CAMROSA WATER DISTRICT
BUILDING WATER SELF-RELIANCE

Board of Directors
Al E. Fox
Division 1
Jeffrey C. Brown
Division 2
Timothy H. Hoag
Division 3
Eugene F. West
Division 4
Terry L. Foreman
Division 5
General Manager
Tony L. Stafford

Board Agenda

Regular Meeting

Thursday, February 13, 2020
Camrosa Board Room
5:00 P.M.

Call to Order

Public Comments

At this time, the public may address the Board on any item not appearing on the agenda which is subject to the jurisdiction of the Board. Persons wishing to address the Board should fill out a white comment card and submit it to the Board Chairman prior to the meeting. All comments are subject to a 5 minute time limit.

Matters appearing on the Consent Agenda are expected to be non-controversial and will be acted upon by the Board at one time, without discussion, unless a member of Board or the Staff requests an opportunity to address any given item. Items removed from the Consent Agenda will be discussed at the beginning of the Administrative Items. Approval by the Board of Consent Items means that the recommendation of the Staff is approved along with the terms and conditions described in the Board Memorandum.

Consent Agenda

1. **Approve Minutes of the Regular Meeting of January 30, 2020**

2. ****Approve Vendor Payments**

   Objective: Approve the payments as presented by staff.

   Action Required: Approve accounts payable in the amount of $351,763.51.

3. ****Operating Budget Excellence Award**

   Objective: Receive the California Society of Municipal Finance Officers (CSMFO) Operating Budget Excellence Award.

   Action Required: No action necessary; for information only.

4. **Emergency Leak Repair**

   Objective: Ratify action regarding emergency leak repair.

   Action Required: Ratify the payment to Landmark Grading & Paving, Inc. in the amount of $56,166.96 for required emergency leak repair.

Primary Agenda

5. ****Second Quarter Budget Status Report**

   Objective: Receive a report from staff regarding the status of the Fiscal Year (FY) 2019-20 budget.

   Action Required: No action necessary; for information only.

6. **CalPERS Unfunded Accrued Liability**

   Objective: To reduce the District's CalPERS Unfunded Accrued Liability (UAL).

   Action Required: Authorize the General Manager to pay down the District's current CalPERS UAL no later than April 1, 2020.

7. ****Out-of-Bounds Agreement**

   Objective: Provide water service to an out-of-bounds customer.

   Action Required: Authorize the General Manager to enter into an agreement with Marz Farms, Inc. to provide Surplus Water/Out-of-Bounds Service.

8. ****Review of District Investment Policy**

   Objective: Receive a briefing from the District's Investment Ad-Hoc Committee and approve the District's Investment Policy.

   Action Required: Adopt a Resolution Adopting the District's Investment Policy.

9. **Agreement for Auditing Services**

   Objective: Enter into a three-year agreement for auditing services.

   Action Required: Authorize the General Manager to enter into a three-year agreement with White Nelson Diehl Evans LLP (WNDE) for Professional Auditing Services.

Comments by General Manager; Comments by Directors; Adjournment

Closed Session: The Board may enter into a closed session to confidentially discuss anticipated litigation matters as authorized by Government code 54956.9.

10. **Closed Session Conference with Legal Counsel – Anticipated Litigation**

    Objective: To confer with and receive advice from counsel regarding anticipated litigation.

    Action Required: No action necessary; for information only.

PLEASE NOTE: The Board of Directors may hold a closed session to discuss personnel matters or litigation, pursuant to the attorney/client privilege, as authorized by Government Codes. Any of the items that involve pending litigation may require discussion in closed session on the recommendation of the Board's Legal Counsel.

Note: ** indicates agenda items for which a staff report has been prepared or backup information has been provided to the Board. Copies of the full agenda are available for review at the District Office and on our website at www.camrosa.com.

CAMROSA WATER DISTRICT

BUILDING WATER SELF-RELIANCE

February 13, 2020

Board of Directors Agenda Packet

CAMROSA WATER DISTRICT
BUILDING WATER SELF-RELIANCE

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General Manager
Tony L. Stafford

Board Minutes

Regular Meeting

Thursday, January 30, 2020

Camrosa Board Room
5:00 P.M.

Call to Order The meeting was convened at 5:00 P.M.

Present: Terry L. Foreman, Vice-President
Al E. Fox, Director
Jeffrey C. Brown, Director
Timothy H. Hoag, Director

Staff: Ian Prichard, Assistant General Manager
Jozi Scholl, Manager of Customer Accounts/Business
Tamara Sexton, Manager of Finance
Kevin Wahl, Superintendent of Operations
Joe Willingham, Manager of Engineering & Operations
Terry Curson, District Engineer
Greg Jones, Legal Counsel

Absent: Eugene F. West, President
Tony L. Stafford, General Manager

Public Comments

None

Consent Agenda

1. **Approve Minutes of the Regular Meeting of January 9, 2020**

   This item was pulled from the Consent Agenda and moved to the Primary Agenda.

2. **Approve Vendor Payments**

   A summary of accounts payable in the amount of $528,654.13 was provided for Board information and approval. The Board approved the payments to vendors as presented by staff in the amount of $528,654.13.

   Motion: Brown **Second:** Fox **Motion carried:** 4-0
   Yes: Brown-Fox-Hoag-Foreman
   Absent: West

Primary Agenda

2. **Approve Minutes of the Regular Meeting of January 9, 2020** *(Item pulled from the Consent Agenda)*

   Amendments: None

   The Board approved the Minutes of the Regular Meeting of January 9, 2020.

   Motion: Fox **Second:** Brown **Motion carried:** 4-0
   Yes: Brown-Fox-Hoag-Foreman
   Absent: West

3. **Shutoff Policy Public Hearing**

   The Board convened a public hearing at 5:01 P.M. for the purpose of accepting public testimony regarding proposed changes to Ordinance 40. There were no questions from the floor and no protest letters received. The public meeting was closed at 5:01 P.M. The Board adopted Ordinance 40-20, which includes the new Policy on Discontinuation of Residential Domestic Water Service for Nonpayment.

   Motion: Hoag **Second:** Fox **Motion carried:** 4-0
   Roll Call: Fox-Yes; Brown-Yes; Hoag-Yes; Foreman-Yes
   Absent: West

4. **Potable Water System Distribution Hydraulic Model Development**

   The Board authorized the General Manager to award a contract and issue a purchase order to Water System Consulting, Inc. (WSC) in the amount not-to-exceed $69,745.00 to provide professional engineering services to develop a system-wide hydraulic water model for the District's potable distribution system.

   Motion: Fox **Second:** Hoag **Motion carried:** 4-0
   Yes: Brown-Fox-Hoag-Foreman
   Absent: West

Comments by General Manager

- None

Comments by Directors

- None

Adjournment

There being no further business, the meeting was adjourned at 5:04 P.M.

_____ _____ (ATTEST)

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

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

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Tony L. Stafford

Board Memorandum

February 27, 2020

To: General Manager

From: Sandra Llamas, Sr. Accountant

Subject: **Approve Vendor Payments**

Objective: Approve the payments as presented by Staff.

Action Required: Approve accounts payable in the amount of $351,763.51.

Discussion: A summary of accounts payable is provided for Board information and approval.

Payroll PR 1-3 & ME	$ 87,243.25
Accounts Payable 1/23/2020-2/05/2020	$ 264,520.26
Total Disbursements	$ 351,763.51

DISBURSEMENT APPROVAL

BOARD MEMBER DATE

BOARD MEMBER DATE

BOARD MEMBER DATE

Tony L. Stafford, General Manager

Agenda Item #2

Camrosa Water District

Accounts Payable Period:

1/23/2020-2/05/2020

Expense	Account Description	Amount
11100	Accounts Rec-Other	
41220	Misc. Credit	
11700	Meter Inventory	
11910	Prepaid Miscellaneous	
11905	Prepaid Maintenance Ag	
13000	Land	
400	General Capital Projects	17008.17
900	Sewer Capital Projects	
800 & 600	Water Capital Projects	
650	Water Capital Rep Projects	83393.62
750	NP Water Capital Rep Projects	52590.55
20053	Current LTD Bond 2016	
20052	Current LTD Bond 2012	
20250	Non-Potable Water Purchases	
23001	Refunds Payable	452.03
20400	Contractor's Retention	2875.00
50110	Payroll FLSA Overtime-Retro	
50010	Water Purchases & SMP	
50020	Pumping Power	
50100	Federal Tax 941 1st QTR	
50140	Unemployment	
50153	Social Security Tax	
50200	Utilities	299.55
50210	Communications	2172.44
50220	Outside Contracts	24231.86
50230	Professional Services	33989.00
50240	Pipeline Repairs	402.19
50250	Small Tool & Equipment	841.91
50260	Materials & Supplies	10025.49
50270	Repair Parts & Equip Maint	28688.58
50280	Legal Services	
50290	Dues & Subscriptions	70.00
50300	Conference & Travel	4576.99
50310	Safety & Training	900.00
50330	Board Expenses	
50340	Bad Debt	
50350	Fees & Charges	2002.88
50360	Insurance Expense	
50500	Misc Expense	
50600	Fixed Assets	
50700	Interest Expense	
	TOTAL	**$264,520.26**

