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## **Biosolids & Microturbine**

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

Fiscal Year 2017 Budget Summary..... 7-1

**VENTURA REGIONAL SANITATION DISTRICT**  
**FISCAL YEAR 2017 BUDGET SUMMARY**  
**BIOSOLIDS & MICROTURBINE ELECTRICAL GENERATION FACILITY**

Description	Actual FY 2014 Yearend	Actual FY 2015 Yearend	Adopted FY 2016 Budget	Estimated FY 2016 Yearend	Proposed FY 2017 Budget	FY16 vs. FY17 Budget Inc/(Dec)
<b>Operating revenues:</b>						
Revenue - sales	\$ 3,255,181	\$ 3,622,834	\$ 1,923,562	\$ 2,613,682	\$ 2,300,000	20% [1]
Revenue - other	306,906	260,700	250,000	148,284	400,000	60% [2]
Reimb from outside agencies	-	-	-	-	-	0%
<b>Total operating revenues</b>	<b>3,562,087</b>	<b>3,883,534</b>	<b>2,173,562</b>	<b>2,761,966</b>	<b>2,700,000</b>	<b>24%</b>
<b>Operating expenses:</b>						
Salaries and employee benefits	492,391	575,282	189,279	87,282	-	-100% [3]
General administrative	54,087	72,888	106,134	51,926	57,769	-46% [4]
Operating materials and supplies	1,483,299	1,235,026	550,210	557,682	672,000	22% [5]
Contract services - labor	1,246	-	2,500	-	-	-100%
Professional services	125,832	78,160	135,950	321,569	125,750	-8%
Facility maintenance	132,187	495,661	275,500	36,821	117,000	-58% [6]
Permit, fees & other	295,102	144,734	83,194	235,627	118,220	42% [7]
<b>Total operating expenses</b>	<b>2,584,145</b>	<b>2,601,751</b>	<b>1,342,767</b>	<b>1,290,907</b>	<b>1,090,739</b>	<b>-19%</b>
<b>Operating income(loss) before depreciation</b>	<b>977,942</b>	<b>1,281,783</b>	<b>830,794</b>	<b>1,471,059</b>	<b>1,609,261</b>	<b>94%</b>
Depreciation and amortization	852,757	986,134	1,000,020	1,000,019	1,009,556	1%
<b>Operating income(loss)</b>	<b>125,185</b>	<b>295,649</b>	<b>(169,226)</b>	<b>471,040</b>	<b>599,705</b>	<b>-454%</b>
<b>Non-operating revenues(expenses):</b>						
Interest and investment earnings	5,282	2,120	11,000	1,602	2,000	-82%
Gain(loss) on sales and/or disposals of assets	-	-	-	-	-	0%
Debt service interest expense	(525,606)	(482,853)	(442,015)	(641,110)	(201,905)	-54%
Grant revenue	-	-	-	-	-	0%
Other, net	945	-	-	-	-	0%
<b>Total non-operating revenues(expenses) before transfers</b>	<b>(519,379)</b>	<b>(480,733)</b>	<b>(431,015)</b>	<b>(639,509)</b>	<b>(199,905)</b>	<b>-54%</b>
Overhead cost allocation - Central Administration	-	-	-	-	-	0%
ISF fleet use	-	-	-	-	-	0%
Intra-department labor transfer	18,654	36,190	-	10,560	-	0%
Landfill processing fee transfer	-	-	-	-	-	0%
Contra-post closure expenses	-	-	-	-	-	0%
<b>Total transfers in</b>	<b>18,654</b>	<b>36,190</b>	<b>-</b>	<b>10,560</b>	<b>-</b>	<b>0%</b>
Overhead cost allocation - Central Administration	(495,722)	(420,155)	(333,575)	(305,778)	(66,119)	-80% [8]
ISF fleet use	(112,221)	(104,840)	(117,776)	(91,534)	(102,430)	-13%
Intra-department labor transfer	(114,248)	(70,223)	(19,320)	(53,292)	(33,774)	75%
Landfill processing fee transfer	(152,251)	(171,776)	(98,840)	(145,376)	(150,880)	53% [9]
Provision for landfill closure/postclosure	-	-	-	-	-	0%
<b>Total transfers out</b>	<b>(874,443)</b>	<b>(766,994)</b>	<b>(569,511)</b>	<b>(595,979)</b>	<b>(353,203)</b>	<b>-38%</b>
<b>Net transfers</b>	<b>(855,789)</b>	<b>(730,804)</b>	<b>(569,511)</b>	<b>(585,419)</b>	<b>(353,203)</b>	<b>-38%</b>
<b>Total non-operating revenues(expenses), net</b>	<b>(1,375,168)</b>	<b>(1,211,537)</b>	<b>(1,000,526)</b>	<b>(1,224,928)</b>	<b>(553,108)</b>	<b>-45%</b>
<b>Change in net assets</b>	<b>\$ (1,249,983)</b>	<b>\$ (915,888)</b>	<b>\$ (1,169,751)</b>	<b>\$ (753,888)</b>	<b>\$ 46,597</b>	<b>-104%</b>

**VENTURA REGIONAL SANITATION DISTRICT**  
**FISCAL YEAR 2017 BUDGET SUMMARY**  
***BIOSOLIDS & MICROTURBINE ELECTRICAL GENERATION FACILITY***

**COMMENTS**

Fiscal Year 2016-2017 (FY2017) is the seventh year of operations for the District's Biosolids & Microturbine Electrical Generation facility. Revenues for this budget division include fees for receiving biosolids (\$2.3M) and sale of self-generated electricity to the grid (\$400K).

[1] The following biosolids customers and deliveries are expected in the FY2017 budget:

- Oxnard: 29,550 Tons
- Ventura: 11,600 Tons
- Santa Paula: 2,900 Tons
- Fillmore: 1,750 Tons
- Piru: 150 Tons
- Misc: 50 Tons

This proposed budget does not reflect a biosolids rate increase for FY2017.

[2] Microturbine revenue is expected to increase for FY2017 due to rebuilds and maintenance completed during FY2016.

[3] The Proposed FY2017 Budget includes no Biosolids & Microturbine Electrical Generation Facility specific employees.

[4] This decrease is primarily due to the elimination of budgeting \$50K for an insurance claim deductible, as the biosolids portion of the facility is currently in a non-operative status.

[5] The \$122K increase in Operating Materials and Supplies includes the additional \$120K budgeted to transport 16,000 Tons of biosolids that were not budgeted during FY2016.

[6] The Facility Maintenance decrease is reflective of the rebuilds and maintenance of the microturbines during FY2016 and non-operative status of the biosolids portion of the facility.

[7] This \$35K increase includes \$40.8K for regulatory fees as a result of the budgeted increase in biosolids tonnage.

[8] The \$267.5K decrease is reflective of a decrease in the amount of Central Administrative labor required by the Biosolids & Microturbine Electrical Generation Facility while the biosolids portion of the facility is a non-operative status. The Central Administration Overhead Cost Allocation is allocated to the Solid Waste Division, Water Wastewater Division, and Biosolids & Microturbines Electrical Generation Facility.

[9] Landfill Processing Fee Transfer Out is reflective of closure/postclosure fees transferred from the Biosolids & Microturbine Electrical Generation Facility to the Solid Waste Division when biosolids are buried in the landfill. This is calculated using the per ton rate needed to reach the required closure/postclosure reserves necessary upon closure of the Toland landfill in 2027.

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