



NOTICE OF REGULAR BOARD OF DIRECTORS MEETING

8:00 A.M. WEDNESDAY, APRIL 30, 2014
VENTURA RIVER COUNTY WATER DISTRICT
409 OLD BALDWIN ROAD, OJAI, CA 93023

Right to be heard: Members of the public have a right to address the Board directly on any item of interest to the public, which is within the subject matter jurisdiction of the Board. The request to be heard should be made immediately before the Board's consideration of the item. No action shall be taken on any item not appearing on the agenda unless the action is otherwise authorized by subdivision (b) of 54954.2 of the Government Code and except that members of a legislative body or its staff may briefly respond to statements made or questions posed by persons exercising their public testimony rights under section 54954.3 of

VENTURA RIVER

COUNTY WATER DISTRICT

409 Old Baldwin Road
Ojai, CA 93023
Phone (805)646-3403
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DIRECTORS

Tom Jamison – President
Jack Curtis – Vice President
Ed Lee – Treasurer
Bruce Kuebler
Marvin Hanson

GENERAL MANAGER

Bert Rapp, P.E.

OFFICE MANAGER

Janet Schaefer

FIELD SUPERVISOR

Joe Zuniga

ATTORNEY

Lindsay Nielson, ESQ

1. CALL MEETING TO ORDER
2. PLEDGE OF ALLEGIANCE
3. CONSENT AGENDA
 - A. ACCEPTANCE OF IMPROVEMENTS TANK PAINTING 2013
 - B. ACCEPTANCE OF IMPROVEMENTS VALVE STACK RAISING 2013
4. PUBLIC COMMENT – FOR ITEMS NOT ON THE AGENDA
(LIMIT PER PERSON – 5 MINUTES)
5. PRELIMINARY BUDGET WORKSHOP REVIEW
6. OLD BUSINESS & NEW BUSINESS
7. MEETING ADJOURNMENT TO REGULAR MEETING
MAY 14, 2014 3:00 P.M.

If you require special accommodations for attendance at or participation in this meeting, please notify our office 24 hours in advance at (805) 646-3403 (Govt. Code Section 54954.1 and 54954.2(a)).

VENTURA RIVER COUNTY WATER DISTRICT

DATE: April 30, 2014
TO: Board of Directors
FROM: Bert J. Rapp, P.E. General Manager
SUBJECT: TANK PAINTING 2013
ACCEPTANCE OF IMPROVEMENTS

SUMMARY

The Tank Painting 2013 project is complete and ready for acceptance by the Board. The work was performed by Superior Tank Solutions, Inc.

The project involved painting the two Alto tanks and the North Baldwin tank. The work comes with a 4 year warrantee that begins the Board accepts the work as complete. The contract was awarded in the amount of \$105,301. No Change Orders were issued on the project so the completed contract cost is \$105,301.

RECOMMENDED ACTION

The General Manager recommends that the Board accept the project as complete, direct the General Manager to record the Notice of Completion and release the 10% retention of \$10,530.10 after the 35 day lien period.

BACKGROUND

On November 13, 2013 the Board awarded the Tank Painting 2013 project to Superior Tank Solutions Inc. On Thursday April 3, 2014 the final job walk was conducted and the work was found to be in compliance with the plans and specifications. At this time it would be appropriate for the Board to accept the work as complete.

FISCAL SUMMARY

Original Bid Price	\$105,301
Amount Paid to Date	\$94,770.90
Retention being held	<u>\$10,530.10</u>
TOTAL	\$105,301

Funds for this project are budgeted for this project in accounts:

91500054 Paint Alto Tank North	\$51,520
91500055 Paint Alto Tank North	\$51,520
91500057 Paint Baldwin Tank North	<u>\$25,760</u>
TOTAL	\$128,800

Therefor this project has come in \$23,499 under budget.

VENTURA RIVER COUNTY WATER DISTRICT

DATE: April 30, 2014
TO: Board of Directors
FROM: Bert J. Rapp, P.E. General Manager
SUBJECT: VALVE STACK RAISING 2013
ACCEPTANCE OF IMPROVEMENTS

SUMMARY

On January 8, 2014 the Board accepted this project as complete, however the following week the County paved some streets that District staff mistakenly believed were going to be slurry sealed and would therefore not have required the valve stacks to be raised. Because of the additional work staff did not record the Notice of Completion but keep the contract active. The additional paving required raising an additional 13 valves at a cost of \$2,875.

The total project replaced 120 valve covers and some manholes to grade after the County overlay projects. The contract was awarded in the amount of \$28,701. A Change Order was issued to add additional valves on additional overlay streets which increased the cost by \$5,125 for a completed contract cost of \$33,826.

The Valve and Hydrant Replacement Project 2013 is complete and ready for acceptance by the Board. The work was performed by DTL Excavating, Inc. from Ojai.