Agenda Item #2

Payment Numbe	Post Date	Vendor Name	Payable Number	Description (Item)	Account Name	Purcha	Amount
Vendor: AGR00 - AG RX INC.							
55010	02/05/2020	AG RX INC.	95323	Weed Abatement	Outsd contracts	FY20-01	3108.16
55010	02/05/2020	AG RX INC.	95339	Weed Abatement	Outsd contracts	FY20-01	4820.64
					Vendor AGR00 - AG RX INC. Total:		**7928.8**
55011	02/03/2020	ALEXANDER'S CONTRACT SERVICES, INC	102605	Meter Reading	Outsd contracts		1754.02
55012	02/05/2020	Anacapa Drywall Construction Inc.	Pymt1-MeetingRm-I	ICC T-bar and Paint	Construction in progress	FY20-01	14300
55013	01/28/2020	ASTRA INDUSTRIAL SERV,INC	171232	Repair Parts 1' RP's	Repair parts & equipment		677.82
55014	02/04/2020	AWA	06-12335	AWA Breakfast 3 Attendees	Conf. & travel		75
55015	01/28/2020	B & R TOOL & SUPPLY CO.	1900941494	Repair Parts - Diverison Meters	Repair parts & equipment		101.08
572	02/05/2020	CALLEGUAS MUNICIPAL WATER	TMDL-19-01	TMDL Approved FY19-20 Budget Item	Prof services		33989
55016	02/05/2020	Central Courier LLC	45595	Current Usage charges April 2016	Outsd contracts		568.98
55017	02/03/2020	CHRIS SEAL	00000961	Deposit Refund Act 961- 812 Paseo Tosamar	Refunds payable		26.78
55018	02/03/2020	COASTAL-PIPCO	S2080817-003	Repair Parts -RMWTP	Repair Parts & Equipment-RM		524.61
55019	02/04/2020	DLT SOLUTIONS, LLC	SI463898	Autocad Licenses	Outsd contracts	FY20-01	1215.2
55020	02/04/2020	DOCUPRODUCTS	193094	Ink Cartridges for Lexmark Printer	Materials & supplies		1972.89
55021	01/29/2020	ELACORA MISSION OAKS LLC	00010601	Refund Payment Act 10601-401 Castiano	Refunds payable		53.78
55022	02/04/2020	Enhanced Landscape Management, LLC	46128	Landscaping	Construction in progress		1104
Vendor: \E107 - ESQUIRE PROPERTY MANAGEMENT							
55023	02/03/2020	ESQUIRE PROPERTY MANAGEMENT	00002239	Deposit Refund Act 2239- 433 Blanco Ct	Refunds payable		43.57
55023	01/29/2020	ESQUIRE PROPERTY MANAGEMENT	00006692-2	Account Overpayment- Act 6692- 5374 Corte	Refunds payable		51.13
					Vendor \E107 - ESQUIRE PROPERTY MANAGEMENT Total:		**94.7**
Vendor: FAM01 - FAMCON PIPE & SUPPLY, INC							
55024	02/04/2020	FAMCON PIPE & SUPPLY, INC	S100018478-001	Materials and Supplies	Materials & supplies		252.04
55024	02/03/2020	FAMCON PIPE & SUPPLY, INC	S100018736-001	Filter Valves and Piping	Construction in progress	FY20-01	21226.92
55024	02/04/2020	FAMCON PIPE & SUPPLY, INC	S100020929-001	Materials and Supplies	Materials & supplies		557.7
55024	02/04/2020	FAMCON PIPE & SUPPLY, INC	S100021218-001	Leak Repair- 5205 Creekside Rd-WO#116026	Pipeline repairs		402.19
55024	02/05/2020	FAMCON PIPE & SUPPLY, INC	S100021596-001	Distribution Valve Replacement	Construction in progress	FY20-01	1314.89
					Vendor FAM01 - FAMCON PIPE & SUPPLY, INC Total:		**23753.74**
55025	02/04/2020	FENCE FACTORY, INC	609285	PV Well 2 - Fence Rental	Construction in progress		170.7
55026	02/05/2020	FLO-SERVICES, INC.	19K558-1	Diversion Bypass Motors	Construction in progress	FY20-00	52590.55
Vendor: FOX02 - FOX, AL E.							
573	01/29/2020	FOX, AL E.	2019 ACWA SanDieg	2019 ACWA Fall Conference - San Diego	Conf. & travel		1920.95
573	01/29/2020	FOX, AL E.	2019 San Diego-Casa	2019 Casa Conference San Diego-8-20 th 8-2	Conf. & travel		1464.11
573	02/05/2020	FOX, AL E.	TrvlReimb-2020Casa	2020 Casa Winter Conference-Travel Reimbu	Conf. & travel		1061.93
					Vendor FOX02 - FOX, AL E. Total:		**4446.99**

55027	01/28/2020	Frontier Communications	Jan20	VOIP Land Lines	Communications		411.11
Vendor: FRU01 - FRUIT GROWERS LAB. INC.							
55028	01/30/2020	FRUIT GROWERS LAB. INC.	000757A	Outside Lab Work	Outsd contracts		581
55028	01/29/2020	FRUIT GROWERS LAB. INC.	00758A	Outside Lab Work	Outsd contracts		216
55028	02/04/2020	FRUIT GROWERS LAB. INC.	917387A	Outside Lab Work	Outsd contracts		376
					Vendor FRU01 - FRUIT GROWERS LAB. INC. Total:		**1173**
55029	02/05/2020	HARRIS WATER COND. INC.	FEB20-643908	Water Softener	Outsd contracts		54.5
574	01/29/2020	HealthEquity	55e7ydr	Customer Driven Health Plan-Admn Fees Jan	Fees & charges		37.7
55030	02/03/2020	IDEXX LABORATORIES, INC	3059333046	Lab : Bacteriological Testing Suppplies	Materials & supplies		948.81
55031	01/29/2020	INFOSEND, INC.	165543	Printing & Mailing January 2020 Bills	Outsd contracts		5276.49
Vendor: J&H01 - J&H Engineering							
55032	02/05/2020	J&H Engineering	3488	Meter Station #9 Rehab	Construction in progress	FY20-00	45800
55032	02/05/2020	J&H Engineering	3489	MS6 Rehab	Construction in progress	FY19-02	1375
					Vendor J&H01 - J&H Engineering Total:		**47175**
55033	02/03/2020	Janitek Cleaning Solutions-Allstate Cleaning, Inc.	36896A	Janitor Service	Outsd contracts		1655.56
55034	02/04/2020	LASER TONER & COMPUTER SUPPLY, INC	155639	O&M Printer Maintenance	Materials & supplies		99
55035	01/29/2020	LEAH GALVEZ	00001866	Closed Act Overpayment-5270 Hidalgo St	Refunds payable		65.96
55036	02/03/2020	LISA DEMASTERS	00010281	Deposit Refund Act 10281- 449 Pecana St	Refunds payable		3.88
55037	02/04/2020	Mackay Communications, Inc.	SOI4038943	Satellite Phone Base Station for ICC	Construction in progress	FY20-01	2175.58
55038	01/28/2020	McMASTER-CARR SUPPLY CO	29847396	Materials and Supplies - Shims for Rosita PS	Materials & supplies		373.89
Vendor: \N113 - NANOPRECISION PRODUCTS, INC.							
55039	01/29/2020	NANOPRECISION PRODUCTS, INC.	00007734	Deposit Refund Act 7734- 802 Calle Plano	Refunds payable		96
55039	01/29/2020	NANOPRECISION PRODUCTS, INC.	00009086	Deposit Refund Act 9086- 766 Calle Plano	Refunds payable		48
					Vendor \N113 - NANOPRECISION PRODUCTS, INC. Total:		**144**
Vendor: PER02 - PERLITER & INGALSBE							
55040	01/29/2020	PERLITER & INGALSBE	18476	Finalize dwgs for PV Well No. 2	Construction in progress	REQ000	3727.4
55040	01/29/2020	PERLITER & INGALSBE	18476	Additional Scope	Construction in progress	REQ000	5.35
					Vendor PER02 - PERLITER & INGALSBE Total:		**3732.75**
55041	01/28/2020	PRAXAIR DISTRIBUTION INC	94378985	Acetylene Gas Cylinders	Materials & supplies		129.27
55042	02/05/2020	PUMPMAN INC.	11569	Pump Repair Yucca PS B#3	Repair parts & equipment	FY20-01	7468
55043	01/29/2020	QUIMING LIN	00002371	Closed Account Overpayment-919 Carissa Ct	Refunds payable		62.93
Vendor: QUI02 - QUINN COMPANY							
55044	01/29/2020	QUINN COMPANY	WO010068339	Vehicle Maintenance 938 M Loader	Repair parts & equipment		997.23
55044	02/04/2020	QUINN COMPANY	WO010068387	Fleet Fuel	Materials & supplies		670.41
55044	02/03/2020	QUINN COMPANY	WON10013376	Generator Repair	Repair parts & equipment	FY20-01	12329.4
					Vendor QUI02 - QUINN COMPANY Total:		**13997.04**
55045	02/05/2020	ROCKWELL SOLUTIONS INC.	2323	Repair Parts-RMWTP Concentrate Pumps	Repair Parts & Equipment-RM		204.83
Vendor: ROY03 - ROYAL INDUSTRIAL SOLUTIONS							
55046	02/03/2020	ROYAL INDUSTRIAL SOLUTIONS	9009-403494	Incident Command Center	Construction in progress		403.53
55046	02/03/2020	ROYAL INDUSTRIAL SOLUTIONS	9009-403583	Incident Command Center	Construction in progress		100.14
55046	02/03/2020	ROYAL INDUSTRIAL SOLUTIONS	9009-403618	Incident Command Center	Construction in progress		28.92
					Vendor ROY03 - ROYAL INDUSTRIAL SOLUTIONS Total:		**532.59**

