

**Resolution No: 19-15**

A Resolution of the Board of Directors  
of Camrosa Water District

**Adopting the Operating and Capital Budget  
for Fiscal Year 2019-2020**

**Whereas**, Staff and Management of the Camrosa Water District have developed a one-year operating and capital budget for Fiscal Year 2019-2020; and

**Whereas**, the budget includes projections of operating and capital revenues and expenditures as well as changes in cash reserves in all District funds for Fiscal Year 2019-2020; and

**Whereas**, on June 13, 2019, the proposed draft budget for Fiscal Year 2019-2020 was presented and reviewed at a regular meeting of the Board of Directors of the District; and

**Whereas**, the final budget for Fiscal Year 2019-2020 was presented and considered by the Board of Directors at a regular meeting of June 27, 2019; and

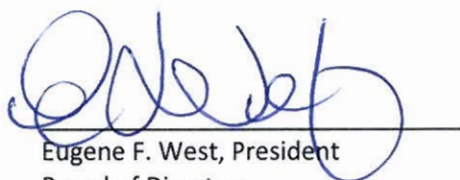
**Whereas**, the Board of Directors has determined that the proposed budget is consistent with the effective delivery of services by the District; and

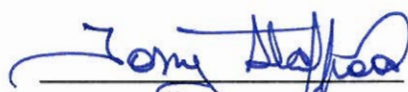
**Whereas**, the Board of Directors has determined that the budget shows that with necessary Board action there will be sufficient District revenues and financial reserves to meet the District's financial obligations over the next fiscal year; and

**Whereas**, it is the desire of the Board of Directors to adopt the Operating and Capital Budget for Fiscal Year 2019-2020.

**Now, Therefore, Be It Resolved** by the Camrosa Water District Board of Directors that the Operating and Capital Budget for Fiscal Year 2019-2020, attached hereto, is hereby approved and adopted.

**Adopted, Signed, and Approved** this 27<sup>th</sup> day of June, 2019.

  
Eugene F. West, President  
Board of Directors  
Camrosa Water District

 (ATTEST)  
Tony L. Stafford, Secretary  
Board of Directors  
Camrosa Water District

# CAMROSA WATER DISTRICT OPERATING & CAPITAL BUDGET

FY 2019 - 2020



# CAMROSA WATER DISTRICT



BUILDING WATER  
SELF-RELIANCE

## **MISSION STATEMENT**

*"The Mission of Camrosa Water District is to meet the current and future needs of the community for water and sanitary services. Our products and services will be reliable, affordable, responsive and of high quality. At the same time, the District will prudently manage and maintain the District's assets, honor the public's trust, and maintain public awareness and confidence in the District's activities."*

# **CAMROSA WATER DISTRICT**

## **Board of Directors**

**Eugene F. West, *President***

**Terry L. Foreman, *Vice-President***

**Al E. Fox, *Director***

**Jeffrey C. Brown, *Director***

**Timothy H. Hoag, *Director***

## **General Manager**

**Tony L. Stafford**

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# *California Society of Municipal Finance Officers*

*Certificate of Award*

*Excellence Award for  
Fiscal Year 2018-2019 Operating Budget*

*Presented to the*

*Camrosa Water District*

For meeting the criteria established to achieve the CSMFO Excellence Award for Budgeting.

*December 19, 2018*



*Margaret Moggia*

Margaret Moggia  
CSMFO President

*Sara J. Roush*

Sara Roush, Chair  
Recognition Committee

*Dedicated Excellence in Municipal Financial Reporting*

## List of Acronyms and Abbreviations

<b>AF</b>	Acre-Foot/Feet
<b>ACWA-JPIA</b>	Association of California Water Agencies-Joint Powers Insurance Agency
<b>AMR</b>	Automated Meter Reader/Reading
<b>ASRB</b>	Arroyo Santa Rosa Basin
<b>AWAVC</b>	Association of Water Agencies Ventura County
<b>CIMIS</b>	California Irrigation Management Information System
<b>CIP</b>	Capital Improvement Program
<b>CMWD</b>	Calleguas Municipal Water District
<b>CSUCI</b>	California State University of Channel Islands
<b>CSMFO</b>	California Society of Municipal Finance Officers
<b>CWRF</b>	Camrosa Water Reclamation Facility
<b>DWR</b>	Department of Water Resources
<b>EDU</b>	Equivalent Dwelling Unit
<b>ELAP</b>	Environmental Laboratory Accreditation Program
<b>FTE</b>	Full-time Equivalent
<b>FY</b>	Fiscal Year
<b>GAAP</b>	Generally Accepted Accounting Principles
<b>GASB</b>	Government Account Standards Board
<b>GFOA</b>	Government Finance Officers Association
<b>GSA</b>	Groundwater Sustainability Agency
<b>GSP</b>	Groundwater Sustainability Plan
<b>HCF</b>	Hundred Cubic Foot
<b>LAIF</b>	Local Agency Investment Fund
<b>MG</b>	Million Gallons
<b>MGD</b>	Million Gallons per Day
<b>MOU</b>	Memorandum of Understanding
<b>MS</b>	Meter Station
<b>MSF</b>	Meter Service Fee
<b>MWD</b>	Metropolitan Water District
<b>NPDES</b>	National Pollutant Discharge Elimination Systems
<b>PDR</b>	Preliminary Design Report
<b>PERS</b>	Public Employees' Retirement System
<b>PS</b>	Pump Station
<b>PV</b>	Pleasant Valley
<b>PZ</b>	Pressure Zone
<b>RMWTP</b>	Round Mountain Water Treatment Plant
<b>SCADA</b>	Supervisory Control and Data Acquisition
<b>SGMA</b>	Sustainable Groundwater Management Act
<b>SRGWMP</b>	Santa Rosa Groundwater Management Plan
<b>SWP</b>	State Water Project
<b>SWQCB</b>	State Water Quality Control Board
<b>SWRCB</b>	State Water Resources Control Board
<b>THM</b>	Trihalomethanes
<b>UWMP</b>	Urban Water Management Plan

## Glossary

The FY2019-20 budget contains terminology that is unique to public finance and budgeting. The following Budget Glossary provides assistance in understanding these terms.

**Accrual Basis of Accounting:** The basis of accounting under which transactions are recognized when they occur, regardless of the timing of cash receipts and disbursements.

**Acre-Foot:** The volume of water that will cover one acre to a depth of one foot. One acre-foot equals 435.6 units or 325,850 gallons.

**Appropriation:** The annual budget adopted by the District's Board for monitoring and control purposes, serving as a financial plan.

**Balanced Budget:** A balanced financial plan for a specified period of time that matches all planned revenues and expenditures with various services. The District uses a fiscal year beginning July 1 and ending June 30 for budgetary and financial reporting purposes.

**Bond:** A written promise to pay a sum of money on a specific date at a specified interest rate. The interest payments and the repayment of the principal are authorized in a District bond resolution. Bonds are frequently used for construction of large capital projects such as buildings, reservoirs, pipelines and pump stations.

**Capital Budget:** The portion of the annual budget that appropriates funds for the purchase of capital equipment items and capital improvements. These expenditures are separate from regular operating items, such as salaries, utilities and office supplies.

**Calleguas Municipal Water District:** The District has access to Metropolitan Water District (MWD) imported water through Calleguas Municipal Water District's entitlement as a member agency of MWD.

**Capital Improvement Program:** A long-range plan for the construction, rehabilitation and modernization of District owned and operated infrastructure.

**Class of Service:** All customers are classified based on the primary use of water on their parcel; broad classifications include (but are not limited to) residential, industrial, agriculture, etc. The water rate per unit is determined by this classification.

**Debt Service Coverage Ratio:** The ratio of net revenue to annual interest and principal payments on debt.

**Debt Service:** The District's obligation to pay the principal and interest of bonds and other debt instruments according to a predetermined payment schedule.

**Depreciation:** An expense recorded to allocate a tangible asset's cost over its useful life.

**Enterprise Fund:** Fund that provides goods or services to the public for a fee that makes the entity self-supporting.

**Equivalent Dwelling Unit:** A one single-family dwelling unit or its equivalent. An equivalent dwelling unit is assumed to discharge wastewater at a flow and strength equal to that of an average single-family dwelling unit.

**Expenditure:** These terms refer to the outflow of funds paid or to be paid for assets, goods or services obtained regardless of when actually paid. \*Note: An encumbrance is not an expenditure; an encumbrance reserves funds to be expended in a future period.

**Fiscal Year:** Twelve-month term designating the beginning and ending period for recording financial transactions. The District has specified July 1 to June 30 as its fiscal year.

**Fixed Asset:** Items with an original cost greater than \$1,000, and less than or equal to \$5,000. Typically, a fixed asset: has an economic useful life longer than three years; maintains its identity, either as a separate item or as identifiable component; is not a repair part or supply item; and is used to conduct District activities.

**Fund Balances:** The current funds on hand resulting from the historical collection and use of monies. The difference between assets and liabilities reported in the District's Operating Fund plus residual equities or balances and changes therein.

**Interest Income:** Earning from the investment portfolio.

**Late Charges/Penalties:** Charges and penalties are imposed on customer accounts for late payments, returned payments, and other infringement of the District's Rules and Regulations.

**Meter Service Charge:** Each water service customer pays a monthly meter service charge for water system replacement, maintenance and operation expenses. The charge is based on the size of the meter and class of service.

**Metropolitan Water District:** MWD is one of 30 agencies that have contracted for imported water service from the State Water Project, owned by the State and operated by the California Department of Water Resources.

**Set-up Fees for Accounts:** A charge is added for each new account, and whenever an existing account is transferred to another customer. This fee contributes to the administrative costs associated with establishing new accounts.

**State Water Project:** The State Water Project (SWP) transports water from the Sacramento-San Joaquin Delta via the California Aqueduct to four delivery points near the northern and eastern boundaries of the MWD service area. The SWP is owned by the State and operated by the California Department of Water Resources.

**Unit:** 748 gallons of water equals a single Hundred Cubic Feet (HCF) Unit. The District bills its customers in HCF Units.

**Water Connection Fees:** Charges paid by customers to connect to a District water system for water service. Connection fees are the cost of buying into the existing distribution system, and are determined by the meter size, the District capacity fee, and zone charge.

**Water Rates:** Rates vary among classes of service and are measured in HCF Units. Most rates in the District are based on a two-tier accelerated block structure. Tier 1 is the first 12 HCF Units and Tier 2 is water use above 12 HCF Units.

## Budget Message

Camrosa Water District (District) is pleased to present its Fiscal Year (FY) 2019-20 Operating and Capital Budget. The purpose of this document is to identify and allocate the resources necessary to accomplish the District's goals and objectives for the upcoming fiscal year, and to present the financial health of the District in a clear and concise manner for both the Board of Directors and the general public.

As part the California Society of Municipal Finance Officers (CSMFO) mission to promote excellence in financial management, the CSMFO has established a program that evaluates the budgets of municipal entities from across the state. This program is intended to "encourage and assist local governments to prepare budget documents of the very highest quality that reflect the guidelines established by the National Advisory Council on State and Local Budgeting." The FY2018-19 budget was submitted to the CSMFO and the District received an Operating Budget Excellence Award for a fifth consecutive year, an upgrade from the District's first submission of the FY2013-14 budget, Meritorious Award. This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and are submitting it to CSMFO for their evaluation.

### Changes in Budget Document

The FY2019-20 budget has added additional background of the Profile of the District, covering the Community Profile, Customer Base, and the top ten largest water and wastewater customers.

### Major Issues

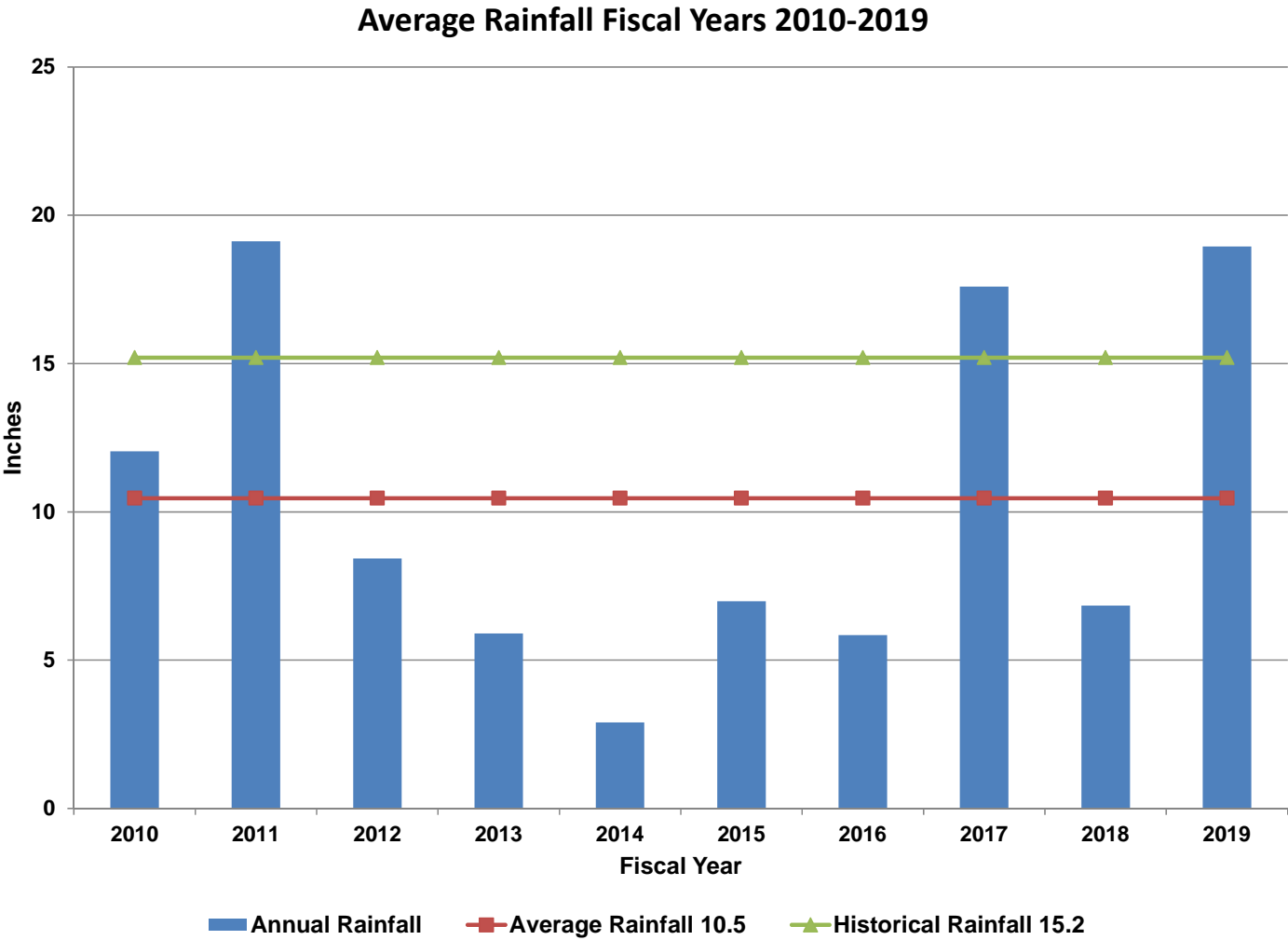
Four main issues continue to impact the FY2019-20 operating revenues and expenses budget: California's variable weather, the increasing cost of imported water, effective management of the District's capital assets to provide high-quality service and reliability at affordable rates, and new state mandates. These issues require that the District continue to pursue self-reliance to maximize flexibility in its water supply sources, maintain its infrastructure assets, promote water use efficiency, and proactively engage with state regulatory agencies.

### California's Variable Weather

California experiences significant weather volatility. In the last eight years, Southern California has seen the wettest and driest months on record, and this fall experienced the Hill Fire which broke out at Hill Canyon Road, west of Santa Rosa Road, just before the Woolsey Fire began to grow out of control nearby, followed by a long yet gentle rainfall season. These dramatic weather swings exemplify the difficulty of forecasting water sales and highlight the necessity of maintaining a conservative financial outlook.

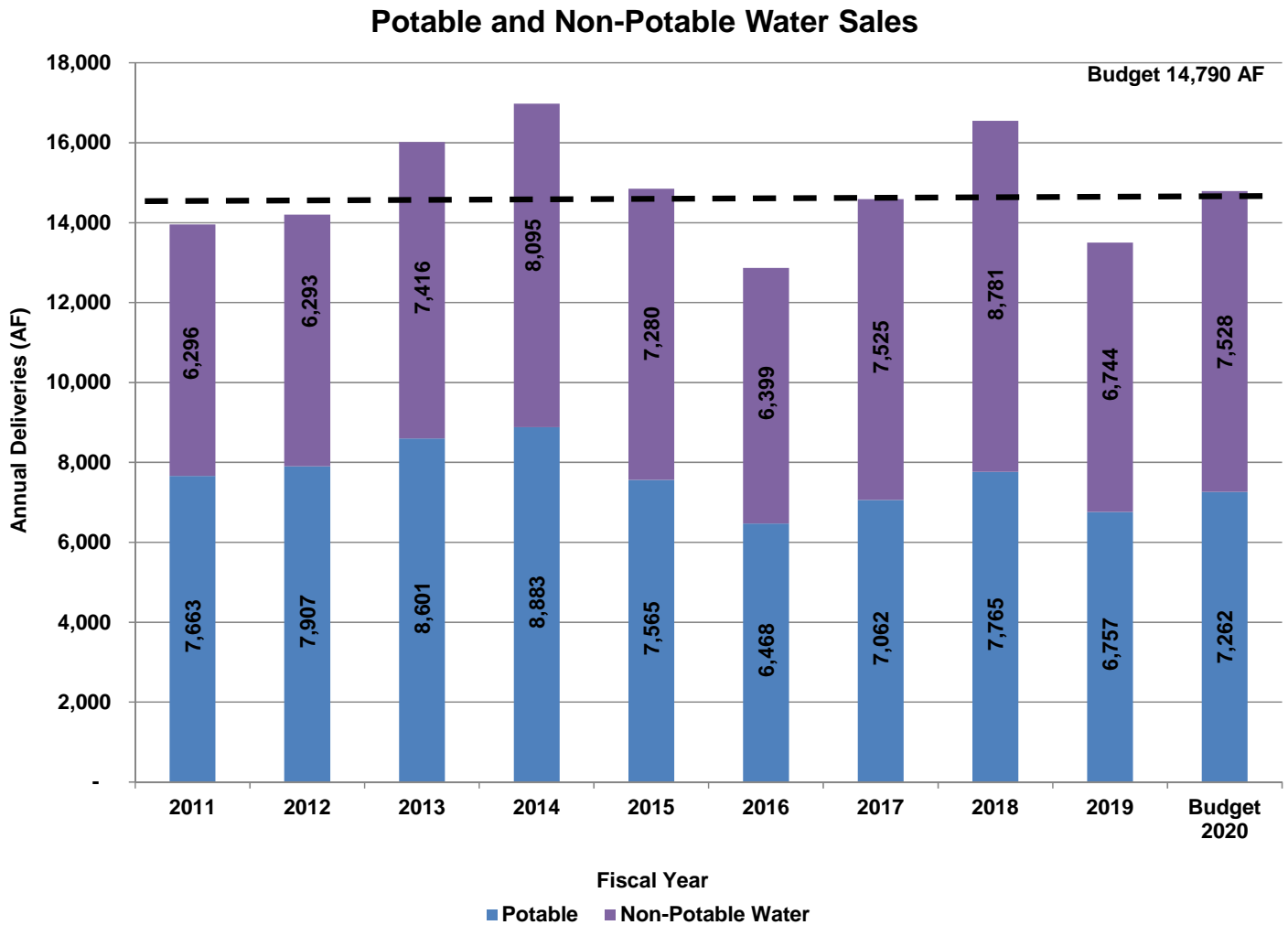
The FY2018-19 rainy season delivered above-average precipitation. DWR's Final Snow Survey of 2019 reports that the water content of California snowpack is 162 percent of its normal, a significant increase from the Snow Survey of 2018 that reported 52 percent of average. Barring any extended periods of hot weather in the high altitude, this above-normal snowpack should produce runoff into late summer. Based on the banner winter, DWR announced that it will set SWP allocations at 70 percent, up from the initial 10 percent allocation in December and the 35 percent announced in February. (A 100-percent allocation is rare even in wet years due to Delta pumping restrictions to protect threatened and endangered fish species; the last 100-percent allocation was in 2006.)

Locally, rainfall through April 30 was 18.95 inches, recorded from the Leisure Village CIMIS station, which is greater than the ten-year average rainfall for the District of 10.5 inches a year and above the historical average of 15.2 inches a year. By comparison, in FY2017-18, the area received 6.1 inches of rain. After two years of decent rainfall, Californians appear to have developed the sense that the state drought was over and began lessening conservation practices, resulting in higher water demands beginning in FY2016-17.



*Figure 1 – Average Rainfall*

In general terms, the District went from delivering approximately 17,000 AFY before the drought to slightly less than 12,860 AFY in FY2015-16. Camrosa has experienced increased water sales beginning in FY2016-17, after the Water Supply Shortage was completely removed in May of 2017 and concerted conservation practices have waned. The FY2019-20 budget was developed using a three-year average water sales projection of 14,790 AF. This is an increase from the FY 2018-19 budget of 14,562 AF, but only a modest one, in anticipation of the State's implementation of long-term conservation regulations, which dictate a conservative sales projection.



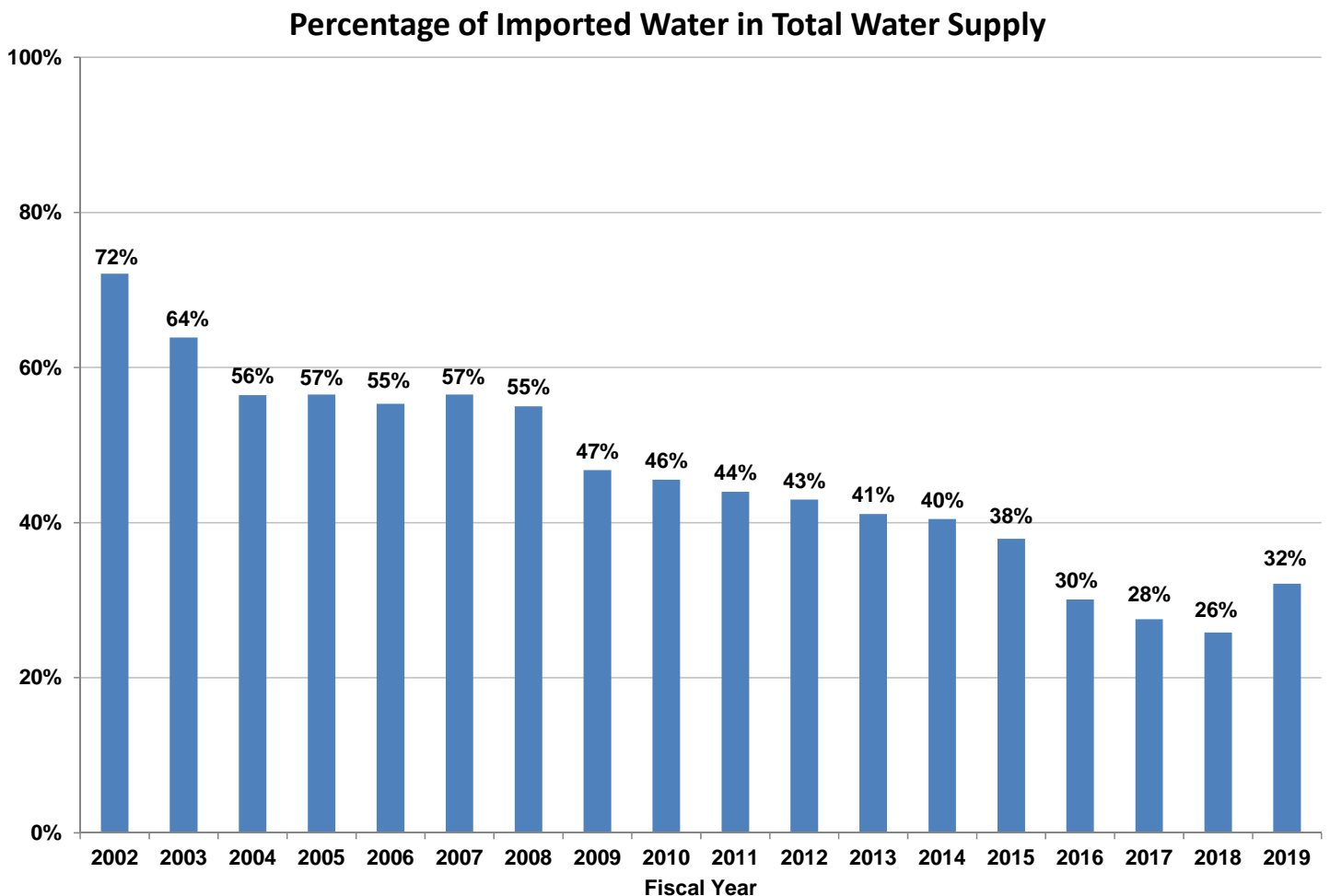
**Figure 2 – Potable and Non-Potable Water Sales**

### Increase of Imported Water Costs

State Water Project (SWP) water, imported from the Sacramento-San Joaquin Delta by Metropolitan Water District of Southern California (MWD) and delivered via Calleguas Municipal Water District (CMWD), is the most expensive water in Camrosa's supply portfolio. It has been the strategy of the District to reduce dependence on imported water by developing local resources, and the graph following (Figure 3) reflects those efforts. FY2018-19 year-end projections assume that SWP water will constitute 58 percent of Camrosa's potable water supply and only 32 percent of its total supply (potable and non-potable).

Camrosa continues to move toward self-reliance and reduce its dependence on the SWP through the development of local-resource projects; FY2019-20 should see the addition of one new well to the District's supply portfolio. Reducing the proportion of Camrosa's water supply that comes from the SWP helps mitigate the effects of reduced water sales, less of that total goes to cover the cost of imported water and can be redirected instead into additional local-resource projects.

During FY2018-19 the District experienced an increase in its imported water portfolio: 32 percent, up from 26 percent the prior year. The State Water Board implemented a new maximum contaminant limit (MCL) for 1,2,3 Trichloropropane (TCP). In response to the recent appearance of TCP in Conejo wells, Camrosa decreased the use of the local water supply, increasing our blend ratio at the Conejo Wellfield with more imported water to meet the new MCL. This development reinforces the need to be conservative on imported water projections.



**Figure 3 – Percentage of Import Water in Total Water Supply**

The expectation that wholesale rates will continue to escalate provides another incentive to increase self-reliance. In 2019, the MWD Tier 1 wholesale rates increased by 3.44 percent and in 2020 the Tier 1 wholesale rates will increase by an additional 2.7 percent. In addition to MWD's rate increases, CMWD increased its Capital Construction Surcharge, Readiness-to-Serve Charge, and Capacity Reservation Charge, for a combined wholesale rate increase to the District of approximately 3.6 percent in 2019 and 5.6 percent in 2020.

The following graph illustrates the projected cost of imported water.

### Projected Cost of Imported Water

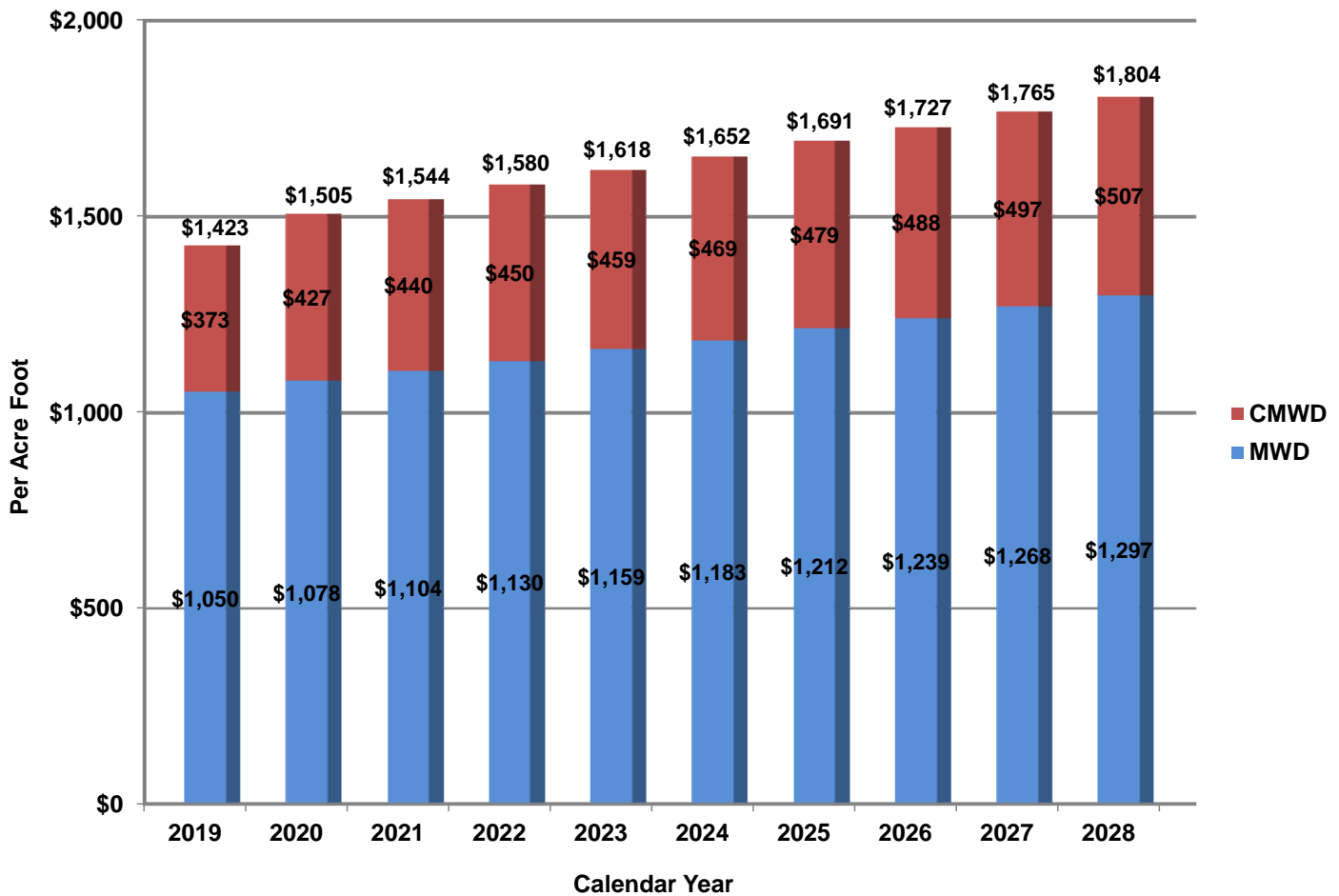


Figure 4 – Projected Cost of Import Water

On April 10, 2018 the board of MWD voted to contribute \$10.8 billion to help fund the California WaterFix, the nearly \$17 billion project that would construct two tunnels to convey Sacramento River water under the Delta. MWD predicts it will add \$4.80 to the average monthly bill of ratepayers and is less expensive than recycling, desalination, and other local projects. MWD considers the two-tunnel project to be the cheapest and least speculative option for Southern California to secure a continuing water supply in the face of climate variability, environmental restoration efforts, and increasing demands both within California and in neighboring states. (The above graph does not reflect the additional cost of imported water for the financing of the California WaterFix.)

Another landmark change in water management that will affect the cost of water is the Sustainable Groundwater Management Act (SGMA) of 2014. SGMA requires the formation of local groundwater sustainability agencies (GSAs) for basins the state determined were high- or medium-priority basins. GSAs are required to assess conditions in their local water basins and develop groundwater

sustainability plans (GSPs). These GSPs are intended to define sustainability in the context of the respective basin and chart a path to achieving that by 2040, for high-priority basins, or 2042, for medium-priority basins.

The Arroyo Santa Rosa Groundwater Basin was designated as a medium-priority basin due to high nitrate concentrations, and the County of Ventura and Camrosa formed a GSA in 2016 to manage the portion of the basin east of the Bailey Fault (outside the Fox Canyon Groundwater Management Agency). Administrative fees to support the operation of the Arroyo Santa Rosa GSA will come from contributions by the County of Ventura and Camrosa. These costs are estimated at \$250,000 for FY2019-20 (Appendix 1) as they include the development of the GSP but are expected to drop significantly after the plan is written. In April 2018, DWR awarded the Arroyo Santa Rosa GSA a Sustainable Groundwater Planning Grant for half the cost of developing the Santa Rosa GSP, up to \$177,081. Work began on the GSP in FY2018-19.

Projects to reach sustainability will be developed in the GSP process. Because Camrosa is the primary groundwater producer in the Santa Rosa Basin, pumping by initial estimates over 50 percent of annual yield, the District has a vested interest in developing projects that ensure sustainability. Once the GSP has been developed, estimated costs of sustainability projects will be included in the budgeting process.

Water purchases constitute the largest expense in the District's operating costs, as depicted in the graph below.

### Cost/AF Delivered by Major Cost Center (Potable & Non-Potable)

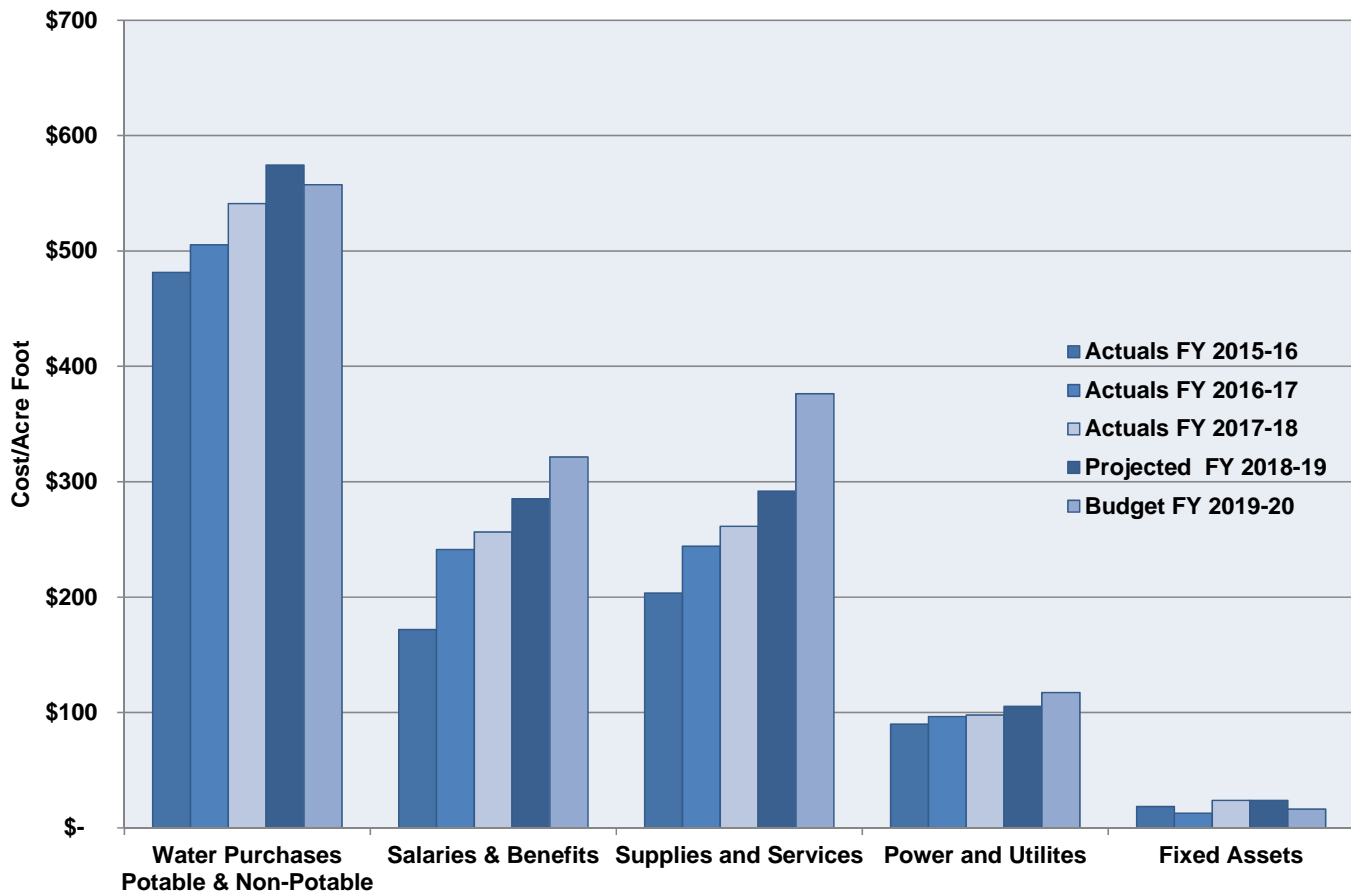
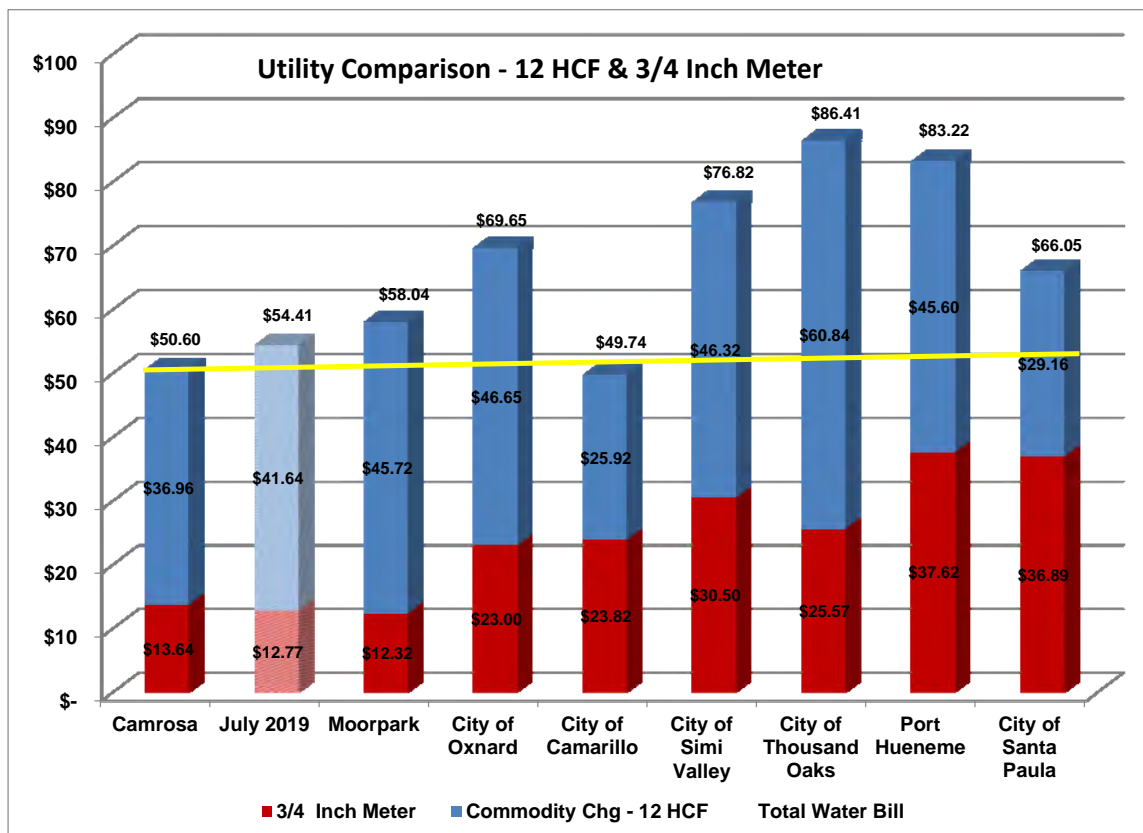


Figure 5 – Cost per Acre-Foot Delivered by Major Cost Center (Potable & Non-Potable)

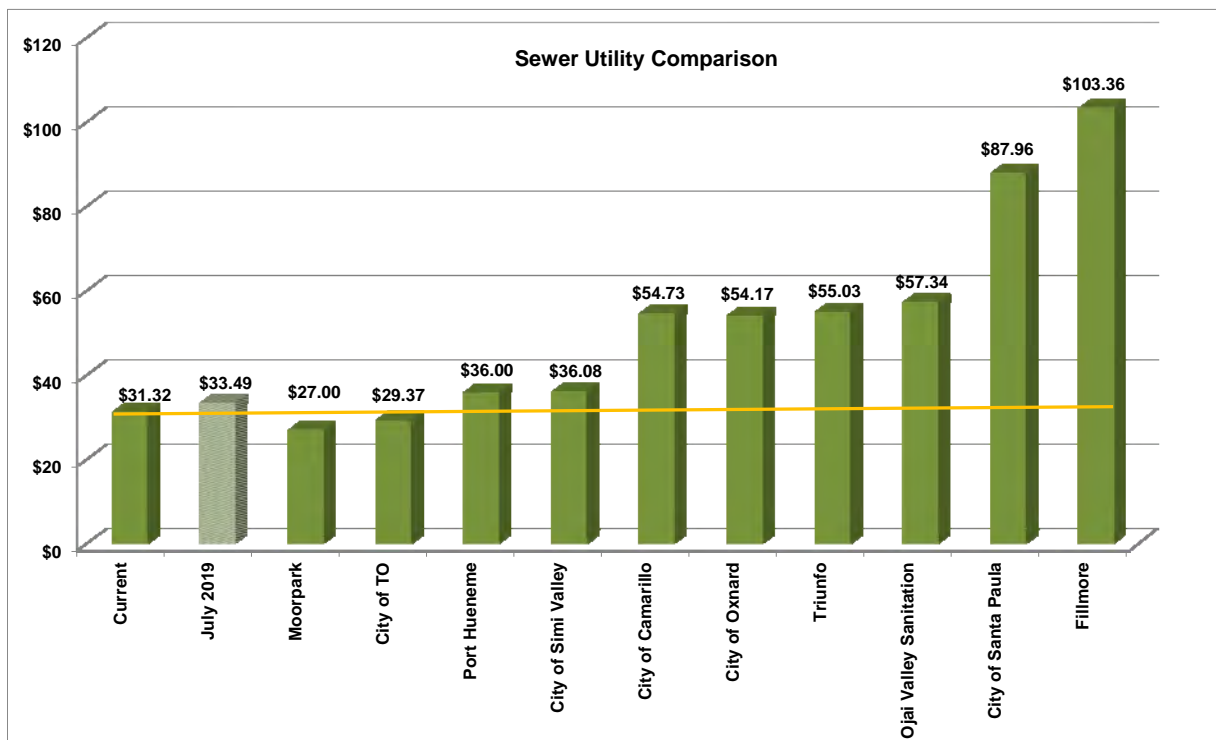
Due to prudent financial planning, including a 2013 rate study that resulted in a five-year rate schedule, the District was able to provide significantly less volumes of water over the drought without needing to implement revenue-recovery rates, as many districts throughout the state were forced to do. The last of the five-year water rate adjustment was July 2017, and July 2016 for the wastewater enterprise. The District kicked off a comprehensive utility rate study for both water and wastewater in FY2017-18 and set a public rate hearing to consider the five-year rates to be adopted June 13, 2019. Included in the study was a review of commodity component of rates, fixed meter service fees, and the District's aging infrastructure and preventative maintenance requirements. Even with the July 2019 increases, the District's rates continue to be among the lowest in Ventura County.

The District strives to remain cost effective in its rate setting by controlling operating costs. The following graph is a comparison of local water utilities' monthly water bills for a single-family usage of 12 hundred cubic feet (HCF) and a ¾-inch meter service charge.



**Figure 6 – Water Rate Comparison**

The following graph is a comparison of local sanitation utilities' monthly wastewater bills.



**Figure 7 – Sewer Rate Comparison**

### Effective Asset Management

Camrosa Water District was established in 1962; some of what became the District's infrastructure predates even that. As the system ages, the value of the system decreases through depreciation while the costs of keeping the system functioning increases. An asset management plan that supports the development, security, preservation, renewal, and replacement of the District's assets is included in the comprehensive rate study, to ensure adequate reserves are set aside to utilize for the investment in the aging infrastructure. Such projects include replacing pipeline segments, maintaining and upgrading treatment facilities, repairing reservoirs and pump station equipment, and rehabilitating the wastewater collection system. Setting aside reserves today for these repairs will prevent the District from being susceptible to untimely financial burdens and ultimately having to excessively raise rates.

