



**NOTICE OF REGULAR
BOARD OF DIRECTORS MEETING
2:00 P.M. WEDNESDAY, JANUARY 17, 2024**

BOARD OF DIRECTORS

Bruce Kuebler, President; Peggy Wiles, Vice President; Jack Curtis, Director; Laurie Lary, Director; Ed Lee, Director

**The meeting will be held in person and via Zoom by phone & video conference. The meeting will be recorded. To attend/listen to the meeting please call Toll Free US 1 (888) 788-0099 or 1 (877) 853-5247
Meeting ID: 822 1803 9151 Password: 964370 Zoom Link: [Zoom Link](#)**

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 the Government Code.

AGENDA

1. CALL MEETING TO ORDER & FLAG SALUTE
2. ROLL CALL
3. PUBLIC COMMENT – FOR ITEMS NOT ON THE AGENDA (LIMIT 5 MIN / PER PERSON)
4. CONSENT AGENDA:
 - A. MINUTES OF REGULAR MEETING DECEMBER 20, 2023
 - B. PAYMENTS & CHECKS FOR DECEMBER
 - C. FINANCIALS FOR NOVEMBER
5. DIRECTOR CURTIS'S PERSISTENT ABSENTEEISM
6. RESOLUTION 2024-366: ACCEPTANCE OF TICO MUTUAL DOCUMENTS
7. ANNUAL AUDIT 2022-2023- BARTLETT, PRINGLE AND WOLFE, BUDGET TRANSFER #6, AND ALLOCATION TO RESERVES
8. PRIORITIZATION OF 2023 WATER PROJECTS
9. GENERAL MANAGER'S REVIEW – STAFF SURVEY
10. BOARD REPORTS ON MEETINGS ATTENDED
11. GENERAL MANAGER'S REPORT ON WATER & DISTRICT STATUS
12. OLD & NEW BUSINESS
 - A. DISTRICT CREDIT CARD ACCOUNT
13. CLOSED SESSION

The Board of Directors may hold a closed session to discuss the following items:

 - A. CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION
(Paragraph (1) of subdivision (d) of Gov. Code § 54956.9) Name of case: *Santa Barbara Channelkeeper v. State Water Resources Control Board, et al.*, Los Angeles County Superior Court Case No. 19STCP01176 (formerly San Francisco County Superior Court Case No. CPF-14-513875) case update.
 - B. ANNUAL REVIEW OF LEGAL COUNSEL

If you require special accommodation 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 WATER DISTRICT
MINUTES OF REGULAR MEETING DECEMBER 20, 2023**

The director's present were: Bruce Kuebler, Laurie Lary, Ed Lee, and Peggy Wiles. Directors Absent: Jack Curtis. Also present were the District's legal counsel, Stuart Nielson; Technical Advisor, Bert Rapp; General Manager, Alma Quezada; and Office Manager, Emily Arnbrister; Public Present: Harrison Stenberg of Time Value Investments, Inc.

1. **CALL MEETING TO ORDER** - President Ed Lee called the meeting to order at 2:00 P.M. Flag salute led by Bert Rapp.
2. **PUBLIC COMMENT (FOR ITEMS NOT ON THE AGENDA)** – None.
3. **CONSENT AGENDA:**
 - A. **MINUTES NOVEMBER 15, 2023**
 - B. **PAYMENTS & CHECKS FOR NOVEMBER**
 - C. **FINANCIALS FOR SEPTEMBER & OCTOBER**Bruce Kuebler moved for approval of the consent agenda seconded by Peggy Wiles and the motion carried 4-0.
4. **2024 CALENDAR OF MEETINGS:** The General Manager presented the 2024 meeting calendar dates with major action items. **Public Comment:** None.
5. **APPROVE BOARD MEMBER ATTENDANCE TO SPECIAL DISTRICT CONFERENCE:** Director Lary is requesting approval of expenses to attend the 2024 Special District Leadership Academy in San Luis Obispo in February as required under the District's Personnel Policy. The conference is designed for elected and appointed officials. **Public Comment:** None. **Recommended Action:** Approve Director Lary's request to cover expenses associated with attending the 2024 Special District Leadership Academy in San Luis Obispo. Peggy Wiles moved for approval of the recommended action, seconded by Bruce Kuebler and the motion carried 4-0.
6. **UPDATE SIGNATORIES FOR MECHANICS BANK:** The General Manager recommends that the Board make changes to who has access to the District checking accounts by updating the signatories for Mechanics Bank. **Public Comment:** None. **Recommended Action:** The Board makes the following changes to the District's checking accounts: 1) Update the Resolution Signers to replace Nathan Rosser with Laurel Lary; and 2) Update the Account Signers to remove Nathan Rosser and Bert Rapp and replace them with Laurel Lary and Alma Quezada respectively. Bruce Kuebler moved for approval of the recommended action, seconded by Laurel Lary and the motion carried 4-0.
7. **ANNUAL EMPLOYEE SURVEY:** Annually in January, staff is asked to complete a survey to review the General Manager with the results summarized by legal counsel and presented anonymously to the Board of Directors. Discussion followed on the format of the survey and changes were recommended to enhance employee anonymity. The General Manager was appointed in late October and recommends postponing the employee survey to March to coincide with their 6-month review. **Public Comment:** None.
8. **DISTRICT FUNDS AND INVESTMENT OPTIONS:** The General Manager gave a presentation on where the District currently holds saving funds and potential options for the District to maximize current rates of return. The District also has a CD that recently matured and was presented with options on how to move forward with the matured funds by Harrison Stenberg. There was general board discussion about this item. **Public Comment:** None. **Recommended Action:** Reinvest available investment funds of \$248,000 into a 2yr CD by Centris with remaining funds staying in the money market account to be monitored by the General Manager with pending funds transferred to LAIF when return rates are similar. Peggy Wiles moved for approval of the recommended action, seconded by Bruce Kuebler and the motion carried 4-0.

- 9. ESTABLISH AD HOC COMMITTEE: WATER SERVICE AGREEMENT AMENDMENT:** The General Manager discussed the impact Casitas Municipal Water District's adopted rates will have on the District. The District has the potential to be able to work out a more cost-efficient solution through negotiation of the District's Water Service Agreement. **Public Comment:** None. Ed Lee appointed Bruce Kuebler and Laurie Lary to the ad hoc committee.
- 10. BOARD REPORTS ON MEETINGS ATTENDED:** Alma Quezada and Laurie Lary provided a verbal presentation on the Matilija Dam field trip. Bruce Kuebler and Alma Quezada discussed the UVRGA Foster Park field trip.
- 11. GENERAL MANAGER'S REPORT ON WATER & DISTRICT STATUS:** The static aquifer level at Well #2 on December 1, 2023, was at elevation 537.4 feet and decreased 1.6 feet since the first of last month. The aquifer is currently 31.0 feet above the 35-year average for December 1st. Well #1 is pumping 1,045 GPM, down 15 GPM from last month. Well #7 is pumping 815 GPM, up 25 GPM from last month. Well #2, #3, #4 & #6 were offline in November. Supplemental Casitas water was not purchased. Sales dollars billed on November 30, 2023, amounted to \$242,091, over budget by \$19,796 for November. Water sold in November 2023 amounted to 31,389 HCF, a decrease of 40.8% below the 53,064 HCF sold in November 2013. On December 1, 2023, Lake Casitas level was at 70.9% of capacity at an elevation of 538.45 feet. The lake has decreased 0.4% since last month.
- 12. OLD & NEW BUSINESS:** Director Wiles inquired about the status of the VRIF grant program and the status of the electric vehicle.
- A. DIRECTIONS ORGANIZATIONAL MEETING:** Peggy Wiles nominated Bruce Kuebler to President, seconded by Ed Lee and carried 4-0. Laurie Lary nominated Peggy Wiles to Vice President, seconded by Ed Lee and carried 4-0. Peggy Wiles nominated Alma Quezada to secretary, seconded by Ed Lee and carried 4-0.
- 13. CLOSED SESSION:** Bruce Kuebler called the Board into executive session at 4:00 pm. Executive session was adjourned at 4:09 pm. Stuart Nielson reported out of closed session regarding pending litigation, no action was taken on this item.

Meeting adjourned at 4:10 pm.

Attested:

Alma Quezada, Secretary

Online A/P Payment Transactions - December 2023

Date	Vendor	Description	Amount
12/1/23	CALPERS	457	\$ 3,575.00
12/4/23	WEX	Fuel	\$ 1,512.61
12/5/23	WAGEWORKS	Flexible Spending Account	\$ 10.00
12/11/23	MECHANICS BANK	Analysis Charges	\$ 659.28
12/12/23	WAGEWORKS	Flexible Spending Account	\$ 218.34
12/15/23	IRS	Federal Tax Deposit	\$ 11,537.25
12/15/23	TIAA/EVERMORE	Ricoh Printer	\$ 175.64
12/15/23	EXPERTPAY	Child Support	\$ 97.00
12/15/23	VANCO	Bank Check Elimination	\$ 84.85
12/15/23	MATILIJIA WATER	Office Water	\$ 24.24
12/18/23	SCE	Electric Bill	\$ 15,213.09
12/18/23	ACWA	Health Insurance	\$ 11,174.40
12/18/23	CALPERS	UAL- Classic	\$ 3,753.25
12/18/23	CALPERS	457	\$ 3,575.00
12/18/23	CALPERS	Classic	\$ 2,936.50
12/18/23	CALPERS	Pepra	\$ 2,583.69
12/18/23	EDD	State Tax Deposit	\$ 2,314.08
12/18/23	AT&T	Mobile Phones	\$ 456.97
12/18/23	IVR	Robocalls	\$ 83.44
12/18/23	TTECH	Returned eCheck Fee	\$ 5.00
12/19/23	WAGEWORKS	Flexible Spending Account	\$ 10.00
12/26/23	WAGEWORKS	Flexible Spending Account	\$ 429.40
12/27/23	IRS	Federal Tax Deposit	\$ 31,101.23
12/27/23	WAGEWORKS	Flexible Spending Account	\$ 218.34
12/27/23	WAGEWORKS	Flexible Spending Account	\$ 75.00
12/28/23	EDD	State Tax Deposit	\$ 8,706.90
12/29/23	CALPERS	457	\$ 3,575.00
12/29/23	CALPERS	Classic	\$ 2,868.53
12/29/23	CALPERS	Pepra	\$ 2,565.53
12/29/23	EXPERTPAY	Child Support	\$ 97.00
Total Online A/P Payments			\$ 109,636.56

Voided Checks

Check Number	Vendor	Reason	Amount
17968	Chase	Add'l stub for Check 17967	\$0

Ventura River Water District
AP Check Register (Current by Bank)
Check Dates: 12/1/2023 to 12/31/2023

Check No.	Date	Status*	Vendor ID	Payee Name	Amount
BANK ID: RBOGEN - OPERATING ACCOUNT					10005
17965	12/15/23	P	300	AQUA-FLO SUPPLY	\$192.46
17966	12/15/23	P	750	CASITAS MUNICIPAL WATER DIST	\$11,314.69
17967	12/15/23	P	790	CHASE CARD SERVICES	\$2,962.52
17968	12/15/23	V 12/15/23	790		
17969	12/15/23	P	1020	COUNTY OF VENTURA	\$400.00
17970	12/15/23	P	10111	DATA PROSE	\$1,145.29
17971	12/15/23	P	1393	FGL, INC.	\$360.00
17972	12/15/23	P	1730	KELLY CLEANING & SUPPLIES	\$290.00
17973	12/15/23	P	10207	LIFECOM	\$347.19
17974	12/15/23	P	1950	MEINERS OAKS HARDWARE	\$120.18
17975	12/15/23	P	2025	MITEC SOLUTIONS LLC	\$1,524.21
17976	12/15/23	P	10204	NELSON COMIS KETTLE & KINNEY,	\$1,040.00
17977	12/15/23	P	2400	OJAI VALLEY SANITARY DISTRICT	\$118.24
17978	12/15/23	P	3300	STATE WATER RESOURCES CONTROL	\$868.00
17979	12/15/23	P	10061	STATE WATER RESOURCES CONTROL	\$100.00
17980	12/15/23	P	3550	UNDERGROUND SERVICE ALERT	\$97.21
17981	12/15/23	P	10163	WATERSHED PROGRESSIVE	\$2,162.50
17982	12/15/23	P	10123	ZWORLD GIS, LLC	\$1,950.00
17983	12/31/23	P	300	AQUA-FLO SUPPLY	\$49.49
17984	12/31/23	P	10094	BADGER METER	\$2,305.80
17985	12/31/23	P	750	CASITAS MUNICIPAL WATER DIST	\$11,279.17
17986	12/31/23	P	1125	CUSTOM PRINTING	\$1,615.18
17987	12/31/23	P	1300	E J HARRISON & SONS, INC	\$157.62
17988	12/31/23	P	1390	FAMCON PIPE & SUPPLY, INC.	\$1,158.30
17989	12/31/23	P	1393	FGL, INC.	\$1,001.00
17990	12/31/23	P	1950	MEINERS OAKS HARDWARE	\$33.14
17991	12/31/23	P	2025	MITEC SOLUTIONS LLC	\$2,117.15
17992	12/31/23	P	3300	STATE WATER RESOURCES CONTROL	\$16,913.77
17993	12/31/23	P	3550	UNDERGROUND SERVICE ALERT	\$48.21
17994	12/31/23	P	3555	UNIVAR USA INC	\$1,399.17
17995	12/31/23	P	10123	ZWORLD GIS, LLC	\$1,950.00
BANK RBOGEN REGISTER TOTAL:					\$65,020.49
GRAND TOTAL :					\$65,020.49

Ventura River Water District
Income Statement
(Original Budget to Actual Comparison)
For the period of 11/1/2023 Through 11/30/2023