55007	01/28/2020	SO CALIFORNIA EDISON	12820-LicAgrement	Lic Agreement 5 yr term-Moorpark-Tho Oaks	Fees & charges		1965.18
55047	02/05/2020	SOLAR ELECTRIC SUPPLY,INC	20635	Repair Parts 4A Solar Array	Repair parts & equipment	FY20-01	6385.61
Vendor: SCG01 - SOUTHERN CALIFORNIA GAS							
575	02/04/2020	SOUTHERN CALIFORNIA GAS	January 2020	Usage Charges Jan2020-Act 1237817941	Utilities		15.78
575	02/04/2020	SOUTHERN CALIFORNIA GAS	January 2020-A	Usage Charges Jan2020-Act 17001399009	Utilities		283.77
					Vendor SCG01 - SOUTHERN CALIFORNIA GAS Total:		**299.55**
Vendor: SCF01 - SOUTHERN COUNTIES OIL							
55048	01/29/2020	SOUTHERN COUNTIES OIL	1573522IN	Materials and Supplies - Fuel	Materials & supplies		1830.76
55048	01/29/2020	SOUTHERN COUNTIES OIL	1578275IN	Fleet Fuel	Materials & supplies		1563.85
55048	02/03/2020	SOUTHERN COUNTIES OIL	1579891	Materials and Supplies - Fuel	Materials & supplies		1316.87
					Vendor SCF01 - SOUTHERN COUNTIES OIL Total:		**4711.48**
55049	01/29/2020	SPARKLETTS	4667386-012620	Distilled Bottled Water	Outsd contracts		95.63
55009	01/31/2020	STATE WATER RESOURCES CONTROL BOARD	D1 Certification-MP	Renewal Fees for Opertator Certification-D1 (	Dues & subscrip		70
55050	02/04/2020	TAURUS PROTECTION INC	1024	.	Outsd contracts		1956
55051	02/03/2020	THE CAPRICORN GROUP	16736	Lab Standard	Materials & supplies		113.3
55052	02/03/2020	TORO ENTERPRISES, INC	RET 9577	Retention ReleaseValve & Manhole Project	Contractor's retention		2875
Vendor: TRA02 - TRAVIS AGRICULTURAL, INC							
55053	02/05/2020	TRAVIS AGRICULTURAL, INC	191205F	Distribution Valve Replacement	Construction in progress	FY20-01	9038.36
55053	02/05/2020	TRAVIS AGRICULTURAL, INC	20042F	Diversion Cleanup	Outsd contracts	FY20-01	1120
					Vendor TRA02 - TRAVIS AGRICULTURAL, INC Total:		**10158.36**
Vendor: UND01 - UNDERGROUND SERVICE ALERT OF SOUTHERN CALIFORNIA, INC							
55054	02/03/2020	UNDERGROUND SERVICE ALERT OF SOUTHERN CALIFORNIA, I	120200203	Dig Alert New Ticket Charges	Outsd contracts		140.35
55054	02/03/2020	UNDERGROUND SERVICE ALERT OF SOUTHERN CALIFORNIA, I	dsb20190151	Current Usage charges April 2016	Outsd contracts		40.33
					Vendor UND01 - UNDERGROUND SERVICE ALERT OF SOUTHERN CALIFORNIA, INC Total:		**180.68**
Vendor: UNI08 - UNIFIRST CORPORATION							
55055	01/29/2020	UNIFIRST CORPORATION	328-1152900	Uniform Cleaning Service	Outsd contracts		217
55055	01/29/2020	UNIFIRST CORPORATION	328-1152926	Office Supplies - Cleaning Supplies	Materials & supplies		99.13
55055	02/05/2020	UNIFIRST CORPORATION	328-1154718	Current Usage charges April 2016	Outsd contracts		217
55055	02/05/2020	UNIFIRST CORPORATION	328-1154745	Current Usage charges April 2016	Materials & supplies		97.57
					Vendor UNI08 - UNIFIRST CORPORATION Total:		**630.7**
55056	01/29/2020	USA BLUE BOOK	126463	Hand Tools - Locator for Jude	Small tools & equipment		841.91
55057	02/04/2020	VCSDA	242020	Annual Dinner Mtg (Al Fox)	Conf. & travel		55
55058	02/03/2020	VENTURA COUNTY AIR POLLUTION CONTROL DISTRICT	Permit PV Well-2 (2(	PV Well 2 Stanby Generator Permit Fee	Construction in progress		450
55059	01/29/2020	VERIZON WIRELESS	9846838605	Cell Phone	Communications		1761.33
Vendor: WAT11 - WATERWISE PRO TRAINING							
55060	01/29/2020	WATERWISE PRO TRAINING	JerryLajoie-2-2020	Water Distrib Refresher Course Feb 25&26	Safety & train		450
55060	01/29/2020	WATERWISE PRO TRAINING	Jorge Navarro-2-202	Water Distrib Refresher Course Feb 25&26	Safety & train		450
					Vendor WAT11 - WATERWISE PRO TRAINING Total:		**900**

TOTAL VENDOR PAYMENTS

$ 264,520.26

570	02/04/2020	ACWA/JPIA	0639460	Medical, Dental & Vision Premium Feb 2020	Medical ins.	43529.81
Vendor: PER05 - CAL PERS 457 PLAN						
DFT0002477	01/30/2020	CAL PERS 457 PLAN	INV0008272	Deferred Compensation	Deferred comp - ee paid	50
DFT0002478	01/30/2020	CAL PERS 457 PLAN	INV0008273	Deferred Compensation	Deferred comp - ee paid	2597
					Vendor PER05 - CAL PERS 457 PLAN Total:	**2647**
DFT0002491	01/30/2020	EMPLOYMENT DEVELOP. DEPT.	INV0008288	Payroll-SIT	P/R-sit	4189.38
Vendor: HEA02 - HealthEquity						
DFT0002481	01/30/2020	HealthEquity	INV0008277	HSA-Employee Contribution	HSA Contributions Payable	348.07
DFT0002482	01/30/2020	HealthEquity	INV0008278	HSA Contributions	HSA Contributions Payable	342.3
					Vendor HEA02 - HealthEquity Total:	**690.37**
569	01/30/2020	LINCOLN FINANCIAL GROUP	INV0008274	Deferred Compensation	Deferred comp - ee paid	950
568	01/30/2020	LINCOLN FINANCIAL GROUP	INV0008284	Profit Share Contribution	Profit share contributions	2913.98
DFT0002479	01/30/2020	PUBLIC EMPLOYEES	INV0008275	PERS-Classic Employee Portion	P/R-state ret.	16777.61
Vendor: UNI10 - UNITED STATES TREASURY						
DFT0002488	01/30/2020	UNITED STATES TREASURY	INV0008285	FIT	P/R-fit	10949.74
DFT0002490	01/30/2020	UNITED STATES TREASURY	INV0008287	Payroll- Medicare Tax	P/R - ee medicare	2821.8
DFT0002492	01/30/2020	UNITED STATES TREASURY	INV0008289	Payroll-Social Security Tax	P/R - ee social security	280.4
					Vendor UNI10 - UNITED STATES TREASURY Total:	**14051.94**
55008	01/30/2020	UNITED WAY OF VENTURA CO.	INV0008271	Charity-United Way	P/R-charity	35
Vendor: UNU01 - UNUM LIFE INSURANCE						
571	02/01/2020	UNUM LIFE INSURANCE	INV0008231	Lont Term Disability	Ltd ins.	1184.62
571	02/01/2020	UNUM LIFE INSURANCE	INV0008241	Short Term Disability	P/R-std ins.	273.54
					Vendor UNU01 - UNUM LIFE INSURANCE Total:	**1458.16**

TOTAL PAYROLL VENDOR PAYMENTS $ 87,243.25

CAMROSA WATER DISTRICT
BUILDING WATER SELF-RELIANCE

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General Manager
Tony L. Stafford

Board Memorandum

February 13, 2020

To: General Manager

From: Tamara Sexton, Manager of Finance

Subject: **Operating Budget Excellence Award**

Objective: Receive the California Society of Municipal Finance Officers (CSMFO) Operating Budget Excellence Award.

Action Required: No action necessary; for information only.

Discussion: The District has received the Operating Budget Excellence Award from CSMFO for the District's Fiscal Year (FY) 2019-20 Operating Budget.

As part of the District's mission to promote excellence in financial management, the District's FY 2019-20 Operating Budget provides the general public, regulatory institutions, and rating agencies a comprehensive budget. The budget explains the District's organization, financial structure, and major issues facing the District. It summarizes the Board of Directors' strategies, policies, and recent actions, and explains how those benefit the District as a whole.