### State Mandates

In May 2018, Governor Brown signed SB 606 and AB 1668, collectively known as the Water Conservation and Drought Planning Act. The act built upon Governor Brown's 2016 Executive Order B-37-16, "Making Conservation a Way of Life," and represents a new paradigm in urban retail water management in the state. The accessibility and affordability of safe, clean drinking water are also front and center at the State Water Board and California Legislature—with renewed vigor under the new Newsom administration. The programs resulting from these two broad policy developments could have significant impacts on California's water agencies.

### Conservation as a Way of Life

The permanent regulations being developed by the SWRCB and other state agencies based on the Water Conservation and Drought Planning Act effectively impose allocation-based water management on urban water agencies across the state. By the end of 2021, the State anticipates providing each urban water agency with guidelines for how to determine their "water

use objective,” and agency-wide water budget comprising residential indoor water use, outdoor irrigation, and a water loss component. Commercial/industrial/institutional water use will be subtracted from total water production, but the State anticipates developing performance measures for that sector. There will be some allowance for recycled/non-potable water use, but it is unclear how that will factor into the calculation.

It is unknown at this time how such budgets will compare to historical water-use patterns, though the assumption is they are likely to constitute moderate to significant reductions from historical averages. Financial forecasting will be impacted by the imposition of state-mandated water budgets, and by the uncertainty that can be expected over the next few years as the industry transitions to a new management mode.

### **Affordable Water**

The Safe and Affordable Drinking Water Fund and the Low-Income Rate Assistance (LIRA) program, would, as they’re currently structured, impose a tax on all residential water customers to fund these social programs.

Senate Bill 200 (Monning), Assembly Bill 217 (Garcia), and a trailer bill to Governor Newsom’s state budget all seek to establish the Safe and Affordable Drinking Water Fund, which would provide money for the cleanup and maintenance of contaminated water systems in specific areas of the state—none of which is in Camrosa’s service area. The bills propose various types of taxes be assessed from residential water users starting at 50 cents per service connection per month, or on residential accounts in escalating tiers based on meter size. Initial estimates put the outflow from \$50,000–\$120,000 a year from Camrosa ratepayers to Sacramento. Camrosa opposes these bills and instead supports SB 669 (Caballero), which proposes funding a Safe and Affordable Drinking Water program through a trust that would be funded with State budget surpluses, voluntary donations, federal dollars, and other monies not collected through a tax on water use.

AB 401 (Dodd), enacted in 2015, requires that the State establish a LIRA program to protect Californians who struggle to pay for their water bills. The draft report proposes subsidizing households that make less than 200 percent of the Federal Poverty Level, which amounts to approximately 34 percent of households. The program is estimated to cost residential ratepayers between \$400M–\$700M per year, or \$5–\$8 a month.

While Camrosa supports all communities having safe and reliable drinking water, we don’t believe that using residential water bills as the funding mechanism for a statewide social issue is an appropriate way to distribute the responsibility. We and a large contingent of other water suppliers and advocacy groups have communicated our opposition to this tax to the State through comment letters and public testimony.

The State Water Board hopes to file its report with the Legislature by the end of 2019; any impact on rates will be determined by what actions the Legislature takes in response to the report.

### **Ongoing Capital Projects**

Ongoing maintenance and replacement projects will continue. On the water side, the following improvements for this fiscal year include: Conejo Tank Rehabilitation, Pump Station #2 Generator Fuel Tank, Reservoir 4C Hydro-pneumatic Pump Station, Reservoir 4C Replacement, Pump Station #4 Auxiliary Pump, and Santa Rosa #10 Well Rehabilitation.

On the wastewater side, the District continues to pursue the re-rating of the Camrosa Water Reclamation Facility (CWRF) from 1.5 to 2.25 MGD. Ongoing infrastructure improvements for this fiscal year include: Effluent Pond Relining, CWRF Emergency Generator Fuel Tank, Sewer Lift #1 MCC, and a new Sewer Line at Lynwood and Woodcreek. For detailed information refer to the Capital Projects narrative later in this budget document.

Capital outlays for smaller maintenance and efficiency projects include the following:

- Pond Rip Rap
- West Backbone Generator installation

As challenges to water reliability continue to proliferate across the state, and aging infrastructure, it is vital that Camrosa Water District continue to move toward self-reliance and invest in rehabilitation maintenance programs to provide reliable water supplies to meet the demands of all its customers varied needs. Key to this effort is a well-structured budget. I am confident that the District's FY2019-20 budget document provides a detailed and comprehensive overview of the challenges facing the District and our capability to meet them and create new opportunities.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Tony Stafford". The signature is fluid and cursive, with the first name "Tony" and last name "Stafford" clearly distinguishable.

Tony L. Stafford  
General Manager

## Mission Statement & Vision Statement

In October 2008, the Board of Directors completed a long-range Strategic Plan. The Board reevaluated the core business services the District provides to its customers and established the following objectives as the primary strategy to fulfill the District's mission:

- Develop independence from imported water deliveries
- Strengthen the District's financial position
- Fully develop staff potential
- Improve systems operations and maintenance
- Educate customers
- Protect water supplies
- Exceed all regulatory standards

The 2008 Strategic Plan became the foundation for strategies to increase self-reliance through the use of local water resources to offset SWP water imports. Constructing desalination facilities and increasing groundwater production for potable use are two such strategies.

The 2008 Strategic Plan also focuses on strengthening the District's financial position through the development of a rate structure that provides for the capital replacement of aging infrastructure. Capital replacement is necessary to maintain the long-term integrity of the various water treatment and distribution systems, the wastewater collection system, and the Camrosa Water Reclamation Facility.

A revised Mission Statement was also established as part of the Strategic Plan. The Mission Statement reflects the District's responsibility to meet current and future needs of the community, describes the primary attributes of products and services it will deliver, and provides an awareness of the trust that exists between the District as a public entity and the public at large. The following has become the foundation of the District's practice:

### **Our Mission**

*"The Mission of Camrosa Water District is to meet the current and future needs of the community for water and sanitary services. Our products and services will be reliable, affordable, responsive and of high quality. At the same time, the District will prudently manage and maintain the District's assets, honor the public's trust, and maintain public awareness and confidence in the District's activities."*

### **Our Vision**

*"Camrosa is a dynamic, resource-independent public entity that provides highly efficient and responsive service to its water and wastewater customers. The Board is prudent in the management of public resources and innovative in using modern tools to maintain system reliability and financial strength. The District is a lean organization, led by a cohesive Board and staffed by an honest, enthusiastic, highly competent and focused team, who find their work challenging and enjoyable and who have earned the trust of their well-informed customers."*

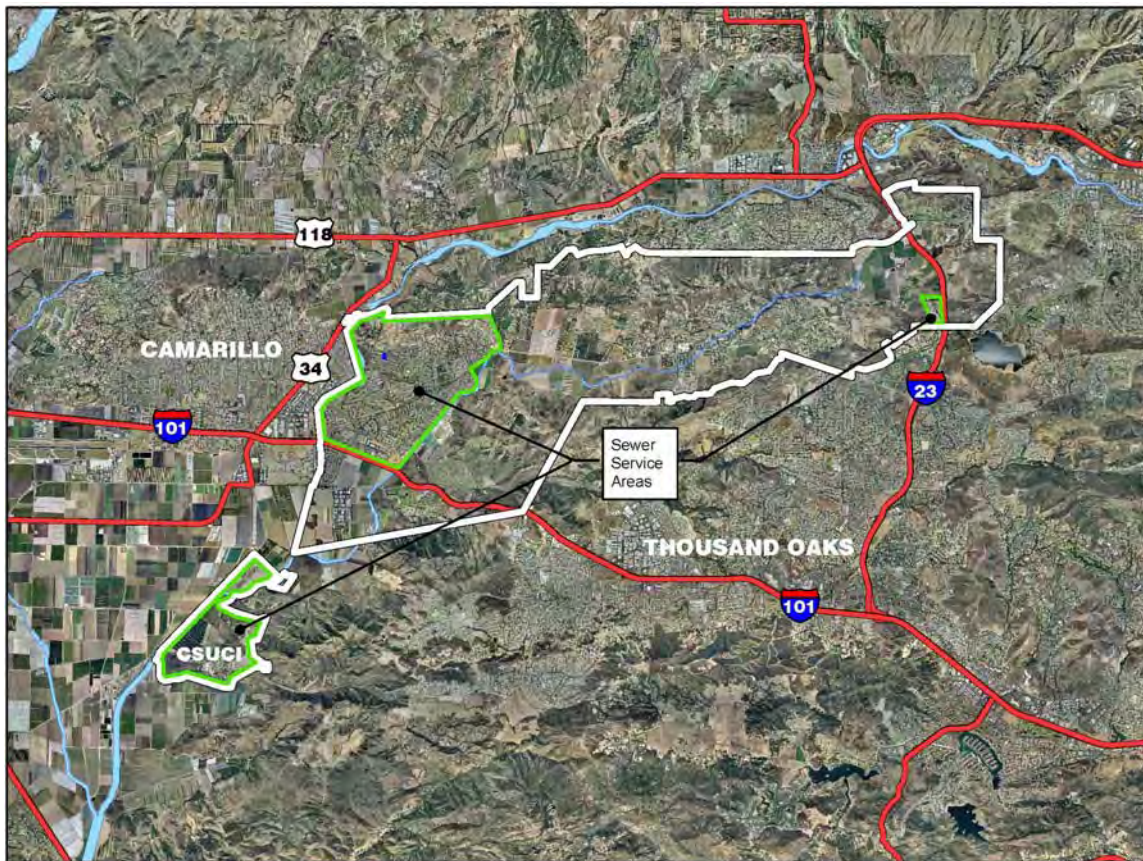
## Profile of the District

### District Services and Management

The Camrosa Water District, located over 31 square miles in the County of Ventura, California, is an independent special district that operates under the authority of Division 12 of the California Water Code. The District was originally formed under the law in 1962 as the Camarillo Water District for the purpose of supplying potable water. The District has changed its name twice, first to the Camrosa County Water District in 1965, and then to its present name in 1987. Subsequently, the District expanded its operations to include wastewater collection and treatment to a portion of its service area.

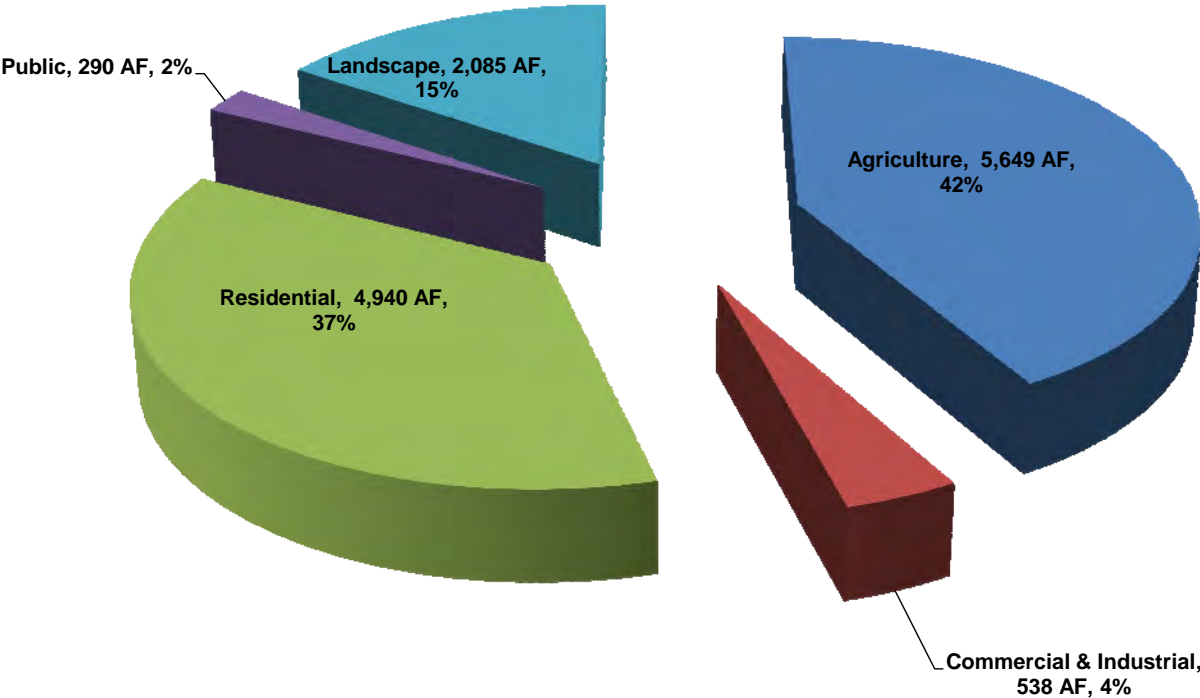
Currently, the District provides three classes of water (potable, non-potable, and recycled) to a population of more than 30,000 people through approximately 11,045 service connections, which includes three master metered communities. The majority of these connections are municipal and industrial, and the remainder is agricultural.

Potable water is a blend of imported State Water Project (SWP) water from the Sacramento-San Joaquin Delta and local groundwater; non-potable surface water is a combination of diverted surface water and local groundwater; and recycled water is tertiary-treated product from the Camrosa Water Reclamation Facility (CWRF). Wastewater service is limited to 8,849 equivalent dwelling units (EDUs) in a portion of the City of Camarillo and a sliver of the City of Thousand Oaks. The remainder of the District is either served by the Camarillo Sanitary District or on septic systems.



**Figure 8 – District Map Boundaries**

The following graph sets forth the District's various water customer classes. Residential and Agricultural customers account for approximately 79 percent of the District's projected water service revenue for the fiscal year ending June 30, 2019. The residential customer class includes both indoor and outdoor water usage.



**Figure 9 – FY2018-19 Percent of Water Revenues by Customer Class**

## Board of Directors

The District is governed by a five-member Board of Directors, elected at large from within the District's service area. The District's Board of Directors meets on the second and fourth Thursday of each month. Meetings are publicly noticed and residents are encouraged to attend.

<u>Director</u>	<u>Title</u>	<u>Division</u>	<u>Expiration of Term</u>	<u>Occupation</u>
Eugene F. West	President	Division 4	November 2020	Attorney
Terry L. Foreman	Vice-President	Division 5	December 2022	Geologist/Hydrogeologist
Al E. Fox	Director	Division 1	December 2022	Realtor
Jeffrey C. Brown	Director	Division 2	December 2022	Investment Consultant
Timothy H. Hoag	Director	Division 3	November 2020	Pharmacist/Teacher

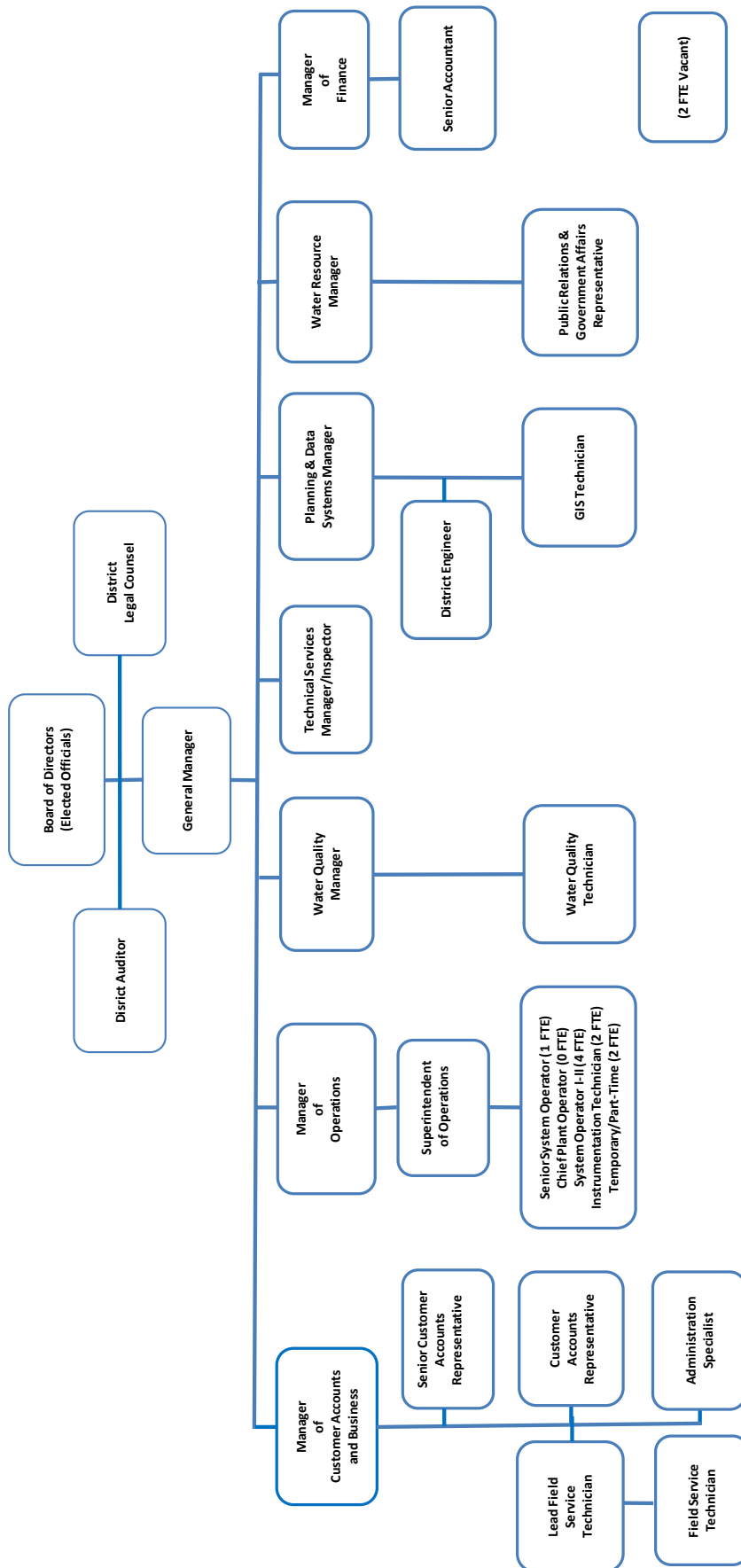
## General Manager

Daily operation of the District falls under the responsibility of the General Manager, Tony Stafford. The General Manager administers the day-to-day operations of the District in accordance with policies and procedures established by the Board of Directors. As General Manager, Mr. Stafford is responsible for the general oversight of the production and distribution of potable and non-potable water, as well as wastewater collection, treatment and water recycling at the District's Water Reclamation Facility.

In FY2018-19, the District budgeted for 27 full-time employees. In FY2019-20 the District added two full-time employees for a total of 29 positions. The organization chart is on the following page.

The District is a member of the California Public Employees' Retirement System (CalPERS). Beginning with FY2015-16, CalPERS began collecting employer contributions toward the District's unfunded liability and side fund as dollar amounts instead of the prior method of a contribution rate. For FY2019-20, the District will be invoiced in the amount of \$318,111 for the unfunded liability and side fund, and the District's employer/employee contribution rate of 16.68 percent will be collected as a percentage of payroll. The employer contribution rate for any new employees hired post-January 1, 2013 will be 6.985 percent and the unfunded liability dollar amount will be \$633. The District does not make the employee contributions of 6.985 percent on behalf of new employees hired post-January 1, 2013.

The District provides a range of medical insurance plans and dental and vision insurance through ACWA-JPIA. Recent increases in medical insurance costs have been relatively modest. The FY2019-20 budget assumes an increase of four percent effective January 1, 2020 for medical and an increase of one percent for dental and vision insurance.



## Financial Policies

### Reserve Policy

The District's Reserve Policy, (Appendix #5), the most recent version of which was adopted by Resolution of the Board on May 30, 2019, is intended to assure adequate reserves for ongoing needs while minimizing the need for new debt. The reserve levels established in the policy also help provide rate stabilization and ensure adequate fund levels to meet aging infrastructure replacements, unanticipated emergencies, and future enlargement of the District's customer base. The Board receives reports of the reserve levels during the budget preparation process to ensure continued conformance with long-term Board strategy.

### Investment Policy

The District's Investment Policy, the most recent version of which was adopted by Resolution of the Board on January 10, 2019, is intended to provide guidelines and restrictions for prudent investment of the District's cash reserves. The District's portfolio is carefully monitored by a four-member committee that includes the General Manager, the Manager of Finance, and two Board members. The full Board receives quarterly reports on the type of investments, the current yield, maturity dates, and market value, as appropriate. The criteria for selecting investment options are, in order of priority safety, liquidity, and yield. Generally, maturities are limited to two-year periods, and at least 25 percent of the portfolio will be invested in securities that can be liquidated on one day's notice. Investments are generally limited to governmentally-issued or governmentally-insured securities; the District currently has approximately \$27.3 million (as of April 30<sup>th</sup>) invested in the State's Local Agency Investment Fund (LAIF). (Appendix #6).

### Debt Policy

The District's overriding goal in issuing debt is to respond to and provide for its infrastructure, capital projects, and other financing needs while ensuring that debt is used and managed prudently in order to maintain a sound fiscal position and protect credit quality. The District's Debt Policy (Appendix #7) developed and adopted by Resolution of the Board on August 11, 2016, is intended to provide guidelines for the use of debt for financing District water, sewer and recycled water infrastructure and project needs. The policy provides the following: 1. establishes criteria for the issuance of debt obligations so that acceptable levels of indebtedness are maintained; 2. transmits the message to investors and rating agencies that the District is committed to sound financial management; and 3. provides consistency and continuity to public policy development when the elected Board of Directors work from guidelines that govern the planning and execution of transactions and projects.

### Budget Policy

The District's budget is presented as a policy document, an operational tool, a financial planning tool and a link to the Strategic Plan considered a communication tool to the District's community and stakeholders. The purpose of the Budget Policy is to provide guidelines that will influence and direct the financial management practice of the District. The District's Budget Policy (Appendix #8) developed and adopted by Resolution of the Board on January 26, 2017, is intended to establish procedures to ensure consistent practices for developing the yearly budget.

## Basis of Budgeting & Accounting

The District maintains its accounts on an accrual basis. Revenues are recognized when earned, and expenses are recognized when incurred.

The District is operated and reported as a single enterprise fund, which is an accounting entity that finances and accounts for the acquisition, operation, and maintenance of governmental facilities and services that are entirely or predominately self-supporting through user charges.

### Budgetary Control

The District views the budget as an essential tool for proper financial management. This budget is developed with input from the various program managers of the organization and is adopted prior to the start of each fiscal year. The Board of Directors must approve all supplemental appropriations to the budget and transfers between major funds. The level of budgetary control (i.e., the level at which expenditures cannot exceed the appropriated amount) is at the Fund level. The Board monitors the budget through Quarterly Financial Reports, Quarterly Investment Reports, and Year-End Budget Reports.

### Budget Process

The budget planning and preparation process is an important District activity and provides an opportunity for the Board of Directors, Management, and Staff to reassess goals and objectives for the upcoming and future years.

During the budget process, Management and Staff update current objectives and develop new ones for the upcoming fiscal year, all of which is discussed with the Board of Directors. The process is used to develop the draft budget that is presented to the Board of Directors for initial review. The Board reviews the draft budget and makes changes it deems appropriate. The budget is posted on the District's website.

The following is the budget calendar for the development of the FY2019-20 budget.

### Budget Calendar

3/14/2019	Present Program Accomplishments FY18-19 Present Program Goals for FY19-20
3/28/2019	FY18-19 Capital Projects Review Review of FY19-20 Capital Projects Proposal Fixed Asset Proposal
4/11/2019	Present End-of-Year Budget Projections FY18-19 Projected FY18-19 Reserve Balances
4/25/2019	3rd Quarter Review Draft Expense Budget Draft Revenue Budget
5/30/2019	Projected FY19-20 Reserve Balances Appropriation Limit FY19-20
6/13/2019	Draft FY19-20 Budget
6/27/2019	Adoption of FY19-20 Budget

**Resolution No: 19-15**

A Resolution of the Board of Directors  
of Camrosa Water District

**Adopting the Operating and Capital Budget  
for Fiscal Year 2019-2020**

**Whereas,** Staff and Management of the Camrosa Water District have developed a one-year operating and capital budget for Fiscal Year 2019-2020; and

**Whereas,** the budget includes projections of operating and capital revenues and expenditures as well as changes in cash reserves in all District funds for Fiscal Year 2019-2020; and

**Whereas,** on June 13, 2019, the proposed draft budget for Fiscal Year 2019-2020 was presented and reviewed at a regular meeting of the Board of Directors of the District; and

**Whereas,** the final budget for Fiscal Year 2019-2020 was presented and considered by the Board of Directors at a regular meeting of June 27, 2019; and

**Whereas,** the Board of Directors has determined that the proposed budget is consistent with the effective delivery of services by the District; and

**Whereas,** the Board of Directors has determined that the budget shows that with necessary Board action there will be sufficient District revenues and financial reserves to meet the District's financial obligations over the next fiscal year; and

**Whereas,** it is the desire of the Board of Directors to adopt the Operating and Capital Budget for Fiscal Year 2019-2020.

**Now, Therefore, Be It Resolved** by the Camrosa Water District Board of Directors that the Operating and Capital Budget for Fiscal Year 2019-2020, attached hereto, is hereby approved and adopted.

**Adopted, Signed, and Approved** this 27<sup>th</sup> day of June, 2019.

\_\_\_\_\_  
Eugene F. West, President  
Board of Directors  
**Camrosa Water District**

\_\_\_\_\_ (ATTEST)  
Tony L. Stafford, Secretary  
Board of Directors  
**Camrosa Water District**

## Budget Summary

Budget Summary	Actuals FY 2015-16	Actuals FY 2016-17	Actuals FY 2017-18	Budget FY 2018-19	Projections FY 2018-19	Budget FY 2019-20	*Increase (Decrease) over PY	*** Change over PY
<b>Revenues</b>								
Water Sales:								
Potable	\$ 8,460,533	\$ 8,915,569	\$ 10,801,589	\$ 10,044,700	\$ 9,569,556	\$ 11,106,000	\$ 1,061,300	10.57%
Recycle/Non-Potable	3,242,299	3,650,013	4,822,286	4,355,000	4,049,125	4,650,500	295,500	6.79%
Water Sales to Pleasant Valley	308,043	475,031	558,575	444,500	421,883	704,700	260,200	58.54%
Meter Service Charge	2,338,102	2,488,157	2,557,753	2,572,700	2,624,260	2,292,300	(280,400)	-10.90%
Sewer Service Charge	3,233,519	3,267,395	3,314,305	3,319,300	3,319,755	3,533,382	214,082	6.45%
Special Services	60,243	82,891	277,468	151,343	241,358	58,600	(92,743)	-61.28%
Pump Zone Charges	49,108	43,890	52,992	47,257	47,769	43,700	(3,557)	-7.53%
Miscellaneous	97,229	74,340	28,794	-	10,386	-	-	-
<b>Total Operating Revenues</b>	<b>\$ 17,789,076</b>	<b>\$ 18,997,286</b>	<b>\$ 22,413,762</b>	<b>\$ 20,934,800</b>	<b>\$ 20,284,092</b>	<b>\$ 22,389,182</b>	<b>\$ 1,454,382</b>	<b>6.95%</b>
<b>Operating Expenses</b>								
Import Water Purchases-Calleguas	\$ 5,747,131	\$ 5,126,221	\$ 6,423,454	\$ 6,708,625	\$ 6,155,061	\$ 6,556,057	\$ (152,568)	-2.27%
Calleguas Fixed Charge	799,932	792,114	828,462	797,578	790,926	817,642	20,064	2.52%
Conejo Creek Project-Thousand Oaks	426,302	449,811	622,486	600,935	645,223	618,963	18,028	3.00%
Salinity Management Pipeline-Calleguas	173,954	132,668	16,581	207,281	163,897	251,662	44,381	21.41%
Production Power	1,277,849	1,175,418	1,346,722	1,521,516	1,335,631	1,640,213	118,697	7.80%
<b>Total Production</b>	<b>\$ 8,425,168</b>	<b>\$ 7,676,232</b>	<b>\$ 9,237,705</b>	<b>\$ 9,835,935</b>	<b>\$ 9,090,738</b>	<b>\$ 9,884,537</b>	<b>\$ 48,602</b>	<b>0.49%</b>
Regular Salaries	\$ 1,793,785	\$ 2,132,902	\$ 2,346,783	\$ 2,698,836	\$ 2,518,637	\$ 3,018,519	\$ 319,683	11.85%
Overtime/Standby	61,139	66,069	43,982	81,601	87,043	141,088	59,487	72.90%
Part Time	76,577	76,743	66,620	38,937	33,775	98,800	59,863	153.74%
Benefits	621,678	827,675	1,282,627	1,291,083	1,210,914	1,496,612	205,529	15.92%
<b>Total Salaries &amp; Benefits</b>	<b>\$ 2,553,179</b>	<b>\$ 3,103,389</b>	<b>\$ 3,740,012</b>	<b>\$ 4,110,457</b>	<b>\$ 3,850,369</b>	<b>\$ 4,755,019</b>	<b>\$ 644,562</b>	<b>15.68%</b>
Outside Contracts	\$ 1,042,524	\$ 1,183,218	\$ 1,200,414	\$ 1,474,548	\$ 1,335,757	\$ 2,271,763	\$ 797,215	54.07%
Professional Services	112,304	130,378	153,239	406,086	101,555	430,085	23,999	5.91%
<b>Total Outside Cont/Profess Services</b>	<b>\$ 1,154,828</b>	<b>\$ 1,313,596</b>	<b>\$ 1,353,653</b>	<b>\$ 1,880,634</b>	<b>\$ 1,437,312</b>	<b>\$ 2,701,848</b>	<b>\$ 821,214</b>	<b>43.67%</b>
Utilities	\$ 57,247	\$ 65,530	\$ 80,120	\$ 86,000	\$ 88,000	\$ 96,125	\$ 10,125	11.77%
Communications	50,157	59,471	67,432	55,224	55,000	55,177	(47)	-0.09%
Pipeline Repairs	517,930	302,144	495,517	172,000	348,043	465,000	293,000	170.35%
Small Tools & Equipment	8,146	8,635	23,032	30,350	24,089	30,850	500	1.65%
Materials & Supplies	470,788	452,481	471,874	607,450	575,201	658,950	51,500	8.48%
Repair Parts & Equipment Maintenance	454,472	539,829	917,410	999,000	971,000	1,055,000	56,000	5.61%
Legal Services	44,305	45,051	24,251	45,000	49,043	45,000	-	0.00%
Dues & Subscriptions	38,981	34,988	37,777	46,869	42,227	50,200	3,331	7.11%
Conference & Travel	25,065	22,623	22,177	32,200	28,620	32,200	-	0.00%
Safety & Training	15,893	39,117	38,763	25,100	28,955	27,100	2,000	7.97%
Board Expense	82,669	102,985	113,720	140,000	120,000	130,000	(10,000)	-7.14%
Bad Debt	8,000	8,514	6,994	8,500	8,500	8,500	-	0.00%
Fees & Charges	82,145	136,072	155,588	163,483	161,933	194,625	31,142	19.05%
Insurance	65,897	75,872	83,305	105,000	90,000	111,000	6,000	5.71%
<b>Total Supplies &amp; Services</b>	<b>\$ 1,921,695</b>	<b>\$ 1,893,312</b>	<b>\$ 2,537,960</b>	<b>\$ 2,516,176</b>	<b>\$ 2,590,611</b>	<b>\$ 2,959,727</b>	<b>\$ 443,551</b>	<b>17.63%</b>
<b>Total Expenses</b>	<b>\$ 14,054,870</b>	<b>\$ 13,986,529</b>	<b>\$ 16,869,330</b>	<b>\$ 18,343,202</b>	<b>\$ 16,969,030</b>	<b>\$ 20,301,131</b>	<b>\$ 1,957,929</b>	<b>10.67%</b>
<b>Net Operating Revenues</b>	<b>\$ 3,734,206</b>	<b>\$ 5,010,757</b>	<b>\$ 5,544,432</b>	<b>\$ 2,591,598</b>	<b>\$ 3,315,062</b>	<b>\$ 2,088,051</b>	<b>\$ (503,547)</b>	<b>-19.43%</b>
<b>Less: Non-Operating Expenses</b>								
Debt Service 2011A/2016	\$ 755,001	\$ 894,369	\$ 1,045,331	\$ 1,046,031	\$ 1,046,031	\$ 1,045,731	\$ (300)	-0.03%
Debt Service 2012	1,115,000	1,118,000	1,121,900	1,124,100	1,124,100	561,750	(562,350)	-50.03%
Rate Stabilization Contribution	-	-	-	-	-	100,000	100,000	-
Capital Replacement Contribution	1,950,000	3,000,000	4,390,000	1,270,000	2,300,000	250,000	(1,020,000)	-80.31%
<b>Total Non-Operating Expenses</b>	<b>\$ 3,820,001</b>	<b>\$ 5,012,369</b>	<b>\$ 6,557,231</b>	<b>\$ 3,440,131</b>	<b>\$ 4,470,131</b>	<b>\$ 1,957,481</b>	<b>\$ (1,482,650)</b>	<b>-43.10%</b>
<b>Add: Non-Operating Revenues</b>								
Interest Revenues	\$ 105,523	\$ 186,302	\$ 393,147	\$ 313,462	\$ 671,753	\$ 130,000	\$ (183,462)	-58.53%
Taxes	559,558	582,211	657,620	626,167	636,048	536,000	(90,167)	-14.40%
<b>Total Non-Operating Revenues</b>	<b>\$ 665,081</b>	<b>\$ 768,513</b>	<b>\$ 1,050,767</b>	<b>\$ 939,629</b>	<b>\$ 1,307,801</b>	<b>\$ 666,000</b>	<b>\$ (273,629)</b>	<b>-29.12%</b>
<b>Net Operating Results</b>	<b>\$ 579,286</b>	<b>\$ 766,901</b>	<b>\$ 37,968</b>	<b>\$ 91,096</b>	<b>\$ 152,732</b>	<b>\$ 796,570</b>	<b>\$ 705,474</b>	<b>774.43%</b>
Capital Fees	\$ 1,296,000	\$ 128,850	\$ 158,549	\$ -	\$ 3,336,260	\$ -	\$ -	-
Mitigation & In-Lieu Fees	808,091	1,355,282	-	-	2,323,857	-	-	-
Grants	92,109	771,971	67,519	-	227,837	-	-	-
<b>Net Operating Results After Capital Fees &amp; Grants</b>	<b>\$ 2,775,486</b>	<b>\$ 3,023,004</b>	<b>\$ 264,036</b>	<b>\$ 91,096</b>	<b>\$ 6,040,686</b>	<b>\$ 796,570</b>	<b>\$ 705,474</b>	<b>774.43%</b>

\*Compares FY 2019-20 Adopted Budget to FY 2018-19 Adopted Budget

## Water Program

Water Program	Actuals FY 2015-16	Actuals FY 2016-17	Actuals FY 2017-18	Budget FY 2018-19	Projections FY 2018-19	Budget FY 2019-20	*Increase (Decrease) over PY	*** Change over PY
<b>Revenues</b>								
Water Sales:								
Potable	\$ 8,460,533	\$ 8,915,569	\$ 10,801,589	\$ 10,044,700	\$ 9,569,556	\$ 11,106,000	\$ 1,061,300	10.57%
Recycle/Non-Potable	3,242,299	3,650,013	4,822,286	4,355,000	4,049,125	4,650,500	295,500	6.79%
Water Sales to Pleasant Valley	308,043	475,031	558,575	444,500	421,883	704,700	260,200	58.54%
Meter Service Charge	2,338,102	2,488,157	2,557,753	2,572,700	2,624,260	2,292,300	(280,400)	-10.90%
Special Services	39,158	53,879	180,354	98,373	146,383	38,100	(60,273)	-61.27%
Pump Zone Charges	49,108	43,890	52,992	47,257	47,769	43,700	(3,557)	-7.53%
Miscellaneous	91,934	48,321	18,716	-	6,751	-	-	-
<b>Total Operating Revenues</b>	<b>\$ 14,529,177</b>	<b>\$ 15,674,860</b>	<b>\$ 18,992,265</b>	<b>\$ 17,562,530</b>	<b>\$ 16,865,727</b>	<b>\$ 18,835,300</b>	<b>\$ 1,272,770</b>	<b>7.25%</b>
<b>Operating Expenses</b>								
Import Water Purchases-Calleguas	\$ 5,747,131	\$ 5,126,221	\$ 6,423,454	\$ 6,708,625	\$ 6,155,061	\$ 6,556,057	\$ (152,568)	-2.27%
Calleguas Fixed Charge	799,932	792,114	828,462	797,578	790,926	817,642	20,064	2.52%
Conejo Creek Project	426,302	449,811	622,486	600,935	645,223	618,963	18,028	3.00%
Salinity Management Pipeline-Calleguas	167,462	118,788	7,256	198,861	136,758	230,162	31,301	15.74%
Production Power	1,277,849	1,175,418	1,346,722	1,521,516	1,335,631	1,640,213	118,697	7.80%
<b>Total Production</b>	<b>\$ 8,418,676</b>	<b>\$ 7,662,352</b>	<b>\$ 9,228,380</b>	<b>\$ 9,827,515</b>	<b>\$ 9,063,599</b>	<b>\$ 9,863,037</b>	<b>\$ 35,522</b>	<b>0.36%</b>
Regular Salaries	\$ 1,165,960	\$ 1,386,386	\$ 1,525,409	\$ 1,754,243	\$ 1,637,114	\$ 2,002,787	\$ 248,544	14.17%
Overtime/Standby	39,740	42,945	28,588	53,041	56,578	93,611	40,570	76.49%
Part Time	49,775	49,883	43,303	25,309	21,954	65,554	40,245	159.01%
Benefits	404,091	537,989	833,708	839,204	787,094	993,002	153,798	18.33%
<b>Total Salaries &amp; Benefits</b>	<b>\$ 1,659,566</b>	<b>\$ 2,017,203</b>	<b>\$ 2,431,008</b>	<b>\$ 2,671,797</b>	<b>\$ 2,502,740</b>	<b>\$ 3,154,954</b>	<b>\$ 483,157</b>	<b>18.08%</b>
Outside Contracts	\$ 580,624	\$ 519,855	\$ 613,123	\$ 841,431	\$ 742,792	\$ 1,449,286	\$ 607,855	72.24%
Professional Services	65,815	74,085	84,166	333,256	47,811	346,905	13,649	4.10%
<b>Total Outside Cont/Profess Services</b>	<b>\$ 646,439</b>	<b>\$ 593,940</b>	<b>\$ 697,289</b>	<b>\$ 1,174,687</b>	<b>\$ 790,603</b>	<b>\$ 1,796,191</b>	<b>\$ 621,504</b>	<b>52.91%</b>
Utilities	\$ 37,944	\$ 46,280	\$ 60,620	\$ 60,850	\$ 66,550	\$ 70,231	\$ 9,381	15.42%
Communications	32,602	38,656	43,958	35,896	35,750	35,865	(31)	-0.09%
Pipeline Repairs	507,286	291,514	481,789	162,000	338,043	455,000	293,000	180.86%
Small Tools & Equipment	6,025	5,692	19,492	23,002	17,956	27,752	4,750	20.65%
Materials & Supplies	371,164	351,318	348,853	487,195	470,581	543,770	56,575	11.61%
Repair Parts & Equipment Maintenance	376,044	469,820	755,170	852,500	825,350	932,450	79,950	9.38%
Legal Services	28,798	29,283	15,763	29,250	31,878	29,250	-	0.00%
Dues & Subscriptions	26,431	23,812	24,555	28,515	25,498	30,680	2,165	7.59%
Conference & Travel	16,292	14,705	14,415	20,930	18,603	20,930	-	0.00%
Safety & Training	10,399	28,229	25,196	16,315	18,821	17,615	1,300	7.97%
Board Expense	53,735	66,940	73,918	91,000	78,000	84,500	(6,500)	-7.14%
Bad Debt	5,200	5,534	4,546	5,525	5,525	5,525	-	0.00%
Fees & Charges	54,768	97,956	89,188	115,100	113,883	128,782	13,682	11.89%
Insurance	42,833	49,317	54,148	68,250	58,500	72,150	3,900	5.71%
<b>Total Supplies &amp; Services</b>	<b>\$ 1,569,521</b>	<b>\$ 1,519,056</b>	<b>\$ 2,011,611</b>	<b>\$ 1,996,328</b>	<b>\$ 2,104,938</b>	<b>\$ 2,454,500</b>	<b>\$ 458,172</b>	<b>22.95%</b>
<b>Total Expenses</b>	<b>\$ 12,294,202</b>	<b>\$ 11,792,551</b>	<b>\$ 14,368,288</b>	<b>\$ 15,670,327</b>	<b>\$ 14,461,880</b>	<b>\$ 17,268,682</b>	<b>\$ 1,598,355</b>	<b>10.20%</b>
<b>Net Operating Revenues</b>	<b>\$ 2,234,975</b>	<b>\$ 3,882,309</b>	<b>\$ 4,623,977</b>	<b>\$ 1,892,203</b>	<b>\$ 2,403,847</b>	<b>\$ 1,566,618</b>	<b>\$ (325,585)</b>	<b>-17.21%</b>
<b>Less: Non-Operating Expenses</b>								
Debt Service 2011A/2016	\$ 549,826	\$ 712,470	\$ 851,881	\$ 854,381	\$ 854,381	\$ 854,081	\$ (300)	-0.04%
Debt Service 2012	678,000	680,500	682,000	682,500	682,500	341,250	(341,250)	-50.00%
Rate Stabilization Contribution	-	-	-	-	-	100,000	100,000	-
Capital Replacement Contribution	1,300,000	2,500,000	3,965,000	1,170,000	1,900,000	250,000	(920,000)	-78.63%
<b>Total Non-Operating Expenses</b>	<b>\$ 2,527,826</b>	<b>\$ 3,892,970</b>	<b>\$ 5,498,881</b>	<b>\$ 2,706,881</b>	<b>\$ 3,436,881</b>	<b>\$ 1,545,331</b>	<b>\$ (1,161,550)</b>	<b>-42.91%</b>
<b>Add: Non-Operating Revenues</b>								
Interest Revenues	\$ 72,157	\$ 127,936	\$ 275,489	\$ 219,847	\$ 469,455	\$ 84,000	\$ (135,847)	-61.79%
Taxes	559,558	582,211	657,620	626,167	636,048	536,000	(90,167)	-14.40%
<b>Total Non-Operating Revenues</b>	<b>\$ 631,715</b>	<b>\$ 710,147</b>	<b>\$ 933,109</b>	<b>\$ 846,014</b>	<b>\$ 1,105,503</b>	<b>\$ 620,000</b>	<b>\$ (226,014)</b>	<b>-26.72%</b>
<b>Net Operating Results</b>	<b>\$ 338,864</b>	<b>\$ 699,486</b>	<b>\$ 58,205</b>	<b>\$ 31,336</b>	<b>\$ 72,469</b>	<b>\$ 641,287</b>	<b>\$ 609,951</b>	<b>1946.49%</b>
Capital Fees	683,575	\$ 124,175	\$ 116,474	\$ -	\$ 1,980,350	\$ -	\$ -	-
Mitigation & In-Lieu Fees	808,091	1,355,282	-	-	2,323,857	-	-	-
Grants	92,109	771,971	67,519	-	227,837	-	-	-
<b>Net Operating Results After Capital Fees &amp; Grants</b>	<b>\$ 1,583,775</b>	<b>\$ 2,251,428</b>	<b>\$ 183,993</b>	<b>\$ -</b>	<b>\$ 4,532,044</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>
<b>Net Operating Results After Capital Fees &amp; Grants</b>	<b>\$ 1,922,639</b>	<b>\$ 2,950,914</b>	<b>\$ 242,198</b>	<b>\$ 31,336</b>	<b>\$ 4,604,513</b>	<b>\$ 641,287</b>	<b>\$ 609,951</b>	<b>1946.49%</b>