	Current Period				Year To Date			
	Actual	Budget	Variance	%	Actual	Budget	Variance	%
<u>Revenues</u>								
WATER SALES	\$239,101.56	\$222,296.00	\$16,805.56	7.6 %	\$1,245,312.42	\$1,279,630.00	\$(34,317.58)	(2.7)%
SERVICE INSTALLATION	0.00	125.00	(125.00)	(100.0)	(594.70)	625.00	(1,219.70)	(195.2)
DELINQUENT FEES	2,165.00	1,400.00	765.00	54.6	10,210.00	7,000.00	3,210.00	45.9
CONSERVATION PENALTY FEES	14,260.00	2,500.00	11,760.00	470.4	40,725.00	12,500.00	28,225.00	225.8
Total Revenues	\$255,526.56	\$226,321.00	\$29,205.56	12.9 %	\$1,295,652.72	\$1,299,755.00	\$(4,102.28)	(0.3)%
<u>Operating Expenses</u>								
WATER PURCHASES & CASITAS BASE FEES	11,314.69	15,416.67	4,101.98	26.6	46,774.28	77,083.35	30,309.07	39.3
UVRGA PUMP FEE	10,476.67	10,500.00	23.33	0.2	52,383.35	52,500.00	116.65	0.2
SALARIES	65,038.11	68,666.67	3,628.56	5.3	309,864.64	343,333.35	33,468.71	9.7
PTO & SICK	8,081.22	6,083.33	(1,997.89)	(32.8)	50,588.57	30,416.65	(20,171.92)	(66.3)
SOCIAL SECURITY & MEDICARE	5,278.37	5,333.33	54.96	1.0	28,164.31	26,666.65	(1,497.66)	(5.6)
STATE PAYROLL TAXES (SUI, ETT)	0.00	100.00	100.00	100.0	0.00	500.00	500.00	100.0
PUBLIC EMPLOYEES RETIREMENT SYSTEM	9,854.67	10,583.33	728.66	6.9	49,399.09	52,916.65	3,517.56	6.6
GROUP HEALTH INSURANCE	11,586.48	11,250.00	(336.48)	(3.0)	57,932.40	56,250.00	(1,682.40)	(3.0)
WORKER'S COMPENSATION INSURANCE	1,508.17	1,750.00	241.83	13.8	10,572.10	8,750.00	(1,822.10)	(20.8)
LIABILITY INSURANCE	6,825.25	6,916.67	91.42	1.3	34,126.25	34,583.35	457.10	1.3
BOARD MEMBER COMPENSATION	1,958.00	2,000.00	42.00	2.1	7,114.00	10,000.00	2,886.00	28.9
CONTRACT LABOR	11,782.84	10,000.00	(1,782.84)	(17.8)	41,166.99	50,000.00	8,833.01	17.7
PROFESSIONAL SERVICES(Audit, Engr,Draft)	1,950.00	6,266.67	4,316.67	68.9	10,166.96	31,333.35	21,166.39	67.6
FUEL	1,512.61	2,000.00	487.39	24.4	6,378.22	10,000.00	3,621.78	36.2
VEHICLE MAINTENANCE	95.56	833.33	737.77	88.5	727.90	4,166.65	3,438.75	82.5
OFFICE MAINTENANCE	3,629.69	5,833.33	2,203.64	37.8	21,178.86	29,166.65	7,987.79	27.4
FIELD EQUIPMENT MAINTENANCE	110.76	8,500.00	8,389.24	98.7	51,670.79	42,500.00	(9,170.79)	(21.6)
METER REPLACEMENT & MAINTENANCE	0.00	6,500.00	6,500.00	100.0	58,153.29	32,500.00	(25,653.29)	(78.9)
WATER SYSTEM MAINTENANCE	7,758.03	13,333.33	5,575.30	41.8	29,734.06	66,666.65	36,932.59	55.4
DISTRICT LEGAL COUNSEL	0.00	2,916.67	2,916.67	100.0	6,532.50	14,583.35	8,050.85	55.2
DEPRECIATION	0.00	29,166.67	29,166.67	100.0	0.00	145,833.35	145,833.35	100.0
Total Operating Expenses	\$158,761.12	\$223,950.00	\$65,188.88	29.1 %	\$872,628.56	\$1,119,750.00	\$247,121.44	22.1 %
<u>General & Administrative Expenses</u>								
UTILITIES	14,690.48	12,833.33	(1,857.15)	(14.5)	50,515.98	64,166.65	13,650.67	21.3
TELEPHONE & INTERNET	1,155.34	1,250.00	94.66	7.6	6,099.36	6,250.00	150.64	2.4
LAFCO FEES	164.75	166.67	1.92	1.2	823.75	833.35	9.60	1.2
BANK FEES AND MISCELLANEOUS	675.87	1,333.33	657.46	49.3	4,097.67	6,666.65	2,568.98	38.5
MEMBERSHIP,DUES,SUBSCRIPTIONS	1,791.25	2,083.33	292.08	14.0	9,216.91	10,416.65	1,199.74	11.5
PUBLIC RELATIONS/EDUCATION/CONSERV	841.70	1,158.33	316.63	27.3	4,734.10	5,791.65	1,057.55	18.3
DIRECTORS TRAVEL/EDUCATION	0.00	416.67	416.67	100.0	133.84	2,083.35	1,949.51	93.6
SECURITY	289.00	416.67	127.67	30.6	1,445.00	2,083.35	638.35	30.6
POSTAGE	1,055.57	1,083.33	27.76	2.6	4,601.30	5,416.65	815.35	15.1
OFFICE SUPPLIES	1,786.67	1,750.00	(36.67)	(2.1)	7,828.83	8,750.00	921.17	10.5
VENTURA RIVER WATERSHED ISSUES	47.21	4,166.67	4,119.46	98.9	14,065.56	20,833.35	6,767.79	32.5

Ventura River Water District
Income Statement
(Original Budget to Actual Comparison)
For the period of 11/1/2023 Through 11/30/2023

	Current Period				Year To Date			
	Actual	Budget	Variance	%	Actual	Budget	Variance	%
BAD DEBT EXPENSE	0.00	333.33	333.33	100.0	0.00	1,666.65	1,666.65	100.0
CONSERVATION	5,487.50	8,333.33	2,845.83	34.1	26,018.75	41,666.65	15,647.90	37.6
Total General & Administrative Expenses	\$27,985.34	\$35,324.99	\$7,339.65	20.8 %	\$129,581.05	\$176,624.95	\$47,043.90	26.6 %
Total Expenses	\$186,746.46	\$259,274.99	\$72,528.53	28.0 %	\$1,002,209.61	\$1,296,374.95	\$294,165.34	22.7 %
Income (Loss) from Operations	\$68,780.10	\$(32,953.99)	\$101,734.09	308.7 %	\$293,443.11	\$3,380.05	\$290,063.06	8,581.6 %
<u>Other Income (Expense)</u>								
PROPERTY TAXES	\$3,297.63	\$5,000.00	\$(1,702.37)	(34.0)%	\$467.88	\$25,000.00	\$(24,532.12)	(98.1)%
INTEREST INCOME	2.49	666.67	(664.18)	(99.6)	4,761.23	3,333.35	1,427.88	42.8
OTHER REVENUE	6,994.79	0.00	6,994.79	0.0	21,700.96	15,000.00	6,700.96	44.7
GRANT REVENUE	0.00	8,333.33	(8,333.33)	(100.0)	0.00	41,666.65	(41,666.65)	(100.0)
Total Other Income (Expense)	\$10,294.91	\$14,000.00	\$(3,705.09)	(26.5)%	\$26,930.07	\$85,000.00	\$(58,069.93)	(68.3)%
Income Before Taxes	\$79,075.01	\$(18,953.99)	\$98,029.00	517.2 %	\$320,373.18	\$88,380.05	\$231,993.13	262.5 %
Net Income (Loss)	\$79,075.01	\$(18,953.99)	\$98,029.00	517.2 %	\$320,373.18	\$88,380.05	\$231,993.13	262.5 %

1/12/24
2:26:10 PM

Ventura River Water District

Balance Sheet

As of 11/30/2023

Assets

Current Assets

FUNDS IN COUNTY TREASURY	\$743,277.61	
LOCAL AGENCY INVESTMENT FUND	531,729.38	
PETTY CASH	580.03	
SECURITY DEPOSIT CHECKING	11,128.74	
RABO6073	220,615.41	
PRO-EQUITIES	925,607.09	
ACCOUNTS RECEIVABLE	283,686.02	
TREASURY INTEREST RECEIVABLE	215.35	
CMWD PENALTY RECEIVABLE	76.56	
GRANTS RECEIVABLE	(3,143.75)	
PREPAID SECURITY MONITORING & MAINT	308.00	
PREPAID WEB SERVICES	138.36	
PREPAID INSURANCE	49,444.30	
PREPAID COMPUTER MAINTENANCE	16,972.84	
PREPAID OTHER	99,158.99	
DEFERRED OUTFLOWS	162,672.00	
Total Current Assets		\$3,042,466.93

Property, Plant & Equipment

WATER SYSTEMS IMPROVEMENT	\$2,808,236.05	
SCADA SYSTEM IMPROVEMENTS	59,597.10	
DISTRICT 4 AND DISTRICT 7	118,245.00	
WELLS	1,852,532.96	
TANKS	1,412,845.83	
PUMPS	277,620.38	
METERS	78,491.94	
TRUCKS	297,395.76	
OFFICE AND SHOP EQUIPMENT	229,857.10	
BUILDINGS	1,802,062.45	
LAND, WATER & RIGHTS OF WAY	227,580.50	
SCADA SYSTEM	72,538.66	
BALDWIN EROSION PROTECTION	68,324.24	
PIPELINES	2,382,412.00	
RE-PLUMB ENCINO & THOMAS PRV VAULTS	33,783.75	
WELL#3 & WELL#2 PUMP & PANEL REPLACEMENT	306,931.30	
N. BALDWIN TANK REPAIR	11,204.91	
SANTA ANA BLVD FIRE FLOW UPGRADE	21,700.50	
TICO MUTUAL PROJECT	70,638.18	
SRF WATER MAIN PROJECTS	424,566.69	
SRF CONSTRUCTION POTHOLING	70,308.58	
SRF SOLAR PROJECTS	105,908.82	
ACCUMULATED DEPRECIATION	(4,913,955.31)	
CASITAS SPRINGS EMERGENCY FIRE FLOW PUMP	16,939.50	
GAIN/LOSS ON ASSET DISPOSAL	18,792.96	
Total Property, Plant & Equipment		7,854,559.85

Total Assets

\$10,897,026.78

Liabilities and Equity

Current Liabilities

ACCOUNTS PAYABLE	\$16,973.02
PTO PAYABLE	157,054.24
CONSTRUCTION DEPOSITS PAYABLE	3,471.25
SECURITY DEPOSIT PAYABLE	6,337.48
DEPOSIT PAYABL-SVC INSTALL/HYDRANT METER	250.00

1/12/24
2:26:10 PM

Ventura River Water District

Balance Sheet

As of 11/30/2023

REFUNDS PAYABLE	879.75	
TICO MUTUAL TRUST	51,832.53	
FLIEXIBLE SPENDING ACCOUNT	(230.05)	
DEPENDENT CARE	3,464.92	
NET PENSION LIABILITY	203,443.00	
DEFERRED INFLOWS	213,131.00	
Total Current Liabilities		<u>\$656,607.14</u>
Total Liabilities		\$656,607.14

Equity

INVESTMENT IN CAPITAL ASSETS	\$7,786,425.00	
UNRESTRICTED NET POSITION	2,133,621.46	
Current Year Profit/Loss	320,373.18	
Total Equity		<u>10,240,419.64</u>
Total Liabilities and Equity		<u><u>\$10,897,026.78</u></u>

VENTURA RIVER WATER DISTRICT
Status of Capital Improvement Projects - FYE 2024
11/30/2023

Water System Improvements

Account	Fixed Asset	23/24 Budget	YTD	Remaining/(Over)	Description/Status
13014	Well #6 Retaining Wall	\$ 30,000.00		\$ 30,000.00	Retaining wall, gravel pad at Well #6
13040	Mixing Valve South Alto Tank	\$ 25,000.00		\$ 25,000.00	Mixing valve for South Alto Tank to prevent thermostratification
13061	Well #2 & 3 Pump & Pannel Replacement	\$ 300,435.00	\$ 1,268.50	\$ 299,166.50	Pump & Panel Replacement ct'd
13105	Casitas Springs Emergency Fire Flow Pump	\$ 41,000	\$ 1,113.75	\$ 39,886.25	Finish pump design and specs, contract award to Phoenix Civil Engineering
13094	Tico Mutual Annexation Project	\$ 20,000	\$ 4,215.00	\$ 15,785.00	LAFCo Application, Design Engineering, SRF Coordination
13098	SRF Water Main Projects , Planning for Environmental, Engr, Easemts	\$ 250,000	\$ 15,268.25	\$ 234,731.75	Awarded to Phoenix = \$658,000 (13098 & 13099), Potholing & Easements
13100	SRF Solar Projects , Planning for Environmental, Engr	\$ 31,000	\$ 463.75	\$ 30,536.25	Awarded to Phoenix = \$114,227, Ventura Energy Baldwin & Parker Site Interconnection Agreement
13010	Hydrant & Valve Replacement Project	\$ 205,000		\$ 205,000.00	To be completed Fall 2023 pending funding
13110	SCADA Communication Alarm & Cla-Val for Emergency backfill of Parker	\$ 25,000		\$ 25,000.00	Development of Communciation failure alarm and intergration of 4" Cla-Val at Parker Site
Total		\$ 927,435	\$ 22,329	\$ 905,106	

Auto Equipment

Account	Fixed Asset	23/24 Budget	YTD	Remaining/Over	Description/Status
N/A					

Shop Equipment

Account	Fixed Asset	23/24 Budget	YTD	Remaining/Over	Description/Status
N/A					

Office Equipment

Account	Fixed Asset	23/24 Budget	YTD	Remaining/Over	Description/Status
N/A					

Summary **\$ 927,435.00** **\$ 22,329.25** **\$ 905,105.75**

DATE: January 17, 2024
TO: Board of Directors
FROM: Bruce Kuebler, President
SUBJECT: DIRECTOR CURTIS'S PERSISTENT ABSENTEEISM

RECOMMENDED ACTIONS

I recommend that the Board approve a request from Director Curtis to excuse his absence from the December meeting and approve his continuing service on the Board.

BACKGROUND

This item pertains to Director Curtis's attendance record for 2023. He was absent from meetings in May, June, July, and December of 2023. Missing more than three meetings in a calendar year, according to Section 3.04(d), is persistent absenteeism and would disqualify him from continued service on the Board unless those absences can be excused by certain exceptions.

Exceptions in Section 3.04 (d) of the District's By-laws states, "...except when prevented by sickness or other medical condition that prevents the director from attending in person and from which the director is expected to recover, or when excused due to other just cause. For purposes hereof, "just cause" shall include a family medical emergency, a childcare or caregiving need of a family member, a temporary employment conflict, out of town travel, or other circumstances as may be determined by the Board on a case-by-case basis."

I met with Director Curtis on January 8, 2024, to discuss his December absence and his medical condition. I believe his condition fits the 3.04(d) exception and his continuing participation on the Board benefits the District.

If the Board determines that the absences are unexcused, under Section 3.04(d), the Board may pass a resolution to declare a vacancy, resulting in the expiration of Director Curtis's term.

FISCAL IMPACT There is no fiscal impact.

DATE: January 17, 2024
TO: Board of Directors
FROM: Alma Quezada, P.G., General Manager
SUBJECT: RESOLUTION 2024-366: ACCEPTANCE OF TICO DOCUMENTS

RECOMMENDED ACTIONS

The General Manager recommends that the Board adopt Resolution 2024-366 as presented to acknowledge the easements and cause them to be recorded.

BACKGROUND

The easements required as part of the Tico consolidation project have been successfully signed and notarized. Resolution 2024–366 has been drafted to reflect the Board's acceptance of the easements granted to the District in connection with the Tico Consolidation.

The resolution authorizes the General Manager to execute any Certificates of Acceptance and other necessary instruments to demonstrate the District's acceptance of the easements. The General Manager is further authorized to proceed with recording the easements to formalize the acceptance of the easements.

Easements granted to public agencies must be accompanied by a Certificate of Acceptance to confirm the District's acknowledgment of the easement. Legal Counsel has prepared Certificates of Acceptance for each of the easements.

FISCAL IMPACT

There is no fiscal impact associated with adopting this resolution or with recording the easements with the County of Ventura.

Attachment(s):

6A – Resolution 2024-366

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
VENTURA RIVER WATER DISTRICT**

RESOLUTION 2024 – 366

**AUTHORIZING THE GENERAL MANAGER TO ACT ON BEHALF OF THE DISTRICT TO
ACCEPT EASEMENTS AND OTHER INTERESTS IN REAL PROPERTY
IN CONNECTION WITH THE TICO MUTUAL WATER COMPANY CONSOLIDATION**

WHEREAS, pursuant to that certain Consolidation and Water Service Agreement dated as of July 15, 2020, between Ventura River Water District (the “District”) and Tico Mutual Water Company (“Tico”), the District has agreed to consolidate with Tico whereby the District would thereafter assume responsibility for providing water service to the community currently served by Tico (such consolidation and other related activities hereinafter referred to as the “Tico Consolidation”); and

WHEREAS, in connection with the Tico Consolidation and in order to facilitate the connection of the properties currently served by Tico to the District’s water delivery system, the District requires certain easements and other interests in real property from various property owners currently served by Tico for the construction, operation, use, maintenance, repair, and replacement of water pipelines and other related equipment and facilities (collectively, the “Easements”); and

WHEREAS, the District acknowledges the importance of accepting these Easements to further the objectives of the Tico Consolidation and to ensure the continued efficient operation and maintenance of the water infrastructure.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Ventura River Water District, as follows:

1. The Board hereby accepts all Easements granted to the District in connection with the Tico Consolidation.
2. The District’s General Manager is hereby authorized and directed to execute any and all Certificates of Acceptance and/or other instruments as may be required to reflect the District’s acceptance of the Easements in accordance with applicable law.
3. The General Manager is further authorized to cause the Easements to be recorded with the County Recorder of the County of Ventura, and to take all other necessary actions to effectuate the acceptance and recording of the Easements.
4. The authority conferred by this resolution shall be considered retroactive, and any and all actions of the General Manager that were performed prior to the date hereof in furtherance of the negotiation, preparation, drafting, and/or execution of the Easements, or otherwise in effectuating the acceptance and recording of the Easements, are hereby approved and ratified
5. This resolution shall take effect immediately.