The CSMFO promotes excellence in financial management and has established a budget award program that evaluates the budgets of municipal agencies of California. 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 District submitted the FY 2019-20 Operating Budget for consideration of a budget award. The budget was reviewed by an independent reviewer and qualified for the Operating Budget Excellence Award. This is the sixth consecutive year the District has received the highest award.

California Society of Municipal Finance Officers

Certificate of Award

Operating Budget Excellence Award
Fiscal Year 2019-2020

Presented to the

Camrosa Water District Operating & Capital Budget

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

January 31, 2020

CALIFORNIA SOCIETY OF MUNICIPAL FINANCE OFFICERS

Steve Heide
CSMFO President

Yolanda Rodriguez, Chair
Recognition Committee

Dedicated Excellence in Municipal Financial Reporting

CAMROSA WATER DISTRICT
BUILDING WATER SELF-RELIANCE

Board of Directors
Al E. Fox
Division 1
Jeffrey C. Brown
Division 2
Timothy H. Hoag
Division 3
Eugene F. West
Division 4
Terry L. Foreman
Division 5
General Manager
Tony L. Stafford

Board Memorandum

February 13, 2020

To: General Manager

From: Kevin Wahl, Superintendent of Operations

Subject: **Emergency Leak Repair**

Objective: Ratify action regarding emergency leak repair.

Action Required: Ratify the payment to Landmark Grading & Paving, Inc. in the amount of $56,166.96 for required emergency leak repair.

Discussion: On June 7, 2019, Sam Hill & Sons, Inc. was called to repair a leak on the potable distribution system in vicinity of 4681 Calle Bolero, Camarillo CA. This specific leak was a result of a failure of the main line saddle connecting the service lateral to the main line. Sam Hill was able to repair the leak for $10,802.35. The leak had generated a sizeable depression in the street, curb and sidewalk area. Landmark Grading & Paving, Inc. was brought in due to the size and scope of the street repair. It took several months before the leak area became stable and dry enough for compaction testing. Once tested, additional roadway material was removed and replaced with slurry to meet compaction requirements. The curb and sidewalk were replaced and the street was restored to City standards.

The Camrosa Fiscal Year 2019-20 Budget has a line item for unforeseen emergency leak repairs.

CAMROSA WATER DISTRICT
BUILDING WATER SELF-RELIANCE

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Division 5
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Tony L. Stafford

Board Memorandum

February 13, 2020

To: General Manager

From: Sandra Llamas, Sr. Accountant

Subject: **Second Quarter Budget Status Report**

Objective: Receive a report from staff regarding the status of the Fiscal Year (FY) 2019-20 budget.

Action Required: No action necessary; for information only.

Discussion: Staff has prepared a "budget to actual" financial status report reflecting FY 2019-20 second quarter results. The attached budget status report provides second quarter "budget to actual" comparisons and a year-to-date variance from the quarterly budget amounts.

Water Program: The Potable Water Program's water deliveries through the month of December were 3,955 acre feet (AF) and budgeted deliveries were 4,217 AF. Total Operating Revenues are 94% of budget. Total Expenses are 92% of budget. Net Operating Results before capital fees and grant receivable is $100,954 greater than budget. The District earned $73,234 in grant revenues related to Proposition 84 for the PV Well project.

The Non-Potable Water Program's water deliveries through the month of December were 4,071 acre-feet (AF) and budgeted deliveries were 4,731 AF. Total Operating Revenues are 98% of budget. Total Expenses are 72% of budget. Net Operating Results is $169,604 greater than budget.

Wastewater Program: The Wastewater Program's Total Operating Revenues are 102% of budget and Total Expenses are 90% of budget. Net Operating Results is $250,439 greater than budget.

Water Program	2nd QTR Budget	2nd QTR Actuals	2nd QTR Encumb	2nd QTR Actuals & Encumb	Variance	Actual % 2nd Qtr Budget
Revenues						
Water Sales:						
Potable	$ 6,450,365	$ 5,966,732	$ -	$ 5,966,732	$ (483,633)	93%
Recycle/Non-Potable	2,922,839	2,695,685	-	2,695,685	(227,154)	92%
Water Sales to Pleasant Valley	176,175	309,275	-	309,275	133,100	176%
Meter Service Charge	1,146,150	1,168,667	-	1,168,667	22,517	102%
Special Services	19,050	43,155	-	43,155	24,105	227%
Pump Zone/Miscellaneous	26,187	33,540	-	33,540	7,353	128%
Total Operating Revenues	**$ 10,740,766**	**$ 10,217,054**	**$ -**	**$10,217,054**	**$ (523,712)**	**95%**
Operating Expenses						
Import Water Purchases-Calleguas	$ 3,844,586	$ 4,291,472	$ -	$ 4,291,472	$ (446,886)	112%
Calleguas Fixed Charge	378,786	378,786	-	378,786	-	100%
Conejo Creek Project	303,292	303,292	-	303,292	-	100%
Salinity Management Pipeline-Calleguas	133,678	48,441	-	48,441	85,237	36%
Production Power	1,003,575	621,728	-	621,728	381,847	62%
Total Production	**$ 5,663,917**	**$ 5,643,719**	**$ -**	**$ 5,643,719**	**$ 20,198**	**100%**
Regular Salaries	$ 1,001,394	$ 782,871	$ -	$ 782,871	$ 218,523	78%
Overtime/Standby	46,806	13,030	-	13,030	33,776	28%
Part Time	32,778	26,668	-	26,668	6,110	81%
Benefits	496,502	405,941	-	405,941	90,561	82%
Total Salaries & Benefits	**$ 1,577,480**	**$ 1,228,510**	**$ -**	**$ 1,228,510**	**$ 348,970**	**78%**
Outside Contracts	$ 724,644	$ 274,457	$ 115,517	$ 389,974	$ 334,670	54%
Professional Services	173,453	32,018	21,092	53,110	120,343	31%
Total Outside Cont/Profess Services	**$ 898,097**	**$ 306,475**	**$ 136,609**	**$ 443,084**	**$ 455,013**	**49%**
Utilities	$ 41,253	$ 24,699	$ -	$ 24,699	$ 16,554	60%
Communications	17,933	18,235	-	18,235	(302)	102%
Pipeline Repairs	227,500	223,230	17,156	240,386	(12,886)	106%
Small Tools & Equipment	13,877	6,839	1,231	8,070	5,807	58%
Materials & Supplies	271,885	94,867	-	94,867	177,018	35%
Repair Parts & Equipment Maintenance	466,225	161,268	69,693	230,961	235,264	50%
Legal Services	14,625	8,996	-	8,996	5,629	62%
Dues & Subscriptions	15,340	26,702	-	26,702	(11,362)	174%
Conference & Travel	10,465	7,269	-	7,269	3,196	69%
Safety & Training	8,808	6,596	-	6,596	2,212	75%
Board Expense	42,250	36,812	-	36,812	5,438	87%
Bad Debt	2,763	-	-	-	2,763	0%
Fees & Charges	64,392	57,369	-	57,369	7,023	89%
Insurance	36,075	28,275	-	28,275	7,800	78%
Total Supplies & Services	**$ 1,233,391**	**$ 701,157**	**$ 88,080**	**$ 789,237**	**$ 444,154**	**64%**
Total Expenses	**$ 9,372,885**	**$ 7,879,861**	**$ 224,689**	**$ 8,104,550**	**$1,268,335**	**86%**
Net Operating Revenues	**$ 1,367,881**	**$ 2,337,193**	**$ (224,689)**	**$ 2,112,504**	**$ 744,623**	**154%**
Less: Non-Operating Expenses						
Debt Service 2011A/2016	$ 427,041	$ 427,191	$ -	$ 427,191	$ (150)	100%
Debt Service 2012	170,625	170,625	-	170,625	-	100%
Rate Stabilization Contribution	50,000	50,000	-	50,000	-	100%
Capital Replacement Contribution	125,000	992,232	-	992,232	(867,232)	794%
Total Non-Operating Expenses	**$ 772,666**	**$ 1,640,048**	**$ -**	**$ 1,640,048**	**$ (867,382)**	**212%**
Add: Non-Operating Revenues						
Interest Revenues	$ 42,000	$ 312,110	$ -	$ 312,110	$ 270,110	743%
Taxes	235,840	359,047	-	359,047	123,207	152%
Total Non-Operating Revenues	**$ 277,840**	**$ 671,157**	**$ -**	**$ 671,157**	**$ 393,317**	**242%**
Net Operating Results	**$ 873,055**	**$ 1,368,302**	**$ (224,689)**	**$ 1,143,613**	**$ 270,558**	**131%**
Capital Fees	-	7,825	-	7,825	7,825	
Mitigation & In-Lieu Fees	-	-	-	-	-	
Grants	-	73,234	-	73,234	73,234	
	$ -	**$ 81,059**	**$ -**	**$ 81,059**	**$ 81,059**	**-**
Net Operating Results After Capital Fees & Grants	**$ 873,055**	**$ 1,449,361**	**$ (224,689)**	**$ 1,224,672**	**$ 351,617**	
Debt Ratio	**2.75**	**5.05**		**4.67**		