\*Compares FY 2019-20 Adopted Budget to FY 2018-19 Adopted Budget

## Potable Water Program

Potable Water Program	Actuals FY 2015-16	Actuals FY 2016-17	Actuals FY 2017-18	Budget FY 2018-19	Projections FY 2018-19	Budget FY 2019-20	*Increase (Decrease) over PY	% Change over PY
<b>Revenues</b>								
Water Sales:								
Potable	\$ 8,460,533	\$ 8,915,569	\$ 10,801,589	\$ 10,044,700	\$ 9,569,556	\$ 11,106,000	\$ 1,061,300	10.57%
Meter Service Charge	2,156,804	2,307,114	2,375,360	2,354,400	2,368,804	2,199,000	(155,400)	-6.60%
Special Services	37,983	52,263	146,012	65,515	98,544	37,000	(28,515)	-43.52%
Pump Zone Charges	29,035	26,840	33,334	29,942	30,019	26,800	(3,142)	-10.49%
Miscellaneous	5,113	25,127	9,732	-	3,511	-	-	-
<b>Total Operating Revenues</b>	<b>\$ 10,689,468</b>	<b>\$ 11,326,913</b>	<b>\$ 13,366,027</b>	<b>\$ 12,494,557</b>	<b>\$ 12,070,434</b>	<b>\$ 13,368,800</b>	<b>\$ 874,243</b>	<b>7.00%</b>
<b>Operating Expenses</b>								
Import Water Purchases-Calleguas	\$ 5,214,818	\$ 4,521,710	\$ 5,346,596	\$ 5,962,425	\$ 5,389,649	\$ 5,783,987	\$ (178,438)	-2.99%
Calleguas Fixed Charge	799,932	792,114	828,462	797,578	790,926	817,642	20,064	2.52%
Salinity Management Pipeline-Calleguas	167,462	118,788	7,256	198,861	136,758	230,162	31,301	15.74%
Production Power	513,736	478,563	465,081	489,626	480,000	572,300	82,674	16.89%
<b>Total Production</b>	<b>\$ 6,695,948</b>	<b>\$ 5,911,175</b>	<b>\$ 6,647,395</b>	<b>\$ 7,448,490</b>	<b>\$ 6,797,333</b>	<b>\$ 7,404,091</b>	<b>\$ (44,399)</b>	<b>-0.60%</b>
Regular Salaries	\$ 757,874	\$ 901,151	\$ 991,516	\$ 1,140,258	\$ 1,064,124	\$ 1,333,856	\$ 193,598	16.98%
Overtime/Standby	25,831	27,914	18,582	34,477	36,776	62,345	27,868	80.83%
Part Time	32,354	32,424	28,147	16,451	14,270	43,659	27,208	165.39%
Benefits	262,659	349,693	541,910	545,483	511,611	661,339	115,856	21.24%
<b>Total Salaries &amp; Benefits</b>	<b>\$ 1,078,718</b>	<b>\$ 1,311,182</b>	<b>\$ 1,580,155</b>	<b>\$ 1,736,669</b>	<b>\$ 1,626,781</b>	<b>\$ 2,101,199</b>	<b>\$ 364,530</b>	<b>20.99%</b>
Outside Contracts	\$ 376,157	\$ 316,328	\$ 425,601	\$ 536,584	\$ 494,492	\$ 907,001	\$ 370,417	69.03%
Professional Services	42,518	42,850	44,485	168,293	24,862	175,390	7,097	4.22%
<b>Total Outside Cont/Profess Services</b>	<b>\$ 418,675</b>	<b>\$ 359,178</b>	<b>\$ 470,086</b>	<b>\$ 704,877</b>	<b>\$ 519,354</b>	<b>\$ 1,082,391</b>	<b>\$ 377,514</b>	<b>53.56%</b>
Utilities	\$ 30,525	\$ 38,968	\$ 52,431	\$ 51,802	\$ 58,126	\$ 60,520	\$ 8,718	16.83%
Communications	16,953	20,101	23,033	18,666	18,590	18,650	(16)	-0.09%
Pipeline Repairs	440,896	274,285	449,727	130,000	306,043	380,000	250,000	192.31%
Small Tools & Equipment	4,419	3,704	17,877	15,761	11,489	21,691	5,930	37.62%
Materials & Supplies	307,192	291,318	266,851	406,381	396,062	457,480	51,099	12.57%
Repair Parts & Equipment Maintenance	123,027	152,149	255,709	476,440	478,102	562,074	85,634	17.97%
Legal Services	14,975	15,227	8,197	15,210	16,577	15,210	-	0.00%
Dues & Subscriptions	15,244	13,850	12,769	14,828	13,259	15,954	1,126	7.59%
Conference & Travel	8,472	7,647	7,496	10,884	9,674	10,884	-	0.00%
Safety & Training	5,502	18,523	13,102	8,484	9,787	9,160	676	7.97%
Board Expense	27,942	34,809	38,437	47,320	40,560	43,940	(3,380)	-7.14%
Bad Debt	2,704	2,878	2,364	2,873	2,873	2,873	-	0.00%
Fees & Charges	39,294	76,728	68,537	87,820	87,187	101,291	13,471	15.34%
Insurance	22,273	25,645	28,157	35,490	30,420	37,518	2,028	5.71%
<b>Total Supplies &amp; Services</b>	<b>\$ 1,059,418</b>	<b>\$ 975,832</b>	<b>\$ 1,244,687</b>	<b>\$ 1,321,959</b>	<b>\$ 1,478,749</b>	<b>\$ 1,737,245</b>	<b>\$ 415,286</b>	<b>31.41%</b>
<b>Total Expenses</b>	<b>\$ 9,252,759</b>	<b>\$ 8,557,367</b>	<b>\$ 9,942,323</b>	<b>\$ 11,211,995</b>	<b>\$ 10,422,217</b>	<b>\$ 12,324,926</b>	<b>\$ 1,112,931</b>	<b>9.93%</b>
<b>Net Operating Revenues</b>	<b>\$ 1,436,709</b>	<b>\$ 2,769,546</b>	<b>\$ 3,423,704</b>	<b>\$ 1,282,562</b>	<b>\$ 1,648,217</b>	<b>\$ 1,043,874</b>	<b>\$ (238,688)</b>	<b>-18.61%</b>
<b>Less: Non-Operating Expenses</b>								
Debt Service 2011A/2016	\$ 516,836	\$ 683,552	\$ 821,521	\$ 823,790	\$ 823,790	\$ 823,538	\$ (252)	-0.03%
Rate Stabilization Contribution	-	-	-	-	-	100,000	\$ 100,000	-
Capital Replacement Contribution	1,300,000	2,500,000	3,265,000	996,000	1,550,000	50,000	(946,000)	-94.98%
<b>Total Non-Operating Expenses</b>	<b>\$ 1,816,836</b>	<b>\$ 3,183,552</b>	<b>\$ 4,086,521</b>	<b>\$ 1,819,790</b>	<b>\$ 2,373,790</b>	<b>\$ 973,538</b>	<b>\$ (846,252)</b>	<b>-46.50%</b>
<b>Add: Non-Operating Revenues</b>								
Interest Revenues	63,053	110,864	240,140	192,265	406,785	71,000	(121,265)	-63.07%
Taxes	335,735	349,327	394,572	375,700	381,629	321,600	(54,100)	-14.40%
<b>Total Non-Operating Revenues</b>	<b>\$ 398,788</b>	<b>\$ 460,191</b>	<b>\$ 634,712</b>	<b>\$ 567,965</b>	<b>\$ 788,414</b>	<b>\$ 392,600</b>	<b>\$ (175,365)</b>	<b>-30.88%</b>
<b>Net Operating Results</b>	<b>\$ 18,661</b>	<b>\$ 46,185</b>	<b>\$ (28,105)</b>	<b>\$ 30,737</b>	<b>\$ 62,841</b>	<b>\$ 462,936</b>	<b>\$ 432,199</b>	<b>1406.12%</b>
Capital Fees	\$ 683,575	\$ 124,175	\$ 116,474	\$ -	\$ 1,980,350	\$ -	\$ -	-
Mitigation & In-Lieu Fees	808,091	1,036,744	-	-	1,686,260	-	-	-
Grants	92,109	771,971	67,519	-	227,837	-	-	-
	<b>\$ 1,583,775</b>	<b>\$ 1,932,890</b>	<b>\$ 183,993</b>	<b>\$ -</b>	<b>\$ 3,894,447</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Operating Results After Capital Fees &amp; Grants</b>	<b>\$ 1,602,436</b>	<b>\$ 1,979,075</b>	<b>\$ 155,888</b>	<b>\$ 30,737</b>	<b>\$ 3,957,288</b>	<b>\$ 462,936</b>	<b>\$ 432,199</b>	<b>1406.12%</b>

\*Compares FY 2019-20 Adopted Budget to FY 2018-19 Adopted Budget

## Non-Potable Water Program

Non-Potable Water Program	Actuals FY 2015-16	Actuals FY 2016-17	Actuals FY 2017-18	Budget FY 2018-19	Projections FY 2018-19	Budget FY 2019-20	*Increase (Decrease) over PY	*% Change over PY
<b>Revenues</b>								
Water Sales:								
Recycle/Non-Potable	\$ 3,242,299	\$ 3,650,013	\$ 4,822,286	\$ 4,355,000	\$ 4,049,125	\$ 4,650,500	\$ 295,500	6.79%
Water Sales Pleasant Valley/CamSan	308,043	475,031	558,575	444,500	421,883	704,700	260,200	58.54%
Meter Service Charge	181,298	181,043	182,393	218,300	255,456	93,300	(125,000)	-57.26%
Special Services	1,175	1,616	34,342	32,858	47,839	1,100	(31,758)	-96.65%
Pump Zone Charges	20,073	17,050	19,658	17,315	17,750	16,900	(415)	-2.40%
Miscellaneous	86,821	23,194	8,984	-	3,240	-	-	-
<b>Total Operating Revenues</b>	<b>\$ 3,839,709</b>	<b>\$ 4,347,947</b>	<b>\$ 5,626,238</b>	<b>\$ 5,067,973</b>	<b>\$ 4,795,293</b>	<b>\$ 5,466,500</b>	<b>\$ 398,527</b>	<b>7.86%</b>
<b>Operating Expenses</b>								
Import Water Purchases-Calleguas	\$ 532,313	\$ 604,511	\$ 1,076,858	\$ 746,200	\$ 765,412	\$ 772,070	\$ 25,870	3.47%
Conejo Creek Project	426,302	449,811	622,486	600,935	645,223	618,963	18,028	3.00%
Production Power	764,113	696,855	881,641	1,031,890	855,631	1,067,913	36,023	3.49%
<b>Total Production</b>	<b>\$ 1,722,728</b>	<b>\$ 1,751,177</b>	<b>\$ 2,580,985</b>	<b>\$ 2,379,025</b>	<b>\$ 2,266,266</b>	<b>\$ 2,458,946</b>	<b>\$ 79,921</b>	<b>3.36%</b>
Regular Salaries	\$ 408,086	\$ 485,235	\$ 533,893	\$ 613,985	\$ 572,990	\$ 668,931	\$ 54,946	8.95%
Overtime/Standby	13,909	15,031	10,006	18,564	19,802	31,266	12,702	68.42%
Part Time	17,421	17,459	15,156	8,858	7,684	21,895	13,037	147.18%
Benefits	141,432	188,296	291,798	293,721	275,483	331,663	37,942	12.92%
<b>Total Salaries &amp; Benefits</b>	<b>\$ 580,848</b>	<b>\$ 706,021</b>	<b>\$ 850,853</b>	<b>\$ 935,128</b>	<b>\$ 875,959</b>	<b>\$ 1,053,755</b>	<b>\$ 118,627</b>	<b>12.69%</b>
Outside Contracts	\$ 204,467	\$ 203,527	\$ 187,522	\$ 304,847	\$ 248,300	\$ 542,285	\$ 237,438	77.89%
Professional Services	23,297	31,235	39,681	164,963	22,949	171,515	6,552	3.97%
<b>Total Outside Cont/Profess Services</b>	<b>\$ 227,764</b>	<b>\$ 234,762</b>	<b>\$ 227,203</b>	<b>\$ 469,810</b>	<b>\$ 271,249</b>	<b>\$ 713,800</b>	<b>\$ 243,990</b>	<b>51.93%</b>
Utilities	\$ 7,419	\$ 7,312	\$ 8,189	\$ 9,048	\$ 8,424	\$ 9,711	\$ 663	7.33%
Communications	15,649	18,555	20,925	17,230	17,160	17,215	(15)	-0.09%
Pipeline Repairs	66,390	17,229	32,062	32,000	32,000	75,000	43,000	134.38%
Small Tools & Equipment	1,606	1,988	1,615	7,241	6,467	6,061	(1,180)	-16.30%
Materials & Supplies	63,972	60,000	82,002	80,814	74,519	86,290	5,476	6.78%
Repair Parts & Equipment Maintenance	253,017	317,671	499,461	376,060	347,248	370,376	(5,684)	-1.51%
Legal Services	13,823	14,056	7,566	14,040	15,301	14,040	-	0.00%
Dues & Subscriptions	11,187	9,962	11,786	13,687	12,239	14,726	1,039	7.59%
Conference & Travel	7,820	7,058	6,919	10,046	8,929	10,046	-	0.00%
Safety & Training	4,897	9,706	12,094	7,831	9,034	8,455	624	7.97%
Board Expense	25,793	32,131	35,481	43,680	37,440	40,560	(3,120)	-7.14%
Bad Debt	2,496	2,656	2,182	2,652	2,652	2,652	-	0.00%
Fees & Charges	15,474	21,228	20,651	27,280	26,696	27,491	211	0.77%
Insurance	20,560	23,672	25,991	32,760	28,080	34,632	1,872	5.71%
<b>Total Supplies &amp; Services</b>	<b>\$ 510,103</b>	<b>\$ 543,224</b>	<b>\$ 766,924</b>	<b>\$ 674,369</b>	<b>\$ 626,189</b>	<b>\$ 717,255</b>	<b>\$ 42,886</b>	<b>6.36%</b>
<b>Total Expenses</b>	<b>\$ 3,041,443</b>	<b>\$ 3,235,184</b>	<b>\$ 4,425,965</b>	<b>\$ 4,458,332</b>	<b>\$ 4,039,663</b>	<b>\$ 4,943,756</b>	<b>\$ 485,424</b>	<b>10.89%</b>
<b>Net Operating Revenues</b>	<b>\$ 798,266</b>	<b>\$ 1,112,763</b>	<b>\$ 1,200,273</b>	<b>\$ 609,641</b>	<b>\$ 755,630</b>	<b>\$ 522,744</b>	<b>\$ (86,897)</b>	<b>-14.25%</b>
<b>Less: Non-Operating Expenses</b>								
Debt Service 2011A/2016	\$ 32,990	\$ 28,918	\$ 30,360	\$ 30,591	\$ 30,591	\$ 30,543	\$ (48)	-0.16%
Debt Service 2012	678,000	680,500	682,000	682,500	682,500	341,250	(341,250)	-50.00%
Rate Stabilization Contribution	-	-	-	-	-	-	-	-
Capital Replacement Contribution	-	-	700,000	174,000	350,000	200,000	26,000	-
<b>Total Non-Operating Expenses</b>	<b>\$ 710,990</b>	<b>\$ 709,418</b>	<b>\$ 1,412,360</b>	<b>\$ 887,091</b>	<b>\$ 1,063,091</b>	<b>\$ 571,793</b>	<b>\$ (315,298)</b>	<b>-35.54%</b>
<b>Add: Non-Operating Revenues</b>								
Interest Revenues	\$ 9,104	\$ 17,072	\$ 35,349	\$ 27,582	\$ 62,670	\$ 13,000	\$ (14,582)	-52.87%
Taxes	223,823	232,884	263,048	250,467	254,419	214,400	(36,067)	-14.40%
<b>Total Non-Operating Revenues</b>	<b>\$ 232,927</b>	<b>\$ 249,956</b>	<b>\$ 298,397</b>	<b>\$ 278,049</b>	<b>\$ 317,089</b>	<b>\$ 227,400</b>	<b>\$ (50,649)</b>	<b>-18.22%</b>
<b>Net Operating Results</b>	<b>\$ 320,203</b>	<b>\$ 653,301</b>	<b>\$ 86,310</b>	<b>\$ 599</b>	<b>\$ 9,628</b>	<b>\$ 178,351</b>	<b>\$ 177,752</b>	<b>29674.79%</b>
Capital Fees	-	-	-	-	-	-	-	-
Mitigation & In-Lieu Fees	-	318,538	-	-	637,597	-	-	-
Grants	-	-	-	-	-	-	-	-
<b>Net Operating Results After Capital Fees &amp; Grants</b>	<b>\$ 320,203</b>	<b>\$ 971,839</b>	<b>\$ 86,310</b>	<b>\$ 599</b>	<b>\$ 647,225</b>	<b>\$ 178,351</b>	<b>\$ 177,752</b>	<b>29674.79%</b>

\*Compares FY 2019-20 Adopted Budget to FY 2018-19 Adopted Budget

## Wastewater Program

Wastewater Program	Actuals FY 2015-16	Actuals FY 2016-17	Actuals FY 2017-18	Budget FY 2018-19	Projections FY 2018-19	Budget FY 2019-20	*Increase (Decrease) over PY	% Change over PY
<b>Revenues</b>								
Sewer Service Charge	\$ 3,233,519	\$ 3,267,395	\$ 3,314,305	\$ 3,319,300	\$ 3,319,755	\$ 3,533,382	\$ 214,082	6.45%
Special Services	21,085	29,012	97,114	52,970	94,975	20,500	(32,470)	-61.30%
Miscellaneous	5,295	26,019	10,078	-	3,635	-	-	-
<b>Total Operating Revenues</b>	<b>\$ 3,259,899</b>	<b>\$ 3,322,426</b>	<b>\$ 3,421,497</b>	<b>\$ 3,372,270</b>	<b>\$ 3,418,365</b>	<b>\$ 3,553,882</b>	<b>\$ 181,612</b>	<b>5.39%</b>
<b>Operating Expenses</b>								
Salinity Management Pipeline-Calleguas	\$ 6,492	\$ 13,880	\$ 9,325	\$ 8,420	\$ 27,139	\$ 21,500	\$ 13,080	155.34%
<b>Total Production</b>	<b>\$ 6,492</b>	<b>\$ 13,880</b>	<b>\$ 9,325</b>	<b>\$ 8,420</b>	<b>\$ 27,139</b>	<b>\$ 21,500</b>	<b>\$ 13,080</b>	<b>155.34%</b>
Regular Salaries	\$ 627,825	\$ 746,516	\$ 821,374	\$ 944,593	\$ 881,523	\$ 1,015,732	\$ 71,139	7.53%
Overtime/Standby	21,399	23,124	15,394	28,560	30,465	47,477	18,917	66.24%
Part Time	26,802	26,860	23,317	13,628	11,821	33,246	19,618	143.95%
Benefits	217,587	289,686	448,919	451,879	423,820	503,610	51,731	11.45%
<b>Total Salaries &amp; Benefits</b>	<b>\$ 893,613</b>	<b>\$ 1,086,186</b>	<b>\$ 1,309,004</b>	<b>\$ 1,438,660</b>	<b>\$ 1,347,629</b>	<b>\$ 1,600,065</b>	<b>\$ 161,405</b>	<b>11.22%</b>
Outside Contracts	\$ 461,900	\$ 663,363	\$ 587,291	\$ 633,117	\$ 592,965	\$ 822,477	\$ 189,360	29.91%
Professional Services	46,489	56,293	69,073	72,830	53,744	83,180	10,350	14.21%
<b>Total Outside Cont/Profess Services</b>	<b>\$ 508,389</b>	<b>\$ 719,656</b>	<b>\$ 656,364</b>	<b>\$ 705,947</b>	<b>\$ 646,709</b>	<b>\$ 905,657</b>	<b>\$ 199,710</b>	<b>28.29%</b>
Utilities	\$ 19,303	\$ 19,250	\$ 19,500	\$ 25,150	\$ 21,450	\$ 25,894	\$ 744	-
Communications	17,555	20,815	23,474	19,328	19,250	19,312	(16)	-0.08%
Pipeline Repairs	10,644	10,630	13,728	10,000	10,000	10,000	-	-
Small Tools & Equipment	2,121	2,943	3,540	7,348	6,133	3,098	(4,250)	-57.84%
Materials & Supplies	99,624	101,163	123,021	120,255	104,620	115,180	(5,075)	-4.22%
Repair Parts & Equipment Maintenance	78,428	70,009	162,240	146,500	145,650	122,550	(23,950)	-16.35%
Legal Services	15,507	15,768	8,488	15,750	17,165	15,750	-	0.00%
Dues & Subscriptions	12,550	11,176	13,222	18,354	16,729	19,520	1,166	6.35%
Conference & Travel	8,773	7,918	7,762	11,270	10,017	11,270	-	-
Safety & Training	5,494	10,888	13,567	8,785	10,134	9,485	700	7.97%
Board Expense	28,934	36,045	39,802	49,000	42,000	45,500	(3,500)	-7.14%
Bad Debt	2,800	2,980	2,448	2,975	2,975	2,975	-	-
Fees & Charges	27,377	38,116	66,400	48,383	48,050	65,843	17,460	36.09%
Insurance	23,064	26,555	29,157	36,750	31,500	38,850	2,100	5.71%
<b>Total Supplies &amp; Services</b>	<b>\$ 352,174</b>	<b>\$ 374,256</b>	<b>\$ 526,349</b>	<b>\$ 519,848</b>	<b>\$ 485,673</b>	<b>\$ 505,227</b>	<b>\$ (14,621)</b>	<b>-2.81%</b>
<b>Total Expenses</b>	<b>\$ 1,760,668</b>	<b>\$ 2,193,978</b>	<b>\$ 2,501,042</b>	<b>\$ 2,672,875</b>	<b>\$ 2,507,150</b>	<b>\$ 3,032,449</b>	<b>\$ 359,574</b>	<b>13.45%</b>
<b>Net Operating Revenues</b>	<b>\$ 1,499,231</b>	<b>\$ 1,128,448</b>	<b>\$ 920,455</b>	<b>\$ 699,395</b>	<b>\$ 911,215</b>	<b>\$ 521,433</b>	<b>\$ (177,962)</b>	<b>-25.45%</b>
<b>Less: Non-Operating Expenses</b>								
Debt Service 2011A/2016	\$ 205,175	\$ 181,899	\$ 193,450	\$ 191,650	\$ 191,650	\$ 191,650	\$ -	0.00%
Debt Service 2012	437,000	437,500	439,900	441,600	441,600	220,500	(221,100)	-50.07%
Rate Stabilization Contribution	-	-	-	-	-	-	-	-
Capital Replacement Contribution	650,000	500,000	425,000	100,000	400,000	-	(100,000)	-100.00%
<b>Total Non-Operating Expenses</b>	<b>\$ 1,292,175</b>	<b>\$ 1,119,399</b>	<b>\$ 1,058,350</b>	<b>\$ 733,250</b>	<b>\$ 1,033,250</b>	<b>\$ 412,150</b>	<b>\$ (321,100)</b>	<b>-43.79%</b>
<b>Add: Non-Operating Revenues</b>								
Interest Revenues	\$ 33,366	\$ 58,366	\$ 117,658	\$ 93,615	\$ 202,298	\$ 46,000	\$ (47,615)	-50.86%
<b>Total Non-Operating Revenues</b>	<b>\$ 33,366</b>	<b>\$ 58,366</b>	<b>\$ 117,658</b>	<b>\$ 93,615</b>	<b>\$ 202,298</b>	<b>\$ 46,000</b>	<b>\$ (47,615)</b>	<b>-50.86%</b>
<b>Net Operating Results</b>	<b>\$ 240,422</b>	<b>\$ 67,415</b>	<b>\$ (20,237)</b>	<b>\$ 59,760</b>	<b>\$ 80,263</b>	<b>\$ 155,283</b>	<b>\$ 95,523</b>	<b>159.84%</b>
Capital Fees	612,425	4,675	42,075	-	1,355,910	-	-	-
<b>Net Operating Results After Capital Fees &amp; Grants</b>	<b>\$ 852,847</b>	<b>\$ 72,090</b>	<b>\$ 21,838</b>	<b>\$ 59,760</b>	<b>\$ 1,436,173</b>	<b>\$ 155,283</b>	<b>\$ 95,523</b>	<b>159.84%</b>

\*Compares FY 2019-20 Adopted Budget to FY 2018-19 Adopted Budget

## Revenues

Camrosa's revenues are received from seven major sources. Water Sales represent approximately 71 percent of the total revenues, Water Meter Service Charges are typically 9 percent of revenues, Sewer Service Charges are about 15 percent, Taxes 2 percent, and a small amount from Interest and a combination of Special Service fees (new account starts, plan check fees, late penalties, and reconnection fees), and Pump Zone surcharges.

### FY2018-19

Total operating and non-operating revenues for FY2018-19 are projected to be \$21,591,893 or approximately \$282,536 below budget. This decrease in revenue is due mainly to water sales below budgeted sales projections. Total water sales of approximately 13,502 AF are below the budgeted sales projection of 14,562 AF, as a result of an unusually long rainy season. The District received \$5,887,954 additional revenue from a combination of Capital Fees, mitigation fees and grant receipts, which the District does not include as a budgeted revenue line item. The Total Revenue is projected to be \$27,479,847.

### FY2019-20

Water Sales the District treats water as a commodity, generating revenue by measuring consumption at the customer's meter. Water sales represent 71 percent of the Total Revenue. Water sales are greatly dependent on weather patterns.

The District uses a conservative three-year average projection for water sales volume for FY2019-20 of 14,790 AF, of which 7,262 AF is potable and 7,528 AF non-potable/recycled water. Water sales include the adopted commodity rates effective July 1, 2019. FY2019-20 water sales revenues are projected to be \$15,756,500. The District's Schedule of Water and Wastewater Rates is located in Appendix #3.

Surplus non-potable water is sold to Pleasant Valley County Water District (PVCWD), and there are separate line items in the District's budget to capture both the expense and revenue from this water. The budget projection uses a five year average of deliveries.

Meter Service Charges are monthly customer fees based on the size of the meter installed. Meter Service Charges account for 9 percent of Total Revenue and are projected based on an anticipated zero percent growth in our customer base for FY2019-20. The FY2019-20 meter service charge is expected to be \$2,292,300 based upon the average number of service connections and the meter service fee rates effective July 1, 2019. The District's Schedule of Water and Wastewater Rates is located in Appendix #3.

Sewer Service Charge revenues for the FY2019-20 budget year are expected to be \$3,533,382 or 15 percent of Total Revenue. Sewer Service Charges are billed to all customers as a flat monthly rate, currently \$33.49 (effective July 1, 2019). The estimated revenue for Sewer Service Charges is based upon the District's number of customers at the current flat monthly rate.

Interest revenue is budgeted at \$130,000 or 0.56 percent of the Total Revenue. Interest income is earned on the cash balance held in either in Local Agency Investment Fund (LAIF) or held in reserves with the District's Fiscal Trustee. Interest rates have been relatively low for the last several years and are starting to gradually increase. Interest revenues are based upon a four year average and projected interest rates.

Tax revenue is budgeted at \$536,000 for FY2019-20, or two percent of the Total Revenue. Tax revenue is based upon an average of five years of historical receipts. The District receives property tax revenues collected by the County of Ventura via the Property Tax Roll and are remitted to the District semi-annually.

Spending limits for the District are governed by the 1979 passage of California Proposition 4, Limitations of Government Appropriations (Article XIII B of the California Constitution, commonly known as the GANN limit). Proposition 4 places an appropriations limit on most spending from tax proceeds. The District's FY2019-20 Gann Limit is \$825,397.

**Capital Connection Fees** are not being projected as part of the FY2019-20 budget. The District is near build-out, and while a few small developments may begin construction within the five-year financial forecast, their timing is uncertain and their capital contribution would be negligible.

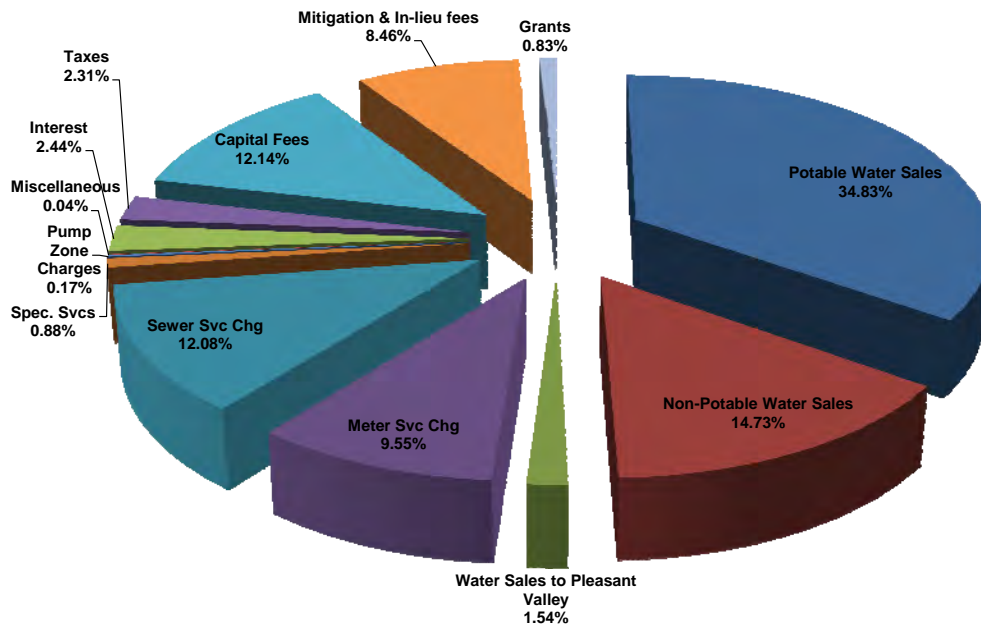
**Special Services** are various fees for turn-off/turn-on, late fees, and other miscellaneous administrative fees. Special Services revenues are budgeted at \$58,600. Revenue from Special Services are based upon an average of five years of historical receipts.

**Pump Zone/Miscellaneous** revenue applies to certain areas in the District that are situated at higher elevations and therefore require additional pumping. Revenues are estimated to be \$43,700 for FY2019-20 based on projected deliveries.

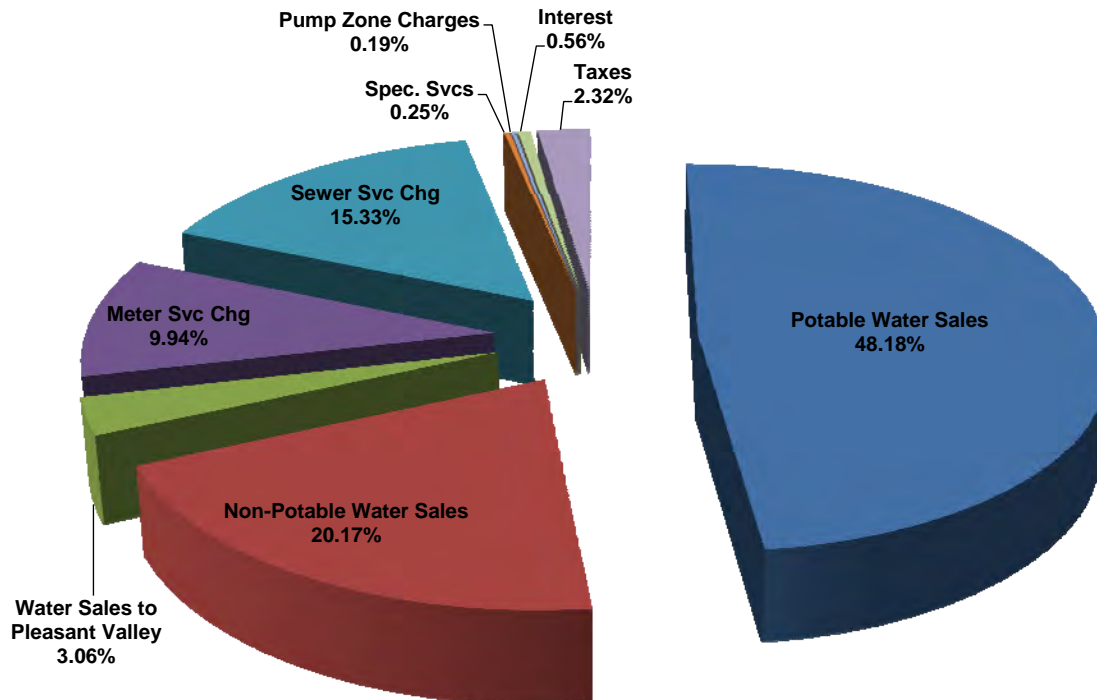
**Total Revenues** are expected to reach \$23,055,182 in June 2020. Total revenues are projected to be \$1,180,753 greater than FY2018-19 budget, mainly attributed to the water and sewer rates that were adopted and go into effect July 1, 2019.

## Comparison of Total Revenues

**FY 2018-19 Projected Operating & Non-Operating Revenues - \$27,479,847**



**FY 2019-20 Budgeted Operating & Non-Operating Revenues - \$23,055,182**



**Figure 10 – Comparison of Total Revenues**

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## Expense Centers

The FY2019-20 budget presents a separation of the Water Operations between Potable (Program 52) and Non-Potable (Program 53), following the recommendation of the Board of Directors to allocate the cost of service between the potable and non-potable enterprises into distinct and self-supporting enterprises.

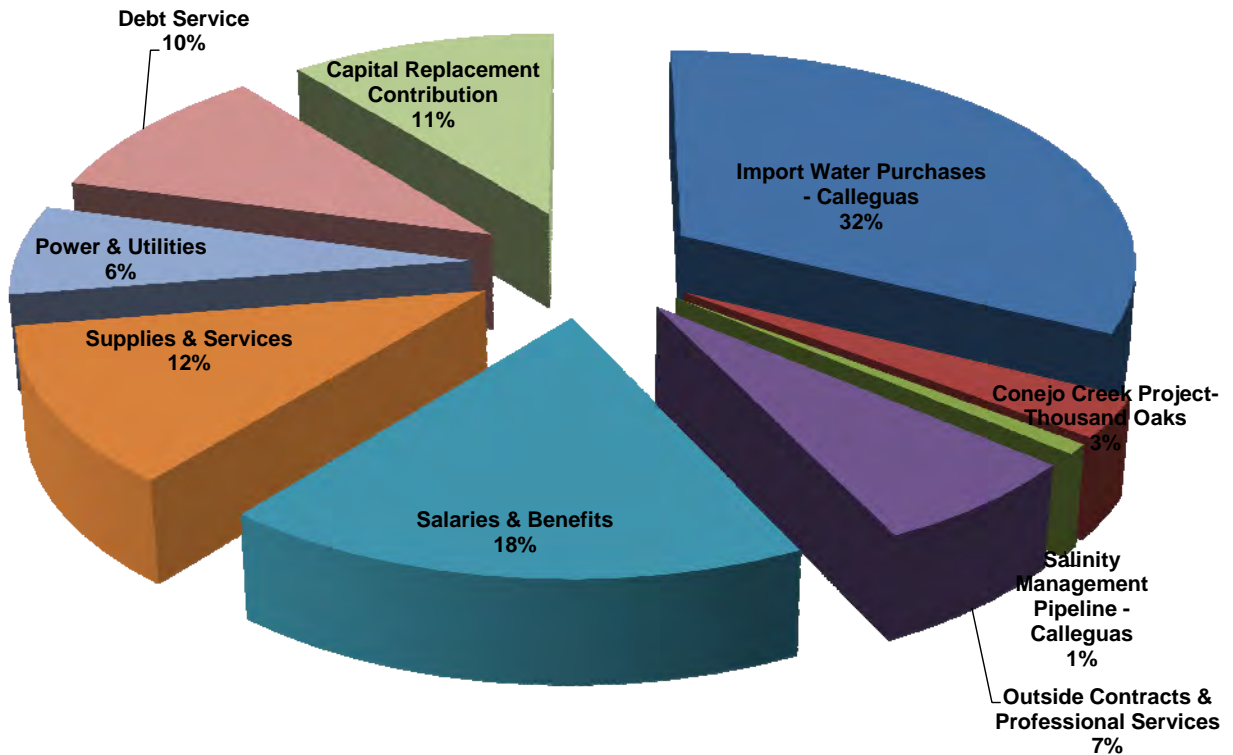
Salaries & Benefits and indirect support services are allocated to Water Operations (65%) and Wastewater Operations (35%), with the exception of the Water Quality Program, which is distributed 50:50 between the two programs. Non-operating revenues are credited to Water and Wastewater Operations using the same 65:35 ratio, with the exception of taxes, which are allocated 100 percent to Water Operations. Tax revenue distribution follows a cost-of-service methodology; all District customers receive potable water, and the tax rate is the same across the District, regardless of whether customers receive wastewater service from Camrosa or not.

Within the Water Operations, Salaries & Benefits are distributed 67 percent to the Potable Program and 33 percent to the Non-Potable Program. This allocation is based on what percentage of time staff spends on either system. An informal survey was conducted to determine the percentage allocation. All other indirect support services are distributed 52 percent to Potable and 48 percent to Non-Potable.

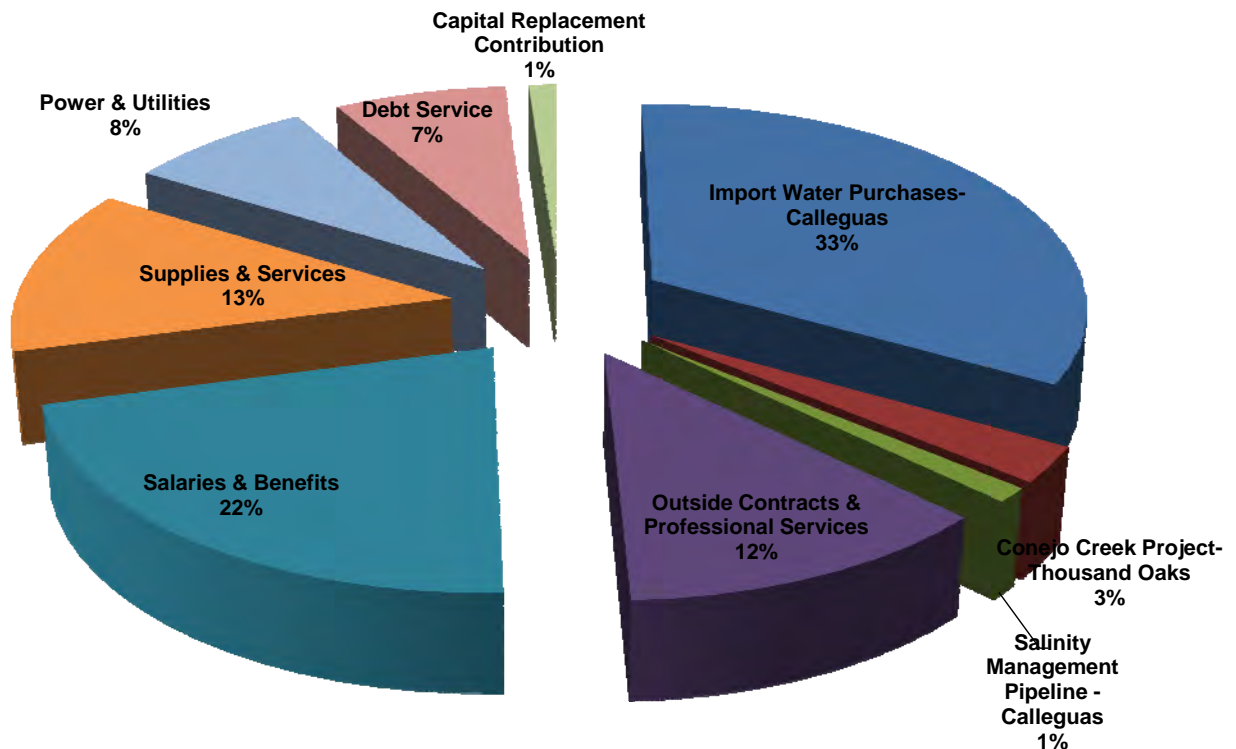
Debt Service costs are allocated to Water and Wastewater Operations based on the level of debt originally incurred in each enterprise.

## Comparison of Total Expenses

**FY 2018-19 Projected Operating & Non-Operating Expenses - \$21,439,161**



**FY 2019-20 Budgeted Operating & Non-Operating Expenses - \$22,258,612**



**Figure 11 – Comparison of Total Expenses**

## Expense Summary By Program

The following pages summarize the District's individual Expense Programs; a detailed accounting is provided in Appendix #2. The Potable (Program 52) and Non-Potable (Program 53) programs both fall under the Water Operations; Wastewater Operations stands alone (Program 57). All other programs indirectly support both the Water and Wastewater Operations. The District's Salaries & Benefits are budgeted in Human Resources (Program 5) and allocated as described in Expense Centers, previously.

## Human Resources – Program 05

The objective of Human Resources program is twofold: to capture all human resource costs in a single program in order to compare total costs of this resource by fiscal year; and to capture all costs for later allocation to the three cost centers to simplify the accounting necessary to track labor costs. Included in this program are all Salaries and Benefits for both full-time and part-time personnel, temporary contract labor, and miscellaneous personnel support costs such as uniforms, certification fees, training, and travel. These costs are allocated as overhead to the three cost centers.