CERTIFICATION, I do hereby certify that the foregoing Resolution 2024-366 is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the Board of Directors of Ventura River Water District held on January 17, 2024. Motion by _____ and seconded by _____, motion passed by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Bruce Kuebler, President

Alma Quezada, Secretary

DATE: January 17, 2023
TO: Board of Directors
FROM: Emily Minter, Office Manager/Assistant General Manager & Alma Quezada, P.G. General Manager
SUBJECT: ANNUAL AUDIT 2022-2023- BARTLETT, PRINGLE & WOLF, BUDGET TRANSFER #6, AND ALLOCATION TO RESERVES

RECOMMENDED ACTIONS

The Office Manager/Assistant General Manager recommends that the Board:

1. Review and comment on the annual audit, and
2. Approve budget transfer #6 in the amount of \$232,446, and
3. Approve the FY 2022/2023 allocation to reserves.

BACKGROUND

The FY 22/23 audit was the District's 7th audit with Bartlett, Pringle and Wolf (BPW). Notably, the audit of VRWD financials involved a rotation of staff members at BPW, a practice aimed at ensuring a high-quality audit and compliance with Government Code 12410.6. Chelsi Castillo led BPW's audit team, and all audit procedures were conducted remotely this year.

In the management letter, BP&W found that both prior year comments were addressed during FYE23 and there is additional room to improve in areas such as identifying journal entries prior to audit commencement, thorough review of fixed assets, and increased scrutiny of grant accounting. This year's management letter recommends that the District implement a review process for internal control. This process will be created and executed by management this year.

Chelsi Castillo will provide further detail of the financial statements during her presentation.

Budget Transfer #6 FY 2022/2023:

A few individual expense categories exceeded their budgets. As in previous years, a budget transfer has been prepared for expenses over budget. For fiscal year 22/23, expenses over budget were \$232,446. The District's total expenses came in \$40,464.30 under budget. Those expense categories and their overage are presented in Table 1, Budget Transfer #6 for FY 2022/23.

VENTURA RIVER WATER DISTRICT BUDGET TRANSFER #6 January 17 2024 Fiscal Year End Adjustment FY 2022/23			
IT IS HEREBY REQUESTED TO TRANSFER:			
FROM:			Comments
	Operating Reserves	\$140,933	
	CIP Reserves	\$91,513	
		\$232,446	
TO:			
60001	PTO & Sick	\$14,713	Increased pay out of sick time & PTO
60005	Public Employees Retirement System	\$32,265	GASB 68 Calculation provided by BPW
60014	Professional Services	\$41,889	Reclassified recruiter costs from salaries
60020	Meter Replacement & Maintenance	\$734	Slight variance
60024	District Legal Counsel	\$5,009	Change of legal counsel
70012	Office Supplies	\$447	Slight variance
70018	Conservation	\$45,876	Awarded VRIF grant
60025	Depreciation	\$91,513	Addition of TESLA batteries to depreciation schedule
	Total	\$232,446	

Table 1: Budget Transfer #6 for FY 2022/23

Allocation to Reserves:

The audit confirmed the ending cash reserves on June 30, 2023 were \$2,273,445, resulting in an overall cash decrease of \$627,939 compared to June 30, 2022 (Table 2). The decrease in cash is primarily due to the District's decrease in revenue. Revenue was \$619,119 under budget for the fiscal year. The District estimated 850 AF in water sales, and actual water sales were 680 AF. Last rain year the District received 47" of rain, which impacted water sales.

RESERVE FUNDS:	7/1/2023
OPERATING Goal: 7% of Operating \$190,000 (covers expense fluctuations & vac/sick accruals)	\$ 190,000
WATER SALES FLUCTUATION Goal: \$400,000	\$ 400,000
CIP (Wtr Syst Imp) Goal: meet 10-year plan	\$ 782,396
CONSERVATION PENALTIES	\$ 101,049
EMERGENCIES Goal : \$1,000,000	\$ 800,000
ENDING CASH BALANCE	\$ 2,273,445

Table 2: Ending Cash Balance

Penalty Fees:

This year, the District received \$101,049 in conservation penalty fees earmarked for (1) initiatives aimed at water conservation, (2) a portion of our smart meter implementation, and (3) the development of new water resources. The distribution of these funds across respective categories is detailed in Table 3.

PENALTY FEES - CONSERVATION & NEW WATER	7/1/2023	
Total Penalty Fees Collected	\$ 101,049.00	
Allocate to Water Conservation Efforts	\$ (85,876.00)	
Allocate to Smart Meter share for Conservation (13% of meter cost)	\$ (12,807.73)	
Allocate remaining to New Water (Well #6 \$68,486.05)	\$ (2,365.27)	
Allocation Rollover to Conservation Penalty Reserve	\$ -	

Table 3: Conservation Fees

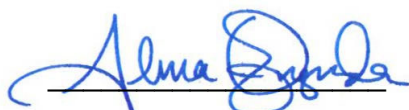
FISCAL SUMMARY

The District finished FY 2022/23 in solid financial condition.

Attachments:

7A – Draft Audit Financials & Letter of Required Communication

Concur:



Alma Quezada, General Manager

**VENTURA RIVER
WATER DISTRICT
June 30, 2023 and 2022
FINANCIAL STATEMENTS**



BARTLETT, PRINGLE & WOLF, LLP
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

VENTURA RIVER WATER DISTRICT

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INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors
Ventura River Water District:**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Ventura River Water District (the District) as of and for the years ended June 30, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of Ventura River Water District, as of June 30, 2023 and 2022, and the respective changes in financial position, and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 5 through 10, the California Public Employees' Retirement System - Schedule of Ventura River Water District's Proportionate Share of the Net Pension Liability on page 33, and the California Public Employees' Retirement System - Schedule of Ventura River Water District's Contributions on page 34 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinion on the financial statements that collectively comprise the District's basic financial statements. The Ventura River Water District Statement of Revenues, Expenses and Changes in Net Position - Budget to Actual on page 35 and the Schedule of Selected Operating Expenses on page 36 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the aforementioned supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Organization of the District on pages 37 through 38 and the Governing Board of Directors listing on page 39 but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Santa Barbara, California
January 12, 2024

**VENTURA RIVER WATER DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS**

As management of the Ventura River Water District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities for the fiscal years ended June 30, 2023 and June 30, 2022.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements.

This report also contains other supplementary information in addition to the basic financial statements themselves. The basic financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. The basic financial statements can be found on pages 11-15 of this report. The business-type activities of the District are conducted by the District, which is governed by its own elected five-person board of directors. The District's only business is providing domestic water. The District uses enterprise funds to account for its water operations.

The *Statements of Net Position* are intended to disclose the financial position of the District at a specific point in time, June 30, 2023 and June 30, 2022. It reflects the assets and deferred outflows of the District, as well as the liabilities, deferred inflows, and net position (equity). Assets and liabilities are listed in order of their estimated liquidity. Cash and other unrestricted assets readily convertible to cash are listed first. Capital assets are listed near the bottom of assets because they are highly illiquid. Further, capital assets are reduced by depreciation. This is the estimated diminution of value attributable to the wear and tear of assets caused by the usage and the passage of time.

The *Statements of Revenues, Expenses and Changes in Net Position* are intended to disclose the results of operations over a period of time, the fiscal year ended June 30, 2023 and June 30, 2022. This statement reflects revenues earned (whether collected or not), and expenses incurred (whether paid or not) during the year. This statement differs significantly from the statement of net position, yet coordinates well with that statement. The net earnings of the District flows into the net position of the District as reflected on the statement of net position.

The *Statements of Cash Flows* combine aspects of both the statement of net position and the statement of revenues, expenses and changes in net position and discloses how cash flows through the District.

Other Information

In addition to the basic financial statements, this report also presents certain *required supplementary information* concerning the District's progress in funding its obligations on pages 33-34. *Supplementary information* concerning selected operating expenses and budget to actual report can be found on pages 35-36. *Other information* can be found on pages 37-39.

Financial Analysis and Highlights

The assets and deferred outflows of the District exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$9,896,909 (*net position*). Of this amount \$2,086,444 (*unrestricted net position*) may be used to meet the District's ongoing obligations to citizens and creditors and provide for projected capital improvements as outlined in the District's 10-year capital improvement plan.

**VENTURA RIVER WATER DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS**

The statement of net position presents information on all of the District's assets and deferred outflows and liabilities and deferred inflows, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The District's total net position decreased by (\$442,611). Overall, Operating revenues decreased by (\$386,203). Water sales decreased by (\$543,855) due primarily to reduced consumption as a result of additional rainfall. Total Operating expenses increased by \$616,653. The largest portions of the increase includes salaries and related items, other administrative expenses, and engineering fees. Salary expenses increased by \$346,572 as a result of the addition of the Assistant General Manager and increase in the net pension liability. Other administrative expenses increased by \$80,889, due to the increase in conservation grant expenses related to the Wildlife Conservation Board Grant Agreement. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus some revenues and expenses are reported for some items that will only result in cash flows (inflows and outflows of cash) in future fiscal periods (e.g. earned but unused vacation leave).

The District's total liabilities and deferred inflows of resources increased \$109,834.

Investment in capital of \$7,810,465 is the largest portion of the District's net position as of June 30, 2023 (79%) and reflects its investment in land, buildings, machinery and equipment. The District uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. The *unrestricted net position* \$2,086,444 (21%) may be used to meet the District's ongoing obligations to citizens and creditors.

**Table 1
Net Positions Components**

Description	2023	2022	2021
Current Assets	\$ 1,787,063	\$ 2,400,974	\$ 1,973,012
Capital Assets	7,810,465	7,786,425	6,163,059
Non-Current Assets	904,931	898,342	952,942
Deferred Outflow of Resources	413,177	162,672	175,059
Total Assets	10,915,636	11,248,413	9,264,072
Current Liabilities	309,081	492,319	188,999
Net Pension Liability	658,872	203,443	520,913
Deferred Inflow of Resources	50,774	213,131	42,834
Total Liabilities	1,018,727	908,893	752,746
Net Investment in Capital Assets	7,810,465	7,786,425	6,163,059
Unrestricted net position amounts	2,086,444	2,553,095	2,348,267
Total Net Position	\$ 9,896,909	\$ 10,339,520	\$ 8,511,326

At the end of the current fiscal year, the District is able to report positive balances in its net position. The same situation held true for the prior fiscal years.

**VENTURA RIVER WATER DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS**

**Table 2
Changes in Net Position**

Description	2023	2022	2021
Operating Revenues			
Water sales	\$ 2,040,881	\$ 2,584,736	\$ 2,771,013
All other water revenue	10,913	2,120	1,281
Grant revenue	73,355	28,105	6,900
Other revenues	155,011	51,402	49,028
Total Operating Revenues	2,280,160	2,666,363	2,828,222
Non-Operating Revenue			
Interest income	19,543	5,060	3,105
Investment income (loss)	2,535	(66,414)	1,460
Loss on disposal of assets	(4,996)	(13,797)	-
Tax revenue, current secured	66,680	47,862	50,185
Total Non-Operating Revenues	83,762	(27,289)	54,750
Total Revenues	2,363,922	2,639,074	2,882,972
Operating Expenses			
Salaries and related items	1,151,834	805,262	951,757
Water purchases	127,768	131,396	129,466
UVRGA pump fee	128,464	67,949	67,949
Utilities	140,243	141,318	145,726
Water system maintenance	239,369	160,140	165,913
Depreciation	441,513	458,607	331,500
Administrative Expenses			
Insurance	69,421	49,207	38,107
Contract labor	98,414	113,792	92,812
Legal fees	22,009	9,488	8,888
Ventura river watershed issues	6,362	31,363	34,643
Engineering and professional fees	113,389	34,500	44,823
Other administrative expenses	267,747	186,858	153,378
Total Operating Expenses	2,806,533	2,189,880	2,164,962
Income before contributions	(442,611)	449,194	718,010
Capital contribution	0	1,379,000	-
Increase in Net Position	(442,611)	1,828,194	718,010
Net Position Beginning	10,339,520	8,511,326	7,793,316
Net Position Ending	\$ 9,896,909	\$ 10,339,520	\$ 8,511,326

VENTURA RIVER WATER DISTRICT MANAGEMENT DISCUSSION AND ANALYSIS

Table 3
Operating Revenues vs. Operating Expenses

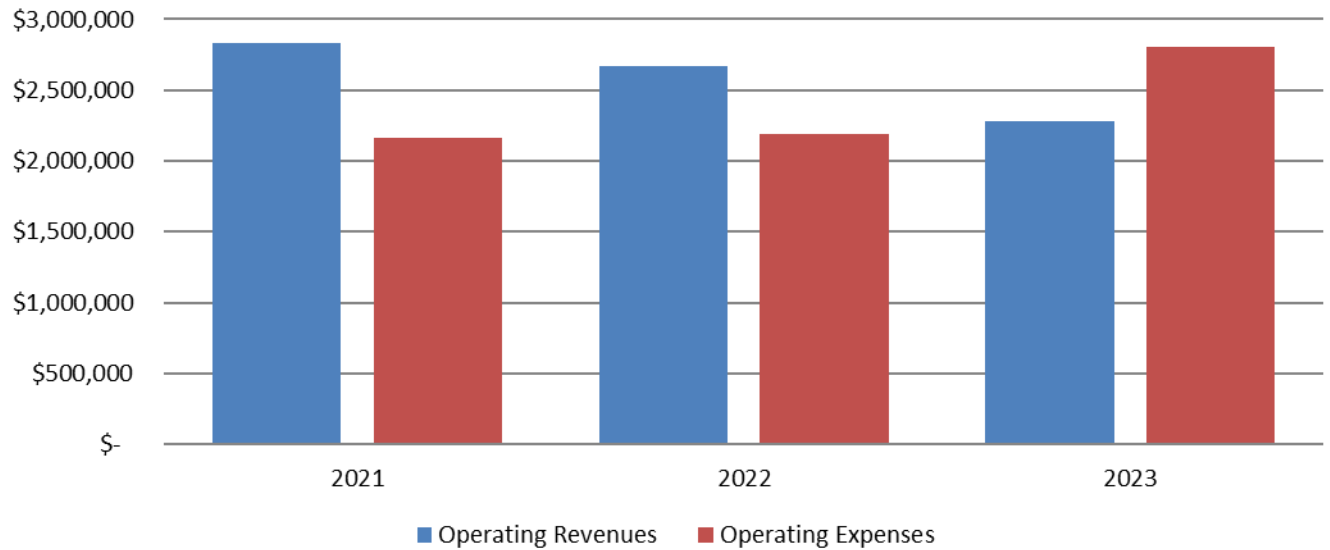
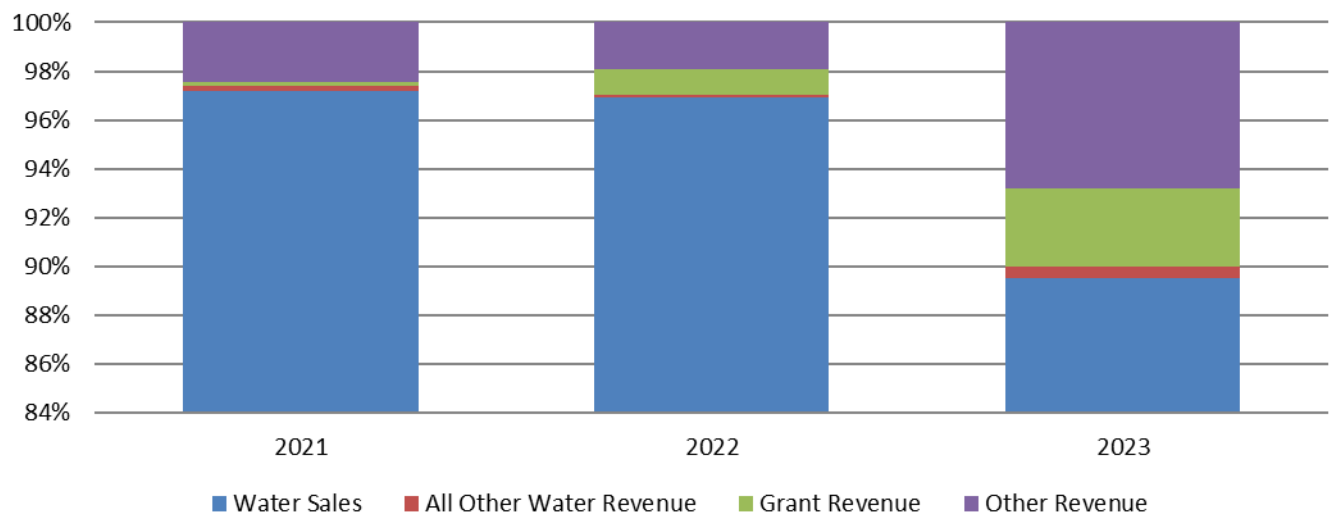


Table 4
Operating Revenue by Source



**VENTURA RIVER WATER DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS**

Analysis of balances and transactions of funds

The District is a single purpose, proprietary entity, and as such, does not maintain multiple fund types. Consequently, there are no inter-fund balances. The analysis of balances is shown above in tables one and two, and in the section labeled “Financial Analysis and Highlights”.