Agenda Item #5

Potable Water Program	2nd QTR Budget	2nd QTR Actuals	2nd QTR Encumb	2nd QTR Actuals & Encumb	Variance	Actual % 2nd QTR Budget
Revenues						
Water Sales:						
Potable	$ 6,450,365	$5,966,732	$ -	$5,966,732	$ (483,633)	93%
Meter Service Charge	1,099,500	1,102,622	-	1,102,622	3,122	100%
Special Services	18,500	28,412	-	28,412	9,912	154%
Pump Zone/Miscellaneous	15,565	19,869	-	19,869	4,304	128%
Total Operating Revenues	**$ 7,583,930**	**$7,117,635**	**$ -**	**$7,117,635**	**$ (466,295)**	**94%**
Operating Expenses						
Import Water Purchases-Calleguas	$ 3,359,340	$3,868,188	$ -	$3,868,188	$ (508,848)	115%
Calleguas Fixed Charge	378,786	378,786	-	378,786	-	100%
Salinity Management Pipeline-Calleguas	133,678	48,441	-	48,441	85,237	36%
Production Power	332,392	206,178	-	206,178	126,214	62%
Total Production	**$ 4,204,196**	**$4,501,593**	**$ -**	**$4,501,593**	**$ (297,397)**	**107%**
Regular Salaries	$ 666,928	$ 521,392	$ -	$ 521,392	$ 145,536	78%
Overtime/Standby	31,173	8,678	-	8,678	22,495	28%
Part Time	21,830	17,761	-	17,761	4,069	81%
Benefits	330,670	270,357	-	270,357	60,313	82%
Total Salaries & Benefits	**$ 1,050,601**	**$ 818,188**	**$ -**	**$ 818,188**	**$ 232,413**	**78%**
Outside Contracts	$ 453,501	$ 188,478	$ 61,724	$ 250,202	$ 203,299	55%
Professional Services	87,695	16,625	18,168	34,793	52,902	40%
Total Outside Cont/Profess Services	**$ 541,196**	**$ 205,103**	**$ 79,892**	**$ 284,995**	**$ 256,201**	**53%**
Utilities	$ 35,150	$ 23,697	$ -	$ 23,697	$ 11,453	67%
Communications	9,325	9,482	-	9,482	(157)	102%
Pipeline Repairs	190,000	214,491	17,156	231,647	(41,647)	122%
Small Tools & Equipment	10,846	5,943	640	6,583	4,263	61%
Materials & Supplies	228,740	71,661	-	71,661	157,079	31%
Repair Parts & Equipment Maintenance	281,037	91,056	26,581	117,637	163,400	42%
Legal Services	7,605	4,678	-	4,678	2,927	62%
Dues & Subscriptions	7,977	13,885	-	13,885	(5,908)	174%
Conference & Travel	5,442	3,780	-	3,780	1,662	69%
Safety & Training	4,580	3,430	-	3,430	1,150	75%
Board Expense	21,970	19,142	-	19,142	2,828	87%
Bad Debt	1,437	-	-	-	1,437	0%
Fees & Charges	50,646	41,927	-	41,927	8,719	83%
Insurance	18,759	14,703	-	14,703	4,056	78%
Total Supplies & Services	**$ 873,514**	**$ 517,875**	**$ 44,377**	**$ 562,252**	**$ 311,262**	**64%**
Total Expenses	**$ 6,669,507**	**$6,042,759**	**$ 124,269**	**$6,167,028**	**$ 502,479**	**92%**
Net Operating Revenues	**$ 914,423**	**$1,074,876**	**$ (124,269)**	**$ 950,607**	**$ 36,184**	**104%**
Less: Non-Operating Expenses						
Debt Service 2011A/2016	$ 411,769	$ 411,895	$ -	$ 411,895	$ (126)	100%
Rate Stabilization Contribution	50,000	50,000	-	$ 50,000	-	100%
Capital Replacement Contribution	25,000	259,830	-	259,830	(234,830)	1039%
Total Non-Operating Expenses	**$ 486,769**	**$ 721,725**	**$ -**	**$ 721,725**	**$ (234,956)**	**148%**
Add: Non-Operating Revenues						
Interest Revenues	35,500	261,302	-	261,302	225,802	736%
Taxes	141,504	215,428	-	215,428	73,924	152%
Total Non-Operating Revenues	**$ 177,004**	**$ 476,730**	**$ -**	**$ 476,730**	**$ 299,726**	**269%**
Net Operating Results	**$ 604,658**	**$ 829,881**	**$ (124,269)**	**$ 705,612**	**$ 100,954**	**137%**
Capital Fees	$ -	$ 7,825	$ -	$ 7,825	$ 7,825	-
Mitigation & In-Lieu Fees	-	-	-	-	-	-
Grants	-	73,234	-	73,234	73,234	-
	$ -	**$ 81,059**	**$ -**	**$ 81,059**	**$ 81,059**	**-**
Net Operating Results After Capital Fees & Grants	**$ 604,658**	**$ 910,940**	**$ (124,269)**	**$ 786,671**	**$ 182,013**	

Non-Potable Water Program	2nd QTR Budget	2nd QTR Actuals	2nd QTR Encumb	2nd QTR Actuals & Encumb	Variance	Actual % 2nd QTR Budget
Revenues						
Water Sales:						
Recycle/Non-Potable	$2,922,839	$2,695,685	$ -	$2,695,685	$ (227,154)	92%
Water Sales to Pleasant Valley	176,175	309,275	-	309,275	133,100	176%
Meter Service Charge	46,650	66,045	-	66,045	19,395	142%
Special Services	550	14,743	-	14,743	14,193	2681%
Pump Zone/Miscellaneous	10,622	13,671	-	13,671	3,049	129%
Total Operating Revenues	**$3,156,836**	**$3,099,419**	**$ -**	**$3,099,419**	**$ (57,417)**	**98%**
Operating Expenses						
Import Water Purchases-Calleguas	$ 485,246	$ 423,284	$ -	$ 423,284	$ 61,962	87%
Conejo Creek Project	303,292	303,292	-	303,292	-	100%
Production Power	671,183	415,550	-	415,550	255,633	62%
Total Production	**$1,459,721**	**$1,142,126**	**$ -**	**$1,142,126**	**$ 317,595**	**78%**
Regular Salaries	$ 334,466	$ 261,479	$ -	$ 261,479	$ 72,987	78%
Overtime/Standby	15,633	4,352	-	4,352	11,281	28%
Part Time	10,948	8,907	-	8,907	2,041	81%
Benefits	165,832	135,584	-	135,584	30,248	82%
Total Salaries & Benefits	**$ 526,879**	**$ 410,322**	**$ -**	**$ 410,322**	**$ 116,557**	**78%**
Outside Contracts	$ 271,143	$ 85,979	$ 53,793	$ 139,772	$ 131,371	52%
Professional Services	85,758	15,393	2,924	18,317	67,441	21%
Total Outside Cont/Profess Services	**$ 356,901**	**$ 101,372**	**$ 56,717**	**$ 158,089**	**$ 198,812**	**44%**
Utilities	$ 6,103	$ 1,002	$ -	$ 1,002	$ 5,101	16%
Communications	8,608	8,753	-	8,753	(145)	102%
Pipeline Repairs	37,500	8,739	-	8,739	28,761	23%
Small Tools & Equipment	3,031	896	591	1,487	1,544	49%
Materials & Supplies	43,145	23,206	-	23,206	19,939	54%
Repair Parts & Equipment Maintenance	185,188	70,212	43,112	113,324	71,864	61%
Legal Services	7,020	4,318	-	4,318	2,702	62%
Dues & Subscriptions	7,363	12,817	-	12,817	(5,454)	174%
Conference & Travel	5,023	3,489	-	3,489	1,534	69%
Safety & Training	4,228	3,166	-	3,166	1,062	75%
Board Expense	20,280	17,670	-	17,670	2,610	87%
Bad Debt	1,326	-	-	-	1,326	0%
Fees & Charges	13,746	15,442	-	15,442	(1,696)	112%
Insurance	17,316	13,572	-	13,572	3,744	78%
Total Supplies & Services	**$ 359,877**	**$ 183,282**	**$ 43,703**	**$ 226,985**	**$ 132,892**	**63%**
Total Expenses	**$2,703,378**	**$1,837,102**	**$ 100,420**	**$1,937,522**	**$ 765,856**	**72%**
Net Operating Revenues	**$ 453,458**	**$1,262,317**	**$ (100,420)**	**$1,161,897**	**$ 708,439**	**256%**
Less: Non-Operating Expenses						
Debt Service 2011A/2016	$ 15,272	$ 15,296	$ -	$ 15,296	$ (24)	100%
Debt Service 2012	170,625	170,625	-	170,625	-	100%
Rate Stabilization Contribution	-	-	-	-	-	
Capital Replacement Contribution	100,000	732,402	-	732,402	(632,402)	
Total Non-Operating Expenses	**$ 285,897**	**$ 918,323**	**$ -**	**$ 918,323**	**$ (632,426)**	**321%**
Add: Non-Operating Revenues						
Interest Revenues	$ 6,500	$ 50,808	$ -	$ 50,808	$ 44,308	782%
Taxes	94,336	143,619	-	143,619	49,283	152%
Total Non-Operating Revenues	**$ 100,836**	**$ 194,427**	**$ -**	**$ 194,427**	**$ 93,591**	**193%**
Net Operating Results	**$ 268,397**	**$ 538,421**	**$ (100,420)**	**$ 438,001**	**$ 169,604**	**163%**
Capital Fees		-	-	-	-	-
Mitigation & In-Lieu Fees	-	-	-	-	-	-
Grants	-		-	-	-	-
	$ -	**$ -**	**$ -**	**$ -**	**$ -**	**-**
Net Operating Results After Capital Fees & Grants	**$ 268,397**	**$ 538,421**	**$ (100,420)**	**$ 438,001**	**$ 169,604**	

