | | | \$562.50 | | |
| Portable Welder | | | | \$30 | | |
| Pressure Washer | | | \$7.50 | \$60 | | |
| Pressure Washer - High Pressure/Hot Water | | | | \$82.50 | | |

VENTURA REGIONAL SANITATION DISTRICT
ADOPTED EQUIPMENT & SUPPLY (CONSUMABLE) RATES (continued)
JULY 1, 2020 THROUGH JUNE 30, 2021

| EQUIPMENT | CHARGE | | | | | |
|--------------------------------------------------------------------|--------|---------|----------|------------|-------|---------|
| | Mile | Use | Hour | Day | Week | Month |
| Pulse Air System | | | | \$82.50 | | |
| Pump - 3" Pump | | | | \$60 | | |
| Pump - 4" Godwin | | | | \$150 | \$840 | \$3,375 |
| Pump - 4" Trailer-Mounted Pump | | | | \$90 | \$504 | \$2,025 |
| Pump - Dewatering Pump (Potable) | | | | \$75 | \$225 | \$600 |
| Pump - Diaphragm Pump | | | | \$150 | \$840 | \$3,375 |
| Pump - King Pump | | | | \$150 | \$840 | \$3,375 |
| Pump - Trash Pump, 6" | | | | \$150 | \$840 | \$3,375 |
| Pumper Trailer | | | | \$75 | | |
| Push Camera | | | | \$112.50 | | |
| Root Saw or Chain Scraper | | | | \$37.50 | | |
| Sampler - Automatic (ISCO) | | \$45 | | | | |
| Sandblaster | | | | \$67.50 | | |
| Spec. Small Tools & Equip (includes Gas Tech, Fluke meter, etc) | | | | \$45-\$195 | | |
| Sprayer, Airless and Manhole | | | | \$150 | | |
| Sprayer, Extreme Airless | | | | \$375 | | |
| Test Bench, Water (Ford) | | | | | | \$375 |
| Traffic Control Items (cones/signs) | | | | \$45 | | |
| Vactor with Chase Truck (for traffic control) * | | | \$112.50 | \$866.25 | | |
| Vactor without Chase Truck * | | | \$93 | \$825.00 | | |
| Vacuum Truck * | | | | \$472.50 | | |
| Vehicle - MULE (all terrain vehicle) | | | | | | \$420 |
| Vehicle - Standby Truck w/crane, pump, & tank | | \$37.50 | | | | |
| Vehicle or Forklift | | | | \$37.50 | | |
| Vehicle #2148 (Assigned to TWSD) | | | | | | \$815 |
| Vehicle #2149 (Assigned to TWSD) | | | | | | \$1,550 |
| Vehicle #2131 (Assigned to TWSD) | | | | | | \$620 |
| Video Inspection Vehicle (TV Van) * | | | | \$472.50 | | |
| Water line depth sounder | | \$3 | | | | |
| Water Trailer (250 Tank) | | | | \$90 | | |
| Well Control Box (pump controller-QED) | | \$15 | | | | |

* Hourly/Daily rate does not include fuel surcharge.

| SUPPLY (CONSUMABLE) | CHARGE | | | | | |
|-----------------------------------------|--------|---------|------|--------|------|-------|
| | Mile | Use | Hour | Day | Week | Month |
| Bailers & Disposable supplies (filters) | | \$22.50 | | | | |
| Consumables | | | | \$4.50 | | |
| Float Switch | | \$79.50 | | | | |
| Float Weight | | \$15 | | | | |

Addenda

| | |
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| Debt Management Policy | 61 |
| Fraud Reporting Policy | 65 |
| Investment Policy | 69 |
| Purchasing Policy | 79 |
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| Budget Glossary..... | 93 |

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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 policies. 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

Date Adopted: 03/16/17

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

Last revised: 01/16/20

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.

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, but may be extended to 60 days following the end of the period covered by the report to allow for variances in Board meeting dates. The report 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

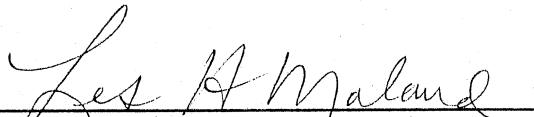
Sections 600 and 601 of this Resolution shall not apply to any items of District-owned personal property used or to be used in trade or exchange for replacement property of a similar nature.

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

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**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.

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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 2020-2021 is abbreviated "FY2020-2021," "FY20-21," or "FY2021."

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Revenues - Monies received or earned by the District.

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

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

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**Adopted Fiscal Year 2020-2021 Budget
Ventura Regional Sanitation District**

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Ventura, CA 93003-0704

www.vrsd.com