### Accomplishments for 2018-19

- Continued employee certification advancements
  - 1 employee attained Distribution 1 Certification
  - 1 employee attained Distribution 2 Certification
  - 1 employee attained Distribution 5 Certification
  - 2 employees attained Treatment 1 Certification
  - 1 employee attained Treatment 3 Certification
  - 1 employee attained Treatment 4 Certification
  - 1 employee attained California Water Loss Audit Validator Certification
- Successfully recruited Instrumentation Technician and an internal promotion to Lead Field Service Technician
- Recognized 7 consecutive years of Zero Lost Time Accidents
- Provided monthly safety training to all staff
- Continued Part-Time Student Employee Program

### Goals for 2019-20

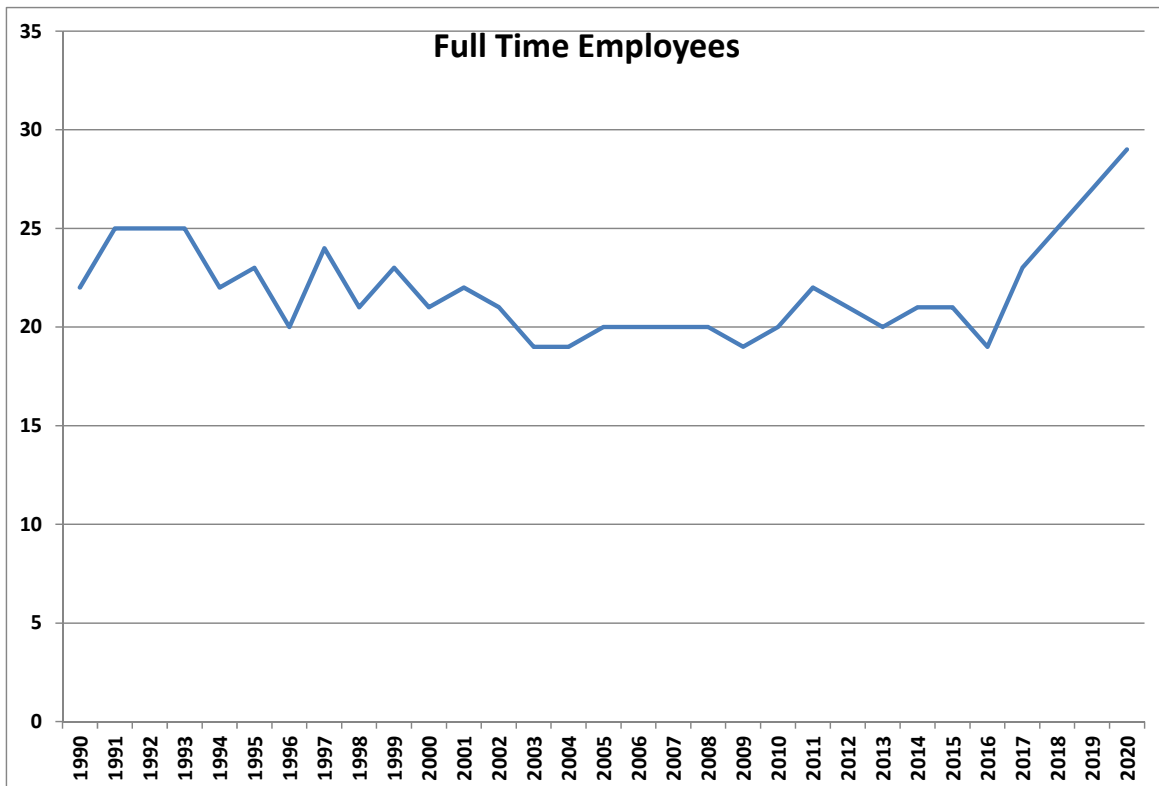
- Zero Lost Time Accidents
- Enhance staff training and certification
- Pursue opportunities to reduce the District's CalPERS unfunded liability
- Succession Planning

## Human Resources – Program 05

Human Resources Program 5		Actuals FY 2015-16	Actuals FY 2016-17	Actuals FY 2017-18	Budget FY 2018-19	Projections FY 2018-19	Budget FY 2019-20	*Increase (Decrease) over PY	** Change over PY
<b>Salaries &amp; Benefits</b>									
Regular Salaries	50100	\$ 1,793,785	\$ 2,132,902	\$ 2,346,784	\$ 2,698,836	\$ 2,518,637	\$ 3,018,519	\$ 319,683	11.85%
Overtime	50110	76,577	61,063	66,620	54,783	62,688	112,422	57,639	105.21%
Part Time	50120	55,831	76,743	32,121	38,937	33,775	98,800	59,863	153.74%
Standby	50130	5,308	5,006	11,861	26,818	24,355	28,666	1,848	6.89%
Benefits	50140	621,678	827,675	1,282,627	1,291,083	1,210,914	1,496,612	205,529	15.92%
<b>Total Salaries &amp; Benefits</b>		<b>\$ 2,553,179</b>	<b>\$ 3,103,389</b>	<b>\$ 3,740,013</b>	<b>\$ 4,110,457</b>	<b>\$ 3,850,369</b>	<b>\$ 4,755,019</b>	<b>\$ 644,562</b>	<b>15.68%</b>
<b>Contracts &amp; Professional Services</b>									
Outside Contracts	50220	\$ 12,138	\$ 10,483	\$ 15,640	\$ 18,600	\$ 10,058	\$ 18,600	\$ -	0.00%
Professional Services	50230	-	20,000	-	-	-	-	-	0.00%
<b>Total Contracts &amp; Professional Services</b>		<b>\$ 12,138</b>	<b>\$ 30,483</b>	<b>\$ 15,640</b>	<b>\$ 18,600</b>	<b>\$ 10,058</b>	<b>\$ 18,600</b>	<b>\$ -</b>	<b>0.00%</b>
<b>Services &amp; Supplies</b>									
Materials & Supplies	50260	\$ -	\$ -	\$ 315	\$ -	\$ -	\$ -	\$ -	0.00%
Dues & Subscriptions	50290	2,775	3,513	4,361	4,000	5,200	4,000	-	0.00%
Conference & Travel	50300	3,219	4,265	10,153	14,900	12,200	14,900	-	0.00%
Safety & Training	50310	15,675	30,947	38,762	25,100	28,955	27,100	2,000	7.97%
Fees & Charges	50350	-	124	0	-	-	500	500.00	0.00%
<b>Total Services &amp; Supplies</b>		<b>\$ 21,669</b>	<b>\$ 38,849</b>	<b>\$ 53,591</b>	<b>\$ 44,000</b>	<b>\$ 46,355</b>	<b>\$ 46,500</b>	<b>\$ 2,500</b>	<b>5.68%</b>
<b>Total Operating Expenditures</b>		<b>\$ 2,586,986</b>	<b>\$ 3,172,721</b>	<b>\$ 3,809,244</b>	<b>\$ 4,173,057</b>	<b>\$ 3,906,782</b>	<b>\$ 4,820,119</b>	<b>\$ 647,062</b>	<b>15.51%</b>
Fixed Assets	50600	\$ -	\$ 4,112	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
<b>Total Expenses</b>		<b>\$ 2,586,986</b>	<b>\$ 3,176,833</b>	<b>\$ 3,809,244</b>	<b>\$ 4,173,057</b>	<b>\$ 3,906,782</b>	<b>\$ 4,820,119</b>	<b>\$ 647,062</b>	<b>15.51%</b>

\*Compares FY 2019-20 Adopted Budget to FY 2018-19 Adopted Budget

The District's staffing needs have transitioned over time due to the ever increasing technical, building water self-reliance, and regulatory demands.



## General Administration – Program 10

The General Administration program provides funds for expenses related to the general management of the District, including insurance costs, annual fees and charges, and other general expenses of the District. The program also contains funds for all Director-related expenses including meeting fees, membership dues, conference and travel, and legal services. These costs are allocated as overhead to the three cost centers.

### Accomplishments for 2018-2019

- Continued Public Outreach Program
  - AWAVC Water Symposium Exhibitor
  - Two facility tours
  - Youth group tours at CWRP
  - Continued social media campaigns
- Successfully negotiated oversize agreement for potable water storage with developer
- Completed Comprehensive Water and Wastewater Rate Study
- Implemented new five-year water and wastewater rate schedule
- Updated the District's Reserve Policy
- Completed audit with the Department of Finance related to the Proposition 84 WCVC-RMWTP grant
- Completed MWD's audit of the Local Resources Program funding for RMWTP
- Received the CSMFO Operational Budgeting Excellence Award for the fifth consecutive year
- Received Certificate of Achievement for Excellence in Financial Reporting from Government Finance Officers Association for the third consecutive year

### Goals for 2019-2020

- Initiate revision/update of the Facilities Master Plan
- Support development of Groundwater Sustainability Plan for Arroyo Santa Rosa Basin
- Initiate Tierra Rejada Basin Stakeholder Group in basin management
- Present District and Santa Rosa GSA stakeholder/public engagement sessions
- Complete System Development Capacity Fee Study
- Revise the District's Emergency Response Plan
- Pursue grant funding where available and appropriate
- Continue development of the Salt and Nutrient Management Plan
- Develop "new water" opportunities

## General Administration – Program 10

General Administration Program 10		Actuals FY 2015-16	Actuals FY 2016-17	Actuals FY 2017-18	Budget FY 2018-19	Projections FY 2018-19	Budget FY 2019-20	*Increase (Decrease) over PY	**% Change over PY
<b>Contracts &amp; Professional Services</b>									
Outside Contracts	50220	\$ 207	\$ 3,041	\$ 4,685	\$ 11,200	\$ 10,461	\$ 7,200	\$ (4,000)	-35.71%
Professional Services	50230	26,533	72,008	91,711	88,085	57,205	109,085	21,000	23.84%
<b>Total Contracts &amp; Professional Services</b>		<b>\$ 26,740</b>	<b>\$ 75,049</b>	<b>\$ 96,396</b>	<b>\$ 99,285</b>	<b>\$ 67,666</b>	<b>\$ 116,285</b>	<b>\$ 17,000</b>	<b>17.12%</b>
<b>Services &amp; Supplies</b>									
Small Tools & Equipment	50250	\$ 2,369	\$ 2,616	\$ 333	\$ 1,000	\$ 1,000	\$ 1,000	\$ -	0.00%
Materials & Supplies	50260	33,883	28,858	31,577	30,550	30,307	23,550	(7,000)	-22.91%
Legal Services	50280	44,305	45,051	24,251	45,000	49,043	45,000	0	0.00%
Dues & Subscriptions	50290	32,772	27,669	33,416	39,370	33,787	42,700	3,330	8.46%
Conference & Travel	50300	21,846	18,358	12,025	17,300	16,420	17,300	0	0.00%
Safety & Training	50310	21	162	-	-	-	-	-	0.00%
Board Expense	50330	82,669	102,985	113,720	140,000	120,000	130,000	(10,000)	-7.14%
Bad Debt	50340	7,999	8,514	6,994	8,500	8,500	8,500	-	0.00%
Fees & Charges	50350	34,883	59,243	61,386	67,950	65,000	65,550	(2,400)	-3.53%
Insurance	50360	65,896	75,872	83,305	105,000	90,000	111,000	6,000	5.71%
<b>Total Services &amp; Supplies</b>		<b>\$ 326,643</b>	<b>\$ 369,328</b>	<b>\$ 367,007</b>	<b>\$ 454,670</b>	<b>\$ 414,057</b>	<b>\$ 444,600</b>	<b>\$ (10,070)</b>	<b>-2.21%</b>
<b>Total Operating Expenses</b>		<b>\$ 353,383</b>	<b>\$ 444,377</b>	<b>\$ 463,403</b>	<b>\$ 553,955</b>	<b>\$ 481,723</b>	<b>\$ 560,885</b>	<b>\$ 6,930</b>	<b>1.25%</b>
Fixed Assets	50600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
<b>Total Expenses</b>		<b>\$ 353,383</b>	<b>\$ 444,377</b>	<b>\$ 463,403</b>	<b>\$ 553,955</b>	<b>\$ 481,723</b>	<b>\$ 560,885</b>	<b>\$ 6,930</b>	<b>1.25%</b>

\*Compares FY 2019-20 Adopted Budget to FY 2018-19 Adopted Budget



Tony Stafford, General Manager  
Facility Tour at the Camrosa Water Reclamation Facility

## Information Services – Program 11

The purpose of the Information Services program is to manage and improve communication. This involves communication with our customers, other agencies, and internally among Staff. The program tracks the cost of developing, maintaining, and delivering the information necessary to manage the District effectively. The program includes costs for developing and maintaining the computer network and its accessibility. This includes accessibility to information databases such as web, email, billing, financial, AMR, GIS, SCADA and Intranet and Internet Services across the local and wide area networks of the District. The costs for all voice communications including virtual PBX, leased lines, VOIP, emergency UHF and satellite communications are included in this program. All support subscriptions to hosted and onsite data services have been included in the Information Services program. These costs are allocated as overhead to the three cost centers.

### Accomplishments for 2018-2019

- Implemented secondary Active Directory Domain Controller
- Added secondary backbone path between Reservoir 1A, Reservoir 2B, and RMWTP
- Migrated Alchemy 8.3 to 9.0 Virtual Environment
- Virtualize Webserver (Camnet)
- Migrated Server magnetic drives to solid-state drives
- Upgraded internet connectivity to 100Mbps fiber optic connection
- Continued refinement of the GIS model
- Completed 4-year refresh cycle on 4 workstations

### Goals for 2019-2020

- Update FCC backbone license between Main Office and CWRP to double bandwidth
- Migrate from Office 2010 to Office 365 Government Subscription
- Implement cloud based storage for Domain Users
- Standardize client PC's to SFF Intel NUC workstations
- Update the Potable Hydraulic model
- Begin migration of hardware and VM Servers from Server 2012 to Server 2019
- Investigate execution of all district computer servers functions from CWRP/RMWTP
- Standup Emergency Response Control Center in Operations Building

### Fixed Assets

Hot Standby Router Firewall	\$ 3,000
Office 365	25,000
West End FCC Key Upgrade	26,000

## Information Services – Program 11

Information Services Program 11		Actuals FY 2015-16	Actuals FY 2016-17	Actuals FY 2017-18	Budget FY 2018-19	Projections FY 2018-19	Budget FY 2019-20	*Increase (Decrease) over PY	** Change over PY
<b>Contracts &amp; Professional Services</b>									
Outside Contracts	50220	\$ 93,537	\$ 111,875	\$ 111,260	\$ 151,298	\$ 130,000	\$ 165,413	\$ 14,115	9.33%
<b>Total Contracts &amp; Professional Services</b>		<b>\$ 93,537</b>	<b>\$ 111,875</b>	<b>\$ 111,260</b>	<b>\$ 151,298</b>	<b>\$ 130,000</b>	<b>\$ 165,413</b>	<b>\$ 14,115</b>	<b>9.33%</b>
<b>Services &amp; Supplies</b>									
Communications	50210	\$ 50,157	\$ 59,471	\$ 67,068	\$ 55,224	\$ 55,000	\$ 55,177	\$ (47)	-0.09%
Materials & Supplies	50260	687	719	-	-	-	-	-	0.00%
Repair Parts & Equipment Maintenance	50270	17,161	11,820	20,951	27,500	25,000	27,500	-	0.00%
Dues & Subscriptions	50290	310	749	-	500	240	500	-	0.00%
<b>Total Services &amp; Supplies</b>		<b>\$ 68,315</b>	<b>\$ 72,759</b>	<b>\$ 88,019</b>	<b>\$ 83,224</b>	<b>\$ 80,240</b>	<b>\$ 83,177</b>	<b>\$ (47)</b>	<b>-0.06%</b>
<b>Total Operating Expenses</b>		<b>\$ 161,852</b>	<b>\$ 184,634</b>	<b>\$ 199,279</b>	<b>\$ 234,522</b>	<b>\$ 210,240</b>	<b>\$ 248,590</b>	<b>\$ 14,068</b>	<b>6.00%</b>
Fixed Assets	50600	\$ 32,399	\$ 56,923	\$ 76,937	\$ 97,500	\$ 96,481	\$ 54,000	\$ (43,500)	-44.62%
<b>Total Expenses</b>		<b>\$ 194,251</b>	<b>\$ 241,557</b>	<b>\$ 276,216</b>	<b>\$ 332,022</b>	<b>\$ 306,721</b>	<b>\$ 302,590</b>	<b>\$ (29,432)</b>	<b>-8.86%</b>

\*Compares FY 2019-20 Adopted Budget to FY 2018-19 Adopted Budget



*Reservoir 1A-2B-RMWTP Microwave Path*

## Resource Planning & Engineering Services – Program 12

The Resource Planning program is responsible for monitoring, analyzing, planning, and developing the water resources and wastewater treatment capacity to serve Camrosa's current and future customers. This involves researching and analyzing alternatives, developing and implementing programs, planning and managing capital projects, and facilitating institutional relations to increase and manage the water resources available to Camrosa's customers. Resource Planning also manages Camrosa's environmental review process and related environmental permitting.

Engineering Services program manages capital projects and assists in the evaluation, planning, and execution of projects to improve the efficiency of the water and wastewater systems. Engineering Services also provides oversight for new developments by calculating fees and charges, checking plans for compliance with District standards, providing construction inspection for development and District projects, managing maps and records of completed projects, and providing underground facilities location for new construction or repairs by other utilities. These costs are allocated as overhead to the three cost centers.

### Accomplishments for 2018-2019

- Completed construction of non-potable waterline under Hwy-101
- Completed design for CRWF effluent pond(s) rehabilitation & improvements
- Completed construction of CamSan Interconnection Pipeline
- Completed design of RMWTP & CSUCI Well Emergency Standby Generators
- Completed design of new CRWF Chemical Feed System and Storage Tanks
- Completed design of Pump Station Zone 2 to Zone 3
- Began design of Reservoir 3D slope stabilization improvements
- Began evaluation of new potable reservoir tank in Zone 1
- Ongoing residential/commercial Development Reviews

### Goals for 2019-2020

- Complete installation of CSUCI Well and RMWTP emergency generators
- Complete award and construction of PV Well #2
- Complete construction of Pump Station Zone 2 to Zone 3
- Complete design for replacement of Reservoir 4C & hydro-pneumatic pump station
- Complete construction of CRWF effluent pond(s) rehabilitation & improvements
- Complete construction of Reservoir 3D slope stabilization improvements
- Complete evaluation of new potable reservoir tank in Zone 1

## Resource Planning & Engineering Services – Program 12

Resource Planning & Engineering Services Program 12	Actuals FY 2015-16	Actuals FY 2016-17	Actuals FY 2017-18	Budget FY 2018-19	Projections FY 2018-19	Budget FY 2019-20	*Increase (Decrease) over PY	*% Change over PY
<b>Contracts &amp; Professional Services</b>								
Outside Contracts	50220 \$ 1,088	\$ 963	\$ 1,275	\$ 2,000	\$ 646	\$ 2,000	\$ -	0.00%
Professional Services	50230 48,137	8,104	25,016	40,000	16,350	40,000	-	0.00%
<b>Total Contracts &amp; Professional Services</b>	<b>\$ 49,225</b>	<b>\$ 9,067</b>	<b>\$ 26,291</b>	<b>\$ 42,000</b>	<b>\$ 16,996</b>	<b>\$ 42,000</b>	<b>\$ -</b>	<b>0.00%</b>
<b>Services &amp; Supplies</b>								
Small Tools & Equipment	50250 \$ 1,168	\$ -	\$ 63	\$ 850	\$ 22	\$ 850	\$ -	0.00%
Materials & Supplies	50260 1,123	568	314	8,750	1,342	8,750	-	0.00%
Fees & Charges	50350 1,280	(780)	1,000	-	-	-	-	0.00%
<b>Total Services &amp; Supplies</b>	<b>\$ 3,571</b>	<b>\$ (212)</b>	<b>\$ 1,377</b>	<b>\$ 9,600</b>	<b>\$ 1,364</b>	<b>\$ 9,600</b>	<b>\$ -</b>	<b>0.00%</b>
<b>Total Operating Expenses</b>	<b>\$ 52,796</b>	<b>\$ 8,855</b>	<b>\$ 27,668</b>	<b>\$ 51,600</b>	<b>\$ 18,360</b>	<b>\$ 51,600</b>	<b>\$ -</b>	<b>0.00%</b>
Fixed Assets	50600 \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
<b>Total Expenses</b>	<b>\$ 52,796</b>	<b>\$ 8,855</b>	<b>\$ 27,668</b>	<b>\$ 51,600</b>	<b>\$ 18,360</b>	<b>\$ 51,600</b>	<b>\$ -</b>	<b>0.00%</b>

\*Compares FY 2019-20 Adopted Budget to FY 2018-19 Adopted Budget



*Non-Potable Highway 101 Freeway Crossing Construction*

## Water Resource Management – Program 22

The primary function of the Water Resource Management (WRM) program is to implement strategies to protect the District's existing sources of supply and develop new ones. Proliferating State mandates exert pressure on the District's ability to meet customer demand, and much WRM activity is directed at working with state agencies and other water suppliers to implement these emerging regulations in ways that don't compromise our existing sources, stifle innovation, or upset the cost/benefit analysis under which the District operates.

Engaging in the legislative and policymaking process is essential to maintaining this balance, to which end WRM cultivates relationships with state and federal legislators and State agency leadership and staff; participates in statewide working groups to inform policymakers about Camrosa's perspectives; and engages in legislative analysis and advocacy. WRM also spearheads Camrosa's public outreach—facility tours, the Web site, social media, public meetings, District-specific educational materials—to educate and engage Camrosa customers. These costs are allocated as overhead to the three cost centers.

### Accomplishments for 2018-2019

- Coordinated regulatory compliance and agreements for CamSan interconnection
- Explored regional brine management with Calleguas, Thousand Oaks and LVMWD-Triunfo JPA
- Initiated ocean desalination discussion with Naval Base Ventura County
- Participated in three ACWA working groups to provide feedback to the State on the Low-Income Rate Assistance program, water loss control, and conservation legislation
- Drafted coordination agreements with the FCGMA to protect Camrosa resources in the Pleasant Valley, Oxnard, and Las Posas Basin groundwater sustainability plans
- Received a DWR Sustainable Groundwater Planning grant to fund, and began work on, the Arroyo Santa Rosa Basin groundwater sustainability plan
- Testified before State Legislature and the State Water Resources Control Board

### Goals for 2019-2020

- Further develop regional brine, recycled water, basin recharge, and desalination projects
- Determine a management strategy for the Tierra Rejada Basin
- Manage the progress of the Arroyo Santa Rosa GSP
- Optimize the use of Conejo Creek water and CamSan recycled water
- Develop the capacity to analyze the fiscal impact of conservation regulations
- Pursue with CSUCI the expansion of non-potable/recycled reservoir(s)
- Begin a reformatted Integrated Facilities Master Plan
- Integrate O&M leak management with State water loss control requirements

## Water Resource Management – Program 22

Water Resource Management Program 22		Actuals FY 2015-16	Actuals FY 2016-17	Actuals FY 2017-18	Budget FY 2018-19	Projections FY 2018-19	Budget FY 2019-20	*Increase (Decrease) over PY	**% Change over PY
<b>Contracts &amp; Professional Services</b>									
Outside Contracts	50220	\$ 20,628	\$ 11,107	\$ 35,899	\$ 53,950	\$ 43,558	\$ 59,450	\$ 5,500	10.19%
Professional Services	50230	14,873	9,012	1,191	-	-	-	0	-
<b>Total Contracts &amp; Professional Services</b>		<b>\$ 35,501</b>	<b>\$ 20,119</b>	<b>\$ 37,090</b>	<b>\$ 53,950</b>	<b>\$ 43,558</b>	<b>\$ 59,450</b>	<b>\$ 5,500</b>	<b>10.19%</b>
<b>Services &amp; Supplies</b>									
Materials & Supplies	50260	\$ 5,646	\$ 6,702	\$ 4,680	\$ 7,500	\$ 6,552	\$ 3,000	\$ (4,500)	-60.00%
Dues & Subscriptions	50290	3,124	3,057	-	-	-	-	-	0.00%
<b>Total Services &amp; Supplies</b>		<b>\$ 8,770</b>	<b>\$ 9,759</b>	<b>\$ 4,680</b>	<b>\$ 7,500</b>	<b>\$ 6,552</b>	<b>\$ 3,000</b>	<b>\$ (4,500)</b>	<b>-60.00%</b>
<b>Total Operating Expenses</b>		<b>\$ 44,271</b>	<b>\$ 29,878</b>	<b>\$ 41,770</b>	<b>\$ 61,450</b>	<b>\$ 50,110</b>	<b>\$ 62,450</b>	<b>\$ 1,000</b>	<b>1.63%</b>
Fixed Assets	50600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
<b>Total Expenses</b>		<b>\$ 44,271</b>	<b>\$ 29,878</b>	<b>\$ 41,770</b>	<b>\$ 61,450</b>	<b>\$ 50,110</b>	<b>\$ 62,450</b>	<b>\$ 1,000</b>	<b>1.63%</b>

\*Compares FY 2019-20 Adopted Budget to FY 2018-19 Adopted Budget



*Facility Tour at the Conejo Creek Diversion*

## Customer Services – Program 24

The Customer Services program is responsible for timely and effective response to customer requests for service. This program provides frontline interface in the field and all direct office services to Camrosa customers. This includes production of monthly water and sewer bills, collection of revenues from monthly billings, collection of the water and sewer capital improvement fees, land development processes, and the dispatch of technicians to satisfy customer requests for service and resolution of customer service concerns. Included in this program is data collection, responsibility for new meter sets, meter change-outs, and oversight of the outside contractor responsible for timely and accurate reading of all meters on a monthly basis. These costs are allocated as overhead to the three cost centers.

### Accomplishments for 2018-2019

- Continuous reduction in water loss by replacing aging meters and utilizing automated meter reading technology
- Improved collection process and reduced account delinquency
- Increased customer enrollment in auto-pay/reoccurring payment options by 15% in an effort to reduce payment processing expenses

### Goals for 2019-2020

- Continue to increase customer enrollment in auto-pay/reoccurring payment options to reduce payment processing expenses
- Improve payment processing options for customers
- Implement e-bill options for customers to reduce costs
- Complete the expansion of the AMR (Automated Meter Reading) system
- Continue to upgrade existing single-input MTUs (Meter Transmission Units) to dual-frequency MTUs for more frequent readings and to improve performance with real-time consumption software
- Ensure adequate AMR coverage and redundancy throughout the District
- Explore updating billing system
- Evaluate sewer service policy and practice
- Develop a meter inventory system and a more comprehensive meter replacement program
- Continue analysis of production and sales to identify factors contributing to water loss
- Cross-train staff to ensure redundancy in all functions
- Continuous improvement of customer service and best business practices

## Customer Services – Program 24

Customer Services Program 24		Actuals FY 2015-16	Actuals FY 2016-17	Actuals FY 2017-18	Budget FY 2018-19	Projections FY 2018-19	Budget FY 2019-20	*Increase (Decrease) over PY	**% Change over PY
<b>Contracts &amp; Professional Services</b>									
Outside Contracts	50220	\$ 126,236	\$ 116,006	\$ 128,876	\$ 165,300	\$ 94,334	\$ 106,500	\$ (58,800)	-35.57%
Professional Services	50230	-	-	10,455	-	-	-	-	0.00%
<b>Total Contracts &amp; Professional Services</b>		<b>\$ 126,236</b>	<b>\$ 116,006</b>	<b>\$ 139,331</b>	<b>\$ 165,300</b>	<b>\$ 94,334</b>	<b>\$ 106,500</b>	<b>\$ (58,800)</b>	<b>-35.57%</b>
<b>Services &amp; Supplies</b>									
Materials & Supplies	50260	\$ 3,593.00	\$ 1,945	\$ -	\$ 1,000	\$ -	\$ 1,000	\$ -	0.00%
Repair Parts & Equipment Maintenance	50270	5,717	739	-	-	-	-	-	0.00%
<b>Total Services &amp; Supplies</b>		<b>\$ 9,310</b>	<b>\$ 2,684</b>	<b>\$ -</b>	<b>\$ 1,000</b>	<b>\$ -</b>	<b>\$ 1,000</b>	<b>\$ -</b>	<b>0.00%</b>
<b>Total Operating Expenses</b>		<b>\$ 135,546</b>	<b>\$ 118,690</b>	<b>\$ 139,331</b>	<b>\$ 166,300</b>	<b>\$ 94,334</b>	<b>\$ 107,500</b>	<b>\$ (58,800)</b>	<b>-35.36%</b>
Fixed Assets	50600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
<b>Total Expenses</b>		<b>\$ 135,546</b>	<b>\$ 118,690</b>	<b>\$ 139,331</b>	<b>\$ 166,300</b>	<b>\$ 94,334</b>	<b>\$ 107,500</b>	<b>\$ (58,800)</b>	<b>-35.36%</b>

\*Compares FY 2019-20 Adopted Budget to FY 2018-19 Adopted Budget



*Customer Services – Meter Repair Shop*

## Water Quality – Program 25

The mission of the Water Quality program is to provide Camrosa Water District with in-house, full service, water quality laboratories that can quickly respond to any and all water quality issues the District may face. The Water Quality program ensures that all types of water the District serves, whether it be for potable, non-potable agricultural, or recycled water meet any and all State and Federal regulatory standards. To this end, the Water Quality program operates two State-accredited environmental laboratories where we monitor the District's drinking water wells, distribution system, sewer collection system and treatment plant. We apply for, negotiate, and manage all of the District's primary operational permits. The costs for this program are allocated as overhead to the three cost centers.

### Accomplishments for 2018-2019

- Completed training for new TNI environmental lab standard required by the State
- Started the process of making both laboratories TNI compliant
- Obtained certification for Quantitray bacti analysis from ELAP
- Completed chemical building and chemical storage upgrades at Conejo Wellfield
- Completed school Lead Sampling Program
- Completed Unregulated Contaminant Monitoring Program 4 sampling and analysis
- Completed chloramination disinfection to Conejo well field
- Wrote response plan for water quality emergencies
- Performed multiple tours of the CWRf and Round Mountain plants for public outreach and education

### Goals for 2019-2020

- Continue modification to CWRf WDR order to support CamSan Interconnection project
- Zero violations: 100% compliance with all regulations and permits
- Complete "Initial Demonstration of Proficiency" protocol for ICP metals analysis
- Train O&M in techniques for evaluating microscopic organisms at the CWRf
- Install chloramination disinfection to Tierra Rejada Well
- Complete NPDES permit renewal and re-rate CWRf from 1.5 MGD to 2.25 MGD

### Fixed Assets

Turbidimeter \$4,000

## Water Quality – Program 25

Water Quality Program 25		Actuals FY 2015-16	Actuals FY 2016-17	Actuals FY 2017-18	Budget FY 2018-19	Projections FY 2018-19	Budget FY 2019-20	*Increase (Decrease) over PY	**% Change over PY
<b>Contracts &amp; Professional Services</b>									
Outside Contracts	50220	\$ 24,396	\$ 16,725	\$ 29,765	\$ 35,000	\$ 30,000	\$ 45,000	\$ 10,000	28.57%
Professional Services	50230	-	-	-	-	-	-	-	0.00%
<b>Total Contracts &amp; Professional Services</b>		<b>\$ 24,396</b>	<b>\$ 16,725</b>	<b>\$ 29,765</b>	<b>\$ 35,000</b>	<b>\$ 30,000</b>	<b>\$ 45,000</b>	<b>\$ 10,000</b>	<b>28.57%</b>
<b>Services &amp; Supplies</b>									
Small Tools & Equipment	50250	\$ 977	\$ 959	\$ 535	\$ 1,500	\$ -	\$ 1,500	\$ -	0.00%
Materials & Supplies	50260	24,043	20,524	23,150	34,650	30,000	34,650	-	0.00%
Repair Parts & Equipment Maintenance	50270	5,153	425	2,058	3,000	3,000	3,000	-	0.00%
Fees & Charges	50350	4,266	10,914	4,943	12,000	13,400	13,400	1,400	11.67%
<b>Total Services &amp; Supplies</b>		<b>\$ 34,439</b>	<b>\$ 32,822</b>	<b>\$ 30,686</b>	<b>\$ 51,150</b>	<b>\$ 46,400</b>	<b>\$ 52,550</b>	<b>\$ 1,400</b>	<b>2.74%</b>
<b>Total Operating Expenses</b>		<b>\$ 58,835</b>	<b>\$ 49,547</b>	<b>\$ 60,451</b>	<b>\$ 86,150</b>	<b>\$ 76,400</b>	<b>\$ 97,550</b>	<b>\$ 11,400</b>	<b>13.23%</b>
Fixed Assets	50600	\$ 101,272	\$ 4,126	\$ 39,236	\$ 16,564	\$ 16,831	\$ 4,000	\$ (12,564)	-75.85%
<b>Total Expenses</b>		<b>\$ 160,107</b>	<b>\$ 53,673</b>	<b>\$ 99,687</b>	<b>\$ 102,714</b>	<b>\$ 93,231</b>	<b>\$ 101,550</b>	<b>\$ (1,164)</b>	<b>-1.13%</b>

\*Compares FY 2019-20 Adopted Budget to FY 2018-19 Adopted Budget



*Chemical Building and storage at Conejo Wellfield*

## **Buildings/Grounds & Rolling Stock – Program 26**

This Buildings/Grounds & Rolling Stock program accounts for maintenance of all District buildings, 65 acres of District property, approximately two miles of District roads, and maintenance of the District's fleet and specialized facilities service equipment. This includes janitorial service, grounds maintenance, landscaping, fencing, weed control, and vehicle leasing and maintenance. These services reflect the District's objective of keeping all grounds secured for public safety, appealing to the eye, and optimally maintained. In addition, this program provides resources for a range of reliable vehicles and equipment, minimizing our reliance on outside contractors. Camrosa has 18 motor vehicles, 3 tractors, 2 fork-lifts, a trailer-mounted non-potable water pump, and multiple trailers in its fleet. The costs for this program are allocated to the three cost centers.

### **Accomplishments for 2018-2019**

- Painted Conejo Well Field
- Painted Pump Station 1
- Reroofed and painted Santa Rosa Well 8 building
- Painted and performed site maintenance at Woodcreek Well
- Repaired Reservoir 4A and Tierra Rejada Well access road
- Added additional storage container with pipe racks at main office
- Continued Asset Management Program

### **Goals for 2019-2020**

- Road repair and resurfacing at District headquarters and CWRP
- Procure proper size trailer for backhoe
- Complete construction of Reservoir 3D slope stabilization improvements
- Complete installation of CSUCI Well and RMWTP emergency generators
- Complete installation of generator at 1B Radio Hut
- Paint CWRP office, generator building and air-compressor building

### **Fixed Assets**

Dump Truck	\$130,000
Backhoe Trailer	30,000

## Buildings/Grounds & Rolling Stock – Program 26

Buildings/Grounds & Rolling Stock Program 26		Actuals FY 2015-16	Actuals FY 2016-17	Actuals FY 2017-18	Budget FY 2018-19	Projections FY 2018-19	Budget FY 2019-20	*Increase (Decrease) over PY	**% Change over PY
<b>Contracts &amp; Professional Services</b>									
Outside Contracts	50220	\$ 149,808	\$ 227,075	\$ 201,173	\$ 233,700	\$ 233,700	\$ 272,200	\$ 38,500	16.47%
<b>Total Contracts &amp; Professional Services</b>		<b>\$ 149,808</b>	<b>\$ 227,075</b>	<b>\$ 201,173</b>	<b>\$ 233,700</b>	<b>\$ 233,700</b>	<b>\$ 272,200</b>	<b>\$ 38,500</b>	<b>16.47%</b>
<b>Services &amp; Supplies</b>									
Utilities	50200	\$ 23,779	\$ 23,436	\$ 25,898	\$ 29,000	\$ 27,000	\$ 31,125	\$ 2,125	7.33%
Small Tools & Equipment	50250	115	252	4,066	17,000	16,500	2,000	(15,000)	-88.24%
Materials & Supplies	50260	82,803	69,452	107,276	82,000	75,000	79,000	(3,000)	-3.66%
Repair Parts & Equipment Maintenance	50270	15,514	24,658	49,721	42,500	44,000	35,500	(7,000)	-16.47%
	50350	-	-	-	-	-	1,500	1,500	-
<b>Total Services &amp; Supplies</b>		<b>\$ 122,211</b>	<b>\$ 117,798</b>	<b>\$ 186,961</b>	<b>\$ 170,500</b>	<b>\$ 162,500</b>	<b>\$ 149,125</b>	<b>\$ (21,375)</b>	<b>-12.54%</b>
<b>Total Operating Expenses</b>		<b>\$ 272,019</b>	<b>\$ 344,873</b>	<b>\$ 388,134</b>	<b>\$ 404,200</b>	<b>\$ 396,200</b>	<b>\$ 421,325</b>	<b>\$ 17,125</b>	<b>4.24%</b>
Fixed Assets	50600	\$ 143,420	\$ 5,994	\$ -	\$ 245,000	\$ 209,705	\$ 160,000	\$ (85,000)	-34.69%
<b>Total Expenses</b>		<b>\$ 415,439</b>	<b>\$ 350,867</b>	<b>\$ 388,134</b>	<b>\$ 649,200</b>	<b>\$ 605,905</b>	<b>\$ 581,325</b>	<b>\$ (67,875)</b>	<b>-10.46%</b>

\*Compares FY 2019-20 Adopted Budget to FY 2018-19 Adopted Budget



Backhoe

## Potable Water Production & Distribution – Program 52

The Potable Water Production & Distribution program produces and delivers clean, reliable potable water to the District's 8,200 service connections in a safe and cost-effective manner. The system includes more than 100 miles of transmission and distribution pipelines, a 1 MGD desalter facility, 10 reservoirs, 8 active wells, 11 Calleguas turnouts, 7 booster stations, 10 pressure-reducing stations, 1,300 valves, and 1,100 fire hydrants. These costs are allocated 100 percent to the potable water cost center.

### Accomplishments for 2018-2019

- Rehabilitated Santa Rosa 8 and Conejo Well 3
- Began rehabilitation of Meter Station 6
- Began Chloramination at Conejo Wellfield
- Completed sequencing of distribution system flushing
- Performed focused maintenance and raising of mainline distribution valves
- Continued geospatial tagging of airvac, blow-offs and valves
- Began automation of well level reporting
- Performed Zone 2 leak-detection testing
- Calibrated all potable production meters
- Put into operation Mobil-311 Preventative Maintenance (PM) Program

### Goals for 2019-2020

- Complete distribution system flushing
- Complete Chloramination at Conejo Wellfield and Tierra Rejada Wellsite
- Continue raising valves to grade
- Complete construction of Pump Station Zone 2 to Zone 3
- Complete installation of CSUCI Well and RMWTP emergency generators
- Complete construction of PV Well 2
- Rehabilitate Meter Station 9
- Replace 11 Meter Station control cabinets
- Rehabilitate a potable well: Conejo 2 or Conejo 4
- Continue to automate all well-level reporting
- Calibrate all potable production meters
- Update the Potable Hydraulic model

## Potable Water Production & Distribution – Program 52

Potable Water Production & Distribution Program 52		Actuals FY 2015-16	Actuals FY 2016-17	Actuals FY 2017-18	Budget FY 2018-19	Projections FY 2018-19	Budget FY 2019-20	*Increase (Decrease) over PY	**% Change over PY
<b>Production</b>									
Import Water Purchases-Calleguas	50010	\$ 5,214,233	\$ 4,521,710	\$ 5,346,596	\$ 5,962,425	\$ 5,389,649	\$ 5,783,987	\$ (178,438)	-2.99%
Calleguas Fixed Charges	50012	799,932	792,114	828,462	797,578	790,926	817,642	20,064	2.52%
Salinity Management Pipeline-Calleguas	50011	167,462	118,788	7,256	198,861	136,758	230,162	31,301	15.74%
Production Power	50020	513,736	478,563	465,081	489,626	480,000	572,300	82,674	16.89%
<b>Total Production</b>		<b>\$ 6,695,363</b>	<b>\$ 5,911,175</b>	<b>\$ 6,647,395</b>	<b>\$ 7,448,490</b>	<b>\$ 6,797,333</b>	<b>\$ 7,404,091</b>	<b>\$ (44,399)</b>	<b>-0.60%</b>
<b>Contracts &amp; Professional Services</b>									
Outside Contracts	50220	\$ 219,727	\$ 142,200	\$ 225,500	\$ 312,500	\$ 310,000	\$ 681,900	\$ 369,400	118.21%
Professional Services	50230	2,407	-	307	125,000	-	125,000	0	0.00%
<b>Total Contracts &amp; Professional Services</b>		<b>\$ 222,134</b>	<b>\$ 142,200</b>	<b>\$ 225,807</b>	<b>\$ 437,500</b>	<b>\$ 310,000</b>	<b>\$ 806,900</b>	<b>\$ 369,400</b>	<b>84.43%</b>
<b>Services &amp; Supplies</b>									
Utilities	50200	\$ 22,488	\$ 31,046	\$ 43,677	\$ 42,000	\$ 49,000	\$ 50,000	\$ 8,000	19.05%
Communications	50210	-	-	364	-	-	-	-	-
Pipeline Repairs	50240	440,897	274,285	449,727	130,000	306,043	380,000	250,000	192.31%
Small Tools & Equipment	50250	2,931	2,485	16,229	9,000	5,567	20,000	11,000	122.22%
Materials & Supplies	50260	254,050	245,004	209,007	353,500	350,000	409,500	56,000	15.84%
Repair Parts & Equipment Maintenance	50270	108,711	139,459	231,287	452,000	454,000	540,000	88,000	19.47%
Safety & Training	50310	197	8,009	-	-	-	-	-	-
Fees & Charges	50350	25,962	54,088	46,165	61,733	61,733	74,975	13,242	21.45%
<b>Total Services &amp; Supplies</b>		<b>\$ 855,236</b>	<b>\$ 754,376</b>	<b>\$ 996,456</b>	<b>\$ 1,048,233</b>	<b>\$ 1,226,343</b>	<b>\$ 1,474,475</b>	<b>\$ 426,242</b>	<b>40.66%</b>
<b>Total Operating Expenditures</b>		<b>\$ 7,772,733</b>	<b>\$ 6,807,751</b>	<b>\$ 7,869,658</b>	<b>\$ 8,934,223</b>	<b>\$ 8,333,676</b>	<b>\$ 9,685,466</b>	<b>\$ 751,243</b>	<b>8.41%</b>
Fixed Assets	50600	\$ -	\$ 49,639	\$ 18,780	\$ -	\$ -	\$ -	\$ -	-
<b>Total Expenses</b>		<b>\$ 7,772,733</b>	<b>\$ 6,857,390</b>	<b>\$ 7,888,438</b>	<b>\$ 8,934,223</b>	<b>\$ 8,333,676</b>	<b>\$ 9,685,466</b>	<b>\$ 751,243</b>	<b>8.41%</b>

\*Compares FY 2019-20 Adopted Budget to FY 2018-19 Adopted Budget



Conejo Wellfield #3

## **Non-Potable Water Production & Distribution – Program 53**

The Non-Potable Water Production & Distribution program delivers non-potable water to the District's customers in a safe and cost-effective manner. The non-potable system includes the Conejo Creek Diversion structure, 49 million gallons of surface storage area, 3 wells, 4 pumping stations, 4 reservoirs, and 23 miles of distribution pipelines. These costs are allocated 100 percent to the non-potable water cost center.

### **Accomplishments for 2018-2019**

- Calibrated all non-potable production meters
- Geospatially tagged air-vacs
- Performed Zone 2 leak detection testing
- Inspected and cleaned Reservoir 1A
- Repaired Diversion debris screens
- Completed water model for non-potable system
- Completed replacement of non-potable line under the 101 Freeway
- Completed a section of rip-rap at Pond 2
- Completed Conejo Creek sandbar removal to improve Diversion functionality
- Began automation of well-level reporting
- Put into operation Mobile-311 Preventative Maintenance (PM) Program

### **Goals for 2019-2020**

- Continue automation of well-level reporting
- Install another section of rip-rap at Pond 2
- Overhaul Diversion debris screens
- Calibrate all non-potable production meters

## Non-Potable Water Production & Distribution – Program 53

Non-Potable Water Production & Distribution Program 53		Actuals FY 2015-16	Actuals FY 2016-17	Actuals FY 2017-18	Budget FY 2018-19	Projections FY 2018-19	Budget FY 2019-20	*Increase (Decrease) over PY	**% Change over PY
<b>Production</b>									
Water Purchases-Calleguas	50010	\$ 532,898	\$ 604,511	\$ 1,076,858	\$ 746,200	\$ 765,412	\$ 772,070	\$ 25,870	3.47%
Conejo Creek Project	50011	426,302	449,811	622,486	600,935	645,223	618,963	18,028	3.00%
Production Power	50020	764,113	696,855	881,641	1,031,890	855,631	1,067,913	36,023	3.49%
<b>Total Production</b>		<b>\$ 1,723,313</b>	<b>\$ 1,751,177</b>	<b>\$ 2,580,985</b>	<b>\$2,379,025</b>	<b>\$ 2,266,266</b>	<b>\$ 2,458,946</b>	<b>\$ 79,921</b>	<b>3.36%</b>
<b>Contracts &amp; Professional Services</b>									
Outside Contracts	50220	\$ 79,112	\$ 53,047	\$ 35,951	\$ 98,000	\$ 78,000	\$ 334,500	\$ 236,500	241.33%
Professional Services	50230	-	-	-	125,000	-	125,000	0	0.00%
<b>Total Contracts &amp; Professional Services</b>		<b>\$ 79,112</b>	<b>\$ 53,047</b>	<b>\$ 35,951</b>	<b>\$ 223,000</b>	<b>\$ 78,000</b>	<b>\$ 459,500</b>	<b>\$ 236,500</b>	<b>106.05%</b>
<b>Services &amp; Supplies</b>									
Utilities	50200	\$ -	\$ -	\$ 108	\$ -	\$ -	\$ -	\$ (108)	-100.00%
Pipeline Repairs	50240	66,391	17,229	32,062	32,000	32,000	75,000	\$ 43,000	134.38%
Small Tools & Equipment	50250	232	863	94	1,000	1,000	4,500	3,500	350.00%
Materials & Supplies	50260	20,100	23,371	32,928	32,000	32,000	42,000	10,000	31.25%
Repair Parts & Equipment Maintenance	50270	239,802	305,957	476,918	353,500	325,000	350,000	(3,500)	-0.99%
Fees & Charges	50350	3,167	329	0	3,200	3,200	3,200	-	0.00%
<b>Total Services &amp; Supplies</b>		<b>\$ 329,692</b>	<b>\$ 347,749</b>	<b>\$ 542,110</b>	<b>\$ 421,700</b>	<b>\$ 393,200</b>	<b>\$ 474,700</b>	<b>\$ 53,000</b>	<b>12.57%</b>
<b>Total Operating Expenses</b>		<b>\$ 2,132,117</b>	<b>\$ 2,151,973</b>	<b>\$ 3,159,046</b>	<b>\$3,023,725</b>	<b>\$ 2,737,466</b>	<b>\$ 3,393,146</b>	<b>\$ 369,421</b>	<b>12.22%</b>
Fixed Assets	50600	\$ 93,896	\$ 14,178	\$ -	\$ -	\$ -	\$ -	\$ -	-
<b>Total Expenses</b>		<b>\$ 2,226,013</b>	<b>\$ 2,166,151</b>	<b>\$ 3,159,046</b>	<b>\$ 3,023,725</b>	<b>\$ 2,737,466</b>	<b>\$ 3,393,146</b>	<b>\$ 369,421</b>	<b>12.22%</b>

\*Compares FY 2019-20 Adopted Budget to FY 2018-19 Adopted Budget



Cam San Recycled Line

## Wastewater Collection & Treatment – Program 57

The Wastewater Collection & Treatment program provides for the operation, maintenance, and repair of the Camrosa Water Reclamation Facility (CWRF) as well as a collection system including 40 miles of collection lines, 5 lift stations, 4 siphon structures, and 1,350 manholes. Each year, 66 percent of this system receives hydro-cleaning, and suspected trouble spots are identified and videotaped. The source control program ensures that industrial customers do not discharge materials hazardous to the treatment process and restaurants do not discharge grease into the collection system. The CWRF has helped increase the water resources available to the District. These costs are allocated 100 percent to the wastewater cost center.

