

Proposed 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 23, 2020

Ventura Regional Sanitation District



2020 Board of Directors

Bert Perello, Chairperson – City of Oxnard
Jim Friedman, Vice Chairperson – City of San Buenaventura
Kevin Kildee – City of Camarillo
Mark Austin – City of Fillmore
William Weirick – City of Ojai
Laura Hernandez – City of Port Hueneme
Rick Araiza – City of Santa Paula
Ed Jones – City of Thousand Oaks
Al E. Fox (Camrosa Water District) – Special Districts

Staff

Chris Theisen – General Manager
Alvertina Rivera – Director of Finance
TBD – Director of Operations
Richard Jones – Operations Manager
Melissa Grisales – 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

General Manager Letter to the Board of Directors6



Executive Summary
to be Included
in Later Version

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**Executive Summary
to be Included
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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	Proposed 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

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

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Central Administration

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VENTURA REGIONAL SANITATION DISTRICT

Central Administration Overhead Fund - 100

	Actual FY2017-18	Actual FY2018-19	Adjusted Budget FY2019-20	Projected FY2019-20	Proposed 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
	100%	\$ 3,949,056

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
	100%	\$ 3,635,363

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%
	\$ 15,126,701	100%	\$ 16,758,310	100%

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	\$ 2,246,463	\$ 3,059,962

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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	Proposed 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	Proposed 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

<u>Description</u>	<u>Maintenance</u>	<u>Operations</u>	<u>Environmental Monitoring</u>	<u>Total Budget</u>
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.

<u>Period</u>	<u>Monthly Service</u>		<u>Actual Expenses</u>	<u>Annual</u>	<u>Accumulated</u>
	<u>Charge per Residential Unit</u>	<u>Assessed Amount</u>		<u>Surplus/(Deficit)</u>	<u>Surplus/(Deficit)</u>
<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

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VENTURA REGIONAL SANITATION DISTRICT

Solid Waste - 400

	Actual FY2017-18	Actual FY2018-19	Adjusted Budget FY2019-20	Projected FY2019-20	Proposed 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

Fiscal Year 2020 Budget Summary.....	26
Tierra Rejada Landfill Mitigation & Monitoring Costs	27

VENTURA REGIONAL SANITATION DISTRICT

Post Closed Landfill Maintenance Fund - 45X

	Actual FY2017-18	Actual FY2018-19	Adjusted Budget FY2019-20	Projected FY2019-20	Proposed 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

Fiscal Year 2021 Budget Summary.....31

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VENTURA REGIONAL SANITATION DISTRICT

Biosolids - 300

	Actual FY2017-18	Actual FY2018-19	Adjusted Budget FY2019-20	Projected FY2019-20	Proposed 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

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ISF Allocation to Other Divisions.....	35

VENTURA REGIONAL SANITATION DISTRICT

Internal Service Fund - 500

	Actual FY2017-18	Actual FY2018-19	Adjusted Budget FY2019-20	Projected FY2019-20	Proposed 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

	% of Total	District Fleet
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.

District Fleet Expenses				
	Central Administration	Water Wastewater	Solid Waste	Total ISF
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

Recovery of ISF Obligations				
	Central Administration	Water Wastewater	Solid Waste	Total ISF
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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Capital Improvement Projects

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VENTURA REGIONAL SANITATION DISTRICT

Capital Improvement Projects

	Actual FY2017-18	Actual FY2018-19	Adjusted Budget FY2019-20	Projected FY2019-20	Proposed 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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VENTURA REGIONAL SANITATION DISTRICT

Consolidated - Enterprise

	Actual FY2017-18	Actual FY2018-19	Adjusted Budget FY2019-20	Projected FY2019-20	Proposed 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/Woking 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.