RECOMMENDED ACTION

The General Manager recommends that the Board accept the project as complete, direct the General Manager to record the Notice of Completion and release the 10% retention of \$3,382.60 after the 35 day lien period.

BACKGROUND

On September 13, 2013 the General Manager awarded the informally bid Valve Stack Raising 2013 project to DTL Excavating. On April 10, 2014 the

final job walk was conducted and the work was found to be in compliance with the plans and specifications. At this time it would be appropriate for the Board to accept the work as complete.

FISCAL SUMMARY

Original Bid Price	\$28,701
Change Order #1 - add valve stacks on additional streets	<u>\$5,125</u>
Final Contract Price	\$33,826
Amount Paid to Date	\$30,443.40
Retention being held	<u>\$3,382.60</u>
TOTAL	\$33,826.00

Funds for this project are budgeted for this project in account:

802000 Contract Labor	\$35,000
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Therefor this project has come in \$1,174 under budget. Because the District performed the valve stack raising immediately after the County performed their paving project the County waived the encroachment permit fee which would have been about \$1,000.

VENTURA RIVER COUNTY WATER DISTRICT

DATE: April 30, 2014
TO: Board of Directors
FROM: Bert J. Rapp, P.E. General Manager
SUBJECT: BUDGET WORKSHOP

SUMMARY

The draft Budget for 2014/15 is balanced and funds are being set aside to accomplish the next major capital improvement projects including:

2017: Valley Meadow Drive Connection \$725,000
2018: Re-drill Well #3 \$690,000
2019: Valley Meadow Drive Main Line Rehabilitation \$1,100,000

This year funds will be placed in the Water Sales Fluctuation reserve account to help augment revenues during wet years.

The revenue projection assumes a record quantity of Casitas water purchases this summer and a good rain year beginning in January 2015.

Purchasing the 2002 Ford Explorer from the Sanitary District has enabled the deletion of \$53,500 for replacement of the F-550 dump truck from the proposed budget.

RECOMMENDED ACTION

The General Manager recommends that the Board do the following:

1. Review, prioritize and adopt the attached Board Goals for 2014.
2. Review and comment on the attached draft budget and the modified 10-year Capital Improvement Program for the coming year.

BOARD GOALS

Draft Board Goals are attached. The draft budget is set to implement these goals in the priority listed.

BACKGROUND

The beginning cash value used for the 2013/14 budget was \$1,692,056 which included the "accounts receivable" and "interest receivable". The receivable monies should not have been included because they are not cash in the bank that could be used. The correct beginning cash value is now shown as \$1,440,011 which is the Total Cash excluding the receivables and the Restricted Customer Deposits. These numbers are from the audited Financial Statements dated November 8, 2013.

The reserve numbers were set too low for July 1, 2013. The total amount of the reserves should be close to the Total Cash amount of \$1,440,011. The reserve amounts have been changed to total \$1,400,000. The Board normally adopts new reserve amounts in August or September of each year after the end of fiscal year financials are available.

The inflation rate this year the inflation rate is running about 1.0% so only very slight increases in costs are anticipated.

Revenues: The revenues for next year assume we receive a normal amount of rain and the drought will be eased. The projected revenues are based upon the estimated revenues for this year plus 12% for the rate increase that took effect on January 1, 2014, minus \$120,000 for the drought related water sales. The normal \$100,000 to \$150,000 of cushion in the revenue projection has been eliminated because of the new funding in the Water Sales Fluctuation Reserve.

The revenue and expense items on the attached preliminary budget have been adjusted to reflect anticipated changes in the coming year such as increases in health care, retirement, fuel prices, electricity etc.

Capital Projects per the 10-year Capital Improvement Plan

Drill Well #6 (Replace Well #5)	\$320,000
Mixing Valve in Alto Tank South	\$ 12,000

Suggested revisions to 10-year Capital Improvement Plan

Well #3 replacement study \$7,000

Vehicle Changes:

With the purchase of the 2002 Ford Explorer and the renovation of the 1969 Jeep the following changes are proposed to the 2014/15 budget and 10-year Capital Improvement plan.

- Delete \$53,500 from the 2014/15 draft budget for the replacement of the F-550 dump truck and keep it for future periodic use.
- Program the F-150 for replacement in 2016.
- Program the disposal of the 1969 Jeep for 2024
- Program the replacement of the F-350 with an F-250 Utility Truck in 2018.

Health Insurance:

Health insurance costs are not yet known for FY 2014/15, the announcement on the projected rates should be made by May. For the budget, the health insurance costs have been capped at a 1.0% increase because the employees are covering the increased costs above inflation.

Boots:

In accordance with the Board's direction the General Manager has added \$600 to account # 7770 for the uniform allowance for boots.