### Accomplishments for 2018-2019

- CWRF recognized as 2018 Tri-Counties CWEA “Small Plant of the Year”
- No wastewater violations
- No sanitary sewer overflows
- Cleaned two thirds of the collection system
- Drained, cleaned, and rehabilitated both secondary clarifiers
- Completed the CWRF line connection to SMP
- Calibrated all flow meters at CWRF
- Put into operation Mobil-311 Preventative Maintenance (PM) Program

### Goals for 2019-2020

- Zero wastewater violations and zero sanitary sewer overflows
- Rehabilitate one sewer-lift station: Sewer Lift 2 or Read Road
- Clean two thirds of the collection system
- Repair CWRF service road
- Paint office, generator building, and air-compressor building
- Complete construction of new chlorine tanks and storage cover
- Complete rehabilitation of CWRF effluent ponds
- Rehabilitate 15 manholes
- Calibrate all flow meters at CWRF
- Install new emergency generator fuel tank at CWRF

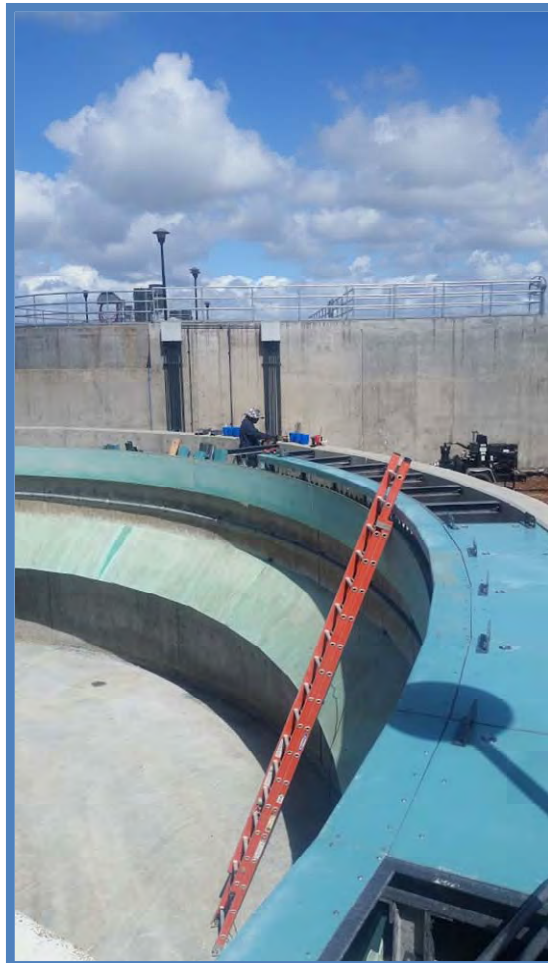
### Fixed Assets

Composite Samplers	\$20,000
Lab Incubator	3,500

## Wastewater Collection & Treatment – Program 57

Wastewater Collection & Treatment Program 57		Actuals FY 2015-16	Actuals FY 2016-17	Actuals FY 2017-18	Budget FY 2018-19	Projections FY 2018-19	Budget FY 2019-20	*Increase (Decrease) over PY	*% Change over PY
<b>Production</b>									
Salinity Management Pipeline-Colleguas	50011	\$ 6,492	\$ 13,880	\$ 9,325	\$ 8,420	\$ 27,139	\$ 21,500	\$ 13,080	155.34%
<b>Total Production</b>		<b>\$ 6,492</b>	<b>\$ 13,880</b>	<b>\$ 9,325</b>	<b>\$ 8,420</b>	<b>\$ 27,139</b>	<b>\$ 21,500</b>	<b>\$ 13,080</b>	<b>155.34%</b>
<b>Contracts &amp; Professional Services</b>									
Outside Contracts	50220	\$ 315,647	\$ 490,696	\$ 410,390	\$ 393,000	\$ 395,000	\$ 579,000	\$ 186,000	47.33%
Professional Services	50230	20,354	21,254	24,560	28,000	28,000	31,000	3,000	10.71%
<b>Total Contracts &amp; Professional Services</b>		<b>\$ 336,001</b>	<b>\$ 511,950</b>	<b>\$ 434,950</b>	<b>\$ 421,000</b>	<b>\$ 423,000</b>	<b>\$ 610,000</b>	<b>\$ 189,000</b>	<b>44.89%</b>
<b>Services &amp; Supplies</b>									
Utilities	50200	\$ 10,980	\$ 11,048	\$ 10,436	\$ 15,000	\$ 12,000	\$ 15,000	\$ -	0.00%
Pipeline Repairs	50240	10,644	10,630	13,728	10,000	10,000	10,000	-	0.00%
Small Tools & Equipment	50250	354	1,460	1,711	-	0	1,000	1,000	-
Materials & Supplies	50260	44,860	55,338	62,627	57,500	50,000	57,500	-	0.00%
Repair Parts & Equipment Maintenance	50270	62,414	56,770	136,476	120,500	120,000	99,000	(21,500)	-17.84%
Dues & Subscriptions	50290	-	-	-	3,000	3,000	3,000	-	0.00%
Fees & Charges	50350	12,587	12,154	42,093	18,600	18,600	35,500	16,900	90.86%
<b>Total Contracts &amp; Professional Services</b>		<b>\$ 141,839</b>	<b>\$ 147,400</b>	<b>\$ 267,071</b>	<b>\$ 224,600</b>	<b>\$ 213,600</b>	<b>\$ 221,000</b>	<b>\$ (3,600)</b>	<b>-1.60%</b>
<b>Total Operating Expense</b>		<b>\$ 484,332</b>	<b>\$ 673,230</b>	<b>\$ 711,346</b>	<b>\$ 654,020</b>	<b>\$ 663,739</b>	<b>\$ 852,500</b>	<b>\$ 198,480</b>	<b>30.35%</b>
	50600	\$ 10,546	\$ 79,275	\$ 213,654	\$ 56,000	\$ -	\$ 23,500	\$ (32,500)	-58.04%
<b>Total Expenses</b>		<b>\$ 494,878</b>	<b>\$ 752,505</b>	<b>\$ 925,000</b>	<b>\$ 710,020</b>	<b>\$ 663,739</b>	<b>\$ 876,000</b>	<b>\$ 165,980</b>	<b>23.38%</b>

Compares FY 2019-20 Adopted Budget to FY 2018-19 Adopted Budget



Camrosa Water Reclamation Facility - Clarifier Cover project

## Fixed Assets FY 2019-20

Fixed Assets used exclusively by a specific enterprise (Potable, Non-Potable or Wastewater Operations) are allocated 100 percent to that particular enterprise. All other fixed assets are allocated 65 percent to the Water Operations and 35 percent to the Wastewater Operations. Within the Water Operations the fixed assets are allocated 52 percent to Potable and 48 percent to Non-Potable, which is the same allocation as indirect overhead expenses.

Program	Number	Item Description	Cost
11	100-20-01	Hot Standby Router Firewall	\$ 3,000
11	100-20-02	Office 365	25,000
11	100-20-03	West End FCC Key Upgrade	26,000
25	100-20-04	Turbidimeter	4,000
26	100-20-05	Backhoe Trailer	30,000
26	100-20-06	Dump Truck	130,000
57	100-20-07	Composite Samplers	20,000
57	100-20-08	Lab Incubator	3,500
<b>Total Fixed Assets</b>			<b>\$ 241,500</b>

Potable	73,372
Non-Potable	67,728
Wastewater	100,400
<b>Total Fixed Assets</b>	<b>\$ 241,500</b>

## Fixed Asset FY 2019-20 Summary

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**100-20-01      \$   3,000                      Hot Standby Router Firewall**

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A secondary hot standby router will provide auto-failover redundancy in the event of a hardware or software failure on the primary router. The District is reliant on a stable internet connection for global email, customer online payments, mapping field services, web presence and remote connectivity. The fortigate 100E next generation firewall has been identified as a suitable unit to provide these necessary capabilities.

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**100-20-02      \$ 25,000                      Office 365**

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The District is currently using office 2010, which is not supported by Microsoft. The upgrade to Microsoft office 365 would provide enhanced features for MS word, outlook, excel, and powerpoint as well as a continuous path for upgrade, as office 365 is subscription based.

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**100-20-03      \$ 26,000                      West End FCC Key Upgrade**

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The existing maximum data rate between Camrosa's main office and the Water Reclamation Facility and the Round Mountain Water Treatment Plant is 300 mbps. This upgrade will provide 500mbps, full duplex path for both the primary and secondary links between the two sites. The upgrade will facilitate real time hosting of the numerous servers the District uses for daily operations including email, GIS, AMR, billing and financial, and internet/intranet from either the main office or remote sites.

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**100-20-04      \$   4,000                      Turbidimeter**

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This turbidity meter will replace an aging unit that is over 20 years old at the Camrosa's main lab. This is a laboratory instrument that measures the clarity of water.

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**100-20-05      \$ 30,000                      Backhoe Trailer**

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The new cat backhoe weighs 24,000 pounds and exceeds the rating of our current trailer.

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**100-20-06      \$130,000                      Dump Truck**

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The current dump truck was built in 1991 and is cost prohibited to maintain and operate.

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**100-20-07      \$ 20,000                      Composite Samplers**

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Composite samplers are used at the Water Reclamation Facility to collect regulatory compliance samples that must be composited over twenty four hours. There are three refrigerated samples at the plant currently. Two of them are almost twenty years old and reliability is fading.

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**100-20-08      \$   3,500                      Lab Incubator**

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The incubator will monitor enterococcus when discharging water from the Water Reclamation Facility to the Salinity Management Pipeline. The incubation temperature is different than that of the total coliform necessitating the acquisition of another incubator. A low cost incubator was purchased for expediency, but a higher quality incubator is needed for long term use.

## Capital Projects Summary

During FY2019-20, the District completed a number of capital projects that improved potable water, non-potable water, and wastewater operations.

Potable water improvements included the completion of the Conejo Well #3 and Santa Rosa #8 Well rehabilitation.

Non-potable water improvements included completion of the construction of the Camarillo Sanitary District (CamSan) recycled water line and the Non-Potable freeway crossing project. CamSan recently constructed a recycled waterline from its wastewater reclamation facility, located within the Camrosa Water District's (Camrosa) service area south of Highway 101, and terminates just short of the Calleguas Municipal Water District's (CMWD) Salinity Management Pipeline at Lewis Road. When recycled water demand is less than production, excess recycled water is expected to be conveyed to Camrosa. During these periods of low or no demand, Camrosa has contracted with CamSan to take up to 500 acre-feet per year of recycled water. Excess water is expected to be utilized by the Pleasant Valley County Water District, California State University, Channel Islands, and various other agricultural interests within Camrosa's service area. The District received \$564,000 in Proposition 84 grant funding towards the CamSan project.

Wastewater improvement projects include the De-watering press, effluent pond relining and CWRP upgrade project which includes the chlorine holding tank replacement. It is anticipated that the RWQCB will approve the re-rating to 2.25 MGD in the upcoming fiscal year of the Water Reclamation Facility.

## Carryovers and Closeouts

The following table summarizes the existing capital projects that were appropriated in prior fiscal years. Several of the capital projects are projected to be completed by June 30, 2019 and will be capitalized. Any unspent funds will be returned to the appropriate reserve fund. Ongoing capital projects will carryover into the FY2019-20 budget to complete.

Project #	Prior FY Budget	FY 2018-19 Budget	Mid-Year Budget	Total Budget	Total Actual / Encumbered	Carryover	Closeouts De-Obligate	Description	Status
<b>General Replacements</b>									
400-19-01	-	150,000	-	150,000	3,500	146,500	-	Incident Command Center	Carryover
<b>Total General Replacements</b>	<b>\$ -</b>	<b>\$ 150,000</b>	<b>\$ -</b>	<b>\$ 150,000</b>	<b>\$ 3,500</b>	<b>\$ 146,500</b>	<b>\$ -</b>		
<b>Potable Replacements</b>									
650-15-01	4,467,000	-	-	4,467,000	1,734,417	2,732,583	-	PV Well #2	Carryover
650-17-05	193,500	-	-	193,500	193,500	-	-	Chloramination Project	Carryover
650-19-01	-	200,000	-	200,000	26,668	173,332	-	Meter Station Rehabilitation (MS #6)	Carryover
650-19-02	-	247,500	-	247,500	89,240	-	158,260	Well Rehabilitation (Conejo Well #3)	Completed
650-19-03	-	-	452,000	452,000	244,714	207,286	-	RMW/TP Pretreatment Rehabilitation	Carryover
650-19-04	-	-	48,991	48,991	48,991	-	-	Santa Rosa 8 Well Rehabilitation	Completed
650-19-05	-	-	50,000	50,000	45,051	4,949	-	Reservoir 3D Slope Stabilization and Drainage Improvements	Carryover
650-19-06	-	-	200,000	200,000	-	200,000	-	Distribution Valve Replacement	Carryover
	-	-	25,000	25,000	-	25,000	-	Pump Station #5 VFD Replacement	Carryover
<b>Total Potable Replacements</b>	<b>\$ 4,660,500</b>	<b>\$ 447,500</b>	<b>\$ 775,991</b>	<b>\$ 5,883,991</b>	<b>\$ 2,382,581</b>	<b>\$ 3,343,150</b>	<b>\$ 158,260</b>		
<b>Non-Potable Replacements</b>									
750-16-01	1,025,000	-	-	1,025,000	1,025,000	-	-	Camsan Recycle Line	Completed
750-16-03	1,100,000	-	-	1,100,000	1,100,000	-	-	Non-Potable Freeway Crossing	Completed
750-19-02	-	-	80,000	80,000	-	80,000	-	Pump Station #4 Booster#3	Carryover
<b>Total Non-Potable Replacements</b>	<b>\$ 2,125,000</b>	<b>\$ -</b>	<b>\$ 80,000</b>	<b>\$ 2,205,000</b>	<b>\$ 2,125,000</b>	<b>\$ 80,000</b>	<b>\$ -</b>		
<b>Potable Improvements</b>									
600-15-01	430,000	650,000	-	1,080,000	74,434	1,005,566	-	Pump Station 2 to 3	Carryover
<b>Total Potable Improvements</b>	<b>\$ 430,000</b>	<b>\$ 650,000</b>	<b>\$ -</b>	<b>\$ 1,080,000</b>	<b>\$ 74,434</b>	<b>\$ 1,005,566</b>	<b>\$ -</b>		
<b>2011A Wastewater Bond Projects</b>									
900-18-01	82,500	-	-	82,500	71,765	10,735	-	CWRF Upgrades	Carryover
900-18-02	108,000	-	-	108,000	103,302	4,698	-	De-watering Press	Carryover
900-18-03	84,000	20,000	-	104,000	96,168	7,832	-	Effluent Pond Relining	Carryover
<b>Total 2011A Wastewater Bond Projects</b>	<b>\$ 274,500</b>	<b>\$ 20,000</b>	<b>\$ -</b>	<b>\$ 294,500</b>	<b>\$ 271,235</b>	<b>\$ 23,265</b>	<b>\$ -</b>		
<b>2016 Potable Bond Projects</b>									
800-17-01	-	502,000	-	502,000	-	-	502,000	Reservoir Seismic Retrofit & Site Rehabilitation	De-Obligated
800-18-03	-	570,000	100,000	670,000	566,638	103,362	-	University Well & RMW/TP Generators	Carryover
<b>Total 2016 Potable Bond Projects</b>	<b>\$ -</b>	<b>\$ 1,072,000</b>	<b>\$ 100,000</b>	<b>\$ 1,172,000</b>	<b>\$ 566,638</b>	<b>\$ 103,362</b>	<b>\$ 502,000</b>		
<b>Fixed Assets</b>									
<b>Total Fixed Assets</b>	<b>\$ -</b>	<b>\$ 375,064</b>	<b>\$ 40,000</b>	<b>\$ 415,064</b>	<b>\$ 323,017</b>	<b>\$ -</b>	<b>\$ 92,047</b>	FY2018-19 Fixed Assets	
<b>Total CIP</b>	<b>\$ 7,490,000</b>	<b>\$ 2,714,564</b>	<b>\$ 995,991</b>	<b>\$ 11,200,555</b>	<b>\$ 5,746,405</b>	<b>\$ 4,701,843</b>	<b>\$ 752,307</b>		

## Capital Projects Carryover Details

The following capital projects were appropriated in prior fiscal years and will carry over into FY2019-20.

### General Replacements

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**400-19-01      \$ 150,000      Incident Command Center**

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An incident command center is the location from which centralized emergency management can be performed. For the ICC to function adequately during an emergency, the facility must be capable of accommodating emergency staff, provide adequate communications for situational awareness, and be stocked with essential support equipment. The ICC will be outfitted with backup power generation, UHF radios, satellite phones, multiple displays, over-the-air HD broadcast reception equipment, and large-format District wall maps with pertinent GIS displays.

### Potable Improvements

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**600-15-01      \$ 1,080,000      Pump Station 2 to 3**

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With the addition of the RMWTP and proposed new Pleasant Valley Basin wells, the District will have surplus water within its Pressure Zone 1. The District currently has booster pumping capacity to lift water from pressure Zone 1 to Pressure Zone 2, however, a 2,000 GPM Booster Pump station is needed to pump water from Pressure Zone 2 to Pressure Zone 3.

### Potable Replacements

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**650-17-05      \$ 193,500      Chloramination Project**

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This project will install chloramination facilities and instrumentation at the Conejo well field and Tierra Rejada well. The initial investment would be to acquire 2 chloramination instruments (one at each site), replace the chlorine building at the Conejo well field, and pouring additional slab for foundation to support chemical deliveries.

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**650-15-01      \$4,467,000      PV Well #2**

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This project provides a secondary well within the Pleasant Valley Groundwater Basin. The new well is expected to be located adjacent to the existing Woodcreek Pump Station at Woodcreek Park.

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**650-19-01      \$ 200,000      Meter Station Rehabilitation (MS #6)**

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Meter Station #6 is in need of rehabilitation. This rehabilitation effort would include replacing all the clay valves, replacing all the associated piping, vault maintenance, and painting.

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**650-19-03      \$ 452,000      RMWTP Pretreatment Rehabilitation**

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This portion of the project includes upgrading electric actuated valves with position feedback to provide positive speed control of the valves and position indication. This would allow the controller to detect problems and shut down the process in a safe and controlled manner.

## Capital Projects Carryover Details (Continued)

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**650-19-05      \$ 50,000      Reservoir 3D Slope Stabilization & Drainage Improvement**

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As a result of recent rains and general geological instabilities, reservoir 3D's slopes have experienced some erosion and sloughing that need attention. Surface runoff onto the east slope has caused some surface erosion and rutting in two places. In addition, it appears that there is some old subsidence on the southeast corner of the tank site. The project will improve overall site drainage and restore original on-site flows to catch basin, evaluate and remediate small area of subsidence, evaluate condition of existing shotcrete and v-ditches and make necessary improvements, provide reasonable remediation to superficial damage on east slopes, rehabilitate and replace pavement to improve drainage and repair or replace pavement on-site drain line on south side of slope to prevent further erosion and slope instability. This project is for engineering, surveying & geotechnical work. Project remediation and improvements are included in FY2019-20 budget.

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**650-19-06      \$200,000      Distribution Valve Replacement**

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The potable distribution system includes more than 100 miles of transmission and distribution pipelines, 1,300 mainline valves, and 1,100 fire hydrant valves. A majority of these valves were installed in the late 60s and 70s. Seven valves need to be replaced at this time. The valves are expected to operate more than 20 years.

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**650-19-07      \$ 25,000      Pump Station #5 VFD Replacement**

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Pump Stations #3 and #5 deliver blended potable water to Reservoir 4C. The 4C Reservoir supplies water to upper Worth Way and Presilla Road. Replacing this VFD at Pump Station #5 will provide system redundancy and operational flexibility. The appropriated amount includes purchasing the new VFD, reconditioning the existing enclosure, installation, and testing.

### Non-Potable Replacements

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**750-19-02      \$ 80,000      Pump Station #4 Booster #3 Pump/VFD**

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Pump Station #4 delivers blended non-potable water to upper Worth Way and Presilla Road. Booster #3 is critical in the delivery of non-potable water. Plans are to reuse the existing pump head by machining and installing a new mechanical shaft seal. This project amount includes reconditioning the pump head; a new pump, motor and VFD; and installation and testing.

### Wastewater Bond Project

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**900-18-01      \$ 82,500      CWRP Upgrades**

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The CWRP has two hypochlorite tanks that are currently leaking and in need of repair. The tanks are currently exposed to the elements, and this project would include construction of housing to protect them. Housing would also be built to provide cover for the front-end loader, forklift, tiller, and other CWRP vehicles.

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**900-18-02      \$108,000      De-watering Press**

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The District spends approximately \$140,000 in outside contracts and 800 Camrosa man hours to press, till, and dry sludge at the CWRP. A de-watering service (e.g., a screw press) would save these resources for other functions. This device would be located in vicinity of the bio-solids drying beds. This portion of the project includes preliminary design to determine the size and capacity of the de-watering equipment, as well as required auxiliary equipment; purchase and installation of the recommended equipment will be funded in a separate phase of this project.

## Capital Projects Carryover Details (Continued)

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<b>900-18-03</b>	<b>\$104,000</b>	<b>Effluent Pond Relining</b>
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The existing effluent ponds at CRWF were originally lined with a "hydraulic" lining. As a result, there could be some leakage. In addition, the ponds accumulate sediment, which is problematic in promoting plant growth and can result in water loss and an accelerated chlorine residual loss. Pond re-lining with concrete (or other impermeable surface) is proposed to allow for a more robust surface for easier cleaning with heavy equipment. Cost includes engineering, concrete liner, waterstop, and gate replacement (if needed). Work does not include any special provisions or requirements to restore equalization basin as part of plant re-rating study requirement. No outside maintenance labor or equipment is expected.

### Potable Bond Projects

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<b>800-18-03</b>	<b>\$670,000</b>	<b>University Well &amp; RMWTP Generators</b>
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Installing standby generators at the University Well and RMWTP would provide redundancy to one of our main sources of potable water supply in an emergency. This project provides for the purchase and installation of two generators, including the design and layout of generator units, light grading, concrete slab(s), anchor bolt details, permitting, and electrical controls.

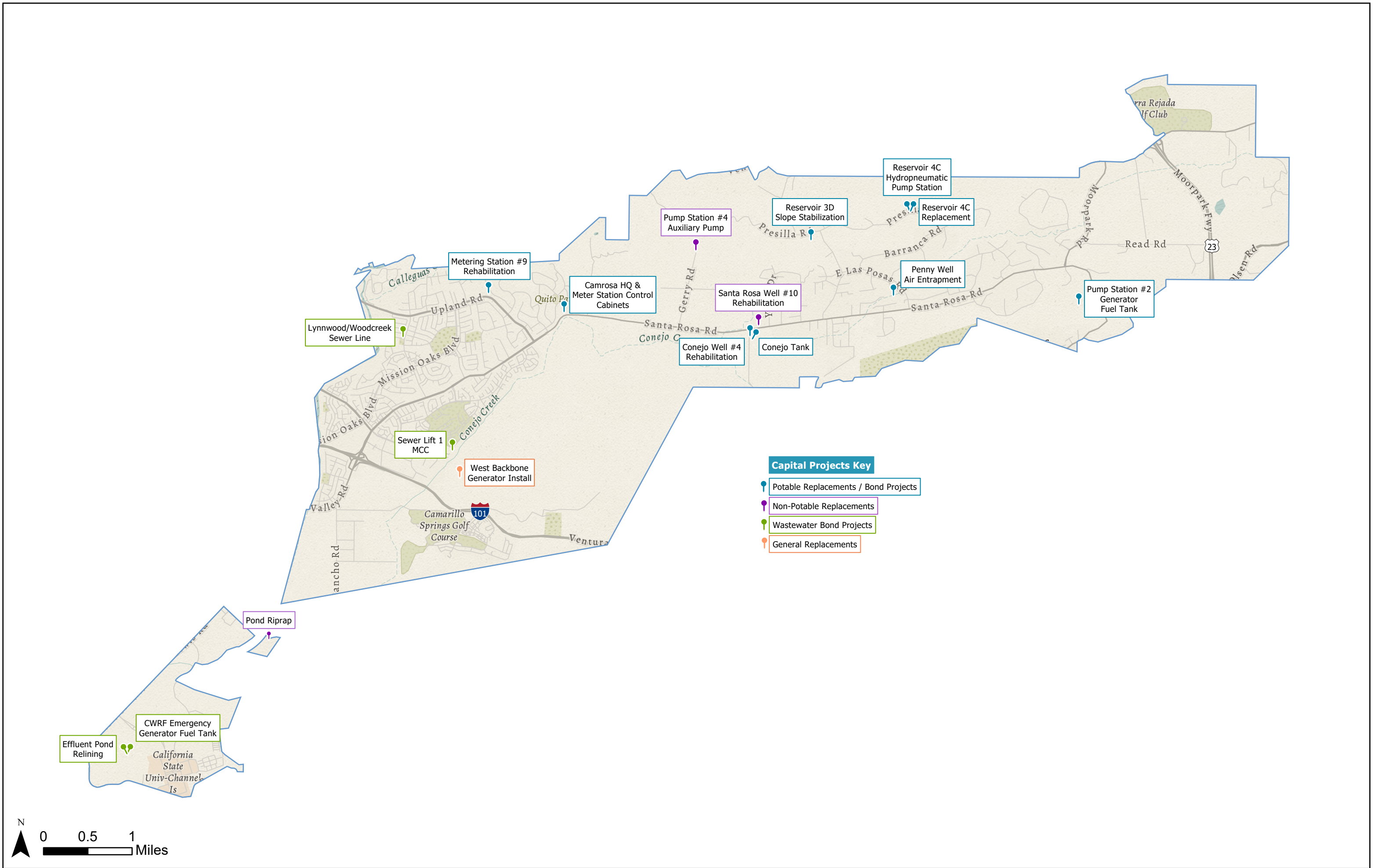
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## Capital Projects FY 2019-20

The following table is a listing of the capital projects appropriated as part of the FY2019-20 budget.

Capital Projects	Prior Year Appropriations	Budget FY 2019-20	Projection FY 2020-21	Total	Description
<b>General Replacements</b>					
400-20-01		60,000	-	60,000	West Backbone Generator Install
<i>Total General Replacements</i>	<i>\$ -</i>	<i>\$ 60,000</i>	<i>\$ -</i>	<i>\$ 60,000</i>	
<b>Potable Replacements</b>					
650-20-01		230,000	-	230,000	Conejo Well #4 Rehabilitation
650-20-02		165,000	-	165,000	Meter Station Rehabilitation (MS #9)
650-20-03		280,000	-	280,000	Meter Station Control Cabinets
650-20-04		30,000	120,000	150,000	Penny Well Air Entrapment
650-20-05	50,000	190,000	-	240,000	Reservoir 3D Slope Stabilization
650-20-06		110,000	-	110,000	Potable Water Model
<i>Total Potable Replacements</i>	<i>\$ 50,000</i>	<i>\$ 1,005,000</i>	<i>\$ 120,000</i>	<i>\$ 1,175,000</i>	
<b>Non-Potable Replacements</b>					
750-20-01		65,000	-	65,000	Pump Station #4 Auxiliary Pump
750-20-02		60,000	-	60,000	Pond Rip Rap
750-20-03		230,000	-	230,000	Santa Rosa #10 Well Rehabilitation
<i>Total Non-Potable Replacements</i>	<i>\$ -</i>	<i>\$ 355,000</i>	<i>\$ -</i>	<i>\$ 355,000</i>	
<b>Wastewater Replacements</b>					
900-18-03 (1)		147,137	-	147,137	Effluent Pond Relining
900-20-02		250,000	-	250,000	Sewer Lift #1 MCC
<i>Total Non-Potable Replacements</i>	<i>\$ -</i>	<i>\$ 397,137</i>	<i>\$ -</i>	<i>\$ 397,137</i>	
<b>Wastewater Improvements</b>					
900-20-01		153,000	-	153,000	CWRF Emergency Generator Fuel Tank
900-20-03		258,000	-	258,000	Sewer Line Lynnwood Woodcreek
<i>Total Non-Potable Replacements</i>	<i>\$ -</i>	<i>\$ 411,000</i>	<i>\$ -</i>	<i>\$ 411,000</i>	
<b>2016 Potable Bond Projects</b>					
800-20-01		275,000	-	275,000	Conejo Tank
800-20-02		143,000	110,000	253,000	Pump Station #2 Generator Fuel Tank
800-20-03		160,000	1,100,000	1,260,000	Reservoir 4C Hydro-pneumatic Pump Station
800-20-04		160,000	2,245,000	2,405,000	Reservoir 4C Replacement
<i>Total 2016 Potable Bond Projects</i>	<i>\$ -</i>	<i>\$ 738,000</i>	<i>\$ 3,455,000</i>	<i>\$ 4,193,000</i>	
<b>2011A Wastewater Bond Projects</b>					
900-18-03 (1)		104,000	617,863	721,863	Effluent Pond Relining
<i>Total Wastewater Improvements</i>	<i>\$ 104,000</i>	<i>\$ 617,863</i>	<i>\$ -</i>	<i>\$ 721,863</i>	
<i>Total CIPs</i>	<i>\$ 154,000</i>	<i>\$ 3,584,000</i>	<i>\$ 3,575,000</i>	<i>\$ 7,313,000</i>	

\* Effluent Pond Relining fund from Wastewater Replacement Funds and 2011A Wastewater Bond Projects.



## Capital Projects FY 2019-20 (Continued)

### General Replacements

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<b>400-20-01</b>	<b>\$ 60,000</b>	<b>West Backbone Generator Installation</b>
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Camrosa has a 4KW generator set that needs to be installed at the 1B Radio Hut to support the west backbone. The project includes installation, concrete pad, electrical work and fencing.

### Potable Replacements

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<b>650-20-01</b>	<b>\$230,000</b>	<b>Potable Well Rehabilitation (Conejo Well #4)</b>
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Conejo Well #4 is in need of well rehabilitation to ensure proper function. This will include pulling, inspection, assessment, pump repairs and minor cleaning and reinstallation.

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<b>650-20-02</b>	<b>\$165,000</b>	<b>Meter Station Rehabilitation (MS #9)</b>
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Meter Station #9 is in need of rehabilitation. This rehabilitation effort would include replacing all the clay valves, replacing all the associated piping, vault maintenance, and painting.

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<b>650-20-03</b>	<b>\$280,000</b>	<b>Meter Station Control Cabinets</b>
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Camrosa's meter stations control cabinets are aging and have limited functionality. The upgrade will include batteries for an estimated two plus days of backup with full operational control of the station and interface with Calleguas. The current control cabinets have no backup provisions for power loss. Control cabinets at eleven meter stations will be replaced.

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<b>650-20-04</b>	<b>\$ 30,000</b>	<b>Penny Well Air Entrapment</b>
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With the rehabilitation of the Penny Well, during average pumping it was observed that entrained air is getting into the system causing some customer service complaints. A pumping schedule was created that minimized the time and duration of pumping, which has resulted in fewer complaints, but has not completely eliminated the issue. A consultant was hired to evaluate and preliminarily they believe the entrained air is within the formation and not mechanically related. This project is for the investigation and evaluation only. Full remediation scope is unknown at this time.

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<b>650-20-05</b>	<b>\$190,000</b>	<b>Reservoir 3D Slope Stabilization</b>
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As a result of recent rains and general geological instabilities, reservoir 3D's slopes have experienced significant erosion and sloughing that need attention. Surface runoff onto the east slope has caused some surface rutting in two places. In addition, it appears that there is some old subsidence on the southeast corner of the tank site. The project will improve overall site drainage and restore original on-site flows to the existing catch basin, evaluate and remediate small area of subsidence, evaluate condition of existing shotcrete and v-ditches and make necessary improvements. In addition, it is expected that this project will provide reasonable remediation to superficial damage on east slopes, rehabilitate and replace pavement to improve drainage and repair or replace the on-site drain line on the south side of slope to prevent further erosion and slope instability. Funds were previously approved for evaluation, engineering and design.

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<b>650-20-06</b>	<b>\$110,000</b>	<b>Potable Water Model</b>
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The District has several partially developed water models that are project specific. A comprehensive and complete water model of the District will be developed. It can be used for looking at storage, pumping, fire flow and other distribution deficiencies. A full system model will also be helpful to provide the data files to consultants in developing development projects.

## Capital Projects FY 2019-20 (Continued)

### Non-Potable Replacements

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<b>750-20-01</b>	<b>\$ 65,000</b>	<b>Pump Station 4 Auxiliary Pump</b>
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This project will install a smaller auxiliary pump at Pump Station #4. The upper Worth Way zone is a closed system. During times of low usage this pump would provide the minimal flow to maintain system pressure preventing short cycling of existing pumps.

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<b>750-20-02</b>	<b>\$ 60,000</b>	<b>Pond Rip Rap</b>
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The Diversion Creek storage ponds need to have rip-rap to prevent wind/water erosion. Each year rip-rap is added to a portion of the unprotected pond banks. This is an ongoing project that will take several years to complete.

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<b>750-20-03</b>	<b>\$230,000</b>	<b>Non Potable Well Rehabilitation (SR#10)</b>
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Santa Rosa Well #10 is in need of well rehabilitation to ensure proper function. This project would include pulling, inspection, assessment, pump repairs and minor cleaning, and reinstallation.

### Wastewater Replacements/2011A Wastewater Bond Projects

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<b>900-18-03</b>	<b>\$765,000</b>	<b>Effluent Pond Relining</b>
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The existing effluent ponds at CRWF were originally lined with a "hydraulic" lining. As a result, there could be some leakage. In addition, the ponds accumulate sediment, which is problematic in promoting plant growth and can result in water loss and an accelerated chlorine residual loss. Pond re-lining with concrete (or other impermeable surface) is proposed to allow for a more robust surface for easier cleaning with heavy equipment. Cost includes engineering, concrete liner, waterstop, and gate replacement (if needed). Work does not include any special provisions or requirements to restore equalization basin as part of plant re-rating study requirement. No outside maintenance labor or equipment is expected.

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<b>900-20-02</b>	<b>\$250,000</b>	<b>Sewer Lift 1 MCC</b>
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Sewer Lift 1 is located near the Conejo Creek and Adolfo Rd and serves the west Leisure Village Area. The Motor Control Center (MCC) and related instrumentation is outdated and needs to be replaced to ensure operational reliability.

### Wastewater Improvements

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<b>900-20-01</b>	<b>\$153,000</b>	<b>CWRF Emergency Generator Fuel Tank</b>
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This diesel fuel tank will provide long-term fuel supply for the Camrosa Water Reclamation Facility existing standby generator. The existing CWRF emergency standby generator (400KW) has an undersized five hundred gallon fuel tank. This project will replace the existing tank with a new tank that will sustain full-load for approximately one week. This project provides for engineering and the procurement of the tank.

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<b>900-20-03</b>	<b>\$258,000</b>	<b>Sewer Line Replacement-Lynwood at Woodcreek Ave.</b>
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A portion of an existing eight inch sewer line located in Lynwood Drive, has a known dip in the pipeline profile. This dip causes a "hotspot", which collects fats, grease, and other debris and requires frequent cleaning. With the proposed construction of the Lynwood well and Seminary Development project, which flows will pass through this portion of sewer line, this "hotspot" will need to be corrected. Replacing/realignment of this section of sewer line is necessary to avoid back-ups and potential spills.

## Capital Projects FY 2019-20 (Continued)

### 2016A Water Bond Projects

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<b>800-20-01</b>	<b>\$275,000</b>	<b>Conejo Tank</b>
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This project consists of replacing the existing potable water tank (formerly known as AG 1), which is experiencing corrosion and is beginning to leak. Although the tank could be repaired, the cost difference is minimal and replacing the tank and the existing foundation will bring the tank up to current seismic standards. In addition, this provides the opportunity to re-evaluate the tank's current size and consider oversizing to improve operational flexibility and accommodate higher freeboard. It is expected that an engineering design will be completed to provide for the installation of a new tank, but also to include a small demolition plan and temporary tank and bypass during construction. Also, it is expected that the existing concrete ring beam will need to be demolished and replaced along with minor pipe modifications.

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<b>800-20-02</b>	<b>\$143,000</b>	<b>Pump Station #2 Generator and Fuel Tank</b>
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This project will provide emergency potable drinking water and fire services to Reservoir 4B in the event of a power outage. Reservoir 4B is the only potable water tank that serves this zone and is supplied from a single pump station (Pump Station No. 2). There is no redundancy available from other tanks or higher pressure zones. This project provides for engineering and pre-purchasing of the generator and fuel tank. Installation is scheduled during FY2020-21 and costs are not included as part of this budget year.

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<b>800-20-03</b>	<b>\$160,000</b>	<b>Reservoir 4C Hydro-Pneumatic Pump Station</b>
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The 4C hydro-pneumatic pump station is old, in poor condition, and has outlasted its projected life-span. Originally built in 1975, the hydro-pneumatic pump station consists of two 25HP pumps and an emergency standby generator. Current demand is met with a single pump, with a second pump for redundancy. Existing fire service is considered substandard. This is phase 1 of the project and includes engineering design only.

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<b>800-20-04</b>	<b>\$160,000</b>	<b>Reservoir 4C Replacement</b>
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The existing Reservoir 4C was constructed in the 1960's and has exceeded its useful lifespan. This tank has poor interior and exterior coating, inadequate structural foundation, and does not meet current seismic standards. This project includes demolition of the existing tank and construction of a new 1.0 MG steel tank that meets current AWWA and API Design Standards. This is phase 1 of the project and includes engineering design only.

## Reserves

Although Camrosa operates through a single-fund expense budget, the District's reserves are managed through several types of accounts and account categories. In general, reserves are established to accumulate funds to increase system capacity and accommodate growth, replace assets as they reach the end of their useful life, meet unanticipated emergencies, stabilize rates, and meet the covenants of debt issuance instruments and other agreements.

### Restricted Reserves

Restricted Assets of the District are established as a result of debt issuance to fund capital projects and by obligating Unrestricted Reserves for specific capital projects. The Capital Improvement Project (CIP) amount for FY2019-20 has been established at \$3,584,000. Unrestricted reserves have been appropriated and transferred into the restricted accounts. Reserves in the amount of \$1,640,045 are held with the District's Trustee in accordance with the bond covenants of the 2016 and 2012 Revenue Bonds.

### Unrestricted Reserves

Unrestricted reserves are accumulated, managed, and earmarked for use by policies developed and implemented by the Camrosa Board of Directors. The Board may amend, discontinue, or supersede these policies at its discretion to serve the best interests of the District. In May 2019, the Board of Directors amended the reserve policy to define the appropriate levels of reserves to be maintained for the specific fund designations.

There are four categories of Unrestricted General Fund Reserves. The Capital Improvement Funds are incremented by the amount of capital fees received from developers each year. The funds are reserved for future expansion of system capacity to meet demand generated as a result of new development and are decremented by the value of the capital projects approved each year for system expansion.

The Capital Replacement Funds are incremented at the end of the fiscal year with contributions from net operating results. The net operating results for each enterprise are distributed directly to the corresponding Capital Replacement Fund. The funds are for both short-term and long-term purposes. The objective is to provide funds for the current and future replacement of existing capital assets as they reach their useful lives.

The Operating and Emergency Funds are incremented from net operating results after all other contributions to reserves have been made. The funds are to provide financial flexibility in the day-to-day conduct of district business and to respond quickly to emergency situations that may pose threats to public health and the District's ability to sustain safe or reliable service.

Finally, the Rate Stabilization Fund segregates funds for use in dampening revenue fluctuations or unexpected operational expenses. This fund is used to stabilize rates in the event of short to mid-term rate revenue loss, and/or higher than anticipated operating expenses that cannot be supported by normal revenues.

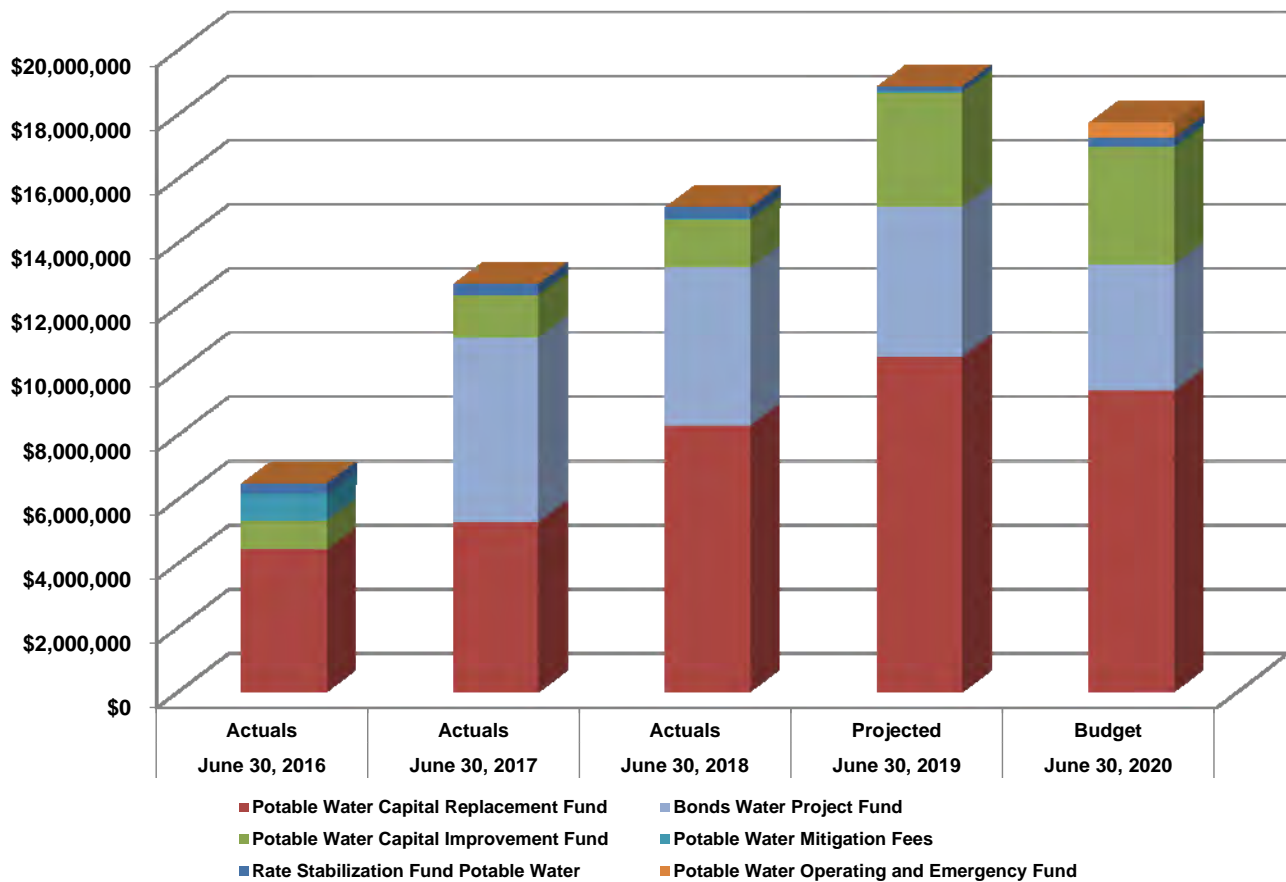
The FY2019-20 budget begins with \$28.6 million unrestricted reserves balance, of which \$3,584,000 is committed to new capital projects and \$241,500 to fixed assets.