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

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

**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
PROPOSED 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 Hydorrodder				\$562.50		
Portable Welder				\$30		
Pressure Washer			\$7.50	\$60		
Pressure Washer - High Pressure/Hot Water				\$82.50		

**VENTURA REGIONAL SANITATION DISTRICT
PROPOSED 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				

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 srvc 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

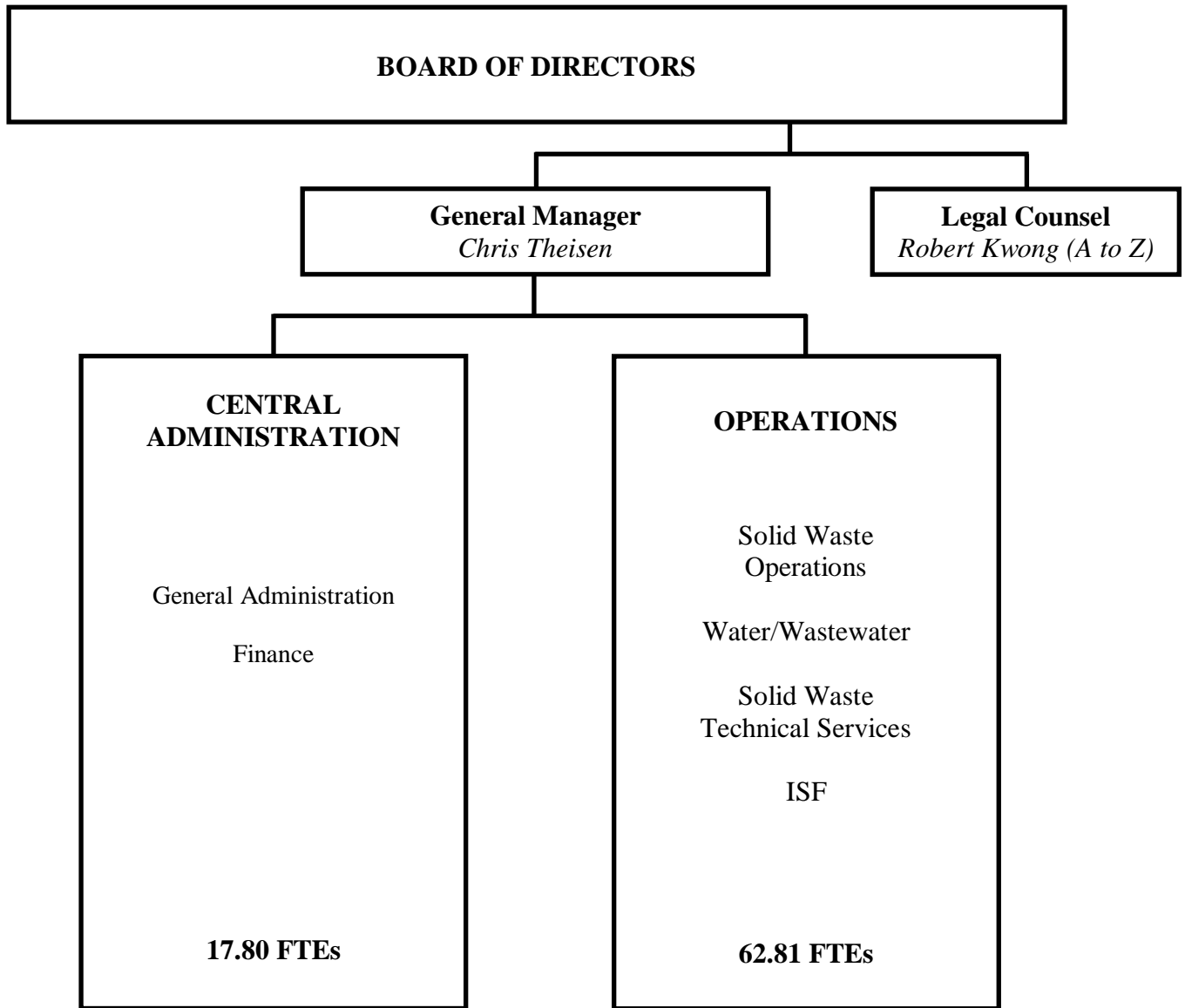
Salary & Employee Benefit Schedule - FY2020-21

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.

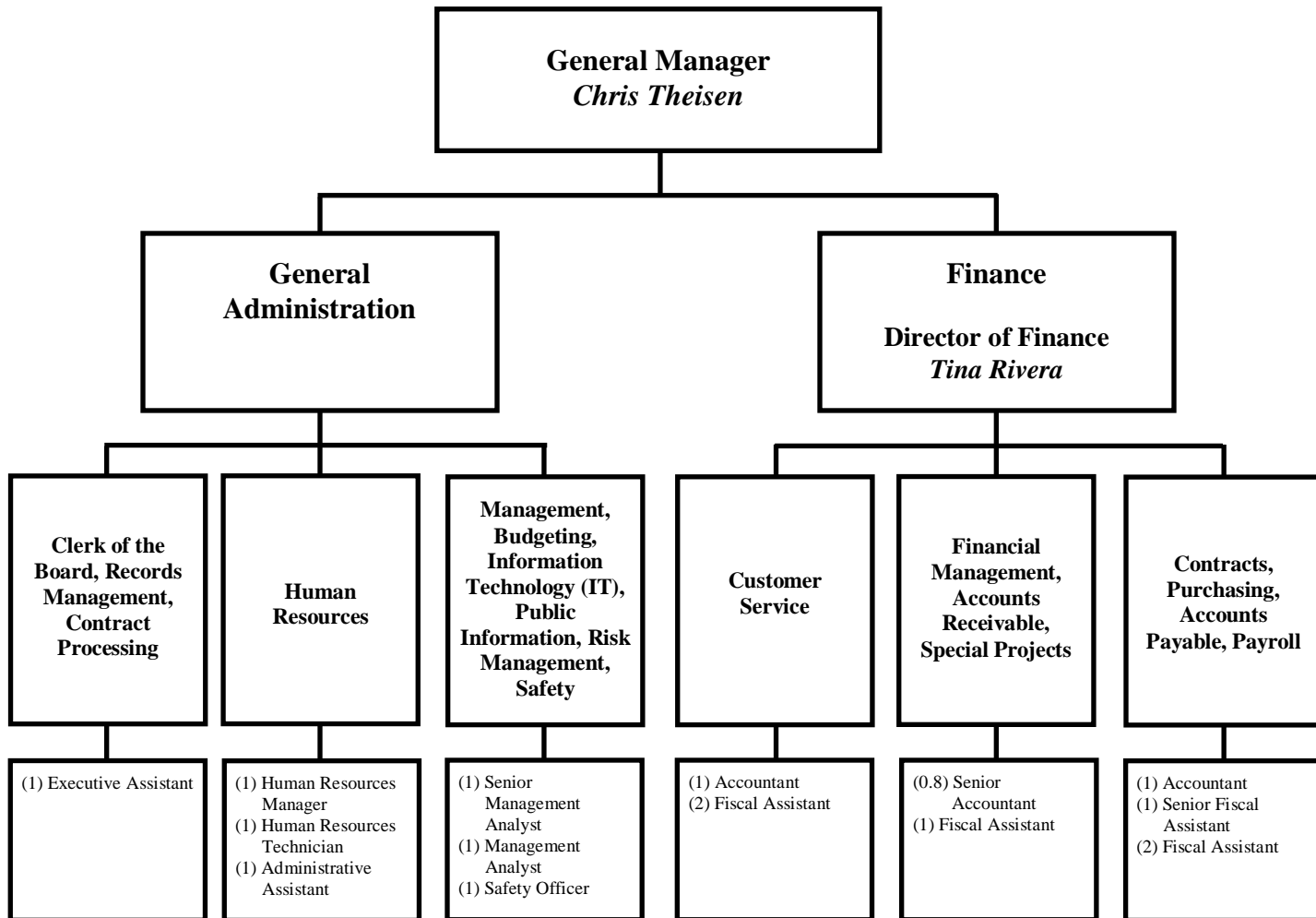
VENTURA REGIONAL SANITATION DISTRICT

Organization Chart



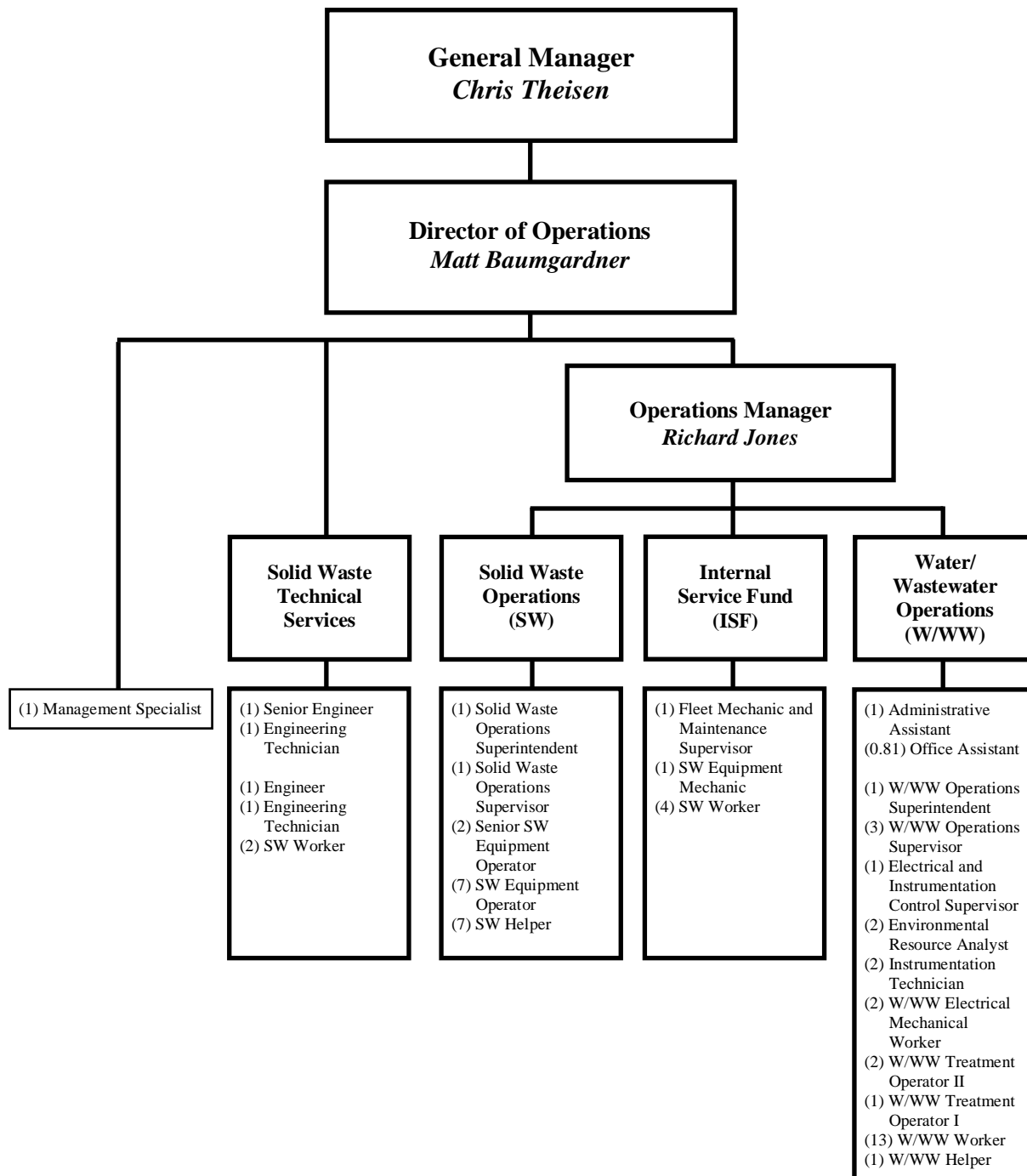
VENTURA REGIONAL SANITATION DISTRICT

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		Approximate Annual Salary	
	Allocations	Mid Year Adjustment	Amended	Additions/Deletions	Allocations		
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.

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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 re-advertising 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

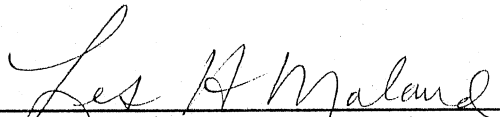
Sections 600 and 601 of this Resolution shall not apply to any items of District-owned personal property used or to be used in trade or exchange for replacement property of a similar nature.

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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Fiscal Year 2020-2021 Budget
Ventura Regional Sanitation District

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