Renovate Operator's Restroom: The restroom used by the operators is in need of restoration. The sills inside the walls are rotting, much of the dry wall is water damaged and the sink and toilet need replacing. The General manager would like to do the work on his own time and would need about \$2,000 for materials. A detailed estimate has not been prepared so the \$2,000 should be considered a place holder at this time.

Flood Protection: If the weather forecast in the fall predicts an El Nino rain year consider moving granite boulders in Casitas Springs to Baldwin Yard for flood protection. The cost of this project is likely in the \$100,000 to \$200,000 range.

Blending pipe for nitrates: This project would install a temporary 4" pipe from the 150 Cage Casitas turnout to the Baldwin discharge pipe to blend to reduce nitrate levels if Well #1 exceeds 45 mg/L. \$35,000

FISCAL SUMMARY

A key value in the budget is the Operating Surplus (or Deficit). The Operating Surplus needs to be about \$550,000 per year to meet the 10 year Capital Improvement Program. The progress in this regard has been:

<u>YEAR</u>	<u>OPERATING SURPLUS</u>	<u>SHORTFALL</u>
2011/12	(\$200,000)	\$750,000
2012/13	(\$139,000)	\$689,000
2013/14 (Projected)	\$60,000	\$490,000
2014/15 (Projected)	\$390,000*	\$160,000

This year the projected surplus significantly improved because \$120,000 is proposed for the Water Sales Fluctuation and the usual \$150,000 cushion subtracted from the water sales projection has been eliminated.

The rate increases since 2011 have helped the District make progress on the Capital Improvement Program and balancing the budget.

DRAFT

2014/15 Board Goals

#	GOAL	COMMENTS
1	Determine if Well #3 should be relocated to near Well #1, size a pipe to serve both Well #1 & relocated Well #3, design new pumping line and apply for an Edison Savings by Design grant.	Will need to have full aquifer before applying to Edison for Savings by Design grant.
2	Reduce overtime by eliminating weekend rounds and rely upon the new SCADA system and alarms, (savings: \$5,500/year).	Need to add trends to the SCADA system first.
3	Test the Asbestos Cement Pipe in Valley Meadow Drive to verify which segments need replacing before 2019 when the rehabilitation is scheduled for construction.	Scheduled with 2014 Valve & Hydrant replacement project May 2014.
4	Prepare design of a pump system for Zone 5 & prepare an Edison Savings by Design Grant application	Need to have a full aquifer prior to submitting Edison Grant Application
5	Fire Flow Hydrants to verify performace of the system and identify weaknesses	Perform as time & water supply permits
6	Work with Casitas staff to obtain equitable resale water rates.	10% Complete
7	Perform Seismic Analysis of the Parker Pump Station cover and possible structural retrofit.	Cover appears to be close to acceptable so this is not a high priority
8	Get training on how to upload field data into the GIS system.	
	LONG TERM GOALS	
9	Design river erosion protection for Baldwin site	Install protection before El Nino rain year occurs
10	Water System Evaluation Study:	
	a. Review and possibly fine tune the system hydraulic model to verify the recommended future Capital Improvements	
	b. Obtain Word and Excel copies of the Study and edit to enhance the analysis and recommendations.	

**VENTURA RIVER COUNTY WATER DISTRICT
FISCAL YEAR BUDGET
2014-2015**

DRAFT 4/30/2014

CPI = 1.0%, 12 Months ended March 2014

BEGINNING CASH BALANCE:	July 1, 2013		July 1, 2014
	\$1,440,011		\$1,694,454

ACCOUNT NUMBER	REVENUES	BUDGET 2013-14	ACTUAL THRU 2/28/2014	ESTIMATED THRU JUNE 2014	GENERAL MGR RECOMMENDED 2014-2015	BUDGET EXPLANATION:
51000000	PROPERTY TAX SECURED	\$26,000	\$15,820	\$15,820	\$26,000	
51500000	PROPERTY TAX UNSECURED	\$50	\$0	\$0	\$50	
52000000	PROPERTY TAX PRIOR	\$1,500	\$1,272	\$1,908	\$1,500	
52500000	INTEREST	\$4,000	\$2,107	\$3,156	\$4,400	The current interest rate is 0.4%
53500000	H/O PROPERTY TAX RELIEF	\$100	\$136	\$204	\$100	
54000000	CAPITAL IMPROVEMENT CHARGES	\$0	\$12,000	\$12,000	\$4,000	Anticipate one new connection.
54500000	WATER SALES	\$1,251,358	\$1,014,158	\$1,469,860	\$1,574,358	Based on 2013/14 projected revenue Plus 12% minus \$120,000 for Drought related sales in 2013/14 that may not occur in 14/15 if it is a good rain year.
	BASE FEE REVENUES	\$401,642	\$267,761	\$401,642	\$401,642	Base Rate Revenue (estimated to be 26% of total revenues target is 30%)
54500001	PURCHASED WATER SURCHARGE	\$440,000	\$173,887	\$332,000	\$325,000	Estimated 172,200 Units in 2013/14, 2014/15 based upon 218,000 units of Casitas Water @ \$1.488/HCF, 500 Acre Feet of water
54900000	DELINQUENT FEES	\$8,000	\$5,740	\$8,616	\$10,000	\$10 Late Fee
54900001	RE-CONNECT FEES	\$1,200	\$1,726	\$2,592	\$2,000	Based on Estimated Through June 2014.
54900003	SERVICE INSTALLATIONS	\$500	\$2,842	\$2,842	\$500	Anticipate one new connection.
54900004	ANNEXATION FEES	\$0	\$4,600	\$4,600	\$0	No Annexations anticipated. For 2013/14: Add in Lon Justis when LAFCO finishes.
55000000	OTHER REVENUE	\$1,000	\$212	\$212	\$2,000	No actual revenue source. This is all revenue not categorized above. Average is \$2,500 per year.
TOTAL INCOME		\$2,135,350	\$1,502,261	\$2,255,451	\$2,351,550	
SUBTOTAL: ESTIMATED CASH BALANCES		\$3,575,361		\$3,695,462	\$4,046,004	