Analysis of variations between original and final budget amounts

The District adopts its budget in accordance with California law. It is policy to not modify the budget in total, although certain reallocations of expenditures may occasionally be made. The budget is adopted on a projected cash flow basis. Consequently, it reflects such items as projected capital expenditures as cash outflows that are not recognized as expenses under Generally Accepted Accounting Principles.

VENTURA RIVER WATER DISTRICT				
Table 5				
Significant Budget Variances-Expenses				
Description	Budget	Actual	Variance	Explanation
Pension Expense (Benefit)	\$ 119,023	151,288	\$ (32,265)	Due to increase in pension liability primarily as a result of market conditions within CalPERS pool.
Depreciation	\$ 350,000	\$ 441,513	\$ (91,513)	Did not incorporate the additional depreciation expense pertaining to battery contributions.
Legal Fees	\$ 72,000	\$ 28,371	\$ 43,629	Adjudication went to mediation.
Professional Services	\$ 71,500	\$ 113,389	\$ (41,889)	Did not incorporate cost of head hunter for replacement General Manager.
			<u>\$ (123,778)</u>	

This year the District was under budget in Capital Expenditures. This was primarily due to some projects being completed or postponed. See below for brief explanation of the largest variances.

Table 5b				
Significant Budget Variances - Capital Improvement Projects				
Description	Budget	Actual	Variance	Explanation
SRF Water Main Projects, Tank & Pumping Projects & Solar Projects	\$ 724,000	\$ 585,052	\$ 138,948	SRF potholing project completed, funding for other projects not yet obtained.
Casitas Springs Emergency Fire Flow Pump	\$ 250,000	\$ 15,826	\$ 234,174	Lake levels increased due to rain, postponing project.
TICO Mutual Annexation Project	\$ 90,000	\$ 23,469	\$ 66,531	SRF funding was not obtained in the current year.
Pump & Panel Replacement - Well #2 & 3	\$ 325,000	\$ 2,370	\$ 322,630	Significant delays in vendor supply chains.
			<u>\$ 439,653</u>	

Capital Assets

The District’s investment in capital assets for its business type activities as of June 30, 2023 amounts to \$7,810,465 (*net of accumulated depreciation*). This investment in capital assets includes land, buildings, water system facilities, improvements, and machinery and equipment. The total increase in the District’s investment in capital assets for the current fiscal year was \$24,040 due to additions and transfers from construction in progress as well as disposals of obsolete assets.

**VENTURA RIVER WATER DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS**

**Table 6
Capital Assets
(Net of depreciation)**

	<u>2023</u>		<u>2022</u>		<u>2021</u>
Land, Water and Rights of Way	\$ 295,905	\$	295,905	\$	295,905
Construction in Progress	1,028,449		666,826		366,438
Buildings and Improvements	1,802,062		1,810,567		465,408
Vehicles	297,396		278,658		274,233
Furniture and Equipment	229,857		299,988		480,646
Utility Plant	9,070,751		9,562,105		9,912,333
Total capital assets	12,724,420		12,914,049		11,794,963
Less: Accumulated depreciation	(4,913,955)		(5,127,624)		(5,631,904)
Net capital assets	\$ 7,810,465	\$	7,786,425	\$	6,163,059

Additional information on the District's capital assets can be found in Note 1 on page 17 and Note 4 on page 23 of this report.

Infrastructure Assets

The District has adopted the recommended approach of GASB Statement No. 34 with regard to infrastructure assets. All identifiable infrastructure assets have been capitalized at their purchase cost, estimated value for contributed or donated assets, or estimated cost for those items expensed in prior years and not previously capitalized.

Economic Factors and Rates

- The water budget rate structure implemented in February 2018 remained in effect during this fiscal year. The budget rate structure was not changed.
- In May 2023, there was a 4% increase in water rates while base rates were removed.
- There was an increase in penalty rates implemented in May of 2023. Excess use penalty increased from \$1 to \$5 per unit.

All of these factors were considered in preparing the District's budget for the 2023-2024 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the District's financial position for all those with an interest in the District's finances. Questions or requests for additional financial information should be directed to: Ventura River Water District, 409 Old Baldwin Road, Ojai, CA 93023

VENTURA RIVER WATER DISTRICT
STATEMENTS OF NET POSITION
June 30, 2023 and 2022

	2023	2022
ASSETS:		
Current Assets:		
Cash in bank	\$ 102,779	\$ 68,870
Cash equivalents	1,265,735	1,933,592
Cash restricted for customer deposits	11,009	18,619
Accounts receivable, trade	211,315	251,339
Grants receivable	75,476	30,226
Other receivables	292	292
Prepaid expenses	120,457	98,036
Total current assets	<u>1,787,063</u>	<u>2,400,974</u>
Non-Current Assets:		
Investments	904,931	898,342
Capital Assets:		
Land, water and rights of way	295,905	295,905
Construction in process	1,028,449	666,826
Buildings and improvements	1,802,062	1,810,567
Vehicles	297,396	278,658
Furniture and equipment	229,857	299,988
Utility plant	9,070,751	9,562,105
Total capital assets	<u>12,724,420</u>	<u>12,914,049</u>
Less: accumulated depreciation	<u>(4,913,955)</u>	<u>(5,127,624)</u>
Net capital assets	<u>7,810,465</u>	<u>7,786,425</u>
Total non-current assets	<u>8,715,396</u>	<u>8,684,767</u>
Total assets	<u>10,502,459</u>	<u>11,085,741</u>
DEFERRED OUTFLOWS OF RESOURCES:		
Deferred pensions	<u>413,177</u>	<u>162,672</u>
Total assets and deferred outflows of resources	<u>\$ 10,915,636</u>	<u>\$ 11,248,413</u>

See accompanying notes

VENTURA RIVER WATER DISTRICT
STATEMENTS OF NET POSITION
June 30, 2023 and 2022

	2023	2022
LIABILITIES:		
Current Liabilities:		
Accounts payable	\$ 67,273	\$ 316,507
Accrued payroll and related items	164,900	133,528
Restricted and other deposits	76,908	42,284
Total current liabilities	<u>309,081</u>	<u>492,319</u>
Non-Current Liabilities:		
Net pension liability	658,872	203,443
Total non-current liabilities	<u>658,872</u>	<u>203,443</u>
DEFERRED INFLOWS OF RESOURCES:		
Deferred pensions	50,774	213,131
Total liabilities and deferred inflows of resources	<u>1,018,727</u>	<u>908,893</u>
NET POSITION:		
Net investment in capital assets	7,810,465	7,786,425
Unrestricted	<u>2,086,444</u>	<u>2,553,095</u>
Total net position	<u>\$ 9,896,909</u>	<u>\$ 10,339,520</u>

See accompanying notes

VENTURA RIVER WATER DISTRICT
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the years ended June 30, 2023 and 2022

	2023	2022
Operating Revenues:		
Water sales	\$ 2,040,881	\$ 2,584,736
All other water revenue	10,913	2,120
Grant revenue	73,355	28,105
Other revenues	155,011	51,402
Total operating revenues	<u>2,280,160</u>	<u>2,666,363</u>
Operating Expenses:		
Salaries and related items	1,151,834	805,262
Water purchases	127,768	131,396
UVRGA pump fee	128,464	67,949
Utilities	140,243	141,318
Water system maintenance	239,369	160,140
Depreciation	441,513	458,607
Insurance	69,421	49,207
Contract labor	98,414	113,792
Legal fees	22,009	9,488
Ventura river watershed issues	6,362	31,363
Engineering and professional fees	113,389	34,500
Other administrative expenses	267,747	186,858
Total operating expenses	<u>2,806,533</u>	<u>2,189,880</u>
Operating income (loss)	<u>(526,373)</u>	<u>476,483</u>
Non-operating Income (Expense):		
Interest income	19,543	5,060
Investment income (loss)	2,535	(66,414)
Loss on disposal of assets	(4,996)	(13,797)
Tax revenue, current secured	66,680	47,862
Total non-operating income (loss)	<u>83,762</u>	<u>(27,289)</u>
Income before contributions	(442,611)	449,194
Capital Contribution		<u>1,379,000</u>
Change in net position	(442,611)	1,828,194
Net position, beginning of year	<u>10,339,520</u>	<u>8,511,326</u>
Net position, end of year	<u>\$ 9,896,909</u>	<u>\$ 10,339,520</u>

See accompanying notes

VENTURA RIVER WATER DISTRICT
STATEMENTS OF CASH FLOWS
For the years ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Cash Flows from Operating Activities:		
Receipts from customers	\$ 2,274,934	\$ 2,696,314
Payments to employees	(1,077,895)	(880,097)
Payments to suppliers	(1,484,841)	(716,021)
Net cash and cash equivalents provided (used) by operating activities	<u>(287,802)</u>	<u>1,100,196</u>
Cash Flows from Non-Capital Financing Activities:		
Net change in customer deposits	34,624	21,520
Tax revenues received	66,680	47,862
Net cash and cash equivalents provided by non-capital financing activities	<u>101,304</u>	<u>69,382</u>
Cash Flows from Capital and Related Financing Activities:		
Acquisition of capital assets	(470,818)	(716,770)
Net cash and cash equivalents used by capital and related financing activities	<u>(470,818)</u>	<u>(716,770)</u>
Cash Flows from Investing Activities:		
Investment income (loss)	15,758	(6,754)
Net cash and cash equivalents provided (used) by investing activities	<u>15,758</u>	<u>(6,754)</u>
Increase (decrease) in cash and cash equivalents	(641,558)	446,054
Cash and cash equivalents, beginning of year	<u>2,021,081</u>	<u>1,575,027</u>
Cash and cash equivalents, end of year	<u><u>\$ 1,379,523</u></u>	<u><u>\$ 2,021,081</u></u>
Reconciliation to Statements of Net Position:		
Cash in bank	\$ 102,779	\$ 68,870
Cash equivalents	1,265,735	1,933,592
Cash restricted for customer deposits	11,009	18,619
	<u><u>\$ 1,379,523</u></u>	<u><u>\$ 2,021,081</u></u>

See accompanying notes

VENTURA RIVER WATER DISTRICT
STATEMENTS OF CASH FLOWS
For the years ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Cash Flows from Operating Activities:		
Operating income (loss)	\$ (526,373)	\$ 476,483
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	441,513	458,607
(Increase) decrease in:		
Accounts receivable	40,024	53,277
Prepaid expenses	(22,421)	(11,859)
Grant receivable	(45,250)	(23,326)
Deferred outflows of resources	(250,505)	12,387
Increase (decrease) in:		
Accounts payable	(249,234)	221,849
Accrued payroll and related items	31,372	59,951
Deferred inflows of resources	(162,357)	170,297
Net pension liability	455,429	(317,470)
Net cash and cash equivalents provided (used) by operating activities	<u>\$ (287,802)</u>	<u>\$ 1,100,196</u>
 <i>Supplemental Schedule of Noncash Investing and Financing Activities:</i>		
Capital Contributions	<u>\$</u>	<u>\$ 1,379,000</u>

See accompanying notes

VENTURA RIVER WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS

Note 1 – Reporting Entity and Summary of Significant Accounting Policies

A) Reporting Entity

The Ventura River Water District (the District) reporting entity includes all significant operations and revenue sources of which the District Board of Directors exercises oversight responsibility and is determined under the criteria established by the GASB codification standards. Oversight responsibility is determined on the basis of selection of the governing board, designation of management, ability to significantly influence operations, accountability for fiscal matters, and the scope of public service.

B) Accounting Basis

The District is accounted for as an enterprise fund in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises, where the expenses, including depreciation, of providing goods or services to the general public are recovered through user charges, or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and net income is appropriate for capital maintenance, public policy, management control, and other purposes. Because the District is accounted for as an enterprise fund, the accrual method of accounting is used for financial statement reporting purposes. Revenues are recognized when they are earned, and expenses are recognized when they are incurred.

An enterprise fund is accounted for on a cost of services or “flow of economic resources” measurement focus. This means that all assets and liabilities (whether current or noncurrent) associated with the activity are included on the statement of net position.

The District distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and the producing and delivering of goods in connection with the District’s principal ongoing operations. The principal operating revenues of the District are charges to customers for water sales. Operating expenses of the District include cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

C) Cash

For purposes of the statement of cash flows, cash includes cash on hand and funds on deposit with financial institutions available for current use with an initial maturity of three months or less. The District maintains bank accounts at financial institutions located within the County of Ventura. All deposits are carried at cost plus accrued interest.

**VENTURA RIVER WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS**

Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)

D) Cash Equivalents

As of June 30, 2023, the District has the following investments authorized by legal or contractual provisions: Local Agency Investments Fund (LAIF) and Funds in County Treasury. It is the District's policy to maintain all investments in insured accounts in the District's name. California statutes authorize districts to invest idle or surplus funds in a variety of credit instruments as provided for in the California Government Code, section 53600, Chapter 4 - Financial Affairs.

E) Accounts Receivable

Accounts receivable, as reflected in the financial statements, are from customers whose property is located within the County of Ventura. Historically, uncollectible amounts have been negligible, therefore the District has not established an allowance for doubtful accounts. The District uses the write-off method to discharge amounts deemed uncollectible at year-end. While the write-off method is not in accordance with GAAP, the results are consistent with the allowance method and the effect on the financial statements is immaterial.

F) Capital Assets

Minor expenditures for renewals and betterments are charged to expense. Major expenditures for renewals and betterments over \$5,000 are capitalized. In cases where assets are donated to the District, construction costs or estimated market values are recorded. Gains or losses on disposition are included in non-operating income.

The cost of property and equipment is depreciated over the estimated lives of the assets from the date of acquisition based on the straight line method of depreciation, with estimated lives for computation of depreciation as follows:

Buildings and improvements	5 - 30 years
Vehicles	5 years
Furniture and equipment	3 - 20 years
Utility plant	3 - 50 years

G) Compensated Absences

The District has recorded an accrual for compensated absences in accordance with the District's policy. Total paid time off shall not exceed 800 hours, Sick leave is included in the accrual as the District pays for unused sick time at the rate of 50% of total available hours. Effective January 1, 2020, sick leave is no longer earned but paid time off was increased by one working day per month. Existing sick leave will remain until utilized or terminated.

**VENTURA RIVER WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS**

Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)

H) Budget

The District is required to adopt annual budgets. The budget is presented on the basis of the funding sources available. The following procedures are followed in establishing the budgetary data reflected in the financial statements:

1. The District prepares a tentative budget for the next fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Prior to July 1, the final budget is adopted by the District. Once a budget is approved, it can be amended by the Board of Directors.

I) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

J) Net Position

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows and is classified into three components as follows:

Net investment in capital assets – This component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net investment in capital assets excludes unspent debt proceeds. The District does not have any capital related debt.

Restricted – This component of net position consists of assets which are legally restricted by outside parties for use for a specific purpose.

Unrestricted – This component of net position consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.” Dedicated net position represents unrestricted assets which are segregated by the Board of Directors for specific future uses.

When an expense is incurred for purposes for which both unrestricted and restricted resources are available for use, it is the District's policy to apply restricted assets first, then unrestricted resources.

K) Restricted Cash

Cash has been set aside as well as a corresponding liability for the eventual refund of customer security deposits. Customer security deposits are requested from new customers unless they can prove good credit. Customers with deposits on file who have reached a satisfactory good payment history of approximately 18 months received a refund of their deposit.

**VENTURA RIVER WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS**

Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)

L) Pension Plan

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plans and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The following timeframes are used for pension reporting:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Measurement Period	July 1, 2021 to June 30, 2022

M) Recent Governmental Accounting Standards Board (GASB) Statements

On July 1, 2022, the District adopted GASB Accounting Standards Statement 96, *Subscription-Based Information Technology Arrangements*, which provides guidance on the accounting and reporting for subscription-based information technology arrangements (SBITAs) for governments by defining a SBITA, establishing the criteria for recognizing right-to-use subscription assets, and corresponding subscription liabilities, and outlining required note disclosures regarding SBITAs. There was not a material impact to net position, revenues, or expenses as a result of applying GASB 96 for the year ended June 30, 2023, and there have not been significant changes to the District's business processes, systems, or internal controls as a result of implementing the standard.