Wastewater Program	2nd QTR Budget	2nd QTR Actuals	2nd QTR Encumb	2nd QTR Actuals & Encumb	Variance	Actual % 2nd Qtr Budget
Revenues						
Sewer Service Charge	$1,766,691	$1,787,063	$ -	$1,787,063	$ 20,372	101%
Special Services	10,250	23,237	-	23,237	12,987	227%
Pump Zone/Miscellaneous	-	592	-	592	592	-
Total Operating Revenues	**$1,776,941**	**$1,810,892**	**$ -**	**$1,810,892**	**$ 33,951**	**102%**
Operating Expenses						
Salinity Management Pipeline-Calleguas	$ 10,750	$ 4,224	$ -	$ 4,224	$ 6,526	39%
Total Production	**$ 10,750**	**$ 4,224**	**$ -**	**$ 4,224**	**$ 6,526**	**39%**
Regular Salaries	$ 507,866	$ 397,040	$ -	$ 397,040	$ 110,826	78%
Overtime/Standby	23,739	6,608	-	6,608	17,131	28%
Part Time	16,623	13,525	-	13,525	3,098	81%
Benefits	251,805	205,877	-	205,877	45,928	82%
Total Salaries & Benefits	**$ 800,033**	**$ 623,050**	**$ -**	**$ 623,050**	**$ 176,983**	**78%**
Outside Contracts	$ 411,239	$ 292,699	$ 218,851	$ 511,550	$ (100,311)	124%
Professional Services	41,590	16,580	3,280	19,860	21,730	48%
Total Outside Cont/Profess Services	**$ 452,829**	**$ 309,279**	**$ 222,131**	**$ 531,410**	**$ (78,581)**	**117%**
Utilities	$ 12,947	$ 12,106	$ -	$ 12,106	$ 841	94%
Communications	9,656	9,819	-	9,819	(163)	102%
Pipeline Repairs	5,000	-	-	-	5,000	0%
Small Tools & Equipment	1,549	1,005	663	1,668	(119)	108%
Materials & Supplies	57,590	42,132	-	42,132	15,458	73%
Repair Parts & Equipment Maintenance	61,275	37,276	1,276	38,552	22,723	63%
Legal Services	7,875	4,844	-	4,844	3,031	62%
Dues & Subscriptions	9,760	14,378	-	14,378	(4,618)	147%
Conference & Travel	5,635	3,914	-	3,914	1,721	69%
Safety & Training	4,743	3,552	-	3,552	1,191	75%
Board Expense	22,750	19,822	-	19,822	2,928	87%
Bad Debt	1,488	-	-	-	1,488	0%
Fees & Charges	32,922	45,491	-	45,491	(12,569)	138%
Insurance	19,425	15,225	-	15,225	4,200	78%
Total Supplies & Services	**$ 252,615**	**$ 209,564**	**$ 1,939**	**$ 211,503**	**$ 41,112**	**84%**
Total Expenses	**$1,516,227**	**$1,146,117**	**$ 224,070**	**$1,370,187**	**$ 146,040**	**90%**
Net Operating Revenues	**$ 260,714**	**$ 664,775**	**$ (224,070)**	**$ 440,705**	**$ 179,991**	**169%**
Less: Non-Operating Expenses						
Debt Service 2011A/2016	$ 95,825	$ 95,825	$ -	$ 95,825	$ -	100%
Debt Service 2012	110,250	110,250	-	110,250	-	100%
Rate Stabilization Contribution	-	-	-	-	-	-
Capital Replacement Contribution	-	-	-	-	-	-
Total Non-Operating Expenses	**$ 206,075**	**$ 206,075**	**$ -**	**$ 206,075**	**$ -**	**100%**
Add: Non-Operating Revenues						
Interest Revenues	$ 23,000	$ 93,448	$ -	$ 93,448	$ 70,448	406%
Total Non-Operating Revenues	**$ 23,000**	**$ 93,448**	**$ -**	**$ 93,448**	**$ 70,448**	**406%**
Net Operating Results	**$ 77,639**	**$ 552,148**	**$ (224,070)**	**$ 328,078**	**$ 250,439**	**423%**
Capital Fees	-	-	-	-	-	
	$ -	**$ -**	**$ -**	**$ -**	**$ -**	**-**
Net Operating Results After Capital Fees & Grants	**$ 77,639**	**$ 552,148**	**$ (224,070)**	**$ 328,078**	**$ 250,439**	
Debt Ratio	**1.38**	**3.68**		**2.59**		

Capital Project Listing 2nd Quarter Results

CIP No.	Description	Budget	Expenses	Encumbrance	Balance	Expense/Enc to Budget %
	Potable Capital Improvement					
600-15-01	Pump Station 2 to 3	1,280,000.00	85,226.16	1,078,027.44	116,746.40	91%
600-20-01	Conejo Well Nitrate Analyzer	30,000.00	-	21,759.76	8,240.24	73%
	Total Potable Capital Improvement	**$ 1,310,000.00**	**$ 85,226.16**	**$ 1,099,787.20**	**$ 124,986.64**	**90%**
	General Replacements					
400-19-01	Incident Command Center	150,000.00	46,639.43	-	103,360.57	31%
400-20-01	Reservoir 1B Comm Facility	65,000.00	1,907.00	53,804.00	9,289.00	86%
400-20-03	Potable Generators	500,000.00	-	419,745.50	80,254.50	84%
	General Replacements	**$ 715,000.00**	**$ 48,546.43**	**$ 473,549.50**	**$ 192,904.07**	**73%**
	Potable Capital Replacement				-	
650-15-01	PV Well #1	4,467,000.00	1,739,967.68	50,753.10	2,676,279.22	40%
650-17-05	Chloramination Project	193,500.00	187,657.39	-	5,842.61	97%
650-19-01	Meter Station Rehabilitation (MS #6)	200,000.00	84,053.09	570.00	115,376.91	42%
650-19-02	Well Rehabilitation (Conejo Well #3)	247,500.00	91,096.68	-	156,403.32	37%
650-19-03	RMWTP Pretreatment Remediation	452,000.00	334,969.44	58,876.93	58,153.63	87%
650-19-05	Reservoir 3D Slope Stabilization and Drainage Impr	640,000.00	45,533.38	558,556.00	35,910.62	94%
650-19-06	Distribution Valve Replacement	200,000.00	65,175.87	70,200.00	64,624.13	68%
650-19-07	Pump Station #5 VFD Replacement	25,000.00	23,585.70	-	1,414.30	94%
650-20-01	Conejo Well Rehabilitation #4	230,000.00	-	-	230,000.00	0%
650-20-02	Meter Station Rehabilitation (MS#9)	165,000.00	-	45,800.00	119,200.00	28%
650-20-03	Meter Station Control Cabinets	280,000.00	-	-	280,000.00	0%
650-20-04	Penny Well Air Entrapment	30,000.00	-	-	30,000.00	0%
650-20-06	Potable Water Model	110,000.00	27,655.00	-	82,345.00	25%
	Total Potable Capital Replacement	**$ 7,240,000.00**	**$ 2,599,694.23**	**$ 784,756.03**	**$ 3,855,549.74**	**47%**
	Non-Potable Capital Replacement				-	
750-16-01	CamSan Recycle Line	1,025,000.00	762,171.42	12,828.79	249,999.79	76%
750-19-02	Pump Station #4 Booster #3 and VFD Replacement	80,000.00	74,625.97	-	5,374.03	93%
750-20-01	Pump Station #4 Auxiliary Pump	65,000.00	-	-	65,000.00	0%
750-20-03	Santa Rosa #10 Well Rehabilitation	230,000.00	-	-	230,000.00	0%
750-20-04	Diversion Bypass Pump Motors Replacement	135,000.00	16,981.45	105,181.10	12,837.45	90%
750-20-05	Diversion Bypass Piping Replacement	37,500.00	37,237.13	-	262.87	99%
750-20-06	N-P Storage Ponds-Monitoring Well Design	20,000.00	-	14,780.00	5,220.00	74%
	Total Non-Potable Capital Replacement	**$ 1,592,500.00**	**$ 891,015.97**	**$ 132,789.89**	**$ 568,694.14**	**64%**
	Wastewater Bond Funds				-	
900-18-01	CWRF Upgrades	1,057,500.00	73,978.50	766,806.00	216,715.50	80%
900-18-02	De-Watering Press	108,000.00	58,401.40	44,900.60	4,698.00	96%
900-18-03	Effluent Pond Relining	869,000.00	97,548.00	-	771,452.00	11%
900-20-01	CWRF Emergency Generator Fuel Tank	153,000.00	-	-	153,000.00	0%
900-20-02	Sewer Lift #1 MCC	250,000.00	-	139,950.00	110,050.00	56%
900-20-03	Sewer Line Lynwood Woodcreek	258,000.00	3,239.85	47,690.15	207,070.00	20%
900-20-04	Upgrade Eight Sewer Manholes Tract 5976	18,000.00	-	17,304.00	696.00	96%
900-20-05	Leisure Village Manhole Raising	24,823.41	29,161.45	-	(4,338.04)	117%
	Total Wastewater Bonds	**$ 2,738,323.41**	**$ 262,329.20**	**$ 1,016,650.75**	**$ 1,459,343.46**	**47%**
	Water Bond Funds				-	
800-18-03	University Well & RMWTP Generators	688,000.00	684,170.74	487.46	3,341.80	100%
800-20-01	Conejo Tank	275,000.00	-	-	275,000.00	0%
800-20-02	Pump Station #2 Generator Fuel Tank	143,000.00	-	-	143,000.00	0%
800-20-03	Reservoir 4C Hydro-pneumatic Pump Station	160,000.00	-	-	160,000.00	0%
800-20-04	Reservoir 4C Replacement	160,000.00	-	-	160,000.00	0%
	Total Water Bonds	**$ 1,426,000.00**	**$ 684,170.74**	**$ 487.46**	**$ 741,341.80**	**48%**
	Total CIPs	**$ 15,021,823.41**	**$ 4,570,982.73**	**$ 3,508,020.83**	**$ 6,942,819.85**	**54%**