ACCOUNT NUMBER	OPERATING EXPENSE	BUDGET 2013-14	ACTUAL THRU 2/28/2014	ESTIMATED THRU JUNE	GENERAL MGR RECOMMENDED 2014-2015	BUDGET EXPLANATION:
70500000	SALARIES	\$520,000	\$341,491	\$491,200.00	\$535,000	13/14: -\$22,000 Office Assistant FMLA, 14/15: \$300 Cost of Living/person (0.5% on \$60,000) & potential merit incr: Operators, Field Supervisor & Office Assistant
71000000	EXTRA HELP	\$500	\$0	\$20,000	\$500	Minimal extra help is anticipated
71500000	FICA	\$40,000	\$26,000	\$39,000	\$43,000	Based on Salaries, This is District portion only, employees pay their portion (7.65%).
71750000	PUBLIC EMPLOYEE RETIREMENT SYSTEM	\$73,000	\$50,020	\$75,036	\$76,000	Based on Employer contribution of 7.534 and Employees portion of 7.0% = 14.534% (Decrease of 0.07% due to improved investment returns), CalPERS return was 16.2% in 2013, Ave over last 5 years was 10.9% per year, Average over the last 20 years is 7.9% per year. To meet actuarials CalPERS needs an average of 7.5% annual return.
72000000	GROUP INSURANCE	\$110,010	\$73,092	\$107,946	\$110,149	Projected increases - Health 0.5% (Employees will cover increase over 0.5%) and Dental 0.5% Vision 0.5%. Increases take effect January 1, 2015
72500000	STATE UNEMPLOYMENT INSURANCE	\$3,800	\$2,604	\$4,694	\$4,000	
73500000	TELEPHONE & COMMUNICATIONS	\$12,000	\$4,826	\$7,236	\$9,000	Underground Service Alert, Telephone, Internet Service, Cell Phones, Pagers
74000000	LIABILITY INSURANCE	\$28,500	\$18,887	\$30,500	\$28,500	Coastal States Insurance (no updated quote as of 4-18-14)
74500000	WORKERS COMPENSATION INSUR.	\$22,000	\$13,905	\$20,856	\$23,700	SDRMA Workmans Compensation Program
74700000	FUEL/OIL/TIRES	\$19,000	\$10,701	\$16,056	\$18,000	
75000000	AUTO EQUIPMENT MAINTENANCE	\$9,000	\$1,159	\$1,740	\$9,000	
75500000	OTHER EQUIPMENT MAINTENANCE	\$58,000	\$15,397	\$33,359	\$54,000	Accountmate \$2,575, CUSI \$2,000 +\$8,000, VHSI \$3,500, ESRI \$450, RICOH Printer \$525, Sharp Copier \$455, Laserfiche \$1200, Elect for: Generator-Motor-Panel Arc Flash & Insp \$10,937, SEMS \$1,400, Clay Valve Maint \$3000, Well motor or pannel maintenance \$12,000, \$1,800 Iron Annual Support, ClearSCADA \$950, Fire Extinguisher Maint \$200, Win911 (SCADA Call outs) \$395.
76500000	MEMBERSHIP/DUES/SUBSCRIPTIONS	\$10,700	\$9,986	\$10,700	\$11,900	AWA \$500, OVNews \$75, VCSDA \$150, ACWA \$3,800, Water Education Fund \$45, CSDA \$3,600, AWWA \$110, Engineering Registration \$150, CRWA \$1,000, AWA-CCWUC \$75
77500000	OFFICE SUPPLIES	\$14,000	\$7,858	\$12,500	\$14,000	Printer cartridges, media, and form costs, office supplies, GM Printer, CSDA Sample Policies \$375, Billing Computer \$1,500
77600000	JANITORIAL	\$2,700	\$1,400	\$2,100	\$2,700	
77700000	OPERATING/SUPPLIES FOR WATER SYSTEM & MONITORING	\$89,500	\$54,035	\$89,548	\$89,500	Monitoring; pipe; fittings, etc. Pump motor/pannel Maint. \$10,500/yr. Calif Dept Public Health Administration \$4,000/Yr, every 3 yrs = \$10,000 for Sanitary Survey (2016). County Encroachment Permit \$965 + Actual\$, Quinn Generator maint 3 Yr due 2014 \$3,000, Well SWRCB annual permit \$2,100, Pressure Washer \$1,000, Bumper Vice on F-250 \$600, Uniforms + \$600 for boots
78000000	POSTAGE	\$16,000	\$8,414	\$12,624	\$16,000	
78500000	BOARD MEMBER FEES	\$16,500	\$7,560	\$13,340	\$16,500	12 regular meetings, 4 committee meetings, with additional 5 days of service with an additional (Special) meeting.
79000000	LEGAL EXPENSE	\$11,500	\$8,048	\$10,572	\$11,500	
80000000	ENGINEER/PROFESSIONAL SERVICE	\$20,000	\$8,480	\$12,720	\$20,000	Auditor \$6,600 and Engineer & Drafting Services \$13,400.
80200000	CONTRACT LABOR	\$112,000	\$105,799	\$158,700	\$112,000	Work on leaks, Cross Connection Control \$1,300, Raise Water Valves for Overlays \$35,000, \$20,000 test Valley Meadow Drive pipe
80400000	SECURITY	\$4,400	\$2,326	\$3,492	\$4,400	Digital Security \$4,000/YR
80500000	PUBLIC/LEGAL NOTICES/NEWS LETTERS	\$4,500	\$0	\$4,000	\$4,500	One Newsletter mailing and post water quality on website.
81500000	ELECTION SUPPLIES	\$15,000	\$23,491	\$23,491	\$0	\$3K if not contested, \$6K if contested, Next Election 11-8-2016
82000000	WATER PURCHASES (\$55,000 Monte Via & Casitas Sp	\$490,000	\$246,266	\$331,757	\$380,000	Casitas Water Area's \$55,000 + \$325,000 Drought Purchases @ \$1.488/HCF (Purchase Water Surcharge)
83000000	DIRECTORS TRAVEL EXPENSE	\$1,600	\$1,513	\$2,268	\$2,200	Travel expense as per Travel Policy, AWA, VCSDA monthly meetings.
83500000	PUBLIC RELATIONS, EDUCATION, CONSERVATION	\$7,000	\$846	\$1,272	\$7,000	AWA Operators workshop \$70x3=210, AWA Symposium \$180x3=\$540, ACWA Annual Conference \$500 Registration + Travel \$400+Hotel \$600+ Meals \$100, Banners \$440 (\$110 ea), AWA meetings \$30 x 2 x 7 = \$420, AWA CCWUA \$30 x 2 x 5 = \$300
84000000	UTILITIES	\$105,000	\$61,472	\$92,208	\$105,000	Pumping costs will be lower due to reduce pumping because of the drought.
84100000	EQUIPMENT RENTAL	\$5,000	\$1,092	\$3,632	\$5,000	Tractor, backhoe, postage machine rental, etc.
84200000	COLLECTION	\$200	\$0	\$0	\$200	Should Collection agency collect outstanding bills, fees would be paid.
84300000	LAFCO FEES	\$1,000	\$25,518	\$25,518	\$1,000	Annual LAFCO Fees, \$912 per LAFCO BUDGET 2014/15
84400000	MISC. EXP./TAX/LIC./BANK CHARGES	\$3,000	\$692	\$1,032	\$3,000	Wire transfers, Checks, Safe Deposit Box, misc bank charges, Employee Recognition \$500
84500000	LOSS ON ASSET DISPOSAL	\$0	\$0	\$0	\$0	
84700000	VENT RIVER WTRSHED ISSUES	\$20,000	\$0	\$0	\$350	Contribution to Watershed Group
84800000	BAD DEBT EXPENSE	\$500	\$0	\$0	\$500	Based on actual Year to Year.
85000000	DEPRECIATION (as expense)	\$230,000	\$236,116	\$230,000	\$240,000	The total Capital Improvement funding needed is \$790,000 per year so an additional \$550,000 is needed in addition to depreciation to meet the 10 year CIP.
TOTAL EXPENSE		\$2,075,910	\$1,368,991	\$1,889,096	\$1,958,099	
OPERATING SURPLUS (DEFICIT)		\$59,440	\$133,270	\$366,355	\$393,451	This surplus needs to average \$550,000 per year to meet the capital improvement program.
SUBTOTAL: ESTIMATED CASH BALANCES		\$1,499,451		\$1,806,366	\$2,087,905	

ACCOUNT NUMBER	FIXED ASSETS	BUDGET 2013-14	ACTUAL THRU 2/28/2014	ESTIMATED THRU JUNE	GENERAL MGR RECOMMENDED 2014-2015	BUDGET EXPLANATION:
91000000	STRUCTURES & IMPROVEMENTS	\$0	\$0	\$15,700	\$2,000	This is a preliminary budget number. A detailed estimate has not been completed yet.
91500000	WATER SYSTEM IMPROVEMENTS	\$562,500	\$100,315	\$267,000	\$585,500	10 Hydrants, 15 Valves, 120 meters, Well #6, Mixing Valve Alto South Tank, Drill Well #6
92000000	AUTO EQUIPMENT	\$20,000	\$7,778	\$8,484	\$0	
93000000	SHOP/MAINTENANCE EQUIPMENT	\$41,500	\$42,830	\$46,728	\$0	
93200000	OFFICE EQUIPMENT	\$4,000	\$3,782	\$4,000	\$10,600	Replace Laserfiche computer, billing computer & fund electronic billing
93600000	GAIN OR LOSS ON ASSET DISPOSAL	\$0	\$0	\$0	\$0	
INVESTMENT IN FIXED ASSET		\$628,000	\$154,705	\$341,912	\$598,100	
DEPRECIATION (as revenue)		\$230,000	\$236,116	\$230,000	\$240,000	
NET EXPENDITURES: Op + Fixed Asset = Surplus or (Deficit)		(\$338,560)	\$214,681	\$254,443	\$35,351	
TOTAL NET INCOME AFTER LIABILITIES				\$254,443	\$35,351	

PROJECTED ENDING CASH BALANCE:	\$1,101,451	Estimate of Actual:	\$1,694,454	14/15 Budget:	\$1,729,805
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ACCOUNT NUMBER	PROJECTED ALLOCATIONS TO RESERVES	7/1/2014	7/1/2015
93500000	Allocation to Operating Surplus		\$33,000
93500000	Allocation to Water Sales Fluctuation Reserves		\$120,000
93700000	Allocation to CIP Reserves	\$101,443	\$10,351
93800000	Allocation to Emergency Reserves		\$25,000
Total Allocation to Reserves		\$254,443	\$35,351

ACCOUNT NUMBER	SUMMARY OF COMMITTED FUNDS:	7/1/2013	7/1/2014	7/1/2015	BUDGET EXPLANATION:
93500000	OPERATING, Goal: 7% of Operating \$110,000	\$110,000	(\$33,000)	\$110,000	\$110,000
93500000	WATER SALES FLUCTUATION, Goal: \$300,000	\$0		\$120,000	\$120,000
93700000	CIP, (Wtr Syst Imp) Goal: meet 10-year plan	\$851,780	(\$20,350)	\$932,873	\$943,224
93800000	EMERGENCIES, Goal :2014/15: \$463,220	\$438,220	\$0	\$438,220	\$463,220
ENDING CASH BALANCE		\$1,400,000	(\$53,350)	\$1,601,093	\$1,636,444
The final reserve numbers will be set at the close out of the FY 2013/14 budget year					

FIXED ASSET EXPENSES

DRAFT BUDGET April 30, 2014

ACCOUNT NUMBER	DESCRIPTION	BUDGET 2014-2015	EXPLANATION:
2014-2015			
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91000000	STRUCTURES & IMPROVEMENTS		
91000008	Renovate Operator's Restroom	\$2,000	This is a preliminary budget number. A detailed estimate has not been completed yet. Move this to 755 less than \$2,000
	Total	\$2,000	
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915000000	WATER SYSTEM IMPROVEMENTS		
91500001	SCADA System Improvements	\$20,000	Carry over from 2013/14: Add well static & pumping levels, historic trend
91500002	Meter Replacement / upgrade	\$38,000	Replace 120 3/4" mtrs per year at \$32,000 per year + \$6,000 for larger meters as needed
91500015	Valve Replacement / upgrade	\$113,500	Replace 15 valves per year (consider lowering after all valves are exercised)
91500016	Hydrant Replacement / upgrade	\$52,000	Replace 10 Hydrants per year
91500017	Well #3 Replacement Study	\$7,000	Analyze if Well #3 replacement should be located near Well #
91500018	Blending Pipe for Nitrates	\$35,000	Install blending pipe to mitigate nitrates in Well #1 if necessary
91500048	Well #6 Drill & Bring on line	\$320,000	Drill Well #6 on the Well #5 site (Estimate is \$290,000, use \$320,000 for bidding environment)
	Total	\$585,500	
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92000000	AUTO EQUIPMENT		
	None		
	Total	\$0	
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93000000	SHOP MAINTENANCE EQUIPMENT		
	None		
	Total	\$0	
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93200000	OFFICE EQUIPMENT		
93200001	Electronic Billing	\$8,000	
93200002	Laserfiche Server	\$2,600	
	Total	\$10,600	

**VENTURA RIVER COUNTY WATER DISTRICT
CAPITAL IMPROVEMENT PLAN - DECEMBER 11, 2013**

'INFLATION FACTOR: 3 4 5 6 7 8 9 10 11 12 13
1.06 1.08 1.10 1.13 1.15 1.17 1.20 1.22 1.24 1.27 1.29

2013 to 2025 Capital Improvement Plan											
Fiscal Year beginning July 1 ending June 30	2014 - 2015	2015 - 2016	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025
STRUCTURES & IMPROVEMENTS											
Miscellaneous Work based upon Historical average	\$9,500	\$9,690	\$9,884	\$10,081	\$10,283	\$10,489	\$10,699	\$10,913	\$11,131	\$11,353	\$11,580
SUB-TOTAL Structures & Improvements	\$9,500	\$9,690	\$9,884	\$10,081	\$10,283	\$10,489	\$10,699	\$10,913	\$11,131	\$11,353	\$11,580
WATER SYSTEM IMPROVEMENTS (CIP)											
HYDRANT REPLACEMENT - 264 ea repl 10 per year	\$53,040	\$54,101	\$55,183	\$56,286	\$57,412	\$58,560	\$59,732	\$60,926	\$62,145	\$63,388	\$64,655
VALVE REPLACEMENT - 500 ea repl 15 per year until 2035, then 6 per year	\$111,690	\$113,924	\$116,202	\$118,526	\$120,897	\$123,315	\$125,781	\$128,297	\$130,863	\$133,480	\$136,149
METER REPLACEMENT - 2,150 ea repl 120 per year, finish radio reads in 2029	\$38,000	\$38,760	\$39,535	\$40,326	\$41,132	\$41,955	\$42,794	\$43,650	\$44,523	\$45,414	\$46,322
SCADA System Improvements											
VALLEY MEADOW REHAB (PHASE I)				\$722,546							
VALLEY MEADOW REHAB (PHASE II)						\$1,165,241					
Replace Pumping line Well #1 & #4 to Baldwin Tank							\$0				
RELOCATE ENCINO PRV VAULT							\$147,606				
VENTURA AVE LOOP (NOVA LN TO WELL # 5)											
VONS TRACT UPGRADE											
VENTURA AVE -VILLANOVA RD TO VONS TRACT											
BURNHAM RD MAINLINE UPGRADE Santa Ana to Grapevine									\$373,908		
MONTE VIA SYSTEM UPGRADE (Built in 1958, Should last until 80 yrs or 2038 Postpone until 2036)											
FLOOD PROTECTION FOR BALDWIN SITE								\$731,396			
PRESSURE REDUCING STATION ENCINO AT THOMAS											
REPLACE/LINE AC PIPE, 27.5 MILES, Replace 1mile/yr starting in 2025 to 2050											
PUMPING LINE - Well #1 & #4 to tanks		\$27,060									
Chlorine Dilution Tank			\$13,249								
WELLS											
WELL # 1 - Drilled 1990, SS									\$13,354		
WELL # 2 - Drilled 1958, Sleeved 1969 & 1991		\$172,055						\$13,092			
WELL # 3 - Drilled 1969, Redrill Well #3 in 2016	\$7,000				\$689,211		\$12,835				
WELL # 4 - Drilled 2007, SS					\$58,056	\$12,584					
WELL #6 Drill & Bring on Line (WELL # 5, Curtis, pay back \$155,000 when Casitas wtr is purchased all year)	\$320,000										
Minor Well Maintenance every 6 years, motor & panel, etc.											
Major Well Maintenance every 12 years, clean, column pipe, pump, a VFD is good for 10 to 14 yrs \$12,000 ea. etc.											
New Well Screen											
Drill new Well Close to Existing Well											
SCADA SYSTEM											
SCADA SYSTEM UPGRADE (ENGINEERING)											
SCADA SYSTEM UPGRADE									\$100,154		
TANKS											
BALDWIN TANK North, 1997, 184,000 Gal, 38.67' Dia 24.1' H REPLACE 2037				\$74,989							\$36,178
BALDWIN TANK South, 2006, 184,000 Gal 39' Dia 24' H REPLACE 2046							\$33,423				
ALTO TANKS N & S 1998, 753,000 Gal 65.4 Dia X 32.17 H REPLACE 2038	\$12,000						\$243,871			\$108,695	
Add 2nd PARKER TANK, Phase I Berm, Phase II Tank			\$110,408				\$478,037				
PARKER TANK, 2001, 529,000 Gal, 80.17' Dia x 16' H REPLACE 2041		\$48,826									
Paint Tank Outside every 10 yrs Beginning @ 15 yrs Parker=1, Alto=0.95, Baldwin=0.62											
Tank Inside every 25 years, Parker = 1, Alto = 0.95, Baldwin = 0.62											
PUMPS											
BALDWIN BOOSTER STATION, Pump & Motor Rebuild 14 yrs \$17,000.								\$20,723	\$21,138		
PARKER BOOSTER STATION, 2001, Pump & Motor Rebuild 14 yrs \$17,000		\$18,402	\$18,770								
PARKER VFD to Zone 5, a VFD is good for 10 to 14 yrs \$12,000		\$43,297									
Major Rehabilitation, 35 yrs											
MISCELLANEOUS											
	\$5,160	\$5,263	\$5,368	\$5,476	\$5,585	\$5,697	\$5,811	\$5,927	\$6,046	\$6,167	\$6,290
SUBTOTAL Water System Improvements	\$546,890	\$521,688	\$358,715	\$1,018,149	\$972,294	\$1,407,352	\$1,149,889	\$1,004,012	\$752,129	\$357,143	\$289,595
SHOP/MAINTENANCE EQUIPMENT											
Machines, Tools, Equipment, etc., Bumper Crane, Valve Turn Trailer, Pipe Locator	\$2,000	\$2,040	\$2,081	\$2,122	\$2,165	\$2,208	\$2,252	\$2,297	\$2,343	\$2,390	\$2,438
SUBTOTAL Shop/Equipment	\$2,000	\$2,040	\$2,081	\$2,122	\$2,165	\$2,208	\$2,252	\$2,297	\$2,343	\$2,390	\$2,438
OFFICE EQUIPMENT											
Machines, Computers, Copiers, etc.	\$5,000	\$5,100	\$5,202	\$5,306	\$5,412	\$5,520	\$5,631	\$5,743	\$5,858	\$5,975	\$6,095
Software,	\$6,000	\$6,120	\$6,242	\$6,367	\$6,495	\$6,624	\$6,757	\$6,892	\$7,030	\$7,171	\$7,314
SUBTOTAL Office Equipment	\$11,000	\$11,220	\$11,444	\$11,673	\$11,907	\$12,145	\$12,388	\$12,636	\$12,888	\$13,146	\$13,409
AUTO / EQUIPMENT REPLACEMENT											
FORD F-550, 2000 Dump Truck (Replace with a F-250 Utility Truck)			\$35,573		\$51,815			\$54,986			
FORD F-150, 2001									\$40,062		
FORD F-350, 2007 (Replace with an F-250 Utility Truck)											
FORD F-250, 2008											
FORD Explorer, 2002											
JEEP, Meter Reader, 1969, Right hand drive (Retire in 2024)											
BACKHOE, 1982		\$87,190									
SUBTOTAL Auto / Equipment	\$0	\$87,190	\$35,573	\$0	\$51,815	\$0	\$0	\$54,986	\$40,062	\$0	\$0
TOTAL ALL ABOVE ITEMS	\$569,390	\$631,828	\$417,698	\$1,042,027	\$1,048,464	\$1,432,194	\$1,175,228	\$1,084,844	\$818,553	\$384,032	\$317,022
Fiscal Year beginning July 1 ending June 30	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025

Summary of Budget

Bruce Kuebler Style

2 Rate Increase	12%
4 Water Revenue- Volume Sales*	\$1,574,358
Water Revenue- Base Rate	\$401,642
Revenue - Other Misc.	\$50,550
4 Total Income	\$2,026,550
5 Operating Expense (excludes depreciation&Casitas Water Purchases)	\$1,393,099
6 Cash Net Income (4-5) (Prior to paying Depreciation)	\$633,451
7 Depreciation (as expense)	\$230,000
8 Book Net Position (6-7)	\$403,451
9 CIP Spending	\$598,100
Funding to cover CIP From:	
10 Cash Net Income	\$633,451
Depreciation (Cannot use Dep & Cash Net Income	
11 because would double count)	\$0
12 Assigned Reserve (CIP)	(\$35,351)
Total Funding for deficit:	\$598,100
Reserves (Assigned Reserves?)	
13 Assigned (CIP)	(\$35,351)
Unassigned (Unassigned Reserves?)	
14 Operation	\$110,000
15 Water Sales Fluctuation	\$120,000
13a CIP Unassigned	\$943,224
16 Emergency	\$463,220
17 Total Reserves (Unassigned Remaining)	\$1,636,444

* Based on 2013/14 projected revenue Plus 12% minus \$120,000 for Drought related sales in 2013/14 that may not occur in 14/15 if it is a good rain year.