N) Governmental Accounting Standards Board (GASB) Statements – Future Updates

The Governmental Accounting Standards Board Statements listed below will be implemented in future financial statements. These statements will be evaluated by the District to determine if they will have a material impact to the financial statements once effective.

Statement No. 100 <i>"Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62"</i>	The requirements of this statement are effective for periods beginning after June 15, 2023. (FY 23/24)
Statement No. 101 <i>"Compensated Absences"</i>	The requirements of this statement are effective for periods beginning after December 15, 2023. (FY 24/25)
Statement No. 102 <i>"Certain Risk Disclosures"</i>	The requirements of this statement are effective for periods beginning after June 15, 2023. (FY 25/26)

**VENTURA RIVER WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS**

Note 2 – Cash and Investments

Cash and investments are comprised of the following at June 30, 2023 and 2022:

	2023	2022
Cash and cash equivalents:		
Petty cash	\$ 580	\$ 580
Deposits with financial institutions	113,208	86,909
Local Agency Investment Fund	526,979	1,257,462
Funds in County Treasury	738,756	676,130
Total cash and cash equivalents	<u>1,379,523</u>	<u>2,021,081</u>
Investments:		
General investment account	904,931	898,342
Total investments (non-cash equivalents)	<u>904,931</u>	<u>898,342</u>
Total cash and investments	<u>\$ 2,284,454</u>	<u>\$ 2,919,423</u>

Cash and investments are classified in the accompanying financial statements at June 30, 2023 and 2022 as unrestricted, except for cash restricted for customer deposits reflected within the deposits with financial institutions above. At June 30, 2023 and 2022, the District held restricted deposits of \$11,009 and \$18,619, respectively.

Fair Value Measurements

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying basic financial statements at the amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. The District's portion of the funds held in County Treasury is measured at fair value as of June 30, 2023 and 2022.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

**VENTURA RIVER WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS**

Note 2 – Cash and Investments (Continued)

Custodial Credit Risk (Continued)

With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or a government investment pool.

The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits. The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposit. As of June 30, 2023 and 2022, respectively, the District's cash balance and Certificates of Deposit were covered by federal depository insurance.

Investments Authorized by the District's Investment Policy

The District's investment policy is to invest funds in a manner which will provide maximum security while meeting the daily cash flow demands of the District, earning a conservative investment return and conforming to all statutes governing the investment of District funds. All investment types are in accordance with California Government Code.

Fair Value of Investments

The District measures and records its investments using fair value measurements guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than quoted market prices; and
- Level 3: Unobservable inputs

The table below sets forth by level, within the fair value hierarchy, the District's assets as fair value as of June 30, 2023:

<u>Investment Type</u>	<u>Total Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Certificates of deposit	\$ 904,931	\$ -	\$ 904,931	
Total	\$ 904,931	\$ -	\$ 904,931	\$ -

**VENTURA RIVER WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS**

Note 2 – Cash and Investments (Continued)

The table below sets forth by level, within the fair value hierarchy, the District's assets as fair value as of June 30, 2022:

<u>Investment Type</u>	<u>Total Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Certificates of deposit	\$ 898,342	\$ -	\$ 898,342	
Total	<u>\$ 898,342</u>	<u>\$ -</u>	<u>\$ 898,342</u>	<u>\$ -</u>

Certificates of deposit are valued using various market and industry inputs.

Interest Rate Risk

Interest rate risk is the risk that changes in the market interest rate will adversely affect the fair value of an investment. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The District did not have any investments with fair values that are considered to be highly sensitive to changes in interest rates.

The Certificates of Deposit that the District is invested in are long-term, maturing from 2023 through 2025.

Note 3 – Joint Powers Insurance Authority

The District is a member of the Association of California Water Agencies Joint Powers Insurance Authority (ACWA/JPIA). The ACWA/JPIA was formed in 1979 by the water agencies of the state of California to provide insurance benefits to its member agencies, including the District. The ACWA/JPIA provides risk-sharing pools to meet the needs of its members for insurance coverage. The risk-sharing pools are a cost-effective form of risk management available only to public entities, allowing them to bypass the high cost of commercial insurance.

ACWA/JPIA is governed by a separate board comprised of members from participating districts. The board controls the operations of ACWA/JPIA, including selection of management and approval of operating budgets, independent of any influence by the members beyond their representation on the board. Each member shares surpluses and deficiencies proportionately to its participation in ACWA/JPIA.

It is the District's policy to record as expense all amounts paid to the authority for employee health benefits coverage. The District does not recognize as an asset any "equity" that it may accrue as a member of the joint powers authority as it is believed that any such "equity" would simply convert to adjustments of future premiums. The District does not recognize as a liability any deficiency for amounts self-insured by the authority, as it is not measurable, nor is there any certainty of payment. Any such amount would also convert to adjustments of future premiums. Premiums paid were \$139,289 and \$114,102 for the fiscal years ended June 30, 2023 and 2022, respectively.

VENTURA RIVER WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS

Note 4 – Capital Assets

Schedules of changes in capital assets, as well as depreciation for the fiscal years ended June 30, 2023 and 2022 are shown below:

	<u>6/30/22 Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>6/30/23 Balance</u>
Capital assets, non-depreciable:					
Land, water and rights of way	\$ 295,905	\$ -	\$ -	\$ -	\$ 295,905
Construction in process	666,826	448,658	(300)	(86,735)	1,028,449
Total capital assets, non-depreciable	<u>962,731</u>	<u>448,658</u>	<u>(300)</u>	<u>(86,735)</u>	<u>1,324,354</u>
Capital assets, depreciable:					
Buildings and improvements	1,810,567	-	(8,505)	-	1,802,062
Vehicles	278,658	-	(33,030)	51,768	297,396
Furniture and equipment	299,988	13,714	(83,845)	-	229,857
Utility plant	9,562,105	8,446	(534,797)	34,997	9,070,751
Total capital assets, depreciable	<u>11,951,318</u>	<u>22,160</u>	<u>(660,177)</u>	<u>86,765</u>	<u>11,400,066</u>
Total capital assets	<u>12,914,049</u>	<u>470,818</u>	<u>(660,477)</u>	<u>30</u>	<u>12,724,420</u>
Capital assets, accumulated depreciation:					
Total accumulated depreciation:	<u>(5,127,624)</u>	<u>(441,513)</u>	<u>655,182</u>	<u>(51,768)</u>	<u>(4,913,955)</u>
Net capital assets	<u>\$ 7,786,425</u>	<u>\$ 29,305</u>	<u>\$ (5,295)</u>	<u>\$ (51,738)</u>	<u>\$ 7,810,465</u>
	<u>6/30/21 Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>6/30/22 Balance</u>
Capital assets, non-depreciable:					
Land, water and rights of way	\$ 295,905	\$ -	\$ -	\$ -	\$ 295,905
Construction in process	366,438	677,201	-	(376,813)	666,826
Total capital assets, non-depreciable	<u>662,343</u>	<u>677,201</u>	<u>-</u>	<u>(376,813)</u>	<u>962,731</u>
Capital assets, depreciable:					
Buildings	465,408	1,379,000	(33,841)	-	1,810,567
Vehicles	274,233	23,336	(18,911)	-	278,658
Furniture and equipment	480,646	8,676	(189,334)	-	299,988
Utility plant	9,912,333	7,557	(734,598)	376,813	9,562,105
Total capital assets, depreciable	<u>11,132,620</u>	<u>1,418,569</u>	<u>(976,684)</u>	<u>376,813</u>	<u>11,951,318</u>
Total capital assets	<u>11,794,963</u>	<u>2,095,770</u>	<u>(976,684)</u>	<u>-</u>	<u>12,914,049</u>
Capital assets, accumulated depreciation:					
Total accumulated depreciation:	<u>(5,631,904)</u>	<u>(458,607)</u>	<u>962,887</u>	<u>-</u>	<u>(5,127,624)</u>
Net capital assets	<u>\$ 6,163,059</u>	<u>\$ 1,637,163</u>	<u>\$ (13,797)</u>	<u>\$ -</u>	<u>\$ 7,786,425</u>

**VENTURA RIVER WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS**

Note 5 – Defined Benefit Pension Plan

General Information about the Pension Plans

Plan Descriptions – All qualified employees are eligible to participate in Ventura River Water District’s Miscellaneous Employee Pension Plans, cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees’ Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and local government resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website. Eligible employees hired after January 1, 2013 that are considered new members as defined by the Public Employees’ Pension Reform Act (PEPRA) are participating in the PEPRA Miscellaneous Plan.

Benefits Provided – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, as discussed above. Members with five years of total service are eligible to retire at age 50 or 52 if in the PEPRA Miscellaneous Plan with statutorily reduced benefits. An optional benefit regarding sick leave was adopted. Any unused sick leave accumulates at the time of retirement will be converted to credited service at a rate of .004 years of service for each day of sick leave. All members are eligible for non-duty disability benefits after 10 years of service. The system also provides for the Optional Settlement 2W Death Benefit. The cost of living adjustments for all plans are applied as specified by the Public Employees’ Retirement Law.

The Plans’ provisions and benefits in effect at June 30, 2023 are summarized as follows:

	Miscellaneous Plan - For the Year Ended June 30, 2023	
	Classic	PEPRA
Hire date	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2% @ 60	2% @ 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - Minimum	52 - Minimum
Monthly benefits, as a % of eligible compensation	1.4% to 2.4%	1.0% to 2.5%
Required employee contribution rates	7.0%	6.8%
Required employer contribution rates	8.6%	7.5%

**VENTURA RIVER WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS**

Note 5 – Defined Benefit Pension Plan (Continued)

The Plans' provisions and benefits in effect at June 30, 2022 are summarized as follows:

	Miscellaneous Plan - For the Year Ended June 30, 2022	
	Classic	PEPRA
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2% @ 60	2% @ 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - Minimum	52 - Minimum
Monthly benefits, as a % of eligible compensation	1.4% to 2.4%	1.0% to 2.5%
Required employee contribution rates	7.0%	6.8%
Required employer contribution rates	8.7%	7.6%

Contributions – Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate.

Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

Beginning in fiscal year 2016, CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above, and as a dollar amount for contributions toward the unfunded liability. The District's required contribution for the unfunded liability was \$49,168 and \$47,532 for the fiscal years ended June 30, 2023 and 2022, respectively.

**VENTURA RIVER WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS**

Note 5 – Defined Benefit Pension Plan (Continued)

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2023 and 2022, the District reported net pension liabilities for its proportionate shares of the net pension liability of all Plans as follows:

	<u>Proportionate Share of Net Pension Liability</u>	
	<u>For the Year Ended</u>	<u>For the Year Ended</u>
	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Miscellaneous	\$ 658,872	\$ 203,443

The net pension liability was measured as of June 30, 2022, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022 using standard update procedures. The District's proportion of the net pension liability was based on a projection of their long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The District's proportionate share of the net pension liability for all Plans with an actuarial valuation date of June 30, 2021 and 2020 was as follows:

<u>For the Year Ended June 30, 2023</u>		<u>For the Year Ended June 30, 2022</u>	
<u>(Measurement date of June 30, 2022)</u>		<u>(Measurement date of June 30, 2021)</u>	
	<u>Miscellaneous</u>		<u>Miscellaneous</u>
Proportion – June 30, 2022	0.01071%	Proportion – June 30, 2021	0.01235%
Proportion – June 30, 2023	0.01408%	Proportion – June 30, 2022	0.01071%
Change – Increase (Decrease)	<u>0.00337%</u>	Change – Increase (Decrease)	<u>-0.00164%</u>

For the years ended June 30, 2022 and 2021, the District recognized pension expense (benefits) of \$151,289 and (\$45,566), respectively.

VENTURA RIVER WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS

Note 5 – Defined Benefit Pension Plan (Continued)

At June 30, 2023 and 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	June 30, 2023		June 30, 2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 108,721	\$ -	\$ 89,220	\$ -
Differences between expected and actual experience	13,231	(8,862)	22,814	-
Changes in assumptions	67,516	-	-	-
Changes in employer's proportion	103,021	-	50,638	-
Difference between employer's contributions and proportionate share of contributions	-	(41,912)	-	(35,536)
Differences between projected and actual investment earnings	120,688	-	-	(177,595)
	<u>\$ 413,177</u>	<u>\$ (50,774)</u>	<u>\$ 162,672</u>	<u>\$ (213,131)</u>

Deferred outflows of resources and deferred inflows of resources above represent the unamortized portion of changes to net pension liability to be recognized in future periods in a systematic and rational manner.

During the fiscal year ended June 30, 2023, \$89,220 in deferred outflows of resources related to contributions subsequent to the measurement date was recognized as a reduction of the net pension liability. During the fiscal year ended June 30, 2024, \$108,721 in deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30:	
2024	\$ 75,484
2025	66,299
2026	38,082
2027	73,817
2028	-
Thereafter	-
	<u>\$ 253,682</u>

VENTURA RIVER WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS

Note 5 – Defined Benefit Pension Plan (Continued)

Unfunded liabilities are amortized in accordance with CalPERS amortization policy, which was modified effective for the June 30, 2019 actuarial valuation. The new policy applies prospectively only; amortization bases established prior to the June 30, 2019 valuation will continue to be amortized according to the prior policy. For more details, please refer to the June 30, 2020 Actuarial Valuation for CalPERS Miscellaneous Risk Pool which can be found on the CalPERS website.

Actuarial Assumptions – The total pension liabilities in the June 30, 2021 and 2020 actuarial valuations were determined using the following actuarial assumptions:

	For the Year Ended June 30, 2023	For the Year Ended June 30, 2022
	Miscellaneous	Miscellaneous
Valuation Date	June 30, 2021	June 30, 2020
Measurement Date	June 30, 2022	June 30, 2021
Actual Cost Method	Entry Age Normal Cost Method in accordance with the requirements of GASB Statement No. 68	Entry Age Normal Cost Method in accordance with the requirements of GASB Statement No. 68
Actuarial Assumptions		
Discount Rate	6.90%	7.15%
Inflation	2.30%	2.50%
Projected Salary Increase	Varies by entry age and service (1)	Varies by entry age and service (1)
Investment Rate of Return	6.90% (2)	7.15% (2)
Mortality	Derived using CalPERS Membership Data for all Funds	Derived using CalPERS Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.3% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.3% thereafter	Contract COLA up to 2.5% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.5% thereafter

(1) Depending on age, service and type of employment

(2) Net of pension plan investment and administrative expenses, including inflation

The mortality table used was developed based on CalPERS-specific data. The rates for measurement date June 30, 2022 incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report that can be found on the CalPERS website. The rates for measurement date June 30, 2021 included 15 years of mortality improvements using Society of Actuaries Scale 90% MP 2016. For more details, please refer to the December 2017 experience study report that can be found on the CalPERS website.

Change of Assumptions and Methods - During the measurement period ended June 30, 2023, the discount rate and investment rate of return were decreased from 7.15% to 6.90%.

Changes in Benefit Terms - Public agencies can make changes to their plan provisions and such changes occur on an ongoing basis. A summary of the plan provisions that were used for a specific plan can be found in the plan's annual valuation report.

Discount Rate – The discount rate used to measure the total pension liability was 6.90% and 7.15% for the measurement periods ending June 30, 2022 and 2021, respectively. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. There, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

VENTURA RIVER WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS

Note 5 – Defined Benefit Pension Plan (Continued)

Long-term Expected Rate of Return – In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated and, combined with risk estimates, are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return.

The tables below reflect the long-term expected real rate of return by asset class at June 30, 2023 and 2022, respectively.

Asset Class	June 30, 2023		June 30, 2022		
	Net Strategic Allocation	Real Return (a)	Net Strategic Allocation	Real Return Years 1-10 (b)	Real Return Years 11+ (c)
Global Equity - Cap-weighted	30.00%	4.54%			
Global Equity Non-Cap-weighted	12.00%	3.84%			
Treasury	5.00%	0.27%			
Mortgage-backed Securities	5.00%	0.50%			
Investment Grade Corporates	10.00%	1.56%			
High Yield	5.00%	2.27%			
Emerging Market Debt	5.00%	2.48%			
Private Debt	5.00%	3.57%			
Leverage	-5.00%	-0.59%			
Global Equity			50.00%	4.80%	5.98%
Global Fixed Income			28.00%	1.00%	2.62%
Inflation Sensitive			0.00%	0.77%	1.81%
Private Equity	13.00%	7.28%	8.00%	6.30%	7.23%
Real Estate	15.00%	3.21%	13.00%	3.75%	4.93%
Liquidity			1.00%	0.00%	-0.92%

(a) An expected inflation of 2.30% used for this period.

Figures are based on the 2021-2022 Asset Liability Management Study

(b) An expected inflation of 2.00% used for this period

(c) An expected inflation of 2.92% used for this period

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the District’s proportionate share of the net pension liability for all Plans, calculated using the discount rate for all Plans, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

**VENTURA RIVER WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS**

Note 5 – Defined Benefit Pension Plan (Continued)

Miscellaneous Plan For the Year Ended June 30, 2023			Miscellaneous Plan For the Year Ended June 30, 2022		
1% Decrease		5.90%	1% Decrease		6.15%
Net Pension Liability	\$	1,073,496	Net Pension Liability	\$	586,182
Current Discount Rate		6.90%	Current Discount Rate		7.15%
Net Pension Liability	\$	658,872	Net Pension Liability	\$	203,443
1% Increase		7.90%	1% Increase		8.15%
Net Pension Liability	\$	321,861	Net Pension Liability	\$	(112,962)

Pension Plan Fiduciary Net Position – Detailed information about all pension plan fiduciary net positions is available in the separately issued CalPERS financial reports.

Note 6 – Property Tax Calendar

The District assessments are included on county property tax bills. Property taxes are assessed and collected each fiscal year according to the following property tax calendar:

Lien date	January 1	
Levy date	July 1 to June 30	
Due date	November 1	-First Installment
	March 1	-Second Installment
Delinquent date	December 10	-First Installment
	April 10	-Second Installment

Note 7 – Related Parties

In September of 2014, the California Legislature enacted comprehensive legislation aimed at strengthening local control and management of groundwater basins throughout the state known as the Sustainable Groundwater Management Act (SGMA). During December 2016, five agencies (Ventura River Water District, Meiners Oaks Water District, City of Ventura – Ventura Water, Casitas Municipal Water District, and the County of Ventura) that have an interest in the basin, collaborated to contribute funds to form the Groundwater Sustainability Agency known as the Upper Ventura River Groundwater Agency (UVRGA).

**VENTURA RIVER WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS**

Note 7 – Related Parties (Continued)

The District's board of directors voted to approve handling payment of invoices for UVRGA while the agency established an office and an administrative staff. On a monthly basis, the District would invoice the other agencies for their share of the expenses related to UVRGA. In November 2017, UVRGA established an office and an administrative staff and the District no longer handles payment of invoices for UVRGA.

The District transitioned from membership contributions to groundwater extraction fees as of July 15, 2019. The semi-annual fees are based on estimated groundwater extraction of 858.38 acre-feet at a regulatory fee of \$79.16 per acre-foot, resulting in \$128,464 and \$67,949 during the years ended June 30, 2023 and 2022, respectively, in extraction fees due for each fiscal year.

The District's board of directors voted to approve a Water Service Agreement with Tico Mutual Water Company to assume responsibility for providing potable water to each of the 43 Tico parcels. The agreement is contingent upon approval of transfer from Tico's current provider, Casitas Municipal Water District (CMWD). The board of directors are still in the process of approving the resolution authorizing the application to Local Agency Formation Commission for merging Tico Mutual Water Company.

Voting

A quorum of any meeting of the Board of Directors shall consist of a majority of the total number of Directors plus one Director. In the absence of a quorum, any meeting of the Directors may be adjourned by a vote of the Directors present, but no other business may be transacted at the meeting. Voting by the Board of Directors shall be made on the basis of one vote for each Director. A Director, or an Alternate Director when acting in the absence of his or her Director, may vote on all matters of Agency business unless disqualified because of a conflict of interest pursuant to California law or the local conflict of interest code adopted by the Board of Directors.

A matter may be approved on the first reading of the matter pursuant to a unanimous vote of all Directors. If unanimity is not obtained on the first reading of a matter, the Board shall continue a final vote on the matter for a second reading. The second reading shall occur at the next regular meeting of the Board, unless the Board votes to continue the second reading of the matter to another regular or special meeting of the Board. Unless otherwise specified, an affirmative decision of the Board on the second reading shall require a simple majority of all Directors present at the meeting and eligible to vote on the matter.

Decisions concerning the following matters shall require a supermajority vote in order to pass on the second reading: (i) any capital expenditure of \$50,000 or more; (ii) the Agency's annual budget and amendments thereto; (iii) the GSP for the Basin or any amendments thereto; (iv) the Agency's adoption of groundwater extraction fees; (v) the Agency's adoption of any taxes, fees, or assessments subject to Proposition 218; (vi) the issuance of assessments for contributions by members; or (vii) any stipulation to resolve litigation concerning groundwater rights within, or groundwater management for, the Basin. A supermajority requires no less than six Directors to be in attendance and specific scenarios are outlined further within governing documents.

**VENTURA RIVER WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS**

Note 8 – Deferred Compensation Plan

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan permits participating employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts are held in trust for the exclusive benefit of the employee participants and their beneficiaries. Accordingly, the assets and the liability for the compensation deferred by plan participants, including earnings on plan assets, are not included in the District's financial statements.

Note 9 – Commitment and Contingencies

The District has been named in a pending claim that was filed. As of the date of these financial statements, it is not possible to evaluate the merit of the scope of this claim. No amounts have been recorded in the financial statements related to this claim.

Note 10 – Reclassifications

Certain reclassifications have been made to prior year balances in order to conform to current year presentation.

Note 11 – Subsequent Events

Subsequent events have been evaluated through January 12, 2024, the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

**VENTURA RIVER WATER DISTRICT
A COST-SHARING MULTIPLE-EMPLOYER DEFINED BENEFIT PENSION PLAN
LAST 10 YEARS***

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
SCHEDULE OF VENTURA RIVER WATER DISTRICT'S
PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Valuation date	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
Measurement date	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Proportion of the net pension liability	0.00570%	0.00187%	0.00479%	0.00444%	0.00412%	0.00413%	0.00391%	0.00764%	0.00404%
Proportionate share of the net pension liability	\$ 658,872	\$ 203,443	\$ 520,913	\$ 455,250	\$ 397,022	\$ 409,855	\$ 338,474	\$ 209,689	\$ 251,316
Covered payroll	\$ 563,164	\$ 589,289	\$ 579,235	\$ 557,934	\$ 583,225	\$ 323,503	\$ 491,319	\$ 422,023	\$ 513,149
Proportionate share of the net pension liability as a percentage of covered payroll	116.99%	34.52%	89.93%	81.60%	68.07%	126.69%	68.89%	49.69%	48.98%
Plan fiduciary net position as a percentage of the total plan pension liability	78.46%	92.98%	81.21%	82.72%	83.60%	80.99%	83.49%	88.89%	85.03%

Notes to Schedule:

*Fiscal year 2015 was the 1st year of implementation, therefore only nine years are shown.

**VENTURA RIVER WATER DISTRICT
A COST-SHARING MULTIPLE-EMPLOYER DEFINED BENEFIT PENSION PLAN
LAST 10 YEARS***

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM -
SCHEDULE OF VENTURA RIVER WATER DISTRICT'S CONTRIBUTIONS**

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution (actuarially determined)	\$ 108,721	\$ 89,220	\$ 83,609	\$ 72,621	\$ 62,062	\$ 52,642	\$ 45,240	\$ 26,395	\$ 37,904
Contributions in relation to the actuarially determined contributions	\$ 108,721	\$ 89,220	\$ 83,609	\$ 72,621	\$ 62,062	\$ 52,642	\$ 45,240	\$ 26,395	\$ 37,904
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 729,073	\$ 563,164	\$ 589,289	\$ 579,235	\$ 557,934	\$ 583,225	\$ 323,503	\$ 491,319	\$ 422,023
Contributions as a percentage of covered payroll	14.91%	15.84%	14.19%	12.54%	11.12%	9.03%	13.98%	5.37%	8.98%

Notes to Schedule:

* Fiscal year 2015 was the 1st year of implementation, therefore only nine years are shown.

SUPPLEMENTARY INFORMATION

VENTURA RIVER WATER DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET TO ACTUAL
For the year ended June 30, 2023

	Budgeted Amounts Final	Actual Amounts	Favorable (Unfavorable)
Operating Revenues:			
Water sales	\$ 2,660,000	\$ 2,040,881	\$ (619,119)
All other water revenue	1,000	10,913	9,913
Grant revenue	-	73,355	73,355
Other revenues	143,800	155,011	11,211
Total operating revenues	2,804,800	2,280,160	(524,640)
Operating Expenses:			
Operating expenses excluding depreciation	2,079,120	2,365,020	(285,900)
Depreciation	350,000	441,513	(91,513)
Total operating expenses	2,429,120	2,806,533	(377,413)
Operating Income (Loss)	375,680	(526,373)	(902,053)
Non-operating Income			
Interest income	6,000	19,543	13,543
Investment income (loss)	-	2,535	2,535
Loss on disposal of assets	-	(4,996)	(4,996)
Tax revenue, current secured	50,000	66,680	16,680
Net non-operating income	56,000	83,762	27,762
Capital Contribution	-	-	-
Change in Net Position	\$ 431,680	\$ (442,611)	\$ (874,291)
Non-GAAP Budget Expenditures:			
Office and shop equipment	\$ 12,500	\$ 13,714	\$ (1,214)
Auto equipment	55,000	51,768	3,232
Water system improvements	1,396,000	405,336	990,664
Total capital expenditures	\$ 1,463,500	\$ 470,818	\$ 992,682

VENTURA RIVER WATER DISTRICT
SCHEDULE OF SELECTED OPERATING EXPENSES
For the years ended June 30, 2023 and 2022

	2023	2022
Operating Expenses:		
Salaries and related items		
Salaries and wages	\$ 791,489	\$ 667,774
FICA	58,078	47,262
Pension expense (benefits)	151,288	(45,566)
Group insurance	139,289	114,102
Workers compensation insurance	11,690	21,690
Total salaries and related items	<u>\$ 1,151,834</u>	<u>\$ 805,262</u>
Water system maintenance		
Auto equipment maintenance	\$ 6,430	\$ 4,408
Field equipment maintenance	49,679	41,844
Water system maintenance	84,370	78,071
Meter replacement	98,521	35,553
Equipment rental	369	264
Total water system maintenance	<u>\$ 239,369</u>	<u>\$ 160,140</u>
Other administrative expenses		
Telephone/communications	\$ 12,033	\$ 13,495
Fuel/oil/tires	18,908	19,332
Membership, dues, subscriptions	21,659	23,738
Office supplies	17,447	13,653
Office maintenance	56,835	52,427
Postage	10,370	10,006
Board member compensation	10,700	10,340
Security	3,858	4,052
Public and legal notices	3,157	283
Director's travel and expenses	628	470
Public relations/seminars/elections	14,835	11,317
LAFCO fees	1,580	1,569
Conservation	85,876	21,300
Miscellaneous/tax/licenses/bank charges	9,861	8,242
Total other administrative expenses	<u>\$ 267,747</u>	<u>\$ 190,224</u>

OTHER INFORMATION

VENTURA RIVER WATER DISTRICT ORGANIZATION OF THE DISTRICT

Nature of Business – Ventura River Water District (The District), a public agency, was founded July 16, 1956 under County Water District Law, the laws of the state of California, as amended, with authority under the Water Code, Section 30,000 et seq. The District is authorized to issue bonds and may apply its operating revenue to reduce interest and principal on outstanding indebtedness. Taxes may be levied on all taxable property within The District's boundary. Veterans' exemptions are allowed.

The District began operations by leasing the water system from the Ventura River Mutual Water Company in the 1957-58 fiscal year. An election held April 1, 1958 authorized a bond issue of \$175,000 for the purchase of all assets of the Ventura River Mutual Water Company and for other necessary capital outlays to provide a complete and adequate water system to supply the entire district. The bonds, which carried an interest rate of 4.2%, were sold and the proceeds were received September 23, 1958. These bonds are no longer outstanding.

Location – The District covers approximately 2,103 acres located in the Ventura River drainage area, generally between the city of Ojai and the community of Casitas Springs. It operates and maintains a retail water distribution system. Water is obtained from its four active wells and from Casitas Municipal Water District and is distributed to approximately 2,150 residential and commercial constituents.

On January 1, 1979, The District annexed and officially assumed administration and operation of Waterworks District Numbers 4 and 7. Pursuant to the District Reorganization Act, commencing with Section 56,000 of the Government Code, the Board of Supervisors of the County of Ventura, as well as the Board of Directors of the Ventura County Waterworks District Numbers 4 and 7 (Waterworks) and Ventura River County Water District (VRCWD) jointly resolved to reorganize and then dissolve Waterworks' former territories and thus transferred jurisdiction from the Board of Supervisors to the Board of VRCWD.

Board of Directors – The District is governed by a Board of five directors.

The powers and functions of the Board are:

1. To enter into contracts and employ labor.
2. To acquire, hold and dispose of property, real and personal, all for the purpose of providing the public the employment of personnel, and the operation and maintenance of a water district. The District has the power of eminent domain.
3. To incur debt, liabilities, and obligations necessary to accomplish the purpose of The District.
4. To sue and be sued in the name of The District.
5. To perform such other functions as may be necessary or appropriate, so long as such other functions so performed are not prohibited by any provision of the law.

Accounts and Records – The District maintains income and expense records, and minutes of the Directors meetings.

Cash receipts and disbursements are maintained at Rabobank NA. Water services deposits are held in a separate trust account and are normally refunded after eighteen months of non-delinquent status. The savings account and LAIF, an account for surplus funds, are maintained at the County of Ventura. The state of California requires an annual report of financial transactions for special districts and compensation reporting.

VENTURA RIVER WATER DISTRICT ORGANIZATION OF THE DISTRICT

Use of Estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Tax Rates – The District does not have a separate tax rate for the fiscal year ended June 30, 2023 but simply receives an apportionment of the county 's 1% tax levy, the maximum rate since the passage of Proposition 13.

**VENTURA RIVER WATER DISTRICT
GOVERNING BOARD OF DIRECTORS
For the year ended June 30, 2023**

Governing Board of Directors

<u>Name</u>	<u>Office</u>
Ed Lee	President
Bruce Kuebler	Vice President
Jack Curtis	Director
Nathan Rosser	Director
Peggy Wiles	Director

Administration

Bert Rapp	General Manager
Alma Quezada	Assistant General Manager
Emily Arnbrister	Office Manager

January 12, 2024

Board of Directors
Ventura River Water District

To the Board of Directors:

We are pleased to present this report related to our audit of the financial statements of Ventura River Water District for the year ended June 30, 2023. This letter is to inform the Board of Directors about significant matters related to the conduct of the annual audit so that it can appropriately discharge its oversight responsibility, and we can comply with professional standards.

Auditing standards generally accepted in the United States of America (AU-C 260, *The Auditor's Communication With Those Charged With Governance*) require the auditor to promote effective two-way communication between the auditor and those charged with governance. Consistent with this requirement, the following summarizes our responsibilities regarding the financial statement audit as well as observations arising from our audit that are significant and relevant to your responsibility to oversee the financial reporting process.

Our Responsibilities with Regard to the Financial Statement Audit

Our responsibility under auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States have been described to you in our engagement letter dated February 7, 2022. The audit of the basic financial statements does not relieve management or those charged with governance of their responsibilities, which are also described in that letter.

Overview of the Planned Scope and Timing of the Financial Statement Audit

We have issued a separate communication dated December 7, 2023 regarding the planned scope and timing of our audit and identified significant risks.

Significant Accounting Practices, Including Policies, Estimates and Disclosures

The following is a list of the matters you may wish to monitor for your oversight responsibilities of the financial reporting process:

Preferability of Accounting Policies and Practices

Under generally accepted accounting principles, in certain circumstances, management may select among alternative accounting practices. In our view, in such circumstances, management has selected the preferable accounting practice.

Alternative Treatments within Generally Accepted Accounting Principles Discussed with Management

We did not discuss with management any alternative treatments within generally accepted accounting principles for accounting policies and practices related to material items during the current audit period.

Adoption of, or Change in, Accounting Policies

Management has the ultimate responsibility for the appropriateness of the accounting policies used by the District. The District did not adopt any significant new accounting policies nor have there been any changes in existing significant accounting policies during the current period.

Significant Unusual Transactions

We did not identify any significant unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Management's Judgments and Accounting Estimates

Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events and certain assumptions about future events. We identified the following significant estimates:

Depreciation

Depreciation for fixed assets is taken on a straight-line basis over the expected life of each fixed asset. This method meets the generally accepted accounting principles requirement of being systematic and rational.

Net Pension Liability

In accordance with GASB Statement No. 68, each participating cost-sharing employer is required to report its proportionate share of the collective net pension liability, pension expense, and deferred outflows/inflows of resources. CalPERS actuaries calculated these amounts in accordance with the parameters of GASB 68.

Audit Adjustments and Uncorrected Misstatements

Audit adjustments made to the original trial balance are attached.

We are not aware of any uncorrected misstatements other than misstatements that are clearly trivial.

Observations About the Audit Process

Disagreements with Management

We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit, or significant disclosures to be included in the financial statements.

Consultations with Other Accountants

We are not aware of any consultations management had with other accountants about accounting or auditing matters.

Significant Issues Discussed with Management

No significant issues arising from the audit were discussed or were the subject of correspondence with management.

Significant Difficulties Encountered in Performing the Audit

We did not encounter any difficulties in dealing with management during the audit.

Difficult or Contentious Matters That Required Consultation

We did not encounter any significant and difficult or contentious matters that required consultation outside the engagement team.

Shared Responsibilities: AICPA Independence

The AICPA regularly emphasizes that auditor independence is a joint responsibility and is managed most effectively when management, audit committees, and audit firms work together in considering compliance with AICPA independence rules. For Bartlett, Pringle & Wolf, LLP (BPW) to fulfill its professional responsibility to maintain and monitor independence, management, the audit committee, and BPW each play an important role.

Our Responsibilities

- AICPA rules require independence both of mind and in appearance when providing audit and other attestation services. BPW is to ensure that the AICPA's General Requirements for performing non-attest services are adhered to and included in all letters of engagement.
- Maintain a system of quality control over compliance with independence rules and firm policies.

The District's Responsibilities

- Timely inform BPW, before the effective date of transactions or other business changes, of the following:
 - New affiliates, directors, officers or persons in financial reporting oversight roles.

Board of Directors
Ventura River Water District
January 12, 2024
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- Change in the reporting entity impacting affiliates, related entities, investments, joint ventures, component units, and jointly governed organizations.
- Provide necessary affiliate information such as new or updated structure charts, as well as financial information required to perform materiality calculations needed for making affiliate determinations.
- Understand and conclude on the permissibility, prior to the District and its affiliates, including the District, and the officers, directors or persons in a decision-making capacity, engaging in business relationships with BPW.
- Not entering into relationships resulting in BPW, BPW-covered persons or their close family members, temporarily or permanently acting as an officer, director or person in an accounting or financial reporting oversight role at the District.

Internal Control Matters

We have issued a separate communication dated January 12, 2024 regarding certain deficiencies in internal control that we identified during the planning or performance of our audit of the financial statements.

Certain Written Representations Between Management and Our Firm

In conjunction with the audit of the financial statements, we have been provided a letter of certain representations from management dated January 12, 2024.

Conclusion

This letter is intended solely for the information and use of the Board of Directors and management and is not intended to be and should not be used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have about this report. We appreciate the opportunity to continue to be of service to the District.

Very truly yours,

BARTLETT, PRINGLE & WOLF, LLP
Certified Public Accountants and Consultants

Year End: June 30, 2023
Journal Entries: Adjusting
Date: 7/1/2022 To 6/30/2023

Prepared by	In-Chrg Review	Manager Review	Partner Review

8010

Number	Date	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Misstatement
2	6/30/2023	GAIN/LOSS ON ASSET DISPOSAL	13903	5512			13,797.00		
2	6/30/2023	UNRESTRICTED NET POSITION	39000	5512		13,797.00			
		Entry to rollforward equity. Account 13903 Gain/Loss was created in client's books as an asset account and did not roll through the I/S in PY							Factual
3	6/30/2023	WATER SYSTEMS IMPROVEMENT	13007				2,974.00		
3	6/30/2023	UNRESTRICTED NET POSITION	39000			2,974.00			
		Entry to rollforward equity and fixed assets							
5	6/30/2023	DEFERRED OUTFLOWS	16000			250,505.00			
5	6/30/2023	NET PENSION LIABILITY	34000				455,429.00		
5	6/30/2023	DEFERRED INFLOWS	38000			162,357.00			
5	6/30/2023	PUBLIC EMPLOYEES RETIREMENT SYSTEM	60005			42,567.00			
		Entry to true up the pension liability as of June 30, 2023							Factual
7	6/30/2023	Change in Unrealized Gains & Losses	BPW1			4,054.00			
7	6/30/2023	FUNDS IN COUNTY TREASURY	10001				4,054.00		
		PBC JE to adjust Treasury Cash account to Fair Value per confirm @5003							
13	6/30/2023	GRANTS RECEIVABLE	11007			73,355.00			
13	6/30/2023	GRANT REVENUE	47000				73,355.00		
		PBC Entry to reflect a receivable for funds relating to a grant that included costs incurred as of 6/30/23, but collection/reimbursement was received in FY24							
						549,609.00	549,609.00		
Net Income (Loss)			(442,611.00)						

DATE: January 17, 2024
TO: Board of Directors
FROM: Alma Quezada, P.G., General Manager
SUBJECT: PRIORITIZATION OF 2023 WATER PROJECTS

RECOMMENDED ACTIONS

The General Manager recommends that the Board review and comment on the proposed prioritization schedule of the 2023 water projects.

BACKGROUND

The District has been working toward implementing the 2023 Water Projects. These improvements were initially projected to cost \$10 million. However, due to rising inflation during project development, the current estimated cost has nearly doubled, approaching \$20 million.

Funding for these projects is slated to come from the State Revolving Fund (SRF), for which the District has received confirmation that the listed projects are eligible for funding. The terms of the SRF funding stipulate that the first \$10 million will be interest-free, while any amount exceeding this threshold will incur a low interest rate, currently at 2.1%.

The District budgeted to fund up to \$13 million for these capital improvements under the current water rate structure. We must carefully consider the financial implications of exceeding this amount. As part of our next water rate study, staff will evaluate the District's capacity to take on additional improvements.

After review and consideration of our long-term financial stability, staff recommend that the District limit capital improvements closer to \$10 million. This strategy would ensure that we take full advantage of the interest-free portion of the SRF funding while avoiding unnecessary debt and interest expenses.

By adhering to the \$10 million budget, we will prioritize the most critical improvements needed to maintain and enhance our water infrastructure, ensuring reliable service for our customers while also demonstrating fiscal responsibility. Table 1 is a listing of Staff's recommendations for priority items.

Staff will provide a presentation on the priority ranking.

	Projects	Project Cost	Sum of Phase
Bid Package of High Priority Items	Second Water Tank at Parker	\$ 2,871,000	
	Baldwin Site Pump Replacement	\$ 1,826,000	
	Baldwin Pump Station Primary Switch Gear Replacement	\$ 759,000	
	North Baldwin Tank Replacement	\$ 1,903,000	
	Baldwin Site Chlorination Facility	\$ 275,000	
	Emergency Turnout at Ojai Terrace	\$ 396,000	
	Santa Ana Main	\$ 1,980,000	
	Re-Plumb Encino & Thomas PRV Vaults	\$ 451,000	
			\$ 10,461,000
Additive Alternates	Infill Pipe along AR 33/150	\$ 847,000	
			\$ 847,000
Separate Bid	Solar Projects	\$ 1,685,000	
			\$ 1,685,000
Move to long term CIP	Ojai Terrace Pipe Replacements	\$ 902,000	
	Parker Pump Station Improvements	\$ 198,000	
	New Parker Pump Station (Zone 5)	\$ 319,000	
	Loma Drive Main	\$ 858,000	
	Standby Generator Sound Wall	\$ 88,000	
			\$ 2,365,000
Phase out	Baldwin Site Flood/Erosion Protection	\$ 1,056,000	
			\$ 1,056,000
Use of VRWD Staff	Water Drainage Improvements	Staff time	
			Staff time
Total Project Cost		\$ 16,414,000	\$ 16,414,000

Table 1: 2023 Water Projects & Priority Level

Staff recommends the Board consider this recommendation and direct staff to proceed with preparing a bid package with the above items as the bid package. We must balance our ambition to improve our water systems with the practical need to manage our financial resources prudently.

FISCAL IMPACT

Approximately \$13 M has been budgeted for capital improvements in this year's approved budget. Improvements above that amount will need to be evaluated.

DATE: January 17, 2024
TO: Board of Directors
FROM: Alma Quezada, P.G., General Manager
SUBJECT: GENERAL MANAGER'S REVIEW – STAFF SURVEY

RECOMMENDED ACTIONS

The General Manager recommends that:

1. The Board review the Employee Survey on the General Manager's performance and provide feedback.

BACKGROUND

The Board's evaluation of the General Manager is based on several metrics, one of which includes input from supervised staff. Staff input is a vital component for the Board to adequately assess the effectiveness of the General Manager. This evaluation will be a vital component as the District is under new leadership.

In a small organization, employees may encounter challenges to expressing and having their concerns heard. The survey process allows staff an opportunity to provide anonymous feedback to the Board. To make the feedback more anonymous, the survey forms are provided directly to the District's legal counsel as a neutral, third-party. The Board does not have direct access to the submitted surveys.

Survey Process

The surveys are sent directly to the District's Legal Counsel as a neutral, third-party to receive comments from staff during the annual review of the General Manager. Employees are not required to print their name on the survey. Legal Counsel summarizes the comments for the General Manager and/or the Board President as appropriate. The survey questions have been updated and are attached.

If an employee desires a personal interview by the legal counsel, they may request it.

FISCAL IMPACT

The current cost for the District Legal Counsel is \$325/hour and it is estimated that 4 hours will be needed for a cost of \$1,300.

Attachments:

9A – Annual Employee Survey

2023 Employee Survey of the General Manager

This questionnaire is part of our ongoing effort to anonymously poll all employees to improve workplace effectiveness and satisfaction. The survey is intended to include staff's input, as well as gauge the "pulse" of the company.

The Board appreciates you taking the time to answer honestly to help us ensure that the VRWD is a productive and rewarding place to work. The questions are designed to encompass various aspects of the General Manager's role. Please explain as best as you can in your responses, and feel free to use additional sheets of paper if needed. Thank you in advance for answering the following survey questions.

Instructions: Please answer any applicable questions you would like to provide feedback on. When complete, place the questionnaire in the postage paid, sealed envelope, addressed to the Attorney for the District. You may also email them directly to the District's Attorney at snielson@calattys.com. The Attorney will keep your comments confidential and summarize them for the General Manager and President of the Board of Directors as appropriate.

DO NOT INCLUDE YOUR NAME. LETTERS MUST BE MAILED NO LATER THAN _____, 2024.

LEADERSHIP & COMMUNICATION

1. The General Manager effectively communicates the District's goals and policies to staff.

☐ Strongly Disagree
☐ Disagree
☐ Somewhat Disagree
☐ Neither Agree nor Disagree
☐ Somewhat Agree
☐ Agree
☐ Strongly Agree

2. To what extent do you agree the General Manager provides clear and effective leadership for the District?

☐ Strongly Disagree
☐ Disagree
☐ Somewhat Disagree
☐ Neither Agree nor Disagree
☐ Somewhat Agree
☐ Agree
☐ Strongly Agree

3. The General Manager fosters a sense of unity and teamwork among staff.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Somewhat Disagree
- ☐ Neither Agree nor Disagree
- ☐ Somewhat Agree
- ☐ Agree
- ☐ Strongly Agree

4. The General Manager is accessible and available to staff for questions and concerns.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Somewhat Disagree
- ☐ Neither Agree nor Disagree
- ☐ Somewhat Agree
- ☐ Agree
- ☐ Strongly Agree

FISCAL RESPONSIBILITY

5. The General Manager is effective in managing the District's resources and budget in a responsible and transparent manner, without compromising the quality of services.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Somewhat Disagree
- ☐ Neither Agree nor Disagree
- ☐ Somewhat Agree
- ☐ Agree
- ☐ Strongly Agree

6. The General Manager seeks and utilizes funding opportunities to support the District's projects and initiatives.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Somewhat Disagree
- ☐ Neither Agree nor Disagree
- ☐ Somewhat Agree
- ☐ Agree
- ☐ Strongly Agree

EMPLOYEE MANAGEMENT

7. The General Manager fosters a positive work culture and encourages professional development among staff.

☐ Strongly Disagree
☐ Disagree
☐ Somewhat Disagree
☐ Neither Agree nor Disagree
☐ Somewhat Agree
☐ Agree
☐ Strongly Agree

8. The General Manager effectively leads and motivates the team to achieve high performance and meet the District's objectives.

☐ Strongly Disagree
☐ Disagree
☐ Somewhat Disagree
☐ Neither Agree nor Disagree
☐ Somewhat Agree
☐ Agree
☐ Strongly Agree

9. The General Manager shows respect for all employees and promotes a culture of equality and inclusion within the District.

☐ Strongly Disagree
☐ Disagree
☐ Somewhat Disagree
☐ Neither Agree nor Disagree
☐ Somewhat Agree
☐ Agree
☐ Strongly Agree

10. The General Manager at making informed decisions and solving problems that arise within the District?

☐ Strongly Disagree
☐ Disagree
☐ Somewhat Disagree
☐ Neither Agree nor Disagree
☐ Somewhat Agree
☐ Agree
☐ Strongly Agree

OPERATIONS

11. The General Manager ensures that all operations comply with legal and regulatory requirements and prioritizes risk management to protect public safety.

- ☐ Strongly Disagree
- ☐ Disagree
- ☐ Somewhat Disagree
- ☐ Neither Agree nor Disagree
- ☐ Somewhat Agree
- ☐ Agree
- ☐ Strongly Agree

12. Is there anything else you would like to share?

DATE: January 17, 2024
TO: Board of Directors
FROM: Alma Quezada, P.G., General Manager
SUBJECT: WATER AND DISTRICT STATUS

WELLS & PRODUCTION

The static aquifer level at Well #2 on January 1, 2024, was at elevation 539.4.00 feet; and increased 2.0 feet since the first of last month. The aquifer is 24.0 feet above the 35-year average for January 1st.

Well #1 is pumping 1,039gpm, up 169 gpm from last month. Well #7 is pumping 805 gpm, down 10 gpm from last month, Wells #2, #3, #4 and #6 were off-line in December.

USAGE

Sales dollars billed on December 31, 2023, amounted to \$184,207 (\$1,881) **over** budget. Last year we billed \$125,465 during the same period. Water sold in December 2023 amounted to 25,199 HCF, a decrease of 21.3% below the 32,019 HCF sold in December 2013.

Charts are enclosed to depict the ground water status and water usage. On January 1, 2024, Lake Casitas level was at 72.0% of full capacity at elevation 539.62, with storage of 171,262 AF. The lake increased 1.1%, 1.17 feet and 1,552 AF since last month.

ET adjustment: The ET was increased by 7% for the December 31st water bill because ET was slightly above average for the period November 15th to December 15th. This increases the irrigation portion of the customer's monthly water budget.

ACTIVITIES

Operations & Maintenance

Staff installed a total of 23 smart meters in the month of December, bringing the total to 94 installations this fiscal year.

The District has two rain gauges co-located on the property – a manual rain gauge that staff reads daily, and an automatic rain gauge. There is a 1.5" discrepancy in the amount of measured rain between the two. The County of Ventura was alerted and performed a site visit to make repairs to the automatic rain gauge.

Regulatory

New regulations for cross-connection and backflow prevention are going into effect this year. The District has a total of 95 backflow prevention devices that require annual testing. The District will be required to prepare and submit a Cross-Connection Control Plan by July 1, 2025. Staff met with the County on January 9th to review the new regulations and how to best coordinate the effort.

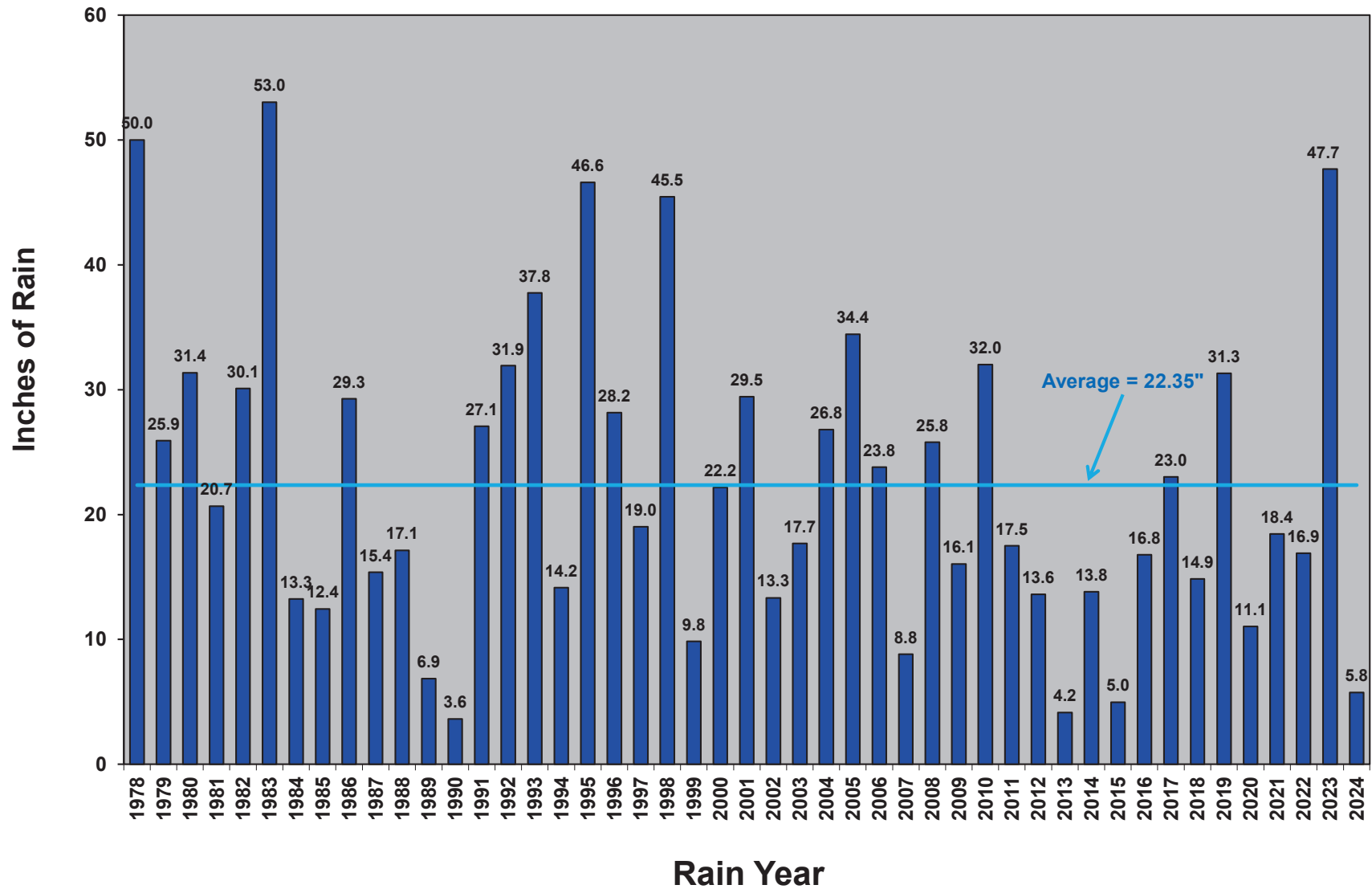
Customer Log

Three customer complaints were logged in December.

CUSTOMER COMPLAINT LOG														
DATE	STREET	TASTE & ODOR	COLOR	TURBIDITY	WORMS / ORGANISMS	PRESSURE HIGH/LOW	OUTAGE	ILLNESS	Leak		SERVICE or METER	MAIN - SYSTEM	OTHER / DESCRIPTION	FINDINGS COMMENTS
									VRWD	CUSTOMER SIDE				
12/15/2023	Burnham rd	x								x			Cloudy water	Customer reported cloudy water. Sam went to the customers house and she didn't answer.He went to the fire hydrant across the street and ran some water. Sam found no air or cloudy water in our system. Likely a water softener prob.
12/26/2023	Villanova Rd												Backflow	Customer stated that their meter was spinning backwards. Sam went to the meter box with customer and there was a little water hammer occuring which makes the water meter spin backwards for a short while.
12/21/2023	Heather St											x	2 inch blowoff	Received a call from dial security. A 2 inch blowoff had been hit and was spraying water 30 feet in the air. Had to mostly shut down the street to reach the valve to the blowoff. Shut off blowoff valve and turned water back on to the street. We later repaired the blowoff.

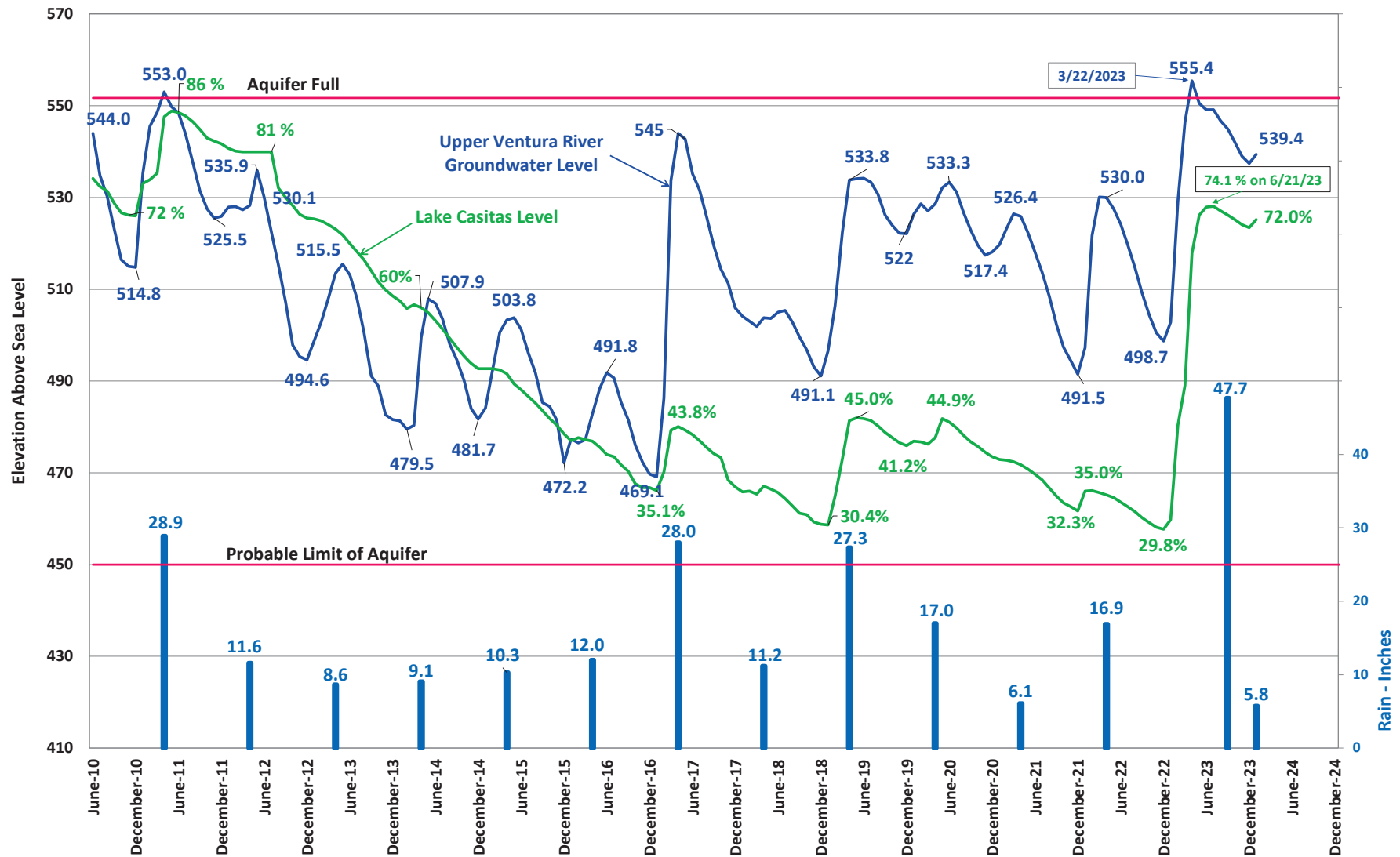
Historic Annual Rainfall - At VRWD Office

January 1, 2024



VENTURA RIVER UPPER BASIN & LAKE CASITAS LEVELS January 1, 2024

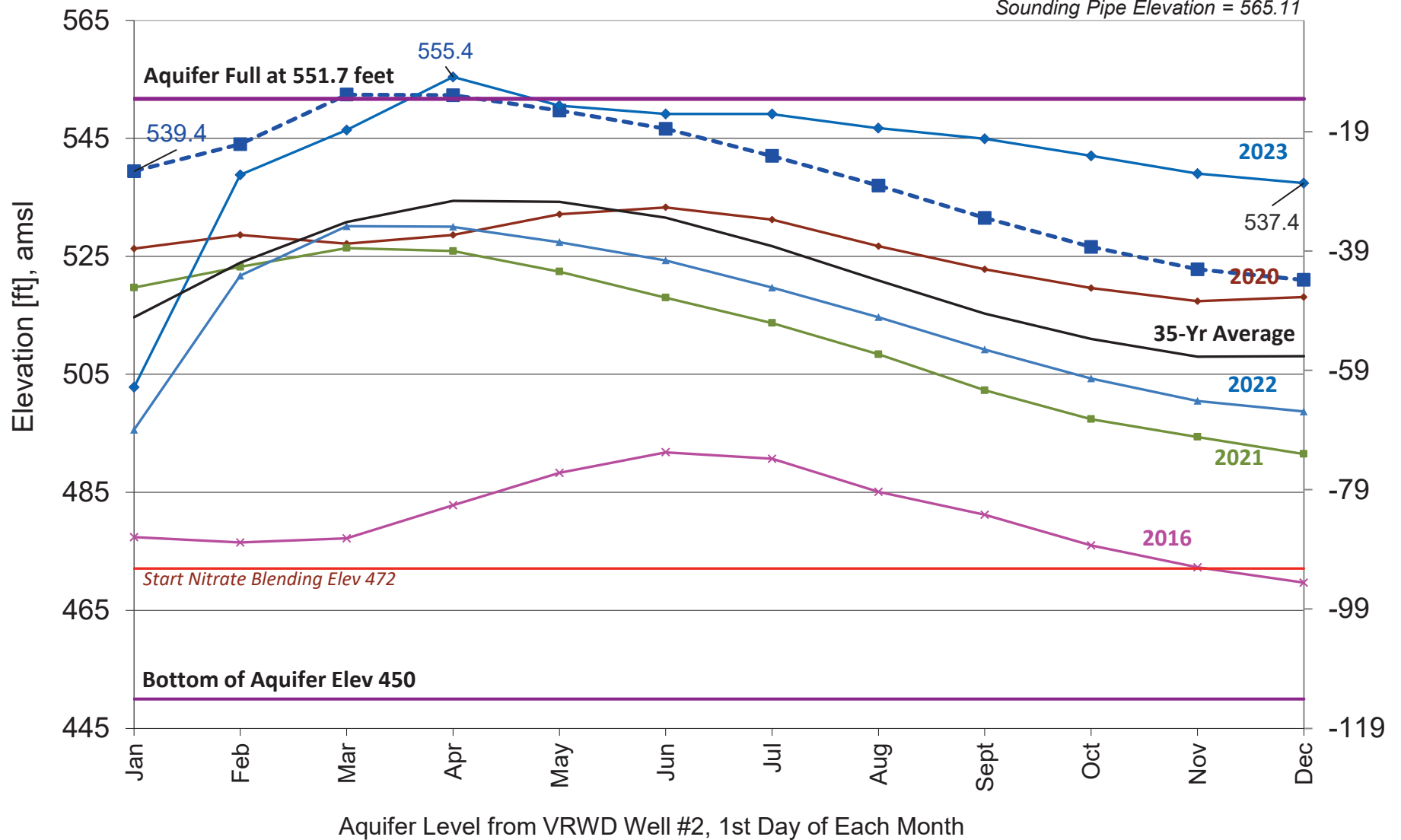
Chart 9

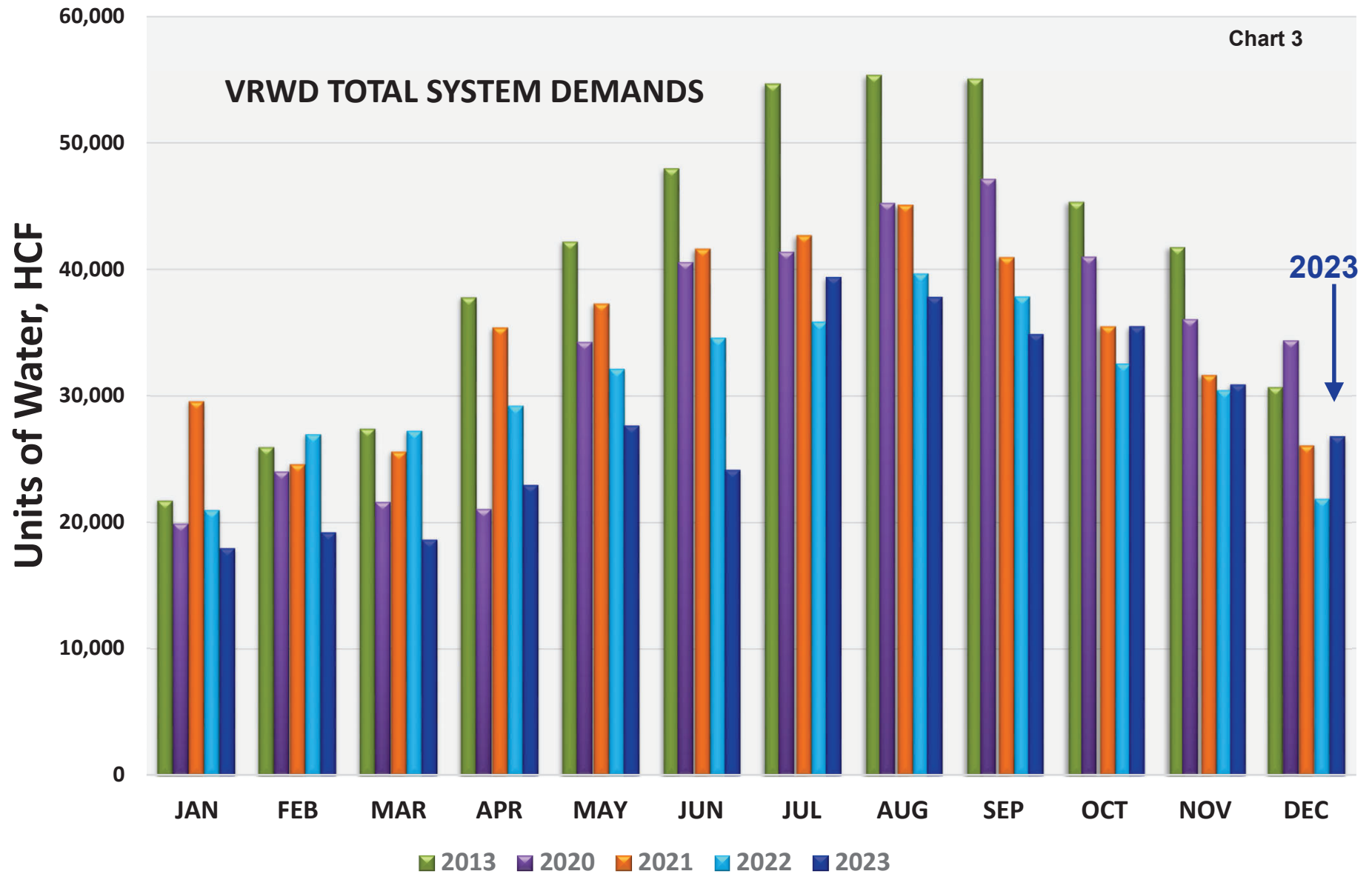


Water Level Hydrograph

CHART 2

Sounding Pipe Elevation = 565.11





Water Usage FY 2023/2024

Chart 8B