## Reserves (Continued)

	Actuals FY 2015-16	Actuals FY 2016-17	Actuals FY 2017-18	Projected FY 2018-19	CIP FY 2019-20	Fixed Assets FY 2019-20	Projected Rate Stabilization Contribution	Projected Capital Contributions	Projected Net Operating Results	CSUCI Repayment	Projected FY 2019-20
<b>Unrestricted Reserves</b>											
Potable Water Rate Stabilization Fund	\$ 341,250	\$ 341,250	\$ 341,250	\$ 170,625	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ 270,625
Non-Potable Water Rate Stabilization Fund	-	-	-	170,625	-	-	-	-	-	-	\$ 170,625
Wastewater Rate Stabilization Fund	183,750	183,750	183,750	183,750	-	-	-	-	-	-	\$ 183,750
<b>Total Rate Stabilization Fund</b>	<b>\$ 525,000</b>	<b>\$ 525,000</b>	<b>\$ 525,000</b>	<b>\$ 525,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 625,000</b>
Potable Water Capital Replacement Fund (PWCRF)	\$ 4,416,703	\$ 5,266,163	\$ 8,285,287	\$ 10,414,298	\$ (1,025,280)	\$ (73,372)	\$ -	\$ 50,000	\$ -	\$ -	\$ 9,365,646
Potable Water Operating and Emergency Reserves (OER)	-	-	-	-	-	-	-	-	462,936	-	\$ 462,936
Potable Water Capital Improvement Fund (PWCIF)	907,853	1,336,210	1,496,994	3,560,335	-	-	-	-	-	87,672	\$ 3,648,007
<b>Total Potable Funds</b>	<b>\$ 5,324,556</b>	<b>\$ 6,602,373</b>	<b>\$ 9,782,281</b>	<b>\$ 13,974,633</b>	<b>\$ (1,025,280)</b>	<b>\$ (73,372)</b>	<b>\$ -</b>	<b>\$ 50,000</b>	<b>\$ 462,936</b>	<b>\$ 87,672</b>	<b>\$ 13,476,589</b>
Non-Potable Water Capital Replacement Fund (NPWCRF)	\$ 3,134	\$ 654,908	\$ 714,771	\$ 845,350	\$ (373,720)	\$ (67,728)	\$ -	\$ 200,000	\$ -	\$ -	\$ 603,902
Non-Potable Water Operating and Emergency Reserves (OER)	-	-	-	-	-	-	-	-	178,351	-	\$ 178,351
Non-Potable Water Capital Improvement Fund (NPWCIF)	-	-	-	-	-	-	-	-	-	-	\$ -
New Demand Mitigation Fees (Pegh Investments)	-	-	-	637,597	-	-	-	-	-	-	\$ 637,597
Non-Potable Water In-lieu Fees (Wildwood Preserve)	-	318,538	318,538	318,538	-	-	-	-	-	-	\$ 318,538
<b>Total Non-Potable Funds</b>	<b>\$ 3,134</b>	<b>\$ 973,446</b>	<b>\$ 1,033,309</b>	<b>\$ 1,801,485</b>	<b>\$ (373,720)</b>	<b>\$ (67,728)</b>	<b>\$ -</b>	<b>\$ 200,000</b>	<b>\$ 178,351</b>	<b>\$ -</b>	<b>\$ 1,738,388</b>
Wastewater Capital Replacement Fund (WWCRF)	\$ 3,745,987	\$ 4,213,437	\$ 4,400,409	\$ 4,728,531	\$ (418,137)	\$ (100,400)	\$ -	\$ -	\$ -	\$ -	\$ 4,209,994
Wastewater Operating and Emergency Reserves (OER)	-	-	-	-	-	-	-	-	155,283	-	\$ 155,283
Wastewater Capital Improvement Fund (WWCIF)	892,960	897,635	939,710	2,295,620	(411,000)	-	-	-	-	-	\$ 1,884,620
<b>Total Wastewater Funds</b>	<b>\$ 4,638,947</b>	<b>\$ 5,111,072</b>	<b>\$ 5,340,119</b>	<b>\$ 7,024,151</b>	<b>\$ (829,137)</b>	<b>\$ (100,400)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 155,283</b>	<b>\$ -</b>	<b>\$ 6,249,897</b>
New Demand Mitigation Fee (Comstock Housing, Inc)	\$ 808,091	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Demand Mitigation Fee (Vtra. County Office of Education)	-	-	34,249	34,249	-	-	-	-	-	-	\$ 34,249
<b>Total Mitigation Fees</b>	<b>\$ 808,091</b>	<b>\$ -</b>	<b>\$ 34,249</b>	<b>\$ 34,249</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 34,249</b>
Water Project Fund	\$ -	\$ 5,750,000	\$ 4,928,000	\$ 4,680,000	\$ (738,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,942,000
Wastewater Project Fund	1,622,771	926,998	635,337	617,863	(617,863)	-	-	-	-	-	\$ -
<b>Total Bond Funds</b>	<b>\$ 1,622,771</b>	<b>\$ 6,676,998</b>	<b>\$ 5,563,337</b>	<b>\$ 5,297,863</b>	<b>\$ (1,355,863)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,942,000</b>
<b>Total Unrestricted Reserves</b>	<b>\$ 12,922,499</b>	<b>\$ 19,888,889</b>	<b>\$ 22,278,295</b>	<b>\$ 28,657,381</b>	<b>\$ (3,584,000)</b>	<b>\$ (241,500)</b>	<b>\$ 100,000</b>	<b>\$ 250,000</b>	<b>\$ 796,570</b>	<b>\$ 87,672</b>	<b>\$ 26,066,123</b>
<b>Restricted Assets</b>											
CSUCI Recycleline Repayment	\$ 353,894	\$ 279,529	\$ 200,970	\$ 117,979	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (87,672)	\$ 30,307
Grant Receivable RMWTP	115,000	-	-	-	-	-	-	-	-	-	\$ -
Grant Receivable PV Well	794,931	217,558	204,275	192,110	-	-	-	-	-	-	\$ 192,110
Grant Receivable CamSan Recycle Line	-	564,000	526,838	478,516	-	-	-	-	-	-	\$ 478,516
<b>Total Receivables</b>	<b>\$ 1,263,825</b>	<b>\$ 1,061,087</b>	<b>\$ 932,083</b>	<b>\$ 788,605</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (87,672)</b>	<b>\$ 700,933</b>
Debt Reserves 2011A	778,261	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Reserves 2012	760,516	760,516	760,516	760,516	-	-	-	-	-	-	\$ 760,516
Debt Reserves 2016	-	879,529	879,529	879,529	-	-	-	-	-	-	\$ 879,529
<b>Total Restricted Assets</b>	<b>\$ 1,538,777</b>	<b>\$ 1,640,045</b>	<b>\$ 1,640,045</b>	<b>\$ 1,640,045</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,640,045</b>
<b>CIP</b>											
Potable Water Capital Replacements	\$ 2,114,200	\$ 3,344,148	\$ 2,727,804	\$ 1,595,989	\$ 1,025,280	\$ 73,372	\$ -	\$ -	\$ -	\$ -	\$ 2,694,641
Non-Potable Water Capital Replacements	1,247,344	1,457,513	1,886,173	125,708	373,720	67,728	-	-	-	-	\$ 567,156
Wastewater Capital Replacements	123,175	177,552	15	51,275	418,137	100,400	-	-	-	-	\$ 569,812
Potable Water Capital Improvements	367,159	52,578	372,878	355,566	-	-	-	-	-	-	\$ 355,566
Wastewater Capital Improvements	-	-	-	-	411,000	-	-	-	-	-	\$ 411,000
New Demand Mitigation Fee (Wildwood Preserve Project)	-	522,469	494,340	48,053	-	-	-	-	-	-	\$ 48,053
New Demand Mitigation Fee (SR Valley)	-	62,365	62,365	62,365	-	-	-	-	-	-	\$ 62,365
New Demand Mitigation Fee (Shea Homes)	-	-	-	1,686,260	-	-	-	-	-	-	\$ 1,686,260
New Demand Mitigation Fee (Comstock Housing, Inc)	-	-	-	-	-	-	-	-	-	-	\$ -
<b>Total CIP</b>	<b>\$ 3,851,878</b>	<b>\$ 5,616,625</b>	<b>\$ 5,543,575</b>	<b>\$ 3,925,216</b>	<b>\$ 2,228,137</b>	<b>\$ 241,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,394,853</b>
<b>Bonds</b>											
Water Improvements	\$ -	\$ 196,876	\$ 1,003,984	\$ 753,362	\$ 738,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,491,362
Wastewater Improvements	265,152	415,347	171,135	23,265	617,863	-	-	-	-	-	\$ 641,128
<b>Total Bond CIP</b>	<b>\$ 265,152</b>	<b>\$ 612,223</b>	<b>\$ 1,175,119</b>	<b>\$ 776,627</b>	<b>\$ 1,355,863</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,132,490</b>
<b>Total Restricted Assets</b>	<b>\$ 6,919,632</b>	<b>\$ 8,929,980</b>	<b>\$ 9,290,822</b>	<b>\$ 7,130,493</b>	<b>\$ 3,584,000</b>	<b>\$ 241,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (87,672)</b>	<b>\$ 10,868,321</b>
<b>Total Reserves minus Receivables</b>	<b>\$ 18,578,306</b>	<b>\$ 27,757,782</b>	<b>\$ 30,637,034</b>	<b>\$ 34,999,269</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100,000</b>	<b>\$ 250,000</b>	<b>\$ 796,570</b>	<b>\$ -</b>	<b>\$ 36,233,511</b>

## Reserve Accounts (Continued)

### Potable Water - Unrestricted Reserves



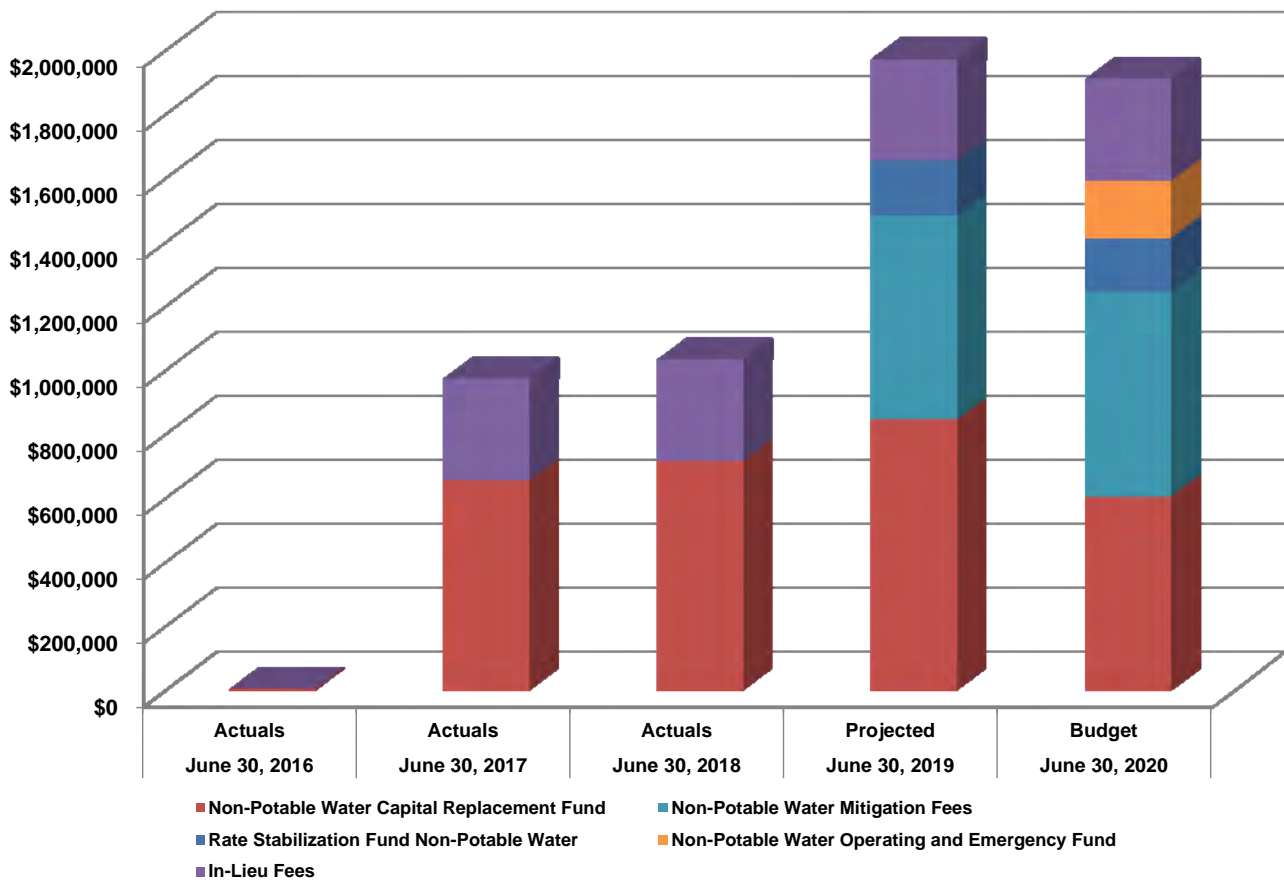
**Figure 12 – Unrestricted Potable Water Reserves**

The graph above reflects the various unrestricted reserve funds of the Potable Water Operations.

In FY2018-19, Potable Water Funds appropriated approximately \$1,274,191 towards Capital Projects and \$124,973 towards Fixed Assets and \$750,000 from the 2016 Water bond. The FY2019-20 budget will appropriate \$1,025,280 from Potable Water Funds towards Capital Projects, \$73,372 towards Fixed Assets and \$738,000 from Water bond funds. The Potable Water Capital Replacement Fund receives funding from capital replacement contributions. The Capital Replacement Contributions for FY2018-19 are projected to be approximately \$1,550,000. This contribution will improve the District's ability to pay for future capital projects without the need to issue debt. The Capital Improvement Fund receives funding from connection fees, in FY2018-19 the District received \$1,980,350 in connection fees and \$1,686,260 in mitigation fees. Camrosa has a permanent moratorium on the issuance of Water Availability and Water Will Serve Letters for new development that will result in unmitigated new demand upon all water.

## Reserve Accounts (Continued)

### Non-Potable Water - Unrestricted Reserves



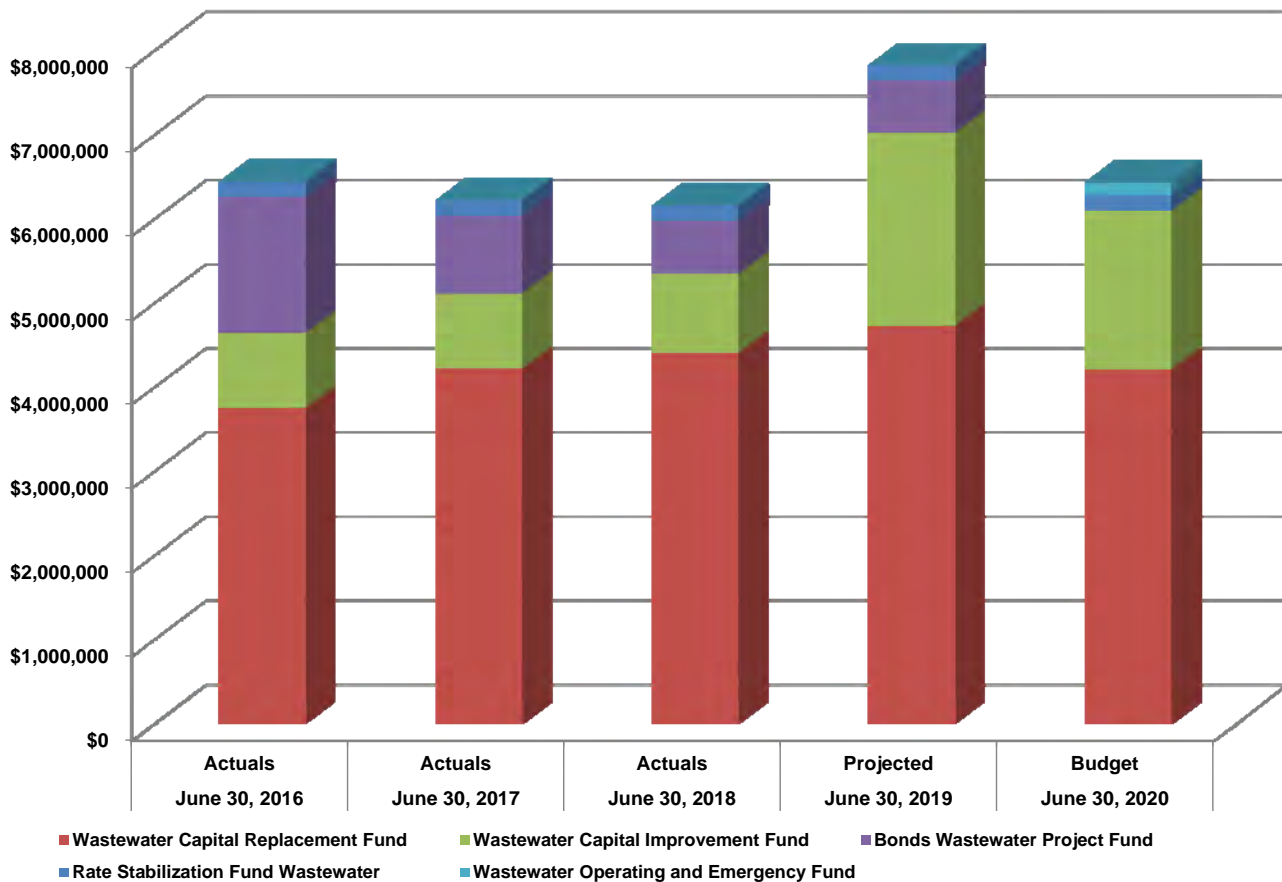
**Figure 13 – Unrestricted Non-Potable Water Reserves**

The graph above reflects the various unrestricted reserve funds of the Non-Potable Water Operations.

In FY2018-19, Non-Potable Water Funds appropriated approximately \$186,800 towards Capital Projects and \$115,359 towards Fixed Assets. The FY2019-20 budget will appropriate \$373,720 from Non-Potable Water Funds towards Capital Projects and \$67,728 towards Fixed Assets. The Non-Potable Water Capital Replacement Fund receives funding from capital replacement contributions. The Capital Replacement Contributions for FY2018-19 are projected to be approximately \$350,000. This contribution will improve the District's ability to pay for future capital projects without the need to issue debt. The Capital Improvement Fund receives funding from connection fees, in FY2018-19 the District received \$637,597 in mitigation fees. Camrosa has a permanent moratorium on the issuance of Water Availability and Water Will Serve Letters for new development that will result in unmitigated new demand upon all water.

## Reserve Accounts (Continued)

### Wastewater - Unrestricted Reserves



**Figure 14 – Unrestricted Wastewater Reserves**

The graph above reflects the various unrestricted reserve funds of the Wastewater Operations.

In FY2018-19 Wastewater funds appropriated approximately \$52,500 towards Capital Projects, \$189,232 towards Fixed Assets. The FY2019-20 budget will appropriate \$829,137 from Wastewater funds towards Capital Projects, \$617,863 from bond funds and \$ 100,400 towards Fixed Assets. During FY2019-20, the Bonds Wastewater Project Funds will be prioritized before appropriating additional funds from the unrestricted reserve fund. In 2011, the District issued revenue bonds in the amount of \$2.4 million to fund capital improvements of the CWRF. Funds were initially intended to implement the re-rating of the CWRF to a higher capacity. However, the District has completed chorine Contact Time (CT) study to define an operating strategy for the plant suitable for capacities up to 3.24 MGD. The SWRCB has reviewed and approved the CT study with recommendations to upgrade the CWRF 1.25 to a 2.25 MGD facility. The remaining bond funds are now available to be utilized for supplementary capital improvements elsewhere in the wastewater system. The Wastewater Capital Replacement Fund receives funding from capital replacement contributions. The Capital Replacement Contributions for FY2018-19 are projected to be \$400,000. The Wastewater Operation's financial results have contributed to the rebuilding of the Wastewater Capital Replacement Fund. The Wastewater Capital Improvement Fund received \$1,355,910 in wastewater connection fees in FY2018-19.

## Debt Service

The District's debt rating is "AA" from Standard & Poor's. The debt rating was upgraded on October 12, 2016 from "AA-" to "AA".

The District's outstanding debt consists of Series 2012 Water and Wastewater Refunding Revenue Bonds, and the Series 2011A/2016A Water and Wastewater Revenue Bonds.

The Series 2012 Refunding Revenue Bonds is the refunding of the 2001 Refunding Revenue Bonds. Refunding resulted in more than \$784,000 in net present value savings and in lowering the District's annual debt service payment.

Total FY2019-20 debt service payments on the Series 2012 outstanding debt will be approximately \$561,750. Approximately \$220,500 is paid with sewer service revenue; the remaining \$341,250 is paid with non-potable revenue. This is the final debt service payment on this series, as the debt has matured.

The District issued \$9,630,000 in 2011A Project bonds in September 2011. Proceeds of the bonds funded \$6,508,000 of water capital projects and \$2,447,000 of wastewater capital projects. Subsequently in September 2016, the District advance refunded the 2011A bonds and obtained additional funding in the amount of \$6,000,000, with the issuance of the Water and Wastewater Refunding Revenue Bonds Series 2016A, for water projects. Refunding resulted in more than \$663,000 in net present value savings, lowering the District's annual debt service payment.

The annual debt service payments for FY2019-20 on the Series 2016A will be approximately \$1,045,731. Approximately \$191,650 is paid with sewer service revenues. The remaining \$854,081 is paid with water revenue. The total annual debt service costs for both the Series 2012 and Series 2011A/2016A is expected to be \$1,607,481. A complete debt service schedule is located in Appendix #4.

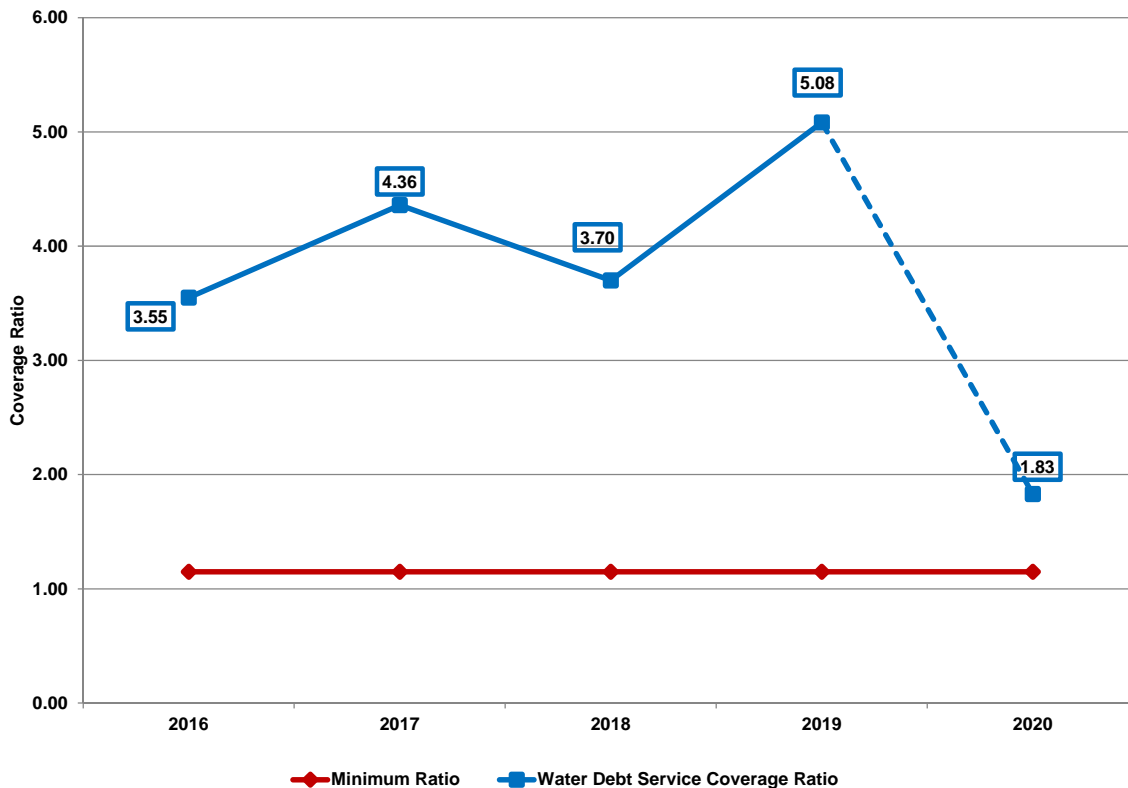
A condition of both the 2016A Refunding Revenue Project Bonds and the 2012 Revenue Refunding Bond issuance is the maintenance of a minimum debt service coverage ratio of 1.15 percent. The District has adopted a formal debt policy and no legal debt limit; however, the District's future borrowing capacity is limited by the debt coverage ratio required by existing bond covenants. The District's debt service coverage ratio for FY2019-20 is budgeted to 1.83 for Water and 1.38 for Wastewater.

The following pages illustrate the District's actual debt service coverage. Over the past several years, a concerted effort has been made to improve debt service ratios to stay well above the 1.15 percent debt service ratio required by bond covenants.

## Water Debt Service Ratio

	Actuals FY 2015-16	Actuals FY 2016-17	Actuals FY 2017-18	Projections FY 2018-19	Budget FY 2019-20
<b>Revenues</b>					
Water Sales:					
Potable	\$ 8,460,533	\$ 8,915,569	\$ 10,801,589	\$ 9,569,556	\$ 11,106,000
Recycle/Non-Potable	3,242,299	3,650,013	4,822,286	4,049,125	4,650,500
Water Sales to Pleasant Valley	308,043	475,031	558,575	421,883	704,700
Meter Service Charge	2,338,102	2,488,157	2,557,753	2,624,260	2,292,300
Special Services	39,158	53,879	180,354	146,383	38,100
Pump Zone Charges	49,108	43,890	52,992	47,769	43,700
Miscellaneous	91,934	48,321	18,716	6,751	-
Interest Revenues	72,157	127,936	275,489	469,455	84,000
Taxes	559,558	582,211	657,620	636,048	536,000
Mitigation & In-Lieu Fees	808,091	1,355,282	-	2,323,857	-
Capital Fees	683,575	124,175	116,474	1,980,350	-
<b>Total Revenues</b>	<b>\$ 16,652,558</b>	<b>\$ 17,864,464</b>	<b>\$ 20,041,848</b>	<b>\$ 22,275,437</b>	<b>\$ 19,455,300</b>
<b>Expenses</b>					
Production	\$ 8,418,676	\$ 7,662,352	\$ 9,228,380	\$ 9,063,599	\$ 9,863,037
Salaries & Benefits	1,659,566	2,017,203	2,431,008	2,502,740	3,154,954
Outside Contracts & Professional Services	646,439	593,940	697,289	790,603	1,796,191
Supplies & Services	1,569,521	1,519,056	2,011,611	2,104,938	2,454,500
<b>Total Expenses</b>	<b>\$ 12,294,202</b>	<b>\$ 11,792,551</b>	<b>\$ 14,368,288</b>	<b>\$ 14,461,880</b>	<b>\$ 17,268,682</b>
<b>Net Operating Revenues</b>	<b>\$ 4,358,356</b>	<b>\$ 6,071,913</b>	<b>\$ 5,673,560</b>	<b>\$ 7,813,557</b>	<b>\$ 2,186,618</b>
Debt Service	1,227,826	1,392,970	1,533,881	1,536,881	1,195,331
<b>Debt Service Coverage Ratio</b>	<b>3.55</b>	<b>4.36</b>	<b>3.70</b>	<b>5.08</b>	<b>1.83</b>

### Water Debt Coverage Ratio

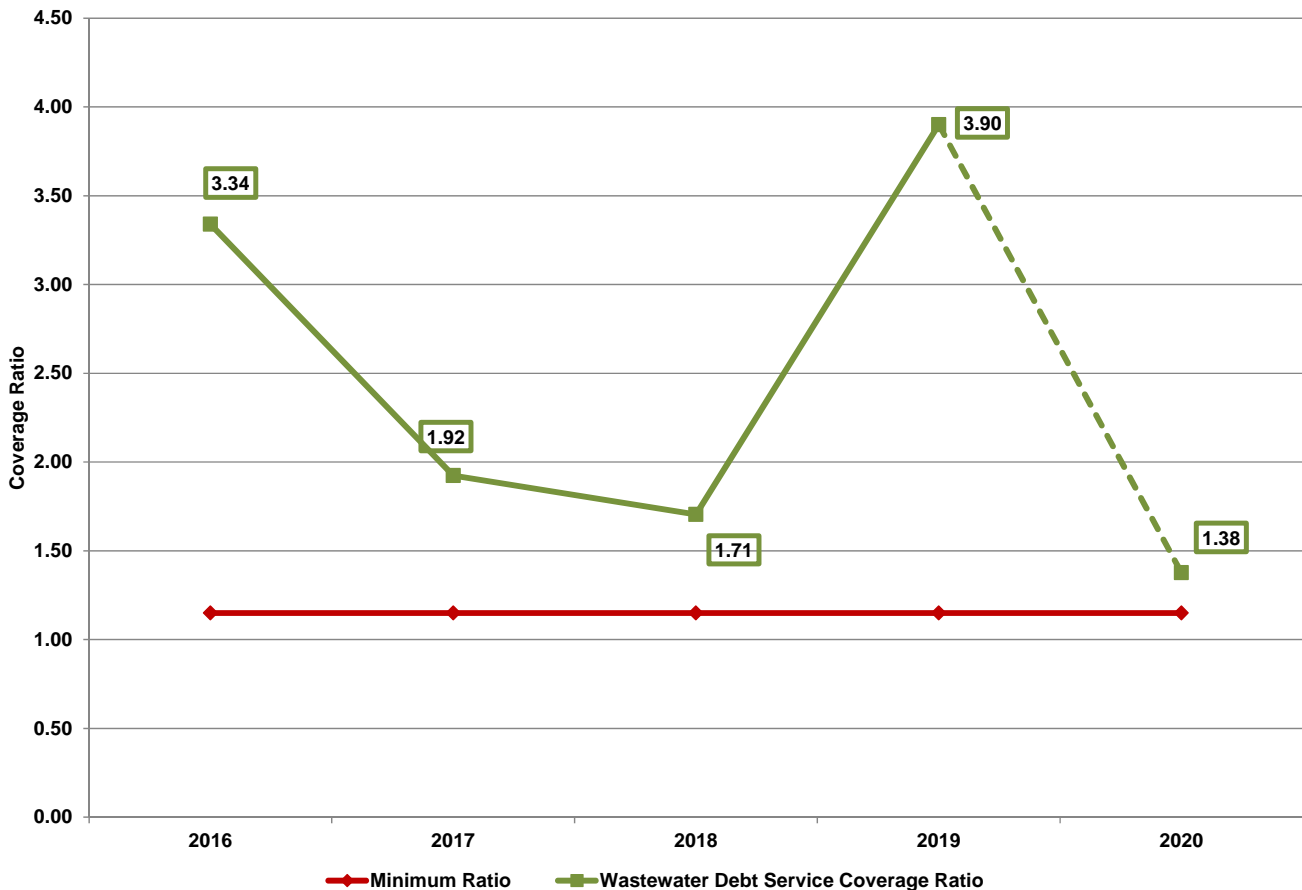


**Figure 15 – Historical Debt Service Coverage Ratios – Water**

## Wastewater Debt Service Ratio

	Actuals FY 2015-16	Actuals FY 2016-17	Actuals FY 2017-18	Projections FY 2018-19	Budget FY 2019-20
<b>Revenues</b>					
Sewer Service Charge	\$ 3,233,519	\$ 3,267,395	\$ 3,314,305	\$ 3,319,755	\$ 3,533,382
Special Services	21,085	29,012	97,114	94,975	20,500
Miscellaneous	5,295	26,019	10,078	3,635	-
Interest Revenues	33,366	58,366	117,658	202,298	46,000
Capital Fees	612,425	4,675	42,075	1,355,910	-
<b>Total Revenues</b>	<b>\$ 3,905,690</b>	<b>\$ 3,385,467</b>	<b>\$ 3,581,230</b>	<b>\$ 4,976,573</b>	<b>\$ 3,599,882</b>
<b>Expenses</b>					
Production	\$ 6,492.00	\$ 13,880.00	\$ 9,324.91	\$ 27,139.00	\$ 21,500
Salaries & Benefits	893,613	1,086,186	1,309,004	1,347,629	1,600,065
Outside Contracts & Professional Services	508,389	719,656	656,364	646,709	905,657
Supplies & Services	352,174	374,256	526,349	485,673	505,227
<b>Total Expenses</b>	<b>\$ 1,760,668</b>	<b>\$ 2,193,978</b>	<b>\$ 2,501,042</b>	<b>\$ 2,507,150</b>	<b>\$ 3,032,449</b>
<b>Net Operating Revenues</b>	<b>\$ 2,145,022</b>	<b>\$ 1,191,489</b>	<b>\$ 1,080,188</b>	<b>\$ 2,469,423</b>	<b>\$ 567,433</b>
Debt Service	642,175	619,399	633,350	633,250	412,150
<b>Debt Service Coverage Ratio</b>	<b>3.34</b>	<b>1.92</b>	<b>1.71</b>	<b>3.90</b>	<b>1.38</b>

## Wastewater Debt Coverage Ratio



**Figure 16 – Historical Debt Service Coverage Ratios – Wastewater**

## Five-Year Capital Outlay Forecast

The District has incorporated a five-year capital outlay forecast into the FY2019-20 Operating and Capital Budget. The forecast expands the operating budget by projecting capital and equipment expenditures. Included in the capital expenditures are expansion projects as well as improvement and replacement projects over the next five years. The Comprehensive Rate Study, completed in 2019, incorporated the projects into the rate model to set the five year schedule of rates and fees.

### Potable Water Capital Outlay

Line No.	Project Description	FY 2020 Budget	FY 2021 Projection	FY 2022 Projection	FY 2023 Projection	FY 2024 Projection	FY 2025 Projection	Total
	<b>Potable Water Facilities</b>							
1	Woodcreek Well Chloramination			86,700				\$ 86,700
2	Penny Well Entrapment	30,000	120,000					\$ 150,000
3	Reservoir 3D Slope Stabilization	190,000						\$ 190,000
4	Potable Water Model	110,000						\$ 110,000
5	Pump Station #2 Generator Fuel Tank	143,000	110,000					\$ 253,000
6	Meter Station Control Cabinets	280,000						\$ 280,000
7	<b>Reservoir Rehabilitation Program</b>							\$ -
8	Conejo Tank	275,000						\$ 275,000
9	Res 4C Hydro-pneumatic Pump Station	160,000	1,100,000					\$ 1,260,000
10	Res 4C Tank Replacement	160,000	2,245,000					\$ 2,405,000
11	Res 4A Tank Replacement					220,000	1,700,000	\$ 1,920,000
12	Res 3B Tank Replacement - Potable Water				224,400	1,700,000		\$ 1,924,400
13	Res 3A Tank Replacement - Potable						220,000	\$ 220,000
14	Res 3C Tank Replacement			224,400	1,734,000			\$ 1,958,400
15	<b>New Pump Station Program</b>							\$ -
16	Pump Station 1 to 2 @ MS#8					99,144	918,000	\$ 1,017,144
17	Pump Station 3 to 4A			99,144	918,000			\$ 1,017,144
18	Pumpt Station 2 to 3D at MS#6				99,144	918,000		\$ 1,017,144
19	Pump Station 2 to 3			650,000				\$ 650,000
20	<b>Pump Station Replacement Program</b>							\$ -
21	3D Pump Station 5			178,500				\$ 178,500
22	Pump Station Replacement program				350,000		357,000	\$ 707,000
23	<b>Potable Pipeline Replacement Program</b>							\$ -
24	Pipeline Replacement			91,800	183,600	1,407,600		\$ 1,683,000
25	<b>New Well Design Program</b>							\$ -
26	CSCUI Back-up Well				38,964	336,600		\$ 375,564
27	PV Well #2			918,000				\$ 918,000
28	<b>Well Rehabilitation Program</b>							\$ -
29	Conejo Well #4 Rehabilitation	230,000						\$ 230,000
30	Well Rehabilitation Program			204,000		204,000		\$ 408,000
31	<b>Meter Station Replacement Program</b>							\$ -
32	Meter Station #9 Rehabilitation	165,000						\$ 165,000
33	Meter Station Replacement Program				204,000		204,000	\$ 408,000
34	VFD Replacement Program			30,000	30,000	30,000	30,000	\$ 120,000
35	<b>Total Potable Water Facilities</b>	<b>\$ 1,743,000</b>	<b>\$ 3,575,000</b>	<b>\$ 2,482,544</b>	<b>\$ 3,782,108</b>	<b>\$ 4,915,344</b>	<b>\$ 3,429,000</b>	<b>\$ 19,926,996</b>

## Five-Year Capital Outlay Forecast (Continued)

### Non-Potable Water Capital

Line No.	Project Description	FY 2020 Budget	FY 2021 Projection	FY 2022 Projection	FY 2023 Projection	FY 2024 Projection	FY 2025 Projection	Total
<b>Non-Potable Water Facilities</b>								
1	Pond Rip Rap	60,000		61,200	61,200			\$ 182,400
2	<b>Reservoir Rehabilitation Program</b>							\$ -
3	New Tank & Site rehabilitation (AG3)			44,880	269,280			\$ 314,160
4	Yucca Tank Replacement			25,500	40,800	336,600		\$ 402,900
5	Upsize Creek Crossing Near NP 1A Tank				104,040	305,143		\$ 409,183
6	<b>Pump Station Replacement Program</b>						630,000	\$ 630,000
7	PS#4 Auxiliary Pump	65,000						\$ 65,000
8	Pump Station Replacement Program			428,400		428,400		\$ 856,800
9	<b>Non-Potable Pipeline Replacement Program</b>							\$ -
10	Non-Potable Pipeline Replacement Program			61,200	91,800	397,800		\$ 550,800
11	<b>Well Rehabilitation Program</b>							\$ -
12	Santa Rosa Well #10 Well Rehabilitation	230,000						\$ 230,000
13	Well Rehabilitation Program			188,700		168,300		\$ 357,000
14	VFD Replacement Program			30,000	30,000	30,000	30,000	\$ 120,000
15	MCC Replacement Program			170,000	550,000	150,000	170,000	\$ 1,040,000
16	<b>Total Non-Potable Water Facilities</b>	<b>\$ 355,000</b>	<b>\$ 0</b>	<b>\$ 1,009,880</b>	<b>\$ 1,147,120</b>	<b>\$ 1,816,243</b>	<b>\$ 830,000</b>	<b>\$ 3,998,243</b>

### Wastewater Capital Outlay

Line No.	Project Description	FY 2020 Budget	FY 2021 Projection	FY 2022 Projection	FY 2023 Projection	FY 2024 Projection	FY 2025 Projection	Total
<b>Wastewater Facilities</b>								
1	Effluent Pond Relining	765,000						\$ 765,000
2	CWRF Emergency Generator Fuel Tank	153,000						\$ 153,000
3	CWRF Upgrades			750,000				\$ 750,000
4	CWRF PLC Replacement			127,500	280,500			\$ 408,000
5	Replace Bar Screen				408,000			\$ 408,000
6	Dewatering Press			1,378,956				\$ 1,378,956
7	<b>Sewer Lift MCC &amp; Rehabilitation</b>							\$ -
8	Sewer Lift #1 MCC	250,000						\$ 250,000
9	Sewer Lift MCC & Rehabilitation			244,800		244,800		\$ 489,600
10	<b>Collection system replacement</b>			61,200	91,800	1,147,500		\$ 1,300,500
11	Sewer Line Lynnwood Woodcreek	258,000						\$ 258,000
12	Calleguas Creek Sewer line				36,720	343,944		\$ 380,664
13	Calle Bodega & Mission Oaks line			24,480	249,900			\$ 274,380
14	<b>Total Wastewater Facilities</b>	<b>\$ 1,426,000</b>	<b>\$ 0</b>	<b>\$ 2,586,936</b>	<b>\$ 1,066,920</b>	<b>\$ 1,736,244</b>	<b>\$ 0</b>	<b>\$ 6,816,100</b>

### General Replacements/Fixed Assets

Line No.	Project Description	FY 2020 Budget	FY 2021 Projection	FY 2022 Projection	FY 2023 Projection	FY 2024 Projection	FY 2025 Projection	Total
<b>General Replacements/Fixed Assets</b>								
1	West Backbone Generator Install	60,000						\$ 60,000
2	Hot Standby Router Firewall	3,000						\$ 3,000
3	Office 365	25,000						\$ 25,000
4	West End FCC Key Upgrade	26,000						\$ 26,000
5	Turbidimeter	4,000						\$ 4,000
6	Backhoe Trailer	30,000						\$ 30,000
7	Dump Truch	130,000						\$ 130,000
8	Composite Samplers	20,000						\$ 20,000
9	Lab Incubator	3,500						\$ 3,500
10	Fixed Assets			284,988	261,120	261,120	261,120	\$ 1,068,348
11	<b>Total General Replacements/Fixed Assets</b>	<b>\$ 301,500</b>	<b>\$ 0</b>	<b>\$ 284,988</b>	<b>\$ 261,120</b>	<b>\$ 261,120</b>	<b>\$ 261,120</b>	<b>\$ 60,000</b>
12	<b>Grand Total Projects</b>	<b>\$ 3,825,500</b>	<b>\$ 3,575,000</b>	<b>\$ 6,364,348</b>	<b>\$ 6,257,268</b>	<b>\$ 8,728,951</b>	<b>\$ 4,520,120</b>	<b>\$ 30,801,339</b>

## Appendices

Santa Rosa GSA Annual Budget FY2018		
	Object Code	FY2019-20 Budget
<b>Transfer In</b>		
JPA Member Assessment		\$ 361,900
Replenishment Fee		
<b>TOTAL TRANSFER FEE</b>		<b>\$ 361,900</b>
<b>Administrative Fees</b>		
Communications	50210	\$ -
Outside Contracts	50220	\$ 8,000
Audio/Visual (four meetings)		\$ 3,000
Billing (process TBD)		\$ -
Contract Services		\$ -
Meter Calibration Program		\$ -
Meter Installation		\$ -
Room Rental (four meetings)		\$ 5,000
Professional Services	50230	\$ 331,500
Auditing Services		\$ 1,500
Engineering Services (GSP starting FY28-19; continuing through FY19-20; due 1/31/22)		\$ 250,000
Staffing		\$ 80,000
Materials & Supplies	50260	\$ 8,600
Check stock		\$ 500
General Postage		\$ 100
Stakeholder supplies		\$ 1,000
Printing & Mailing		\$ 5,000
Public Hearing Notification		\$ 1,500
Office supplies		\$ 500
Legal Services	50280	\$ 10,000
Dues & Subscriptions	50290	\$ 175
ACWA		\$ 175
Conference & Travel	50300	\$ 2,000
Safety & Training	50310	\$ -
Board Expense	50330	\$ -
Fees & Charges	50350	\$ 500
Banking fees		\$ 500
Insurance	50360	\$ 1,125
JPIA premiums		\$ 1,125
<b>TOTAL ADMINISTRATIVE FEES</b>		<b>\$ 361,900</b>
<b>Special Projects</b>		
Monitoring Wells		\$ -
Study		
Design		
Land Acquisition/Easements		
Construction		
Monitoring		
Groundwater Recharge		\$ -
Study		
Design		
Land Acquisition/Easements		
Construction		
Santa Rosa Desalter		\$ -
Study		
Design		
Land Acquisition/Easements		
Construction		
Well Development		\$ -
Study		
Design		
Land Acquisition/Easements		
Construction		
<b>TOTAL ADMINISTRATIVE FEES</b>		<b>\$ -</b>
<b>TOTAL OUT</b>		<b>\$ -</b>
<b>BALANCE</b>		<b>\$ 361,900</b>

2019-2020 Budget	Activity Code	FY 2018-19 District Budget Combined	FY 2019-20 District Budget Combined	Human Resources 5	General Administration 10	Info Systems 11	Resce Plng & Engin Ser. 12	Water Resource Management 22	Customer Services 24	Water Quality 25	Build/Grnds & Rolling Stk 26	Potable Water 52	Non-Potable Water 53	WasteWater Services 57	Program Totals
Production:															
Water Purchases	50010	\$ 6,708,625	\$ 6,556,057									\$ 5,783,987	\$ 772,070		\$ 6,556,057
CMWD Fixed Charges	50012	\$ 797,578	\$ 817,642									\$ 817,642			\$ 817,642
CCP	50011	\$ 600,935	\$ 618,963										\$ 618,963		\$ 618,963
SMP CMWD	50011	\$ 207,281	\$ 251,662									\$ 230,162		\$ 21,500	\$ 251,662
Pumping Power	50020	\$ 1,521,516	\$ 1,640,213									\$ 572,300	\$ 1,067,913		\$ 1,640,213
		\$ 9,835,935	\$ 9,884,537									\$7,404,091	\$2,458,946	\$21,500	\$ 9,884,537
Salaries & Benefits:															
Regular	50100	\$ 2,698,836	\$ 3,018,519	\$ 3,018,519											\$ 3,018,519
Overtime	50110	\$ 54,783	\$ 112,422	\$ 112,422											\$ 112,422
Part-Time	50120	\$ 38,937	\$ 98,800	\$ 98,800											\$ 98,800
Standby	50130	\$ 26,818	\$ 28,666	\$ 28,666											\$ 28,666
Benefits	50140	\$ 1,291,083	\$ 1,496,612	\$ 1,496,612											\$ 1,496,612
		\$ 4,110,457	\$ 4,755,019	\$4,755,019											\$ 4,755,019
Outside Contracts	50220	\$ 1,474,548	\$ 2,271,763	\$18,600	\$7,200	\$165,413	\$2,000	\$59,450	\$106,500	\$45,000	\$272,200	\$681,900	\$334,500	\$579,000	\$ 2,271,763
Professional Services	50230	\$ 406,085	\$ 430,085	\$0	\$109,085	\$0	\$40,000	\$0	\$0	\$0	\$0	\$125,000	\$125,000	\$31,000	\$ 430,085
		\$ 1,880,633	\$ 2,701,848	\$18,600	\$116,285	\$165,413	\$42,000	\$59,450	\$106,500	\$45,000	\$272,200	\$806,900	\$459,500	\$610,000	\$ 2,701,848
Services & Supplies															
Utilities	50200	\$ 86,000	\$ 96,125	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$31,125	\$50,000	\$0	\$15,000	\$ 96,125
Communications	50210	\$ 55,224	\$ 55,177	\$0	\$0	\$55,177	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ 55,177
Pipeline Repairs	50240	\$ 172,000	\$ 465,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$380,000	\$75,000	\$10,000	\$ 465,000
Small Tools & Equipment(Small Tools, Equip & Equip Maint.)	50250	\$ 30,350	\$ 30,850	\$0	\$1,000	\$0	\$850	\$0	\$0	\$1,500	\$2,000	\$20,000	\$4,500	\$1,000	\$ 30,850
Materials & Supplies(Stock Supplies)	50260	\$ 607,450	\$ 658,950	\$0	\$23,550	\$0	\$8,750	\$3,000	\$1,000	\$34,650	\$79,000	\$409,500	\$42,000	\$57,500	\$ 658,950
Repair Parts & Equipment Maintenance	50270	\$ 999,000	\$ 1,055,000	\$0	\$0	\$27,500	\$0	\$0	\$0	\$3,000	\$35,500	\$540,000	\$350,000	\$99,000	\$ 1,055,000
Legal Services	50280	\$ 45,000	\$ 45,000	\$0	\$45,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ 45,000
Dues & Subscriptions	50290	\$ 46,870	\$ 50,200	\$4,000	\$42,700	\$500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,000	\$ 50,200
Conference & Travel	50300	\$ 32,200	\$ 32,200	\$14,900	\$17,300	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ 32,200
Safety & Training	50310	\$ 25,100	\$ 27,100	\$27,100	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ 27,100
Board Expense	50330	\$ 140,000	\$ 130,000	\$0	\$130,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ 130,000
Bad Debt	50340	\$ 8,500	\$ 8,500	\$0	\$8,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ 8,500
Fees & Charges	50350	\$ 163,483	\$ 194,625	\$500	\$65,550	\$0	\$0	\$0	\$0	\$13,400	\$1,500	\$74,975	\$3,200	\$35,500	\$ 194,625
Insurance	50360	\$ 105,000	\$ 111,000	\$0	\$111,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ 111,000
		\$ -	\$ -												\$ -
		\$ 2,516,177	\$ 2,959,727	\$46,500	\$444,600	\$83,177	\$9,600	\$3,000	\$1,000	\$52,550	\$149,125	\$1,474,475	\$474,700	\$221,000	\$ 2,959,727
		\$ 18,343,202	\$ 20,301,131	\$4,820,119	\$560,885	\$248,590	\$51,600	\$62,450	\$107,500	\$97,550	\$421,325	\$9,685,466	\$3,393,146	\$852,500	\$ 20,301,131
Fixed Assets:															
		\$ 375,064	\$ 241,500	\$ -	\$ -	\$ 54,000	\$ -	\$ -	\$ -	\$ 4,000	\$ 160,000	\$ -	\$ -	\$ 23,500	\$ 241,500
		\$ 18,718,266	\$ 20,542,631	\$ 4,820,119	\$ 560,885	\$ 302,590	\$ 51,600	\$ 62,450	\$ 107,500	\$ 101,550	\$ 581,325	\$ 9,685,466	\$ 3,393,146	\$ 876,000	\$ 20,542,631
			\$ 19,291,207												

	Code	Combined	Combined	5	10	11	12	22	24	25	26	52	53	57
Benefits	50140	\$ 4,106,813	\$4,755,019	\$4,755,019										
Salaries		\$ 2,819,374	\$3,258,407	\$3,258,407										
Medical		\$ 511,007	\$ 563,646	563,646										
Dental		\$ 27,532	\$ 30,445	30,445										
Vision		\$ 5,473	\$ 5,989	5,989										
Workman's Comp		\$ 36,930	\$ 48,895	48,895										
Medicare		\$ 40,052	\$ 46,301	46,301										
Social Security		\$ 2,415	\$ 6,125	6,125										
PERS		\$ 642,954	\$ 771,965	771,965										
STD, LTD AND LIFE INSURANCE		\$ 21,076	\$ 23,246	23,246										
Utilities	50200	\$ 86,000	\$ 96,125	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$31,125	\$50,000	\$0	\$15,000
SCE		\$ 49,500	\$ 51,625								29,625	7,000		15,000
Gas		\$ 1,500	\$ 1,500								1,500			1,500
Water- in-house		\$ 35,000	\$ 43,000									43,000		43,000
Communications	50210	\$ 55,224	\$ 55,177	\$0	\$0	\$55,177	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Answering Service		\$ 5,400	\$ 5,400			5,400								5,400
Cell Phone		\$ 24,000	\$ 24,000			24,000								24,000
ISP Internet Host (Time Warner)		\$ 6,024	\$ 11,377			11,377								11,377
VOIP Services (Verizon)		\$ 14,400	\$ 14,400			14,400								14,400
VOIP T1 (Verizon)		\$ 5,400	\$ -			-								-

	Code	Combined	Combined	5	10	11	12	22	24	25	26	52	53	57	
Outside Contracts	50220	\$ 1,557,548	\$ 2,271,763	\$18,600	\$7,200	\$165,413	\$2,000	\$59,450	\$106,500	\$45,000	\$272,200	\$681,900	\$334,500	\$579,000	\$2,271,763
Advertising/Education (Acorn, movie theater, radio, etc)		\$ 15,000	\$ 15,000					15,000							15,000
Air Conditioner Maintenance		\$ 4,500	\$ 4,500								4,500				4,500
Air Compressor Maintenance			\$ 13,500								1,500	6,000	3,000	3,000	13,500
Backflow Testing		\$ 12,900	\$ 12,900									12,900			12,900
Barscreen Maintenance		\$ 83,000	\$ 100,000										85,000	15,000	100,000
CIS-Out of Scope		\$ 15,000	\$ 15,000						15,000						15,000
Consumer Confidence Rpt		\$ 500	\$ 500									500			500
Converting AsBuilt's to GIS		\$ 3,000	\$ 3,000				3,000								3,000
County ShapeFile Updates		\$ 3,400	\$ 3,400				3,400								3,400
Courier Service		\$ 2,400	\$ 6,500							6,500					6,500
Customer Receipt Proc. Svcs		\$ 15,000	\$ 15,000						15,000						15,000
Dig Alert (USA-Underground Svc Alert)		\$ 2,000	\$ 2,000				2,000								2,000
Distribution Maintenance		\$ 190,000	\$ 190,000									160,000	30,000		190,000
Document Shredding/Copying		\$ 1,000	\$ -												-
DOT Random Survey		\$ 1,000	\$ 1,000	1,000											1,000
Employment Background/Physical		\$ 2,200	\$ 2,200	2,200											2,200
Facility Tour contracts (tent, bus, sound)			\$ 7,000												7,000
General Labor		\$ 11,000	\$ 11,000					7,000							11,000
Grounds Cleaning			\$ 40,000								10,000		1,000		40,000
Hepatitis Shots		\$ 400	\$ 400	400								20,000	20,000		40,000
Hydrant Repair/Maint.			\$ 40,000												40,000
Incode Out of Scope		\$ 5,000	\$ 5,000				5,000						40,000		5,000
Info Send		\$ 70,000	\$ 70,000						70,000						70,000
Info Send-Insert Mailing		\$ 6,700	\$ 6,700		700			6,000							6,700
Information Systems Support & Maintenance		\$ 15,000	\$ 15,000			15,000									15,000
Janitor Service		\$ 16,000	\$ 20,000								20,000				20,000
Landscape Surveys		\$ 5,000	\$ 5,000					5,000							5,000
Landscaping		\$ 23,000	\$ 23,000								23,000				23,000
Leak Detection		\$ 20,000	\$ 60,000									40,000	20,000		60,000
Maintenance Support- Alchemy (Open Text)		\$ 3,000	\$ 3,000				3,000								3,000
Maintenance Support- AMR (Aclara)		\$ 8,085	\$ 14,700				14,700								14,700
Maintenance Support- ArcGIS Desktop Basic (ESRI)		\$ 15,000	\$ 15,000				15,000								15,000
Maintenance Support- CIS		\$ 39,833	\$ 39,833				39,833								39,833
Maintenance Support- Customer Portal (SUS)		\$ 6,000	\$ -				-								-
Maintenance Support -SCADA Rockwell PLC Software			\$ 3,600				3,600								3,600
Maintenance Support- Tyler Software		\$ 15,587	\$ 15,587				15,587								15,587
Maintenance Support-ACAD (DLT/GDMS)		\$ 1,750	\$ 1,750				1,750								1,750
Maintenance Support-Canva (graphic design web site subscription)		\$ 240	\$ 240				240								240
Maintenance Support-Hootsuite (social media management tool)		\$ 228	\$ 228				228								228
Maintenance Support-SCADA Software		\$ 18,375	\$ 18,375				18,375								18,375
Maintenance Support-SCADA TeamViewer			\$ 2,400				2,400								2,400
Maintenance Support-SCADA Win 911 Software			\$ 1,500				1,500								1,500
Manhole Rehabilitation		\$ -	\$ 100,000											100,000	100,000
MCC IR Inspection and Cleaning			\$ 150,000									60,000	50,000	40,000	150,000
Meter Reading Services	002	\$ 35,000	\$ 30,000									30,000			30,000
Metroscan CoreLogic		\$ 1,800	\$ 1,800				1,800								1,800
Offsite Water Quality Testing		\$ 35,000	\$ 45,000							45,000					45,000
Paint CWRf Building and MCC's		\$ -	\$ -												-
Painting/Industrial Cleaning		\$ 35,000	\$ 95,000								20,000	40,000	20,000	15,000	95,000
Pest		\$ 7,200	\$ 7,200								7,200				7,200
Printing& Mailing		\$ 7,950	\$ 7,950					7,950							7,950
Production Copying		\$ 500	\$ 500		500										500
Production Meter Calibration and Repair		\$ 15,000	\$ 15,000									8,000	5,000	2,000	15,000
Prop. 218 letter and postage		\$ 4,000	\$ -												-
Prop. 218 Outreach mailer		\$ 4,000	\$ -												-
Public Hearing Notice Advertisement		\$ 1,000	\$ 1,000		1,000										1,000
Public Outreach Events		\$ 2,500	\$ 2,500					2,500							2,500
Raise valve stackings		\$ 225,000	\$ 315,000									180,000	35,000	100,000	315,000
Reservoir Cleaning		\$ 20,000	\$ 90,000									60,000	30,000		90,000
Road Repair/Maint.		\$ 70,000	\$ 70,000								70,000				70,000
Sand Removal		\$ -	\$ 20,000										20,000		20,000
School Assembly		\$ 2,000	\$ 2,000					2,000							2,000
Sewer Lift Maintenance			\$ 10,000											10,000	10,000
Sludge Pressing		\$ 65,000	\$ 80,000											80,000	80,000
Sludge Removal		\$ 75,000	\$ 75,000											75,000	75,000
TO Sewer Disposal Services		\$ 13,000	\$ 13,000											13,000	13,000
Tree and Site Maintenance			\$ 39,500								5,000	22,000	12,500		39,500
Trash Removal		\$ 10,000	\$ 15,000								6,000		3,000	6,000	15,000
UDF Sequencing		\$ 40,000	\$ -												-
Uniforms/Rug and Towel Service		\$ 15,000	\$ 20,000	15,000	5,000										20,000
Vehicle Lease		\$ 75,000	\$ 85,000								85,000				85,000
SSL Wildcard Certificates (Comodo)		\$ 3,000	\$ 3,000				3,000								3,000
Virus Protection (Sophos)		\$ 2,000	\$ 8,000				8,000								8,000
VRSD		\$ 120,000	\$ 120,000											120,000	120,000
Water Softener		\$ 2,500	\$ 2,500									2,500			2,500
Weed Abatement		\$ 20,000	\$ 20,000								20,000				20,000
Workflow App Annual Support		\$ 10,000	\$ 10,000				10,000								10,000
WUE Classes		\$ -	\$ 4,000						4,000						4,000
WUE Educational Campaign (2nd comic book)		\$ 10,000	\$ 10,000						10,000						10,000

	Code	Combined	Combined	5	10	11	12	22	24	25	26	52	53	57	
Professional Services	50230	\$ 406,085	\$ 430,085	\$0	\$109,085	\$0	\$40,000	\$0	\$0	\$0	\$0	\$125,000	\$125,000	\$31,000	\$430,085
Arbitrage		\$ -	\$ -												-
Audit		\$ 20,000	\$ 21,000		21,000										21,000
CAFR Review		\$ 435	\$ 435		435										435
CEQA Review		\$ 20,000	\$ 20,000				20,000								20,000
State Mandated Conservation Analysis		\$ -	\$ -												-
CSMFO Budget Review		\$ 150	\$ 150		150										150
Engineering Services		\$ 20,000	\$ 20,000				20,000								20,000
Financial Advisor		\$ -	\$ -												-
Grant Applications		\$ 20,000	\$ 20,000		20,000										20,000
Investment Policy Review		\$ 2,500	\$ 2,500		2,500										2,500
Rate Study		\$ -	\$ -												-
Salts and Nutrient Management Plan		\$ 40,000	\$ 40,000		40,000										40,000
Santa Rosa Basin GSA		\$ 250,000	\$ 250,000									125,000	125,000		250,000
Tech/Env. Services		\$ 5,000	\$ 5,000		5,000										5,000
TMDL		\$ 28,000	\$ 31,000											31,000	31,000
Pipeline Maintenance	50240	\$ 172,000	\$ 465,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$380,000	\$75,000	\$10,000	\$465,000
Unscheduled Leak Repairs		\$ 172,000	\$ 465,000									380,000	75,000	10,000	465,000
Metering-Leak Repairs	002	\$ -	\$ -												-
Small Tools & Equipment	50250	\$ 30,350	\$ 30,850	\$0	\$1,000	\$0	\$850	\$0	\$0	\$1,500	\$2,000	\$20,000	\$4,500	\$1,000	\$30,850
Emergency Ops Center		\$ 15,000	\$ -												-
Ergonomic office equipment		\$ 1,750	\$ 1,750		1,000					750					1,750
Hand Tools		\$ 13,600	\$ 23,350				850				2,000	15,000	4,500	1,000	23,350
Metering-Hand Tools	002	\$ -	\$ -												-
Misc		\$ -	\$ 750							750					750
RMWTP-Hand Tools	001	\$ -	\$ 5,000									5,000			5,000

	Code	Combined	Combined	5	10	11	12	22	24	25	26	52	53	57	
Materials & Supplies	50260	\$ 607,450	\$ 658,950	\$0	\$23,550	\$0	\$8,750	\$3,000	\$1,000	\$34,650	\$79,000	\$409,500	\$42,000	\$57,500	\$658,950
Argon Gas/Welding Gas		\$ 3,000	\$ 6,000							3,000	3,000				6,000
Art Calendar Contest Supplies		\$ 500	\$ 500					500							500
Barscreen Maintenance		\$ -	\$ -												-
BluePrint/Plotting Supplies/Svcs.		\$ 7,500	\$ 7,500				7,500								7,500
Business Cards		\$ 800	\$ 800		800										800
Check Stock/Tax Forms		\$ 2,500	\$ 2,000		2,000										2,000
Chemicals (Ammonia, Alum, Reagents, Misc)		\$ 92,500	\$ 132,500									82,500		50,000	132,500
Crane to service pumps		\$ -	\$ -												-
Distilled Water Svc		\$ 1,650	\$ 1,650							650				1,000	1,650
Door Hangers		\$ 1,000	\$ 1,000						1,000						1,000
Equip/Glassware		\$ 8,000	\$ 8,000							8,000					8,000
Flags		\$ 1,000	\$ 1,000		1,000										1,000
Fuel		\$ 90,000	\$ 105,000								70,000	15,000	15,000	5,000	105,000
Gen Coolant Flush		\$ 7,000	\$ -												-
General Materials		\$ 20,000	\$ 20,000									20,000			20,000
General Postage Charges		\$ 4,800	\$ 3,500		3,500										3,500
Kitchen/Restroom Supplies		\$ 8,000	\$ 3,000		3,000										3,000
Office Supplies		\$ 6,500	\$ 6,500		6,500										6,500
Parcel Service		\$ 500	\$ 500		500										500
Petroleum Lubricants		\$ 10,500	\$ 10,500								-	6,000	3,000	1,500	10,500
Pipe Supplies		\$ 52,000	\$ 60,000									40,000	20,000		60,000
Print Cartridges (5si,Laser,Epson color)		\$ 6,000	\$ 6,000		6,000										6,000
Pump Packing/Hoses		\$ 3,000	\$ 7,000									3,000	4,000		7,000
Pump Station/Reg station PM		\$ -	\$ -												-
Reagents		\$ 15,500	\$ 15,500							15,500					15,500
Recertification Samples		\$ 6,500	\$ 6,500							6,500					6,500
Reference Materials		\$ 1,500	\$ 1,500		250		250			1,000					1,500
RMWTP- Cartridge Filters	001	\$ 9,000	\$ 9,000									9,000			9,000
RMWTP-Chemicals	001	\$ 160,000	\$ 160,000									160,000			160,000
RMWTP-Concentrate Pumps Maintenance	001	\$ -	\$ -												-
RMWTP-Reagents	001	\$ 4,000	\$ 4,000									4,000			4,000
RMWTP-Supplies and Materials	001	\$ 40,000	\$ 40,000									40,000			40,000
Salt/Chlorine		\$ 20,000	\$ 20,000									20,000			20,000
Supplies/Parts		\$ 16,000	\$ 16,000								6,000	10,000			16,000
Teacher Resources Workshop		\$ -	\$ -												-
Tour Materials		\$ 1,500	\$ 1,500					1,500							1,500
Tradeshow booth- graphics		\$ 200	\$ -												-
Underground Service Alert Supplies		\$ 1,000	\$ 1,000				1,000								1,000
Video production tools		\$ 1,000	\$ -												-
Water Efficient Devices		\$ -	\$ 1,000					1,000							1,000
WUE Classes/Tours		\$ 4,500	\$ -												-

	Code	Combined	Combined	5	10	11	12	22	24	25	26	52	53	57	
Repair Parts & Equipment Maintenance	50270	\$ 916,000	\$ 1,055,000	\$0	\$0	\$27,500	\$0	\$0	\$0	\$3,000	\$35,500	\$540,000	\$350,000	\$99,000	\$1,055,000
Bar Screen		\$ -	\$ -												-
Calibrate Balances		\$ 500	\$ 500							500					500
Caltrifier Rehab		\$ -	\$ -												-
Certify Hoods		\$ 500	\$ 500							500					500
Control Valves		\$ 25,000	\$ 80,000									40,000	40,000		80,000
Electrical/SCADA		\$ 17,000	\$ -												
Electrical/Instrumentation		\$ 22,000	\$ 105,000								5,000	45,000	45,000	10,000	105,000
General		\$ 85,000	\$ -												-
General Repairs		\$ 80,000	\$ 80,000								15,000	25,000	20,000	20,000	80,000
Generators Maintenance		\$ 17,000	\$ 45,000								5,000	30,000	-	10,000	45,000
Hydrants		\$ 25,000	\$ 55,000									50,000	5,000		55,000
Information System Support & Maintenance		\$ 25,000	\$ 25,000			25,000									25,000
Instrument Repairs-Lab		\$ 2,000	\$ 2,000							2,000					2,000
Metering Repair & Equipment Maintenance	002	\$ 300,000	\$ 300,000									200,000	100,000		300,000
Printer Maintenance		\$ 2,500	\$ 2,500			2,500									2,500
Motor Repair		\$ 65,000	\$ 65,000									20,000	25,000	20,000	65,000
Pump Repair		\$ 125,000	\$ 125,000									30,000	70,000	25,000	125,000
RMWTP	001	\$ 40,000	\$ 50,000									50,000			50,000
Sand Removal		\$ 20,000	\$ -												-
Site Rehab (well,etc)		\$ 30,000	\$ 35,000									20,000	15,000		35,000
Telephone Maintenance		\$ 500	\$ 500								500				500
Vehicle maintenance		\$ 10,000	\$ 10,000								10,000				10,000
VFDs		\$ 24,000	\$ 74,000									30,000	30,000	14,000	74,000
Legal Services	50280	\$ 45,000	\$ 45,000	\$0	\$45,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$45,000
Legal Counsel		\$ 35,000	\$ 35,000		35,000										35,000
Legal Consel-Special Counsel		\$ 10,000	\$ 10,000		10,000										10,000
Dues & Subscriptions	50290	\$ 46,870	\$ 50,200	\$4,000	\$42,700	\$500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,000	\$50,200
ACWA		\$ 18,500	\$ 20,200		20,200										20,200
AWA		\$ 4,350	\$ 4,350		4,350										4,350
AWWA		\$ 2,400	\$ 2,400		2,400										2,400
CASA		\$ 4,500	\$ 4,500		4,500										4,500
CSDA		\$ 5,500	\$ 7,000		7,000										7,000
CUWCC		\$ -	\$ -												-
CWEA		\$ 3,000	\$ 3,000											3,000	3,000
IT Knowledge Base		\$ 500	\$ 500			500									500
Memberships		\$ 3,000	\$ 3,000	3,000											3,000
Recertifications		\$ 1,000	\$ 1,000	1,000											1,000
VCSDA		\$ 160	\$ 150		150										150
VCSTAR		\$ 160	\$ -		-										0
WateReuse		\$ 800	\$ 1,100		1,100										1,100
WCVC		\$ 3,000	\$ 3,000		3,000										3,000
Conference & Travel	50300	\$ 32,200	\$ 32,200	\$14,900	\$17,300	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$32,200
ACWA		\$ 21,500	\$ 21,500	7,500	14,000										21,500
AWA		\$ 2,400	\$ 2,400	1,400	1,000										2,400
CASA		\$ 1,500	\$ 1,500		1,500										1,500
CSMFO		\$ 1,800	\$ 1,800	1,800											1,800
General Meetings		\$ 500	\$ 500		500										500
SWRCB/Legislature		\$ 2,000	\$ 2,000	2,000											2,000
VCSDA		\$ 300	\$ 300		300										300
WateReuse		\$ 2,200	\$ 2,200	2,200											2,200

	Code	Combined	Combined	5	10	11	12	22	24	25	26	52	53	57	
<b>Safety &amp; Training</b>	<b>50310</b>	<b>\$ 25,100</b>	<b>\$ 27,100</b>	<b>\$27,100</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$27,100</b>
Awards Banquet		\$ 5,000	\$ 5,000	5,000											5,000
Education Courses		\$ 1,500	\$ 1,500	1,500											1,500
Safety Luncheons		\$ 6,000	\$ 6,000	6,000											6,000
Safety Shoes		\$ 1,000	\$ 3,000	3,000											3,000
Technical Seminars/Safety Training		\$ 11,600	\$ 11,600	11,600											11,600
<b>Board Expense</b>	<b>50330</b>	<b>\$ 130,000</b>	<b>\$ 130,000</b>	<b>\$0</b>	<b>\$130,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$130,000</b>
Directors Fees		\$ 130,000	\$ 130,000		130,000										130,000
Election Costs		\$ 10,000	\$ -		-										-
<b>Bad Debt</b>	<b>50340</b>	<b>\$ 8,500</b>	<b>\$ 8,500</b>	<b>\$0</b>	<b>\$8,500</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$8,500</b>
Bad Debt		\$ 8,500	\$ 8,500		8,500										8,500
<b>Fees and Charges</b>	<b>50350</b>	<b>\$ 163,483</b>	<b>\$ 194,625</b>	<b>\$500</b>	<b>\$65,550</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$13,400</b>	<b>\$1,500</b>	<b>\$74,975</b>	<b>\$3,200</b>	<b>\$35,500</b>	<b>\$194,625</b>
Annual ELAP Accreditation Fee		\$ 12,000	\$ 13,400							13,400					13,400
Annual Waste Disch Perm.		\$ 12,000	\$ 27,000											27,000	27,000
Bank Fees		\$ 36,000	\$ 35,000		35,000										35,000
City of Camarillo Encroachment Permit		\$ 3,500	\$ 3,500		3,500										3,500
Collection Agency		\$ 4,500	\$ 500		500										500
EPA Fees		\$ 1,500	\$ 1,500										1,500		1,500
GASB 68 Report			\$ 800		800										800
GMA Extraction Fees		\$ 20,000	\$ 20,000									20,000			20,000
Health Savings Administration Fee			\$ 500	500											500
LAFCO		\$ 13,200	\$ 15,000		15,000										15,000
Other		\$ 4,000	\$ 4,000		4,000										4,000
Permits & Inspections		\$ 1,075	\$ 1,075									1,075			1,075
SWRCB groundwater filing		\$ 600	\$ 600									400	200		600
SWRCB Water System Fees		\$ 27,058	\$ 33,000									33,000			33,000
Ven Co. HazMat Fee (fuel Tnks)		\$ 7,100	\$ 15,500								1,500	10,000		4,000	15,500
Ventura Co. Generator Permits		\$ 8,700	\$ 11,000									8,000		3,000	11,000
Ventura Co. Watershed		\$ 5,500	\$ 5,500									2,500	3,000		5,500
Willmington Trustee Fees		\$ 6,750	\$ 6,750		6,750										6,750
<b>Insurance</b>	<b>50360</b>	<b>\$ 105,000</b>	<b>\$ 111,000</b>	<b>\$0</b>	<b>\$111,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$111,000</b>
Claims against Self-Insurance		\$ 10,000	\$ 10,000		10,000										10,000
Liability		\$ 68,000	\$ 74,000		74,000										74,000
Property (Auto)		\$ 27,000	\$ 27,000		27,000										27,000

## Schedule of Water & Sewer Rates

The following table shows the customer class details of the commodity water rates:

<b>Commodity Charge By Class</b>					
<b>Potable Water</b>	<b>July 2019</b>	<b>July 2020</b>	<b>July 2021</b>	<b>July 2022</b>	<b>July 2023</b>
Residential/Master Meter/Domestic Agricultural First 12 Units	\$3.28	\$3.47	\$3.61	\$3.81	\$4.01
Residential/Master Meter/Domestic Agricultural 13 Units and Higher	\$3.65	\$3.82	\$4.01	\$4.22	\$4.45
Commercial/Industrial/Public	\$3.65	\$3.82	\$4.01	\$4.22	\$4.45
Municipal Irrigation/Residential Irrigation	\$3.65	\$3.82	\$4.01	\$4.22	\$4.45
Fire Service/Other	\$3.65	\$3.82	\$4.01	\$4.22	\$4.45
Agricultural Irrigation	\$3.65	\$3.82	\$4.01	\$4.22	\$4.45
Temporary Construction/Temporary Agricultural	\$4.91	\$5.29	\$5.60	\$5.88	\$6.17
Temporary Municipal	\$4.91	\$5.29	\$5.60	\$5.88	\$6.17
Emergency Water Service	\$4.91	\$5.29	\$5.60	\$5.88	\$6.17
Commercial/Industrial/Public Out of Bounds	\$4.91	\$5.29	\$5.60	\$5.88	\$6.17
Residential Out of Bounds First 12 Units	\$4.91	\$5.29	\$5.60	\$5.88	\$6.17
Residential Out of Bounds 13 Units and Higher					
<b>Non-Potable/Recycled Water Service</b>	<b>July 2019</b>	<b>July 2020</b>	<b>July 2021</b>	<b>July 2022</b>	<b>July 2023</b>
Non-Potable Commercial Agricultural	\$1.92	\$2.08	\$2.19	\$2.40	\$2.59
Non-Potable Landscape Irrigation Water	\$1.92	\$2.08	\$2.19	\$2.40	\$2.59
Non-Potable Residential Landscape	\$1.92	\$2.08	\$2.19	\$2.40	\$2.59
Non-Potable Temporary Construction	\$1.92	\$2.08	\$2.19	\$2.40	\$2.59
Blended Non-Potable Agricultural	\$2.46	\$2.70	\$3.15	\$3.36	\$3.67
Recycled Commercial Agricultural	\$1.92	\$2.08	\$2.19	\$2.40	\$2.59
Recycled Landscape Irrigation	\$1.92	\$2.08	\$2.19	\$2.40	\$2.59
Recycled Surplus Water (Served Outside District)	\$1.92	\$2.08	\$2.19	\$2.40	\$2.59
<b>Contractual Non-Potable/Recycled Water Service</b>	<b>January 2019</b>	<b>January 2020</b>	<b>January 2021</b>	<b>January 2022</b>	<b>January 2023</b>
Non-Potable Commercial Agricultural (contractual customers prior to December 31, 1994)	\$0.61	\$0.62	\$0.63	\$0.64	\$0.65
Recycled Commercial Agricultural (contractual)	\$0.40	\$0.41	\$0.42	\$0.43	\$0.44

## Schedule of Water & Sewer Rates (Continued)

The following tables show details of the meter service fees:

Monthly Meter Service Charge					
Potable/Domestic Agricultural/Blended Agricultural	July 2019	July 2020	July 2021	July 2022	July 2023
3/4" (MM)	\$ 6.21	\$ 6.19	\$ 6.21	\$ 6.35	\$ 6.57
3/4"	\$ 12.79	\$ 12.77	\$ 13.26	\$ 13.58	\$ 14.08
1"	\$ 21.41	\$ 21.40	\$ 22.63	\$ 23.19	\$ 24.06
1.5"	\$ 42.94	\$ 42.93	\$ 46.02	\$ 47.17	\$ 48.96
2"	\$ 68.89	\$ 68.89	\$ 74.22	\$ 76.09	\$ 78.99
3"	\$ 151.09	\$ 151.12	\$ 163.54	\$ 167.68	\$ 174.10
4"	\$ 259.02	\$ 259.09	\$ 280.82	\$ 287.92	\$ 298.98
6"	\$ 388.69	\$ 388.81	\$ 421.73	\$ 432.41	\$ 449.02
8"	\$ 647.90	\$ 648.11	\$ 703.38	\$ 721.21	\$ 748.93
Non-Potable					
3/4" (MM)	\$ 4.89	\$ 4.88	\$ 4.91	\$ 5.02	\$ 5.20
3/4"	\$ 7.51	\$ 7.52	\$ 8.09	\$ 8.28	\$ 8.60
1"	\$ 10.28	\$ 10.32	\$ 11.72	\$ 12.00	\$ 12.51
1.5"	\$ 17.19	\$ 17.30	\$ 20.78	\$ 21.29	\$ 22.25
2"	\$ 25.52	\$ 25.72	\$ 31.70	\$ 32.48	\$ 33.99
3"	\$ 51.90	\$ 52.40	\$ 66.30	\$ 67.95	\$ 71.19
4"	\$ 86.54	\$ 87.43	\$ 111.72	\$ 114.51	\$ 120.02
6"	\$ 128.16	\$ 129.51	\$ 166.30	\$ 170.47	\$ 178.70
8"	\$ 211.35	\$ 213.63	\$ 275.39	\$ 282.30	\$ 295.99
Fire Service					
1"	\$ 51.03	\$ 51.65	\$ 61.96	\$ 63.93	\$ 67.46
1.5"	\$ 51.03	\$ 51.65	\$ 61.96	\$ 63.93	\$ 67.46
2"	\$ 51.03	\$ 51.65	\$ 61.96	\$ 63.93	\$ 67.46
3"	\$ 51.03	\$ 51.65	\$ 61.96	\$ 63.93	\$ 67.46
4"	\$ 51.03	\$ 51.65	\$ 61.96	\$ 63.93	\$ 67.46
6"	\$ 77.09	\$ 78.03	\$ 93.60	\$ 96.58	\$ 101.90
8"	\$ 129.17	\$ 130.74	\$ 156.84	\$ 161.82	\$ 170.74
10"	\$ 343.45	\$ 347.63	\$ 417.02	\$ 430.27	\$ 453.98

The following tables show details of the monthly sewer charges:

Monthly Sewer Charge					
	July 2019	July 2020	July 2021	July 2022	July 2023
	\$ 33.49	\$ 35.83	\$ 38.37	\$ 40.62	\$ 43.05

## Outstanding Debt

Camrosa Water District - Combined						
2011A/2016 Project Bonds				2012 Refunding		
FY	Interest	Principal	Total	Interest	Principal	Total
2020	453,231	592,500	1,045,731	26,750	535,000	561,750
2021	429,531	622,500	1,052,031	-	-	-
2022	404,631	650,000	1,054,631	-	-	-
2023	375,331	677,500	1,052,831	-	-	-
2024	344,931	707,500	1,052,431	-	-	-
2025	316,631	740,000	1,056,631	-	-	-
2026	288,931	770,000	1,058,931	-	-	-
2027	261,981	797,500	1,059,481	-	-	-
2028	238,144	822,500	1,060,644	-	-	-
2029	219,656	837,500	1,057,156	-	-	-
2030	201,850	855,000	1,056,850	-	-	-
2031	182,072	520,000	702,072	-	-	-
2032	168,300	177,500	345,800	-	-	-
2033	161,200	185,000	346,200	-	-	-
2034	153,800	192,500	346,300	-	-	-
2035	146,100	200,000	346,100	-	-	-
2036	138,100	210,000	348,100	-	-	-
2037	128,625	220,000	348,625	-	-	-
2038	117,625	230,000	347,625	-	-	-
2039	106,125	240,000	346,125	-	-	-
2040	94,125	252,500	346,625	-	-	-
2041	81,500	265,000	346,500	-	-	-
2042	68,250	277,500	345,750	-	-	-
2043	54,375	292,500	346,875	-	-	-
2044	39,750	307,500	347,250	-	-	-
2045	24,375	322,500	346,875	-	-	-
2046	8,250	165,000	173,250	-	-	-
<b>TOTAL</b>	<b>\$ 5,207,422</b>	<b>\$ 12,130,000</b>	<b>\$ 17,337,422</b>	<b>\$ 26,750</b>	<b>\$ 535,000</b>	<b>\$ 561,750</b>

## Outstanding Debt (Continued)

Water Program			
Combined Debt Service			
FY	Interest	Principal	Total
2020	407,831	787,500	1,195,331
2021	373,081	485,000	858,081
2022	353,681	507,500	861,181
2023	330,806	530,000	860,806
2024	307,031	552,500	859,531
2025	284,931	577,500	862,431
2026	263,319	602,500	865,819
2027	242,231	622,500	864,731
2028	223,619	642,500	866,119
2029	209,181	655,000	864,181
2030	195,256	667,500	862,756
2031	179,816	425,000	604,816
2032	168,300	177,500	345,800
2033	161,200	185,000	346,200
2034	153,800	192,500	346,300
2035	146,100	200,000	346,100
2036	138,100	210,000	348,100
2037	128,625	220,000	348,625
2038	117,625	230,000	347,625
2039	106,125	240,000	346,125
2040	94,125	252,500	346,625
2041	81,500	265,000	346,500
2042	68,250	277,500	345,750
2043	54,375	292,500	346,875
2044	39,750	307,500	347,250
2045	24,375	322,500	346,875
2046	8,250	165,000	173,250
<b>TOTAL</b>	<b>\$4,861,285</b>	<b>\$ 10,592,500</b>	<b>\$ 15,453,785</b>

## Outstanding Debt (Continued)

Potable Water Program			
2011A/2016 Project Bonds			
FY	Interest	Principal	Total
2020	381,738	441,800	823,538
2021	364,066	463,250	827,316
2022	345,536	484,700	830,236
2023	323,688	506,300	829,988
2024	300,977	527,900	828,877
2025	279,861	551,700	831,561
2026	259,214	575,500	834,714
2027	239,071	594,600	833,671
2028	221,293	613,700	834,993
2029	207,502	625,600	833,102
2030	194,203	637,500	831,703
2031	179,456	409,850	589,306
2032	168,300	177,500	345,800
2033	161,200	185,000	346,200
2034	153,800	192,500	346,300
2035	146,100	200,000	346,100
2036	138,100	210,000	348,100
2037	128,625	220,000	348,625
2038	117,625	230,000	347,625
2039	106,125	240,000	346,125
2040	94,125	252,500	346,625
2041	81,500	265,000	346,500
2042	68,250	277,500	345,750
2043	54,375	292,500	346,875
2044	39,750	307,500	347,250
2045	24,375	322,500	346,875
2046	8,250	165,000	173,250
<b>TOTAL</b>	<b>\$4,787,104</b>	<b>\$ 9,969,900</b>	<b>\$ 14,757,004</b>

Non-Potable Water Program						
2011A/2016 Project Bonds				2012 Refunding		
FY	Interest	Principal	Total	Interest	Principal	Total
2020	9,843	20,700	30,543	16,250	325,000	341,250
2021	9,015	21,750	30,765	-	-	-
2022	8,145	22,800	30,945	-	-	-
2023	7,118	23,700	30,818	-	-	-
2024	6,054	24,600	30,654	-	-	-
2025	5,070	25,800	30,870	-	-	-
2026	4,105	27,000	31,105	-	-	-
2027	3,160	27,900	31,060	-	-	-
2028	2,326	28,800	31,126	-	-	-
2029	1,679	29,400	31,079	-	-	-
2030	1,054	30,000	31,054	-	-	-
2031	360	15,150	15,510	-	-	-
<b>TOTAL</b>	<b>\$57,931</b>	<b>\$297,600</b>	<b>\$355,531</b>	<b>\$ 16,250</b>	<b>\$ 325,000</b>	<b>\$ 341,250</b>

### Outstanding Debt (Continued)

Wastewater Program						
2011A/2016 Project Bonds				2012 Refunding		
FY	Interest	Principal	Total	Interest	Principal	Total
2020	61,650	130,000	191,650	10,500	210,000	220,500
2021	56,450	137,500	193,950	-	-	-
2022	50,950	142,500	193,450	-	-	-
2023	44,525	147,500	192,025	-	-	-
2024	37,900	155,000	192,900	-	-	-
2025	31,700	162,500	194,200	-	-	-
2026	25,613	167,500	193,113	-	-	-
2027	19,750	175,000	194,750	-	-	-
2028	14,525	180,000	194,525	-	-	-
2029	10,475	182,500	192,975	-	-	-
2030	6,594	187,500	194,094	-	-	-
2031	2,256	95,000	97,256	-	-	-
<b>TOTAL</b>	<b>\$ 362,388</b>	<b>\$ 1,862,500</b>	<b>\$ 2,224,888</b>	<b>\$ 10,500</b>	<b>\$ 210,000</b>	<b>\$ 220,500</b>

**Resolution No: 19-13**

A Resolution of the Board of Directors  
of Camrosa Water District

**Adopting a Statement of Reserve Policy**

**Whereas**, the District collects capital fees from new developments for both water and wastewater service and deposits said fees into a reserve account for future expansion of the respective systems; and,

**Whereas**, large capital outlays will be necessary in the future for replacement of portions of the water and wastewater infrastructure as it comes to the end of its useful life; and,

**Whereas**, it is in the best interests of the customers of Camrosa to fund future expansion and capital replacement while minimizing additional debt; and,

**Whereas**, it is in the best interests of the customers of Camrosa to fund emergency repairs while maintaining a stable rate structure; and,

**Whereas**, it is the intent of the Board of Directors to maintain adequate reserves for ongoing needs, to minimize the need for new debt financing for future capital projects, and to maintain an affordable and stable rate structure;

**Now, Therefore, Be It Resolved** by the Camrosa Water District Board of Directors that the attached Statement of Reserve Policy is adopted and made effective this date; and,

**Be It Further Resolved** that contributions to reserves shall be established at levels that will accumulate necessary funds to:

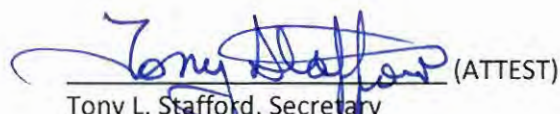
- Increase system capacity and accommodate growth
- Replace assets of the District as required
- Meet unanticipated emergencies
- Stabilize rates and dampen the effects of one-time expenditures that may otherwise require an adjustment in the District rate structure
- Meet the covenants of outstanding debt issues and other agreements; and,

**Be It Further Resolved** that this reserve fund policy supersedes any and all reserve fund policies and reserve levels specified previously in District policies.

**Adopted, Signed, and Approved** this 30<sup>th</sup> day of May, 2019.



Eugene F. West, President  
Board of Directors  
Camrosa Water District

 (ATTEST)

Tony L. Stafford, Secretary  
Board of Directors  
Camrosa Water District

## **Camrosa Water District Statement of Reserve Fund Policy**

### **Purpose:**

It is the intent of the Board to maintain adequate reserves for ongoing needs, to minimize the need for new debt financing for future capital projects and to maintain an affordable and stable rate structure. This statement is intended to provide guidelines for the maintenance of the financial reserves of the District. The ultimate goal of this statement is to identify the categories of reserves to be maintained, to establish the method for identifying the need for each category of reserves, to identify the sources of contribution to reserves, and to provide for periodic review of both reserve levels and this reserve policy.

### **Scope:**

This reserve fund policy applies to all financial reserves of the District, as well as other funds that may be created from time to time which shall also be administered in accordance with the provisions of this policy. It includes reserves in the form of investments monitored and controlled by the Board as well as reserves held in trust in accordance with the covenants of specific debt issuance instruments.

### **Policy:**

The budget for the District shall be prepared in a manner that assures adequate reserves for ongoing needs while minimizing the need for new debt. In particular, contributions to reserves shall be established at levels that will accumulate necessary funds to:

- establish sound formal fiscal reserve policies to ensure strong fiscal management to guide future District decisions;
- increase system capacity and accommodate growth;
- provide funding for current and future replacement of existing assets as they reach the end of their useful lives;
- meet unanticipated emergencies;
- help smooth rates from year-to-year, and to promote equity over the years to ratepayers; and
- meet the covenants of outstanding debt issues and other agreements.

All reserves must be identifiable to one of these purposes; reserves shall not be accumulated in excess of levels needed to satisfy these purposes. Reserves may, as deemed prudent by the Board, be used to satisfy more than one purpose.

- d. ***Operating and Emergency Reserves (OER)*** – Funds designated to provide financial flexibility in the day-to-day conduct of district business and to respond quickly to emergency situations that may pose threats to public health and the District's ability to sustain safe or reliable service.

Applicable Funds: Potable, Non-Potable and Wastewater Operating and Emergency Reserve Fund.

The Board of Directors may review fund designations from time-to-time and establish new or eliminate established designated reserve funds as operational needs may dictate.

### **Sources of Funds:**

The source of funds for each category of reserves varies. For Restricted Assets, the source of funds to meet bond covenants or terms of individual agreements is specified in the debt issuance instrument or agreement that mandated the establishment of a reserve. Use of the funds is limited as specified in the covenants of the agreement. Reserves earmarked for near-term expenditure under the approved Capital Improvement Plan (CIP) for the current fiscal year will be deducted from the appropriate Designated Reserve and established as a Restricted Asset.

In the case of Designated Reserves, contributions may come from several sources as follows:

- a. ***Capital Improvement Fund (CIF)*** - Accumulated capital fees collected during property development to ensure adequate water and wastewater system capacity.
- b. ***Capital Replacement Fund (CRF)*** - Contribution from net operating results.
- c. ***Rate Stabilization Fund (RSF)*** - Contribution from net operating results from operations at the discretion of the Board to maintain the fund balance and to stabilize rates and meet the District's bond covenants.
- d. ***Operating and Emergency Reserves (OER)*** - Contribution from net operating results after all other contributions to reserves have been made.

The contribution of revenues of the District to meet replacement needs is based upon expected replacement costs and expected remaining life of the various assets.

### **Expenditure of Reserves:**

Expenditure of reserves is authorized as part of the annual budget process. Capital Replacement projects are individually authorized and may be designated either as Capital Improvement, Capital Replacement, Fixed Asset or a combination of, and funded from the appropriate reserve funds.

Prior to the expenditure of funds from any capital replacement fund, an analysis shall be conducted to determine if the asset has truly come to the end of its expected life and the asset is still required to meet the needs of District customers for the foreseeable future. In all cases, application of new technology should be considered to improve efficiency and economy of District operations.

**Review:**

An annual review of reserve levels is necessary during the budget preparation process to ensure proper levels of reserves are maintained. In addition, this reserve policy shall be reviewed by the Board on a biennial basis to ensure continued conformance with long-term Board strategy.

**Resolution No: 19-07**

A Resolution of the Board of Directors  
of Camrosa Water District

**Adopting a District Investment Policy**

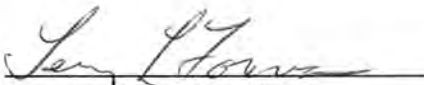
**Whereas,** The Board of Directors has established a District Investment Policy to provide guidelines for the prudent investment of the District's temporarily idle cash; and,

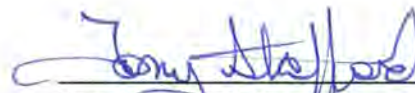
**Whereas,** It is in the best interests of the District to review that investment policy from time to time to ensure maximum yield while maintaining criteria to ensure safety and liquidity; and,

**Whereas,** The Investment Policy has been presented to the full Board for review and comment;

**Now, Therefore, Be It Resolved** by the Camrosa Water District Board of Directors that the attached Investment Policy is hereby adopted and made effective this date.

**Adopted, Signed, and Approved** this 10<sup>th</sup> day of January 2019.

for   
Eugene F. West, President  
Board of Directors  
Camrosa Water District

 (ATTEST)  
Tony L. Stafford, Secretary  
Board of Directors  
Camrosa Water District

**CAMROSA WATER DISTRICT  
STATEMENT OF INVESTMENT POLICY  
January 2019**

**PURPOSE:**

This statement is intended to provide guidelines for prudent investment of the District's temporarily idle cash, and outline policies for maximizing efficiency of the District's cash management system. The ultimate goal is to enhance the economic status of the District while protecting its cash resources.

**SCOPE:**

This investment policy applies to all financial assets of the District, as well as other funds that may be created from time to time which shall also be administered in accordance with the provisions of this policy. Funds held by the Ventura County Treasurer during tax collection periods shall be governed by the County's investment policy, and are not subject to the provisions of this policy.

**THE INVESTMENT PROCESS:**

The investment of public funds is a professional discipline. The investment process has the following components:

- A written investment policy explicitly identifying the District's opportunities, constraints, preferences, and capabilities.
- An Investment Strategy identifying Investment opportunities and overall objectives of the District.
- A Market Analysis identifying the District's circumstances and market conditions.
- A Portfolio Analysis identifying adjustments needed in response to changing circumstances, results and new objectives.

**POLICY:**

The Camrosa Water District shall invest its pooled, temporary idle cash investments in a manner that affords the District a broad spectrum of investment opportunities as long as the investment is deemed prudent and is allowable under current legislation of the State of California (Water Code Section 31303 and 31336 and Government Code Section 53600 et seq.). Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence, who are familiar with those matters, exercise in the management of their own affairs, not for speculation, but for investment considering the probable safety and liquidity of capital, as well as reasonable income to be derived.

The Board of Directors and the General Manager, acting in accordance with procedures and exercising due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided that deviations from expectations are reported in a timely fashion, and appropriate actions are taken to control adverse developments.

The General Manager shall establish a system of internal controls to be reviewed by the Investment Committee and with the independent auditor. The controls shall be designed to prevent losses of public funds arising from fraud, employee error, and misrepresentation by third parties, unanticipated changes in financial markets or imprudent actions by District Staff.

## **INVESTMENT STRATEGY**

Temporarily idle or surplus funds of the Camrosa Water District shall be invested in accordance with principles of sound treasury management and in accordance with the provisions of the California Government Code Sections 53600 et seq, the Water Code and this Investment Policy. The basic objectives of the District's investment program are, in order of priority,

- 1) Safety of invested funds; and
- 2) Maintenance of sufficient liquidity to meet cash flow needs; and
- 3) Attainment of the maximum return possible consistent with the first two objectives.

These objectives will be accomplished using the following procedures

1. Safety – The District shall ensure the safety of its invested funds by limiting credit and interest rate risks. Credit risk is the risk of loss due to the failure of the security issuer or backer. Interest rate risk is the risk that the market value of portfolio securities will fall due to an increase in general interest rates.

Credit risk will be mitigated by:

- a. Limiting investments to safer types of securities; and
- b. Diversifying the investment portfolio so that the failure of any one issuer or backer will not place undue financial burden on the District; and
- c. Monitoring all of the District's investments to anticipate and respond appropriately to a significant reduction of creditworthiness of any of the issuers. The relative health of issuers shall be evaluated by the Investment Committee at least annually.

Interest rate risk will be mitigated by:

- a. Structuring the District's portfolio so that securities mature to meet the District's cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to their maturity; and
  - b. Investing primarily in short-term securities; and
  - c. Occasionally restructuring the portfolio to minimize the loss of market value and/or to maximize cash flows.
2. Liquidity – The District's financial portfolio must be structured in a manner which will provide that securities mature at approximately the same time as cash is needed to meet anticipated demands. Additionally, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets. As a general rule, and subject to annual review by the Investment Committee, the average maturity of the investment portfolio will not exceed two (2) years. No investment will have a maturity of more than five (5) years from its date of purchase.
  3. Return – The investment portfolio shall be designed with overall objective of obtaining a total rate of return throughout economic cycles, commensurate with investment risk constraints and cash flow needs.

## **ELIGIBLE INVESTMENT INSTRUMENTS**

Camrosa shall invest only in investment instruments and media approved by Resolution of Camrosa's Board of Directors. The Board of Directors may consider additions or deletions to the approved investment instruments and media list at any time by resolution and shall include in each resolution the entire list of approved investments. This policy shall be used to evaluate recommended additions to the approved list. Additions to the approved list shall not be made unless there is a strong likelihood that the addition will be utilized within the near future. The attached Addendum contains examples of typical investment instruments which may be included on an approved list.

## **INVESTMENT CONSTRAINTS**

General Guidelines - Temporarily idle operating cash shall be invested in instruments whose average maturity does not exceed two (2) years. Reserves established for the replacement of utility (water, sewer) facilities may be invested for a longer term if a higher yield may be achieved. Funds held for capital replacement shall be invested in securities that reasonably can be expected to produce enough income to offset inflationary construction cost increases. Such funds shall not be exposed to market price risks or default risks that would jeopardize the assets available to accomplish their stated objective. Such would be the case with obligations of the U.S. Government or its agencies.

Diversification - It is the District's policy to diversify its investment portfolio to control credit risk. Diversification strategies shall be determined and revised periodically. Maturities shall be staggered to provide for liquidity and stability of income. At least 25% of the portfolio will be invested in securities which can be liquidated on one (1) day's notice in order to control liquidity risk. No more than one-third (33%) of Camrosa's portfolio shall be held by any single investment firm or institution. The sole exception shall be the State of California Investment Pool (L.A.I.F.).

Prohibited Investments - Investments by the District in securities permitted by the California Government Code, but not specifically approved by Board Resolution is prohibited without the prior approval of the Board of Directors. The District shall not invest any funds such as inverse floaters, range notes, and other instruments outlined in California Government Code Section 53601 nor in any security that could result in zero interest if held to maturity. No representative of the District is authorized to engage in margin transactions, derivatives nor reverse repurchase agreements on behalf of the District. Finally, while it may occasionally be necessary or strategically prudent of the District to sell a security prior to maturity to either meet unanticipated cash needs or to restructure the portfolio, no investment may be made for the sole purpose of speculating or taking an unhedged position on the future direction of interest rates.

Security Dealers and Depositories - The District shall seek to conduct its investment transactions with several competing, reputable security dealers and brokers as the need may arise. The selection process shall screen out institutions that lack viability or whose past practices suggest the safety of public capital, directed to or through such firms, would be impaired.

Ethics and Conflict of Interest - Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Such employees and investment officials shall disclose to the Board of Directors and the General Manager any material financial interests in financial institutions that conduct business within this jurisdiction, and they shall further disclose any large personal financial investment positions that could be related to the performance of the District's

portfolio. Such employees and officers shall subordinate their personal investment transactions to those of the District, particularly with regard to the time of purchases and sales.

## **RESPONSIBILITIES**

General Manager - The General Manager is charged with responsibility for maintaining custody of all public funds and securities belonging to or under the control of the District and for the deposit and investment of those funds in accordance with principles of sound fiscal management and in conformance with applicable laws and ordinances. The General Manager shall develop an investment procedures manual to implement this Investment Policy for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse as approved by the Board of Directors.

Details of the internal controls system shall be documented in an investment procedures manual and shall be reviewed and updated annually. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognized that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

The internal controls structure shall address the following:

1. Control of collusion
2. Separation of transaction authority from accounting and record keeping
3. Custodial safekeeping
4. Avoidance of physical delivery securities
5. Clear delegation of authority to subordinate staff members
6. Written confirmation of transactions for investments and wire transfers
7. Dual authorizations of wire transfers
8. Development of a wire transfer agreement with the lead bank and third-party custodian

The internal controls are further defined in the Investment Procedure attached.

The General Manager is responsible for keeping the Board of Directors fully advised as to the financial condition of the District.

District's Auditing Firm - The District's auditing firm's responsibilities shall include, but not be limited to, the examination and analyses of fiscal procedures and the examination, checking and verification of accounts and expenditures. A review of the District's investment program is to be performed, under a separate engagement for services, in conjunction with the annual financial audit.

Board of Directors - The Board of Directors shall consider and adopt a written Investment Policy. As provided in that Policy, the Board shall receive, review, and accept monthly Cash Position Reports and quarterly Investment Reports.

Investment Committee - An Investment Committee consisting of two (2) members of the Board of Directors appointed by the President, will meet with the District General Manager as required to develop the general strategies, allocate reserve assets among various approved investment instruments, and to monitor results. The Committee shall include in its deliberations, potential risks to District funds, authorized depositors, brokers and dealers, and target rate of return on investments, and any other topics as it may determine or as

directed by the Board of Directors. The Committee shall report to the full Board of Directors the results of the Investment Committee Meeting including any recommended actions. Payment for any transaction which requires the transfer of funds from one investment to another shall require the signature of at least two (2) Members of the Board.

## **REPORTING**

The General Manager, will provide the Board of Directors with monthly cash position and quarterly reports of investments. Such reports will provide at least the following: Type of investment, institution, date of maturity, amount of deposit, current market value of all securities maturing beyond one (1) year after reporting date, rate of interest and such other data as from time to time may be required by the Board.

## **ANNUAL REVIEW**

This investment policy shall be reviewed annually by the Investment Committee to ensure its consistency with respect to the overall objectives of safety, liquidity and yield. Proposed amendments to the policy shall be prepared by the Investment Committee and be forwarded to the Board of Directors for Consideration.

## **ADDENDUM**

### GLOSSARY:

#### U.S. GOVERNMENT SECURITIES

U.S. Treasury Obligations - Treasury bills, Treasury bonds, and Treasury notes issued by the U.S. Treasury. The maturity on these investments shall not exceed five (5) years without the prior approval of the Investment Committee. Per Gov't. Code no maturity greater than five (5) years and no portfolio limits.

U.S. Government Agency Obligations - Any obligation of, or obligation that is insured as to principal and interest by the United States or any agency or corporation thereof, and any obligation and security of the United States sponsored enterprises, including, without limitation:

- 1) Federal Farm Credit Banks (FFCB)
- 2) Federal Home Loan Bank System (FHLB)
- 3) Federal Home Loan Mortgage Corporation (FHLMC)
- 4) Federal National Mortgage Association (FNMA)
- 5) Federal Agriculture Mortgage Association (FAMA)
- 6) Tennessee Valley Authority (TVA)

Per Gov't. Code no maturity greater than five (5) years and no portfolio limits.

#### FINANCIAL INTERMEDIARIES

##### CERTIFICATES OF DEPOSIT

Commercial Bank Certificates of Deposit – Time Certificates of Deposit provided that the depository is a member of the FDIC and the amount does not exceed the current FDIC insured limit. Per Gov't. Code no maturity greater than five (5) years and no portfolio limit.

Negotiable Certificates of Deposit – Bank Deposit Notes issued by a nationally or state chartered bank or by a state-licensed branch of a foreign bank provide and is a member of the FDIC. Per Gov't Code limits maturity to five (5) years and 30% of portfolio.

Savings and Loan Association (S&L) Deposits – Investments in any Savings and Loan (S&L) institution and bank shall be limited to FDIC Limitations. Collateralization for uninsured S&L deposits is required.

##### RELATED INSTRUMENTS

Repurchase Agreements – An agreement with an approved broker/dealer that provides for, sell, and simultaneous purchase of an allowable collateral security. The difference in the sales and purchase price is the earning rate on the agreement. A master repurchase agreement must be in place with the approved broker/dealer. Per Gov't. Code no maturity greater than one (1) year, and no portfolio limits.

Bankers' Acceptances - Bills of exchange or time drafts drawn on and accepted by commercial banks, which are eligible for purchase by the Federal Reserve System, are known as bankers' acceptances. Purchases of these instruments may not exceed 180 bankers days maturity per Gov't Code and 40% portfolio limit.

State Investment Pool - Offering a governmental alternative to money market funds, California has created the Local Agency Investment Fund (LAIF). Such funds are operated directly by the State Treasurer who commingles state and local funds. Rates of return fluctuate daily and are reported as a monthly average yield rate. Same day or next day liquidity, by telephone communication. The State Treasurer requests voluntary compliance with no more than fifteen (15) transactions per month. Authorized by Gov't. Code Section 16429.1(b), with no maximum maturity or maximum % of portfolio.

Ventura County Investment Pool - The Ventura County Investment Pool is an additional alternative to money market funds. Similar to the State LAIF, invested funds are commingled with County and other local agency funds for investment purposes and yields are reported monthly. Liquidity provisions are consistent with the State's provisions, and withdrawals can also be made by telephone by authorized personnel. Authorized by Gov't. Code Section 53684(a) with no maximum maturity or maximum % of portfolio.

*Resolution No: 16-18*

*A Resolution of the Board of Directors  
of Camrosa Water District*

***Establishing a Debt Management Policy***

*Whereas*, the Camrosa Water District has a long history of issuing debt instruments to provide financing for various capital improvement projects; and

*Whereas*, the Camrosa Water District also has a long history of conservative, prudent financial practices relating to debt issuance; and

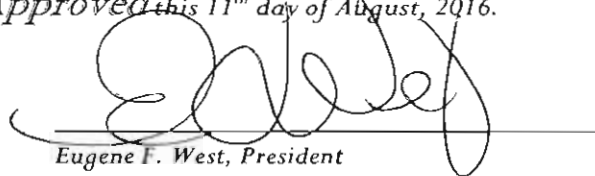
*Whereas*, the purpose of the debt management policy is to assist the District in pursuit of the following equally important objectives:

- Achieve the lowest cost of capital
- Ensure ratepayer equity
- Maintain a credit rating strategy and access to credit enhancement
- Preserve financial flexibility; and

*Whereas*, the Camrosa Water District established a debt management policy, memorializing these past and current practices as formal policy and establishing best practices of debt management for the District.

*Now, Therefore, Be It Resolved* by the Camrosa Water District Board of Directors that the proposed Debt Management Policy is hereby approved and adopted, and the General Manager is authorized to implement the policy.

*Adopted, Signed, and Approved* this 11<sup>th</sup> day of August, 2016.



Eugene F. West, President  
Board of Directors  
Camrosa Water District

ATTEST:



Tony L. Stafford, Secretary  
Board of Directors  
Camrosa Water District

# **Debt Management Policy**

**Adopted August 11, 2016**

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# **Debt Management Policy**

## **Policy Statement**

This policy documents the goals of the Camrosa Water District (District) for the use of debt instruments and provides guidelines for the use of debt for financing District water, sewer, and recycled water infrastructure and project needs. The District's overriding goal in issuing debt is to respond to and provide for its infrastructure, capital project, and other financing needs while ensuring that debt is issued and managed prudently in order to maintain a sound fiscal position and protect credit quality. The District issues debt instruments, administers District-held debt proceeds, and makes debt-service payments, acting with prudence, diligence, and attention to prevailing economic conditions.

The District will pay for all infrastructure, projects, and other financing needs from a combination of current revenues, available reserves, and prudently issued debt. The District believes that debt can provide an equitable means of financing projects for its customers and provide access to new capital. Debt will be used to meet financing needs (i) if it meets the goals of equitable treatment of all customers, both current and future; (ii) if it is the most cost-effective means available; (iii) if it is fiscally prudent, responsible, and diligent under the prevailing economic conditions; and (iv) if there are other important policy reasons therefor. The District will not issue debt without the approval of the Board of Directors (Board).

## **Purpose and Use of Debt**

The District will utilize reasonable debt financing as an acceptable and appropriate approach to fund long-term improvements and thus ensure that existing and future users contribute equitably. Long-term improvements include the acquisition of land, facilities, infrastructure, and supplies of water; and enhancements or enlargements to existing capacity and facilities for obtaining, importing, transporting, and delivering additional quantities of water. These improvements are typically included in the District's Operating and Capital Budget and capital plans as adopted by the Board of Directors. Bond proceeds can be issued to fund the planning, design, land acquisition, construction, equipment, attached fixtures and moveable pieces of equipment, or other costs as permitted by law.

## **Purpose of Policy**

The purpose of this debt management policy is to:

- Establish parameters for issuing debt
- Provide guidance to decision makers:

- With respect to all options available to finance infrastructure, capital projects, and other financing needs
- So that the most prudent, equitable and cost-effective method of financing can be chosen
- Document the objectives to be achieved both prior to issuance and subsequent to issuance
- Promote objectivity in the decision-making process
- Facilitate the financing process by establishing important policy decisions in advance

The District will adhere to the following legal requirements for the issuance of public debt:

- The state law which authorizes the issuance of the debt
- The federal and state laws which govern eligibility of the debt for tax-exempt status
- The federal and state laws which govern the issuance of taxable debt
- The federal and state laws which govern disclosure, sale, and trading of the debt both before and subsequent to issuance

## **Types of Debt**

Revenues Bonds, Notes, Certificates of Participation, special tax or special assessment bonds, capital leases, commercial paper, bank loans, direct placements, and lease-purchase financings will be treated as debt and subject to these same policies.

## **General Provisions**

The District will provide for a periodic review of its financial performance and review its performance relative to the financial policies outlined herein. These financial policies will be taken into account during the capital planning, budgeting, and rate setting processes. Necessary appropriations for annual debt service requirements will be routinely included in the District's annual budget. The District will maintain proactive communication with the investment community, including rating agencies, credit enhancers, and investors, to ensure future capital market access at the lowest possible interest rates.

The District's Debt Management Policy, the Reserve Policy, and the Investment Policy are integrated into the decision-making framework utilized in the budgeting and capital improvement planning process. As such, the following principles outline the District's approach to debt management:

- The District will issue debt only in the case where there is an identified source of repayment. Debt will be issued to the extent that (i) projected existing revenues

are sufficient to pay for the proposed debt service together with all existing debt service covered by such existing revenues, or (ii) additional projected revenues have been identified as a source of repayment in an amount sufficient to pay for the proposed debt.

- The District will not issue debt to cover operating needs, unless specifically approved by the Board.
- Debt issuance for a capital project will not be considered unless such project has been incorporated into the District's adopted Operating and Capital Budget or as otherwise approved by the Board.
- Each proposal to issue debt will be presented to the Finance Ad-Hoc Committee prior to presenting to the Board for approval. At that time, an analysis will be provided demonstrating conformity to this Policy. This analysis will address the purpose for which the debt is issued and the proposed debt structure.

## **Conditions for Debt Issuance**

The following guidelines formally establish parameters for evaluating, issuing, and managing the District's debt. The guidelines outlined below are not intended to serve as a list of rules to be applied to the District's debt issuance process, but rather to serve as a set of practices to promote prudent financial management.

In issuing debt, the District's objectives will be to:

- Achieve the lowest cost of capital
- Ensure ratepayer equity
- Maintain a credit rating strategy, and access to credit enhancement
- Preserve financial flexibility

## **Standards for Use of Debt Financing**

When appropriate, the District will use long-term debt financing to achieve an equitable allocation of capital costs/charges between current and future system users, to provide more manageable rates in the near and medium term, and to minimize rate volatility. The District shall not construct or acquire a facility if it is unable to adequately provide for the subsequent annual operation and maintenance costs of the facility throughout its expected life. Capital projects financed through debt issuance will not be financed for longer than the expected useful life of the project.

## **Debt Capacity**

There is no specific provision within the California Government Code that limits the amount of debt that may be issued by the District. The District's future borrowing capability is limited by the debt coverage ratio and additional debt limitations required by the existing bond covenants.

## Financing Criteria

Each debt issuance should be evaluated on an individual basis within the context of the District's overall financing objectives and current market conditions. The District will evaluate alternative debt structures (and timing considerations) to ensure the most cost-efficient financing under prevailing market conditions.

*Credit Enhancement* – The District will consider the use of credit enhancement on a case-by-case basis. Only when a clearly apparent savings can be realized shall credit enhancement be utilized.

*Cash-Funded Reserve vs. Surety* – If the issuance of debt requires a cash-funded debt service reserve fund, the District may purchase a surety policy or replace an existing cash-funded debt service reserve fund when deemed prudent and advantageous. The District may permit the use of guaranteed investment agreements for the investment of reserve funds pledged to the repayment of any of its debt when it is approved by the Board.

*Call Provisions* – In general, the District's securities should include optional call provisions. The District will avoid the sale of non-callable, long-term fixed rate bonds, absent careful evaluation of the value of the call option.

*Additional Bonds Test/Rate Covenants* – The amount and timing of debt will be planned to comply with the additional bonds tests and rate covenants outlined in the appropriate legal and financing documents, and this policy.

*Short-Term Debt* – The District may utilize short-term borrowing to serve as a bridge for anticipated revenues, construction financing, or future bonding capacity.

*Variable-Rate Debt* – Variable-rate debt products are rolling series of short-term investments that are resold periodically and are therefore priced at the short end of the yield curve at low interest rates. If an issuer accepts the risks inherent in variable interest rates, the issuer can take advantage of some of the lowest rates available on the market. Variable-rate debt may be appropriate for the District's portfolio, especially in the environment where increased interest earnings on invested funds offset the increased cost of variable-rate debt. Variable-rate debt products include variable-rate demand obligations, commercial paper, and auction rate securities. The District may consider the use of variable-rate debt products to achieve a lower cost of borrowing or for short-term borrowing. In determining whether or not to use variable-rate debt, the District will analyze the risks associated with the variable-rate debt products, including derivative products.

*Use of Variable-Rate Debt* – The District may consider the use of variable-rate debt products to achieve a lower cost of borrowing or for short-term borrowing. In

determining whether or not to use variable-rate debt, the District will analyze, among other things, the risk associated with the variable-rate debt and the impact on the District's overall portfolio. Before issuing variable-rate debt, the District will analyze its cash position; the District will not issue variable-rate debt in an amount that exceeds 115 percent of its unrestricted cash position at the time of issuance.

*Investment of Bonds Proceeds* – Bond proceeds will be invested in accordance with the permitted investment language outlined in the bond documents for each transaction. The District will seek to maximize investment earnings within the investment parameters set forth in the respective debt financing documentation. The reinvestment of bond proceeds will be incorporated into the evaluation of each financing decision, specifically addressing the arbitrage/rebate position and evaluating alternative debt structures and refunding savings on a “net” debt service basis, where appropriate.

## **Refinancing Outstanding Debt**

The Manager of Finance shall have the responsibility to evaluate potential refunding opportunities. The District will consider the following issues when analyzing potential refinancing opportunities:

*Debt Service Savings* – The District shall establish a target savings level equal to three percent or higher of the par refunded on a net present value (NPV) basis (after payment of all costs associated with the issuance). This figure will serve only as a guideline and the District may determine that a different savings target is appropriate; the District shall evaluate each refunding opportunity on a case-by-case basis. In addition to the savings guideline, the following shall be taken into consideration:

- Remaining time to maturity
- Size of the issue
- Current interest rate environment
- Annual cash flow savings
- The value of the call option
- Revision of restrictive or onerous covenants
- Other factors approved by the District

*Restructuring* – The District may seek to refinance a bond issue on a non-economic basis, in order to restructure debt, mitigate irregular debt service payments, accommodate revenue shortfalls, achieve a proper matching of debt service with revenues, release reserve funds, or comply with and/or eliminate rate/bond covenants.

*Term/Final Maturity* – The District may consider the extension of the final maturity of the refunding bonds in order to achieve a necessary outcome, provided that such extension is legal. The term of the debt should not extend beyond the reasonably expected useful

life of the asset being financed. The District may also consider shortening the final maturity of the bonds. The remaining useful life of the assets and the concept of intergenerational equity will guide these decisions.

### **Outstanding Debt Limitations**

Prior to issuance of new debt, the District shall consider and review the latest credit-rating reports and guidelines to ensure the District's credit ratings and financial flexibility remain at levels consistent with the most highly rated comparable public agencies.

### **Selection of Financing Team Members**

The District shall procure professional services as required to execute financing transactions and provide advice on non-transaction-related work. Professional services include Consultants (Financial Advisor, Legal Counsel – Bond, Disclosure and Tax); Service Providers (Trustee, Paying Agent, Printer, Letter of Credit, Verification Agent); and an Underwriting Team (Senior Manager, Co-Manager).

The District shall select its primary financing team members/consultant(s) by competitive process through a Request for Proposals (RFP) or a Request for Qualifications (RFQ).

The District shall establish selection criteria for selecting its financing team members. The criteria may include, but are not limited to:

- Professional excellence
- Demonstrated competence
- Specialized experience performing similar services for California agencies
- Education and experience of key personnel to be assigned
- Geographic proximity
- Staff capability
- Ability to meet schedules
- Nature and quality of similar completed work
- Reliability and continuity of the firm or individual
- Other considerations deemed by the District to be relevant and necessary to the performance of advisory services

### **Market Communication, Debt Administration and Reporting Requirements**

*Responsibilities* – For purposes of this policy, the General Manager delegates responsibility of market communication, debt administration, and reporting requirements to the Manager of Finance, or appropriate position determined by the General Manager.

*Rating Agencies* – The Manager of Finance shall be responsible for maintaining the District's relationships with Standard & Poor's Ratings Services, Fitch Ratings, and Moody's Investors Service, as appropriate. The District shall, from time to time, deal with one, two, or all of these agencies as circumstances dictate. In addition to general communication, the Manager of Finance shall (1) meet, at least biennially, either in person or via phone, with credit analysts, and (2) offer, prior to each competitive or negotiated sale, conference calls or meeting(s) with rating analysts in connection with the planned sale.

*Observance of Debt Covenants* – The Manager of Finance will periodically ensure that the District is in compliance with all legal covenants for each debt issue.

*Continuing Disclosure* – The Manager of Finance will, for all debt issued, comply with Rule 15c3-12(b)(5) by required filing as covenanted in each debt issue's Continuing Disclosure Agreement. The Manager of Finance will maintain a calendar with the reporting deadlines and procedures for dissemination of annual reports and notices.

*Record Keeping* – A copy of all debt-related records shall be retained at the District's offices. At minimum these records shall include all official statements, bid documents, bond documents/transcripts, resolutions, trustee statements, leases, and title reports for each financing (to the extent available). To the extent possible, the District shall retain an electronic copy of each document, preferably in PDF or CD-ROM format.

*Arbitrage Rebate* – The District will comply with the administratively adopted policies and procedures regarding tax-exempt financings and tax-exempt finance property, as well as the tax and arbitrage certifications associated with each issue.

*Policy Review* – This policy should be reviewed on a biennial basis and adopted by the Board.

## GLOSSARY OF TERMS

**Advance Refunding** A procedure where outstanding bonds are refinanced by the proceeds of a new bond issue prior to the date on which the outstanding bonds become due or are callable. Generally, either the entire outstanding issue is refunded (full refunding) or only the callable bonds are refunded (partial refunding).

**Amortization** The planned reduction of a debt obligation according to a stated maturity or redemption schedule.

**Arbitrage** The difference between the interest paid on the tax-exempt securities and the interest earned by investing the security proceeds in higher-yielding taxable securities. IRS regulations govern arbitrage on the proceeds from issuance of municipal securities.

**Balloon Maturity** A later maturity within an issue of bonds which contains a disproportionately large percentage of the principal amount of the original issue.

**Basis Points** The measure of the yield to maturity of an investment calculated to four decimal places. A basis point is one one-hundredth of one percent (.01 percent).

**Bond Anticipation Notes (BANS)** Notes issued by the government unit, usually for capital projects, which are paid from the proceeds of the issuance of long term bonds.

**Bullet Maturity** A maturity for which there are no sinking-funds payments prior to the stated maturity date.

**Call Provisions** The terms of the bond contract giving the issuer the right to redeem all or a portion of an outstanding issue of bonds prior to their stated dates of maturity at a specific price, usually at or above par.

**Capitalized Interest** A portion of the proceeds of an issue set aside to pay interest on the securities for a specific period of time. Interest is commonly capitalized for the construction period of the project.

**Certificates of Participation (COP)** A bond from an issue, which is secured by lease payments made by the party leasing the facilities, financed by the issued. Typically COPs are used to finance the construction of facilities (e.g., infrastructure or buildings) used by a municipal agency, which leases the facilities from a financing authority. Often the agency is legally obligated to appropriate moneys from its general tax revenues to make lease payments.

**Competitive Sale** A sale of securities by an issuer in which underwriters or syndicates of underwriters submit sealed bids to purchase the securities in contrast to a negotiated sale.

**Continuing Disclosure** The principle that accurate and complete information material to the transaction, which potential investors would be likely to consider material in making investment decisions with respect to the securities, be made available on an ongoing basis.

**Credit Enhancement** Credit support purchased by the issuer to raise the credit rating of the issued. The most common credit enhancements consist of bond insurance, direct or standby letters of credit, and lines of credit.

**Debt Service Reserve Fund** The fund in which moneys are placed, which may be used to pay debt service if pledged revenues are insufficient to satisfy the debt service requirements.

**Discount Bonds** Bonds which are priced for sale at a discount from their face or par value.

**Derivative** A financial product whose value is derived from some underlying asset value.

**Escrow** A fund established to hold moneys pledged and to be used to pay debt service on an outstanding issue.

**Gross Spread** The fees that underwriters receive for selling a public debt offering. The gross spread is equal to the difference between the price of a security paid by the underwriter and the offering price charged to the public.

The gross spread comprises three components:

*Takedown:* Normally the largest component of the spread, similar to a commission, which represents the income derived from the sale of securities. If bonds are sold by a member of the syndicate, the seller is entitled to the full takedown (also called the “total takedown”).

*Management Fee:* The amount paid to the senior manager and/or co-managers for handling the affairs of the syndicate.

*Expenses:* The costs of operating the syndicate for which the senior manager may be reimbursed.

**Lease-Purchase** A financing lease which may be sold publicly to finance capital equipment, real property acquisition or construction. The lease may be resold as certificates of participation or lease revenue bonds.

**Letters of Credit** A bank credit facility wherein the bank agrees to lend a specified amount of funds for a limited term.

**Management Fee** The fixed percentage of the gross spread which is paid to the managing underwriter for the structuring phase of a transaction.

**Negotiated Sale** A method of sale in which the issuer chooses one underwriter to negotiate terms pursuant to which such underwriter will purchase and market the bonds.

**Original Issue Discount** The amount by which the original par amount of an issue exceeds its public offering price at the time it is originally offered to an investor.

**Overlapping Debt** That portion of the debt of other governmental units for which residents of a particular municipality are responsible.

**Pay-As-You-Go** An issuer elects to finance a project with existing cash flow as opposed to issuing debt obligations.

**Present Value** The current value of a future cash flow.

**Private Placement** The original placement of an issue with one or more investors, as opposed to being publicly offered or sold.

**Rebate** A requirement imposed by the Tax Reform Act of 1986 whereby the issuer of the bonds must pay the IRS an amount equal to its profit earned from the investment of bond proceeds at a yield above the bond yield calculated pursuant to the IRS code, together with all income earned on the accumulated profit pending payment.

**Special Assessments** Fees imposed against properties that have received a special benefit by the construction of public improvements, such as water, sewer, and irrigation.

**Underwriter** A dealer that purchases new issues of municipal securities from the issuer and resells them to investors.

**Underwriter's Discount** The difference between the price at which bonds are bought by the underwriter from the issuer and the price at which they are reoffered to investors.

**Variable-Rate Debt** An interest rate on a security that changes at intervals according to an index, formula or other standard of measurement, as stated in the bond contract.

*Resolution No: 17-02*

*A Resolution of the Board of Directors  
of Camrosa Water District*

***Establishing a Budget Policy***

*Whereas, the budget is presented as a policy document, an operational tool, a financial planning tool and a link to the Strategic Plan and considered a communication tool to the District's community and stakeholders; and,*

*Whereas, the purpose of the budget policy is to provide guidelines that will influence and direct the financial management practice of the District; and,*

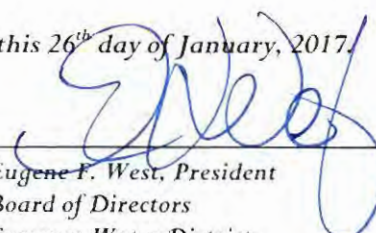
*Whereas, the main reasons for establishing a budget policy is to:*

- *Ensure quality of existing core services;*
- *Establish organizational goals to guide decision making;*
- *Develop a budget to achieve goals;*
- *Incorporate a long-term perspective;*
- *Evaluate performance and make adjustments;*
- *Strengthen the financial position;*
- *Focus budget decisions on results and outcomes; and*
- *Involve and promote effective communication with stakeholders.*


*Whereas, the Camrosa Water District established a budget policy, memorializing as a formal policy and establishing best practices of financial management for the District;*

*Now, Therefore, Be It Resolved* by the Camrosa Water District Board of Directors that the proposed Budget Policy is hereby approved and adopted, and the General Manager is authorized to implement the policy.

*Adopted, Signed, and Approved* this 26<sup>th</sup> day of January, 2017.

  
Eugene F. West, President  
Board of Directors  
Camrosa Water District

ATTEST:

  
Tony L. Stafford, Secretary  
Board of Directors  
Camrosa Water District

## **Budget Policy**

The budget is presented as a policy document, an operational tool, a financial planning tool, and a link to the Strategic Plan. In addition, it is also considered a communication tool to the District's community and stakeholders.

The main reasons for establishing a budget policy is to:

- Ensure quality of existing core services;
- Establish organizational goals to guide decision making;
- Develop a budget to achieve goals;
- Incorporate a long-term perspective;
- Evaluate performance and make adjustments;
- Strengthen the financial position;
- Focus budget decisions on results and outcomes; and
- Involve and promote effective communication with stakeholders

### **1.1 Purpose**

The purpose of the Camrosa Water District's Budget Policy is to provide guidelines that will influence and direct the financial management practice of the District. A financial policy that is adopted, adhered to, and regularly reviewed is recognized as the cornerstone of sound financial management. An effective financial policy: Provides principles and guidelines that minimize costs and reduce risk, maintains appropriate financial capacity for present and future needs, ensures legal compliance and maintains appropriate internal controls.

### **2.1 Budget Submittal and Adoption**

- In order to facilitate and implement the budget process, the General Manager will propose an annual budget calendar at the first regular Board meeting in January in every year.
- No later than two months before the end of each fiscal year, the General Manager shall prepare and submit to the Board of Directors a draft annual budget for the ensuing fiscal year.
- The Board of Directors will adopt by formal resolution an operating and capital budget every year by June 30.
- The fiscal period for the District is July 1 to June 30.

### **3.1 Balanced Budget**

- Adopted annual budgets shall ensure that operating revenues fully cover operating expenditures, including debt service within the Water and Wastewater enterprise.
- In the event of a shortfall, use of the rate stabilization fund or an inter-fund loan is allowable.

- One-time revenues shall only be used to cover one-time costs and ongoing revenues shall only be used to cover ongoing costs.
- Debt service funds shall not be utilized for operating expenses.

#### **4.1 Amendments to Adopted Budget**

- Initial appropriations (excluding carryovers and encumbrances for multi-year capital projects) will be made during the annual budget process when all District needs can be reviewed and prioritized in a comprehensive manner.
- The annual budget process will include multiple year projections.
- The General Manager has the authority to adjust the budget at the operational level within an enterprise and shall report budget performance to the Board of Directors on a quarterly basis.
- Additional appropriations from reserves must go to the Board of Directors for approval.

#### **5.1 Budget Process**

- The budget preparation process is developed by the General Manager with input from the Board of Directors.
- The District will develop its annual budget in such a manner to incorporate historical trend analysis for revenues and expenditures with an adjustment for increasing import water costs, current water demand trends, and other considerations as appropriate.
- The budget process will include a review of the current and future utility rates to determine the necessity to set a public hearing to increase rates to offset operational costs.

#### **6.1 Form of Budget**

- The budget shall present an itemized statement of the appropriations recommended by the General Manager to include estimated expenses and permanent improvements for each enterprise and program.
- Comparative data of the appropriations and expenditures for the current and previous fiscal year, as well as the increases or decreases in the recommended budget, shall be provided.

#### **7.1 Capital Budget**

- The Capital Improvement Program and the Operating Budget will be reviewed at the same time to ensure that the District's capital and operating needs are balanced and that the Capital Improvement Program is aligned with the District's long-range plans.
- Capital expenditures shall meet the requirements of generally accepted accounting principles (GAAP).

- The District will identify the estimated costs and potential funding sources for each capital project proposal.
- The District will develop a five-year plan for capital improvements including operations and maintenance costs to be updated each year.
- The District will utilize grant funding and other outside resources whenever possible.
- The District will utilize the least costly financing method for all new projects.

### **8.1 Long Term Financial Forecast**

- The District will develop a five-year financial forecast for operating and capital improvement projects; including operations and maintenance costs, and update it every year as part of the annual budget process.
- The financial forecast will identify the District's source of funds for which future capital improvement projects will necessitate.
- The financial forecast will include escalating operational cost index factor for ongoing routine operation expenditures.
- The financial forecast will identify the necessity of potential utility rate increases based upon imported water rates and operational costs.

### **9.1 Debt Service Ratios/Reserve Financial Position**

- The District will meet or exceed minimum debt service coverage ratios required by governing bond indentures.
- The District will ensure minimum reserve levels are met after appropriation of one-time capital appropriations.

### **10.1 Budgetary Control**

- The District shall prepare monthly reports on revenues and expenditures that compare budget-to-actual financial performance for Staff and reviewed quarterly by the Board of Directors.
- The District will monitor revenues and expenditures on an ongoing basis and ensure that expenditures do not exceed appropriations within an enterprise fund and program for the annual fiscal period.
- Each Program Manager is responsible for ensuring expenditures remain within budget.
- Any deviation from the Budget Policy will be brought to the Board of Directors for approval.

## Community Profile

This section contains demographic and economic statistics of the District's community profile. It also includes service area assessed valuations, and largest customers data.

The following are key demographics. The District has chosen to use the City of Camarillo's data as representative of the District. The region also has a very large military population at the nearby Point Mugu Naval Air Station and Port Hueneme, which adds stability. The District participates in the broad and diverse Oxnard-Thousand Oaks-Ventura metropolitan statistical area (MSA) economy. Camarillo's house hold income levels are strong with median household effective buying income.

### Demographic and Economic Statistics Last Ten Calendar Years City of Camarillo

Year	Unemployment Rate	Population	Personal Income (in thousands)	Per Capital Personal Income
2009	7.3%	66,149	2,494,346	37,708
2010	7.6%	66,690	2,646,326	39,681
2011	7.3%	65,830	2,477,973	37,642
2012	6.6%	66,407	2,439,394	36,734
2013	5.6%	66,428	2,613,278	39,340
2014	4.4%	66,752	2,572,222	38,534
2015	4.4%	67,154	2,586,638	38,518
2016	5.8%	69,924	2,963,380	42,380
2017	4.5%	69,460	2,958,440	42,592
2018	3.6%	69,229	3,271,440	47,225

Source: City of Camarillo CAFR and UCSB Economic Forecast Project

The District's service area encompasses property with over \$5.7 billion of assessed valuation. District residents have easy access to jobs countywide and in Los Angeles.

### Service Area Assessed Valuations

Fiscal Year	Secured Assessed Valuation	Unsecured Assessed Valuation	Total	% Change
2009	4,701,419,944	256,976,589	4,958,396,533	1.74%
2010	4,598,449,550	276,492,368	4,874,941,918	-1.68%
2011	4,562,003,372	261,933,824	4,823,937,196	-1.05%
2012	4,539,279,662	216,151,708	4,755,431,370	-1.42%
2013	4,567,072,569	209,920,926	4,776,993,495	0.45%
2014	4,678,271,589	139,077,637	4,817,349,226	0.84%
2015	4,907,112,472	128,877,820	5,035,990,292	4.54%
2016	5,145,103,092	115,142,342	5,260,245,434	4.45%
2017	5,330,477,983	121,837,738	5,452,315,721	3.65%
2018	5,583,931,181	165,603,337	5,749,534,518	5.45%

**Ten Largest Water Customers  
Fiscal Year 2018**

Customer	Customer Type	Acre-Feet	Annual Revenues	% of Water Sales
Leisure Village	Residential	1070	\$ 1,075,823	5.72%
Reiter Brother Inc	Agricultural	1413	768,774	4.09%
Calif. State University Channel Islands	Commercial	443	478,868	2.55%
Laubacher Farms	Agricultural	492	409,053	2.18%
Crumpler & Kruger	Commercial	267	396,495	2.11%
A Hartman Ranch, Inc.	Agricultural	494	350,132	1.86%
Camlam Farms, Inc.	Agricultural	818	249,475	1.33%
Waters Family Farm	Agricultural	166	220,542	1.17%
Lopez	Agricultural	262	192,344	1.02%
Pleasant Valley Park & Rec. District	Commercial	114	173,279	0.92%
<b>Total Ten Largest Customers</b>		<b>5,539</b>	<b>\$ 4,314,783</b>	<b>22.96%</b>
All Other Customers		10,154	14,478,413	77.04%
<b>Total Water Revenue for District</b>		<b>15,693</b>	<b>\$ 18,793,196</b>	<b>100.00%</b>

**Ten Largest Wastewater Customers  
Fiscal Year 2018**

Customer	EDUs	Annual Revenue	% of Wastewater Sales
Leisure Village	2,162	\$ 812,378	24.51%
Calif. State University Channel Islands	822	308,940	9.32%
Rancho Adolfo Mobile Home Estates	255	95,839	2.89%
Avalon Bay	161	60,510	1.83%
Essex Camino Inc.	161	60,510	1.83%
Adolfo Camarillo High School	59	22,175	0.67%
Emeritus at Camarillo	56	21,047	0.64%
Camino Ruiz LLC	47	17,664	0.53%
Marriott Brighton Gardens	42	15,785	0.48%
Pleasant Valley School	38	14,282	0.43%
<b>Total Ten Largest Wastewater Customers</b>		<b>\$ 1,429,132</b>	<b>43.12%</b>
All Other Customers		1,885,173	56.88%
<b>Total Wastewater Revenue for District</b>		<b>\$ 3,314,305</b>	<b>100.00%</b>