	Oct 1, 2019	Dec 31, 2019
Unrestricted Reserves		
Potable Operating and Emergency Reserves (OER)	$357,673	$705,612
Non-Potable Potable Operating and Emergency Reserves (OER)	$738,598	$438,001
Wastewater Operating and Emergency Reserves (OER)	($57,771)	$328,078
Rate Stabilization Fund-Water-Potable	$195,625	$220,625
Rate Stabilization Fund-Non-Potable	$170,625	$170,625
Rate Stabilization Fund-Wastewater	$183,750	$183,750
Potable Water Capital Replacement Fund (PWCRF)	$9,149,513	$9,277,082
Non-Potable Water Capital Replacement Fund (NPWCRF)	$1,147,816	$1,615,158
Mitigation Fees Pegh Investements	$637,597	$637,597
Wastewater Capital Replacement Fund (WWCRF)	$4,325,260	$4,123,687
Potable Water Capital Improvement Fund (PWCIF)	$3,388,253	$3,387,996
Non-Potable Water In-lieu Fees (Wildwood Preserve)	$318,538	$318,538
Wastewater Capital Improvement Fund (WWCIF)	$1,866,620	$891,620
New Demand Mitigation Fees Ventura County Office of Education	$34,249	$34,249
Water Project Fund	$3,942,000	$3,524,000
Wastewater Project Fund	$0	$0
Total	**$26,398,346**	**$25,856,618**
Restricted Assets		
CSUCI Recycleline Repayment	$96,061	$74,143
Grant Receivable PV Well	$189,376	$138,447
Grant Receivable CamSan Recycle Line	$278,405	$278,405
Total Receivables	**$563,842**	**$490,995**
Debt Reserves 2012	$760,516	$760,516
Debt Reserves 2016	$879,529	$879,529
	$1,640,045	**$1,640,045**
CIP		
Potable Water Capital Replacements	$2,618,890	$2,739,171
Non-Potable Water Capital Replacements	$800,883	$969,169
Wastewater Capital Replacements	$537,595	$700,112
Potable Water Capital Improvements	$554,770	$574,775
Wastewater Capital Improvements	$429,000	$1,400,760
New Demand Mitigation Fee (Wildwood Preserve Project)	$56,943	$42,502
New Demand Mitigation Fee (SR Valley)	$62,365	$62,365
New Demand Mitigation Fee (Shea Homes)	$1,686,260	$1,686,260
Total CIP	**$6,746,706**	**$8,175,114**
Bonds		
Water Improvements	$1,519,378	$1,791,829
Wastewater Improvements	$692,748	$682,435
Total Bond CIP	**$2,212,126**	**$2,474,264**
Total	**$11,162,719**	**$12,780,418**
Grand Total minus Receivables	**$36,997,223**	**$38,146,041**

CAMROSA WATER DISTRICT
BUILDING WATER SELF-RELIANCE

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Division 3
Eugene F. West
Division 4
Terry L. Foreman
Division 5
General Manager
Tony L. Stafford

Board Memorandum

February 13, 2020

To: General Manager

From: Tamara Sexton, Manager of Finance

Subject: **CalPERS Unfunded Accrued Liability**

Objective: To reduce the District's CalPERS Unfunded Accrued Liability (UAL).

Action Required: Authorize the General Manager to pay down the District's current CalPERS UAL no later than April 1, 2020.

Discussion: Camrosa provides a defined pension benefit to its employees through participation in the California Public Employees' Retirement System (CalPERS). Employees are vested in the program after five years of service. Camrosa offers two different pension formulas to its employees, two percent at 55 for "Classic" members and two percent at 62 for all new CalPERS members hired on or after January 1, 2013.

On January 9, 2020 staff presented an overview of the District's UAL and opportunities for addressing the liability. According to the most recent CalPERS actuarial report, June 30, 2018, the District has an UAL equal to $4.9 million. This liability is at an interest rate of seven percent. Staff recommends paying this down now and developing a strategy to manage the ongoing CalPERS expenses. Paying the liability down now will result in a $4.0 million savings over the next 27 years.

Prior to the end of the Fiscal Year 2019-20 staff will evaluate the operating results to ensure the District meets the debt service coverage requirements. This may include a request to the Board to appropriate funds from the Rate Stabilization Fund to the operating budget to offset the non-operating prepayment expense of the UAL.

The UAL prepayment will be reflected in the actuarial report dated June 30, 2020, to be issued in the Fall of 2021. It is important to note that the District's UAL is not a static number. Each year CalPERS adjusts the UAL to account for investment performance, changes in assumptions/methodology, life expectancy, benefits, and investment gains/losses. The District is aware that the UAL is dynamic and will continually monitor its pension funding levels.

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Board Memorandum

February 13, 2020

To: Board of Directors

From: General Manager

Subject: **Out-of-Bounds Agreement**

Objective: Provide water service to an out-of-bounds customer.

Action Required: Authorize the General Manager to enter into an agreement with Marz Farms, Inc. to provide Surplus Water/Out-of-Bounds Service.

Discussion: Marz Farms operates a berry farm on a parcel adjacent to but outside of the District service area, where they currently receive non-potable water service from the District. They are transitioning to substrate farming, which requires a higher-quality water.

Ordinance 40 provides for a "Surplus Water/Out-of-Bound Service" potable water classification. Such water may be served "for any useful purpose outside the boundaries of the District by special agreement as authorized by the General Manager." The 2019-2023 rate schedule includes rates for this classification.

A draft agreement is attached for Board review. It is recommended that the District enter into the agreement with Marz Farms.

Camrosa Water District
Agreement for "Commercial/Industrial/Public Out of Bounds" Water Service

As detailed in Ordinance 40, Rules and Regulations Governing the Provision of Water and Sanitary Service, Camrosa Water District (CWD) offers "Surplus Water/Out of Bounds Service."

By this agreement, under the auspices of Ordinance 40, and in accordance with the terms and conditions described below, CWD agrees to extend potable water service outside its service area to Marz Farms, Inc. (Marz Farms) for the purpose of agricultural irrigation.

The term of this agreement is one year from _____, 2020 (the "effective date"), renewable annually upon approval by both parties.

A. Standard Rules and Regulations Apply
    1. This agreement is made in addition to CWD's Ordinance 40, Rules and Regulations Governing the Provision of Water and Sanitary Services; unless expressly conditioned or modified by the following terms, all rules and regulations contained in Ordinance 40 apply.

B. Place of Use
    1. Marz Farms intends to use potable water for agricultural irrigation on the following parcels, which are contiguous and considered a "single operation," which, for the purposes of this agreement, is defined as contiguous agricultural parcels under the management of Marz Farms, Inc.:
        a) 234-0-030-140
        b) 234-0-030-320
        c) 234-0-030-330
        d) 234-0-030-340
    2. Additional parcels may be added under this agreement if approved by the General Manager and provided that:
        a) The parcels are contiguous with any of those listed in Section B.1.
        b) The additional parcels are inspected by CWD and determined thereby to be part of the "single operation" constituted by the parcels listed in Section B.1.

C. Intent of Use
    1. Marz Farms agrees that the potable water served under this agreement is dedicated to agricultural irrigation, will be used for the sole purpose of agricultural irrigation, and is not intended to supply or induce development.
    2. Any other use than for the irrigation of agricultural crops will result in discontinuation of service and/or termination of this agreement.
    3. Marz Farms intends to use the potable water provided by this agreement to supplement nonpotable water use on its property. As such, specific construction specifications apply, as detailed in Section D.

D. Restrictions on Use
    1. Surplus Water/Out of Bounds Service is interruptible. CWD may interrupt water service due to supply shortages, impacts on in-bounds customers, State-mandated cutbacks or conservation regulations, emergencies, or other eventualities determined by the CWD General Manager to necessitate curtailment of out-of-bounds service.
    2. CWD may limit the time of use of water service provided by this agreement.
    3. CWD may reduce or limit the flow and/or volume of water service provided by this agreement.
    4. Any restrictions described above will be communicated to Marz Farms whenever possible at least 24 hours ahead of restriction, via email and phone, to the following representative(s) of Marz Farms:
        a) Jorge Reyes: 805.312.3358; Jorge.Reyes@marzfarms.com
        b) Roberto Martinez: 805.797.7967; Robmartinez@Marzfarms.com

E. Construction Specifications
    1. Marz Farms agrees to abide by CWD specifications for the construction of the potable water service and all aboveground and belowground appurtenances. These include:
        a) Connection to the CWD system will be performed by a District-approved contractor, under CWD supervision, using CWD's Construction Specifications and Standard Drawings, available at https://www.camrosa.com/engineering-2/#specs and upon request of CWD.
        b) Specifically regarding the introduction of potable water into an earthen reservoir, Marz Farms agrees that the air gap between the highest point of the earthen reservoir's berm and the bottom of the potable water pipe be two times the potable water pipe's diameter.
        c) A reduced-pressure zone device must be installed on the Marz Farms side of the meter service, per CWD specifications.

F. Cost of Service
    1. Water Capital Improvement Fee: Water Capital Improvement Fees represent the cost of the physical meter as well as the cost of buying into the existing CWD system to support the maximum flow rate of the required meter service. Because out-of-bounds water is considered interruptible, only the meter fee portion of the Water Capital Improvement Fees, as defined by Camrosa specifications at the time of construction/meter purchase, will be applied.
    2. Out of Bounds commodity rate: Marz Farms agrees to pay the "Commercial/Industrial/Public Out of Bounds" potable water service rate, as defined by the CWD Schedule of Rates & Charges, including the applicable monthly meter service charge.
    3. Water service will be metered and billed on a monthly billing cycle as described by Ordinance 40.
    4. Calleguas Municipal Water District Tier 2 pricing
        a) CWD's potable water supply is a blend of local groundwater produced by CWD and water purchased from Calleguas Municipal Water District (CMWD) ("imported water"). CMWD provides two pricing tiers, Tier 1 and Tier 2. Tier 1 is based on the ninetieth percentile (90%) of a retailer's ten-year rolling average; Tier 2 charges are inflated by a factor determined in CMWD's annual budgeting process.

b) Should CWD's imported water purchases exceed its Tier 1 allocation and incur Tier 2 pricing, Tier 2 charges will be distributed amongst all current "Commercial/Industrial/Public Out of Bounds" water services.
c) Marz Farms agrees to pay its pro-rata share of all CMWD Tier 2 charges.

G. Inspection
    1. CWD reserves the right to inspect the parcels listed in Section B.1 to confirm adherence with the intent, terms, requirements, and conditions described above and/or any restrictions or limitations placed on the water service since the effective date of this agreement.

H. Discontinuation/Termination
    1. Water service may be discontinued and/or this agreement terminated for violation of any of the terms, requirements, or conditions described herein and/or for violation of any restrictions or limitations placed on the water service since the effective date of this agreement.
    2. The CWD General Manager may discontinue service and/or terminate this agreement at his/her sole discretion.
    3. Either party may terminate this agreement with a written thirty (30) day notice.

The undersigned representatives of CWD and Marz Farms hereby agree to the provision of "Commercial/Industrial/Public Out of Bounds" water service to Marz Farms in accordance with the terms described above.

_____ _____

Tony Stafford, General Manager
Camrosa Water District
7385 Santa Rosa Road
Camarillo, CA 93012
805.388.0226

Date

_____ _____

Adelio Martinez
Marz Farms, Inc.
400 Camarillo Ranch Road #107
Camarillo, CA 93012

Date

CAMROSA WATER DISTRICT
BUILDING WATER SELF-RELIANCE

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Division 5
General Manager
Tony L. Stafford

Board Memorandum

February 13, 2020

To: General Manager

From: Tamara Sexton, Manager of Finance

Subject: **Review of District Investment Policy**

Objective: Receive a briefing from the District's Investment Ad-Hoc Committee and approve the District's Investment Policy.

Action Required: Adopt a Resolution Adopting the District's Investment Policy.

Discussion: Annually, the Board reviews the District's Investment Policy for adequacy and formally adopts the Policy with revisions as necessary. The Ad-Hoc Committee reviewed the Policy and there are no recommended changes. The District's Investment Policy was re-adopted with no changes in January 2019. Staff has reviewed the Policy for compliance with current regulations and has found that no changes were required by law. The Resolution and Policy are attached for re-adoption by the Board.

CAMROSA WATER DISTRICT
BUILDING WATER SELF-RELIANCE

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Resolution No: 20-01

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 13th day of February 2020.

_____
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
February 2020

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 Districts 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 charted 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.

CAMROSA WATER DISTRICT
BUILDING WATER SELF-RELIANCE

Board of Directors
Al E. Fox
Division 1
Jeffrey C. Brown
Division 2
Timothy H. Hoag
Division 3
Eugene F. West
Division 4
Terry L. Foreman
Division 5
General Manager
Tony L. Stafford

Board Memorandum

February 13, 2020

To: General Manager

From: Tamara Sexton, Manager of Finance

Subject: **Agreement for Auditing Services**

Objective: Enter into a three-year agreement for auditing services.

Action Required: Authorize the General Manager to enter into a three-year agreement with White Nelson Diehl Evans LLP (WNDE) for Professional Auditing Services.

Discussion: In mid-October, Staff solicited proposals from qualified firms to conduct the annual audit of the District's financial statements. The Request for Proposal (RFP) for professional auditing services was for a three-year engagement with a two-year extension option.

The District received five proposals, which included the outgoing auditor, Fanning & Karrh. As the District received qualified proposals, Staff excluded Fanning & Karrh's proposal. The following is the ranking and audit fees covering five years.

Ranking	Auditing Firm	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-23
1	White Nelson Diehl Evans, LLP	$ 26,155	$ 26,155	$ 26,680	$ 27,220	$ 27,770
2	The Pun Group	$ 25,000	$ 25,500	$ 26,010	$ 26,530	$ 27,061
3	Fedak & Brown	$ 18,500	$ 19,040	$ 19,580	$ 20,040	$ 20,580
4	Nigro & Nigro	$ 18,000	$ 18,000	$ 18,000	$ 18,000	$ 18,000
Outgoing	Fanning & Karrh	$ 26,500	$ 27,700	$ 29,000		

Review of the proposals and onsite interviews with the three top firms was structured so that the principal factor in the selection of an independent Auditor is the Auditor's ability to perform a quality audit. They were also evaluated for experience of assigned personnel with similar engagements, qualifications of the proposed audit staff, and the proposed approach to the audit. Based on the qualifications submitted, all the responsive auditors have the capability to perform a quality audit of the District's financial statements. The primary factors that allow WNDE to stand above the other firms are the exceptional client references, the experience of audit personnel, their solid reputation, commitment to quality, their resources for client support including communication with clients to provide updates on new GASB standards, and their accessibility throughout the year.

CAMROSA WATER DISTRICT
BUILDING WATER SELF-RELIANCE

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Division 4
Terry L. Foreman
Division 5
General Manager
Tony L. Stafford

Board Memorandum

February 13, 2020

To: Board of Directors

From: General Manager

Subject: **Closed Session Conference with Legal Counsel – Anticipated Litigation**

Objective: To confer with and receive advice from counsel regarding anticipated litigation.

Action Required: No action necessary; for information only.

Discussion: Potential litigation may be discussed in closed session pursuant to paragraph (4) of subdivision (d) of Government Code section 54956.9: one matter.

CAMROSA WATER DISTRICT
BUILDING WATER SELF-RELIANCE

Read File

The following material is provided to members of the Board for information only and is not formally a part of the published agenda.

a. 2020 Board Calendar

2020 Camrosa Board Calendar

JANUARY						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
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FEBRUARY						
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MARCH						
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APRIL						
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MAY						
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31						

JUNE						
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JULY						
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AUGUST						
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SEPTEMBER						
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OCTOBER						
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NOVEMBER						
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DECEMBER						
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20	21	22	23	24	25	26
27	28	29	30	31		

2020 Observed Holidays

- January 1st - New Year's Day
- February 17th - President's Day
- May 25th - Memorial Day
- July 3rd - Independence Day (Observed)
- September 7th - Labor Day
- November 11th - Veteran's Day
- November 26th & 27th - Thanksgiving
- December 24th & 25th - Christmas
- December 31st - New Year's Eve

2020 Conferences

- CASA Winter Conf. (Indian Wells) - Jan. 21st - 23rd
- ACWA Spring Conf. (Sacramento) - May 5th - 8th
- CASA Annual Conf. (Lake Tahoe) - Aug. 12th - 14th
- ACWA Fall Conf. (Anaheim) - Dec. 1st - 4th

2020 AWA Meetings

- *"Water Issues" 3rd Tuesday (except Apr., Aug., Dec.)*
- Waterwise Breakfast (See yellow on calendar)
- AWA Board Meetings (See orange on calendar)
- April - Annual Symposium
- ***August - DARK (No Meetings or Events)***
- September - Reagan Library Reception
- December - Holiday Mixer

2020 VCSDA Meetings

- February 4th - Annual Dinner
- April 7th
- June 2nd
- August 4th
- October 6th
- December 1st

Camrosa Water District
7385 Santa Rosa Road
Camarillo, CA 93012

Note: Board of Directors meetings are highlighted in RED. Board Meetings are held on the **2nd & 4th Thursday** of each month at 5pm unless indicated.

Calleguas Board Meetings are held 1st & 3rd Wednesday - 5:00 PM

Read File