



Ventura County Waterworks District No.19

Citizen Advisory Committee Meeting

Joe Pope
Director, Water and Sanitation Department
County of Ventura Public Works Agency
October 17, 2019

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Budgets and Factors Impacting Water Rates

- District 19 operates as an enterprise fund.
 - **No tax revenues**
- All expenses are paid by District 19 customers through water rates and charges.
- More than 43% (20 miles) of District 19's water lines are over 50 years old (prior to 1962).
- District 19 uses low-interest loans or grants for capital projects.
- Annual budget for FY 2020: \$4.3 million.

Factors Impacting Water Rates:

1. Water rate increases by Calleguas Municipal Water District 3.4%
2. Increasing cost of power 3% to 5% per year
3. 8.9% increase in labor costs, including salaries, benefits, County overheads, vacancy fills, promotions, and merit steps
4. Increased costs from aging infrastructure, legal costs, and debt financing

Ventura County Waterworks District No. 19
Somis Water Services
Fiscal Year 2019-2020 Budget Analysis by Category

EXPENDITURES	FY19	FY20	Variance	Variance
	ADOPTED BUDGET	ADOPTED BUDGET	(\$)	(%)
County & Agency Svcs	\$166.6	\$203.8	\$37.2	22%
Debt Service - USDA Loan	\$161.4	\$160.9	(\$0.5)	0%
Imported Water Cost	\$1,600.7	\$1,399.1	(\$201.6)	-13%
Local Water Cost - Power& Ground Water Extract.	\$498.4	\$605.5	\$107.1	21%
Operation & Maintenance	\$1,223.3	\$1,549.4	\$326.1	27%
Regulatory Permit Costs	\$25.4	\$22.2	(\$3.2)	-13%
System Maint, Repairs & Replc.	\$378.8	\$370.8	(\$8.0)	-2%
Grand Total	\$4,054.6	\$4,311.7	\$257.1	6%

The \$4.3M Budget is a \$257.1K (6%) increase from FY2019 Adopted budget

Refer to PDF Handouts for

1. Detailed Budget Breakout by Category
2. FY19 Overtime Analysis
3. FY17 – FY19 Labor Analysis Comparison

WSD ISF Service Rates by Classification FY2020

Classification	Class Code	Average Salary	2019 Total Service Rate	2020 Total Service Rate	Direct Labor	Fringe Benefit Rate	Dept Overhead Rate	County Overhead Rate	Agency Overhead Rate	Variance (\$)	Variance %
Admin Aide	0020	46,161	57.03	62.96	25.65	19.99	13.54	0.98	2.81	5.93	10.4%
Admin Asst I	0030	58,048	70.84	79.18	32.25	25.14	17.03	1.23	3.53	8.34	11.8%
Admin Assist II	0031	69,815	87.48	95.23	38.79	30.24	20.48	1.48	4.25	7.75	8.9%
Engineer Mgr I	0359	0	137.35	0.00	0.00	0.00	0.00	0.00	0.00	(137.35)	
Engineer Mgr II	0360	121,606	0.00	165.87	67.56	52.67	35.68	2.57	7.40	165.87	
Deputy Director PWA	0381	157,166	199.76	214.37	87.31	68.07	46.11	3.32	9.56	14.61	7.3%
Accounting Assist II	0404	46,749	58.12	63.77	25.97	20.25	13.71	0.99	2.84	5.65	9.7%
Sr Accounting Assist	0405	55,307	70.06	75.44	30.73	23.95	16.23	1.17	3.36	5.38	7.7%
Director Water & Sanitation	0408	169,951	216.16	231.81	94.42	73.61	49.86	3.59	10.34	15.65	7.2%
W/W Svcs Wrkr Assistant	0460	48,981	53.47	66.81	27.21	21.21	14.37	1.03	2.98	13.34	24.9%
W/W Svcs Wrkr I	0461	50,697	66.22	69.15	28.16	21.96	14.87	1.07	3.08	2.93	4.4%
W/W Svcs Wrkr II	0462	63,910	74.33	87.17	35.51	27.68	18.75	1.35	3.89	12.84	17.3%
Sr W/W Svcs Wrkr	0463	80,090	100.42	109.24	44.49	34.69	23.50	1.69	4.87	8.82	8.8%
W/W Svcs Supervisor	0464	97,415	121.94	132.87	54.12	42.19	28.58	2.06	5.92	10.93	9.0%
W/W Svcs Superintendent	0467	118,268	149.04	161.32	65.70	51.22	34.70	2.50	7.19	12.28	8.2%
W/W Svcs Lab Tech	0468	63,016	75.32	85.95	35.01	27.29	18.49	1.33	3.83	10.63	14.1%
W/W Svcs Lab Manager	0469	94,466	113.79	128.85	52.48	40.92	27.71	2.00	5.75	15.06	13.2%
Engineer III	0695	0	114.02	0.00	0.00	0.00	0.00	0.00	0.00	(114.02)	
Engineer IV	0696	109,519	147.93	149.38	60.84	47.44	32.13	2.31	6.66	1.45	1.0%
Engr Tech I	0699	0	67.64	0.00	0.00	0.00	0.00	0.00	0.00	(67.64)	
Engr Tech II	0700	58,615	70.40	79.95	32.56	25.39	17.20	1.24	3.56	9.55	13.6%
Engr Tech III	0701	61,359	0.00	83.69	34.09	26.58	18.00	1.30	3.73	83.69	
Snr. PW Inspector	0919	75,155	97.16	102.51	41.75	32.55	22.05	1.59	4.57	5.35	5.5%
Mgnt Asst III	1333	0	73.62	0.00	0.00	0.00	0.00	0.00	0.00	(73.62)	
Office Asst III	1345	43,064	0.00	58.74	23.92	18.65	12.63	0.91	2.62	58.74	
PW Inspector II	1444	67,532	0.00	92.11	37.52	29.25	19.81	1.43	4.11	92.11	
PW Inspector III	1448	0	90.53	0.00	0.00	0.00	0.00	0.00	0.00	(90.53)	
Staff Services Specialist I	1707	65,195	105.59	88.93	36.22	28.24	19.13	1.38	3.97	(16.66)	-15.8%
Staff Services Specialist II	1708	93,955	118.45	128.15	52.20	40.69	27.56	1.99	5.71	9.70	8.2%
Staff Services Mgr II	1710	109,811	132.59	149.78	61.01	47.56	32.22	2.32	6.68	17.19	13.0%

Total	2,025,849	FY2020	0.7796	0.5281	0.0380	0.1095	8.97%
		FY2019	0.7360	0.4529	0.0247	0.1090	
		Difference	6%	17%	54%	0%	

Water and Sanitation Salaries and Benefits

SALARIES AND BENEFITS					
Code	Acct Nm	FY19 Adopted Budget	FY20 Adopted Budget	Variance (\$)	Variance (%)
1101	Regular Salaries	\$4,322.1	\$4,487.2	\$165.1	3.8%
1102	Extra Help	\$168.0	\$386.3	\$218.3	129.9%
1105	Overtime	\$154.4	\$160.4	\$6.0	3.9%
1106	Supplemental Payments	\$117.5	\$129.6	\$12.1	10.3%
1107	Terminations	\$93.3	\$82.1	(\$11.2)	-12.0%
1108	Call Back ST	\$20.0	\$38.0	\$18.0	90.0%
1121	Retirement Contribution	\$966.9	\$1,067.9	\$101.0	10.4%
1122	Oasdi Contribution	\$290.6	\$299.4	\$8.8	3.0%
1123	Fica Medicare	\$70.4	\$76.1	\$5.7	8.1%
1124	Safe Harbor	\$17.4	\$46.2	\$28.8	165.5%
1128	Retiree Health Payment 1099	\$23.2	\$13.6	(\$9.6)	-41.4%
1141	Group Insurance	\$607.6	\$686.3	\$78.7	13.0%
1142	Life Insurance For Department Heads And Management	\$0.4	\$0.8	\$0.4	100.0%
1143	State Unemployment Insurance	\$3.3	\$2.6	(\$0.7)	-21.2%
1144	Management Disability Insurance	\$11.1	\$11.3	\$0.2	1.8%
1165	Workers' Compensation Insurance	\$293.1	\$371.2	\$78.1	26.6%
1171	401K Plan	\$57.1	\$63.7	\$6.6	11.6%
Grand Total		\$7,216.4	\$7,922.7	\$706.3	9.8%

FY20 Budget for Salaries and Benefits is 9.8% (\$706.3K) higher than FY19.

Ventura County Waterworks District No. 19

Somis Water Services

FY20 Budgeted Expenditures vs. Revenue Analysis

SUMMARY:

Total Budgeted Expenditures

\$4,311,700

Total Estimated Revenue

\$3,967,587

% of Expenditures Financed by Water Sales

92%

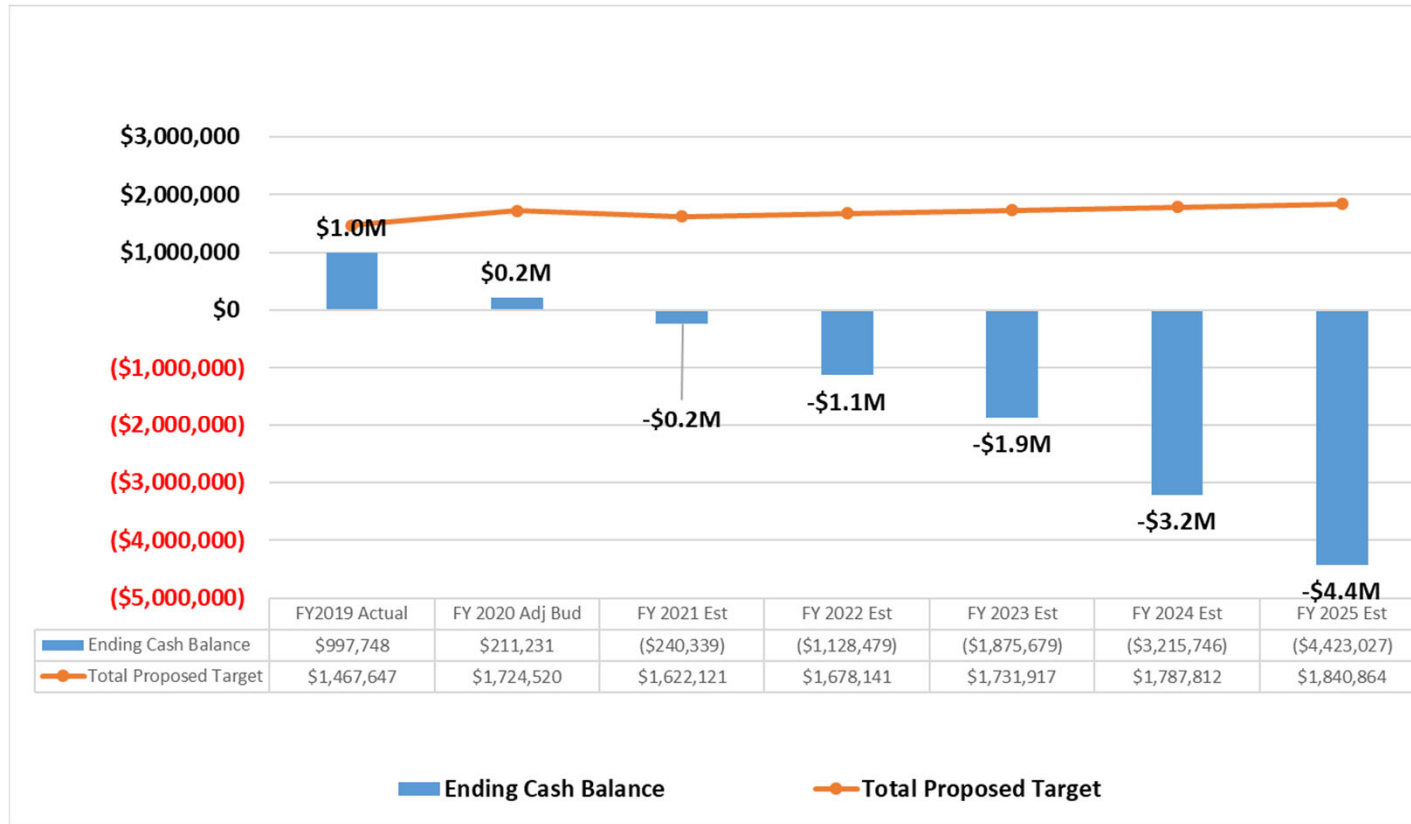
% of Expenditures Funded by Cash Reserves

8%

Ventura County Waterworks District No. 19

Somis Water Services

Cash Reserves Forecast With No Rate Increases



Reduction in Cash Reserves due to inflationary factors and debt service

Ventura County Waterworks District No. 19
Somis Water Services
Proposed Rate Increase & Recommendation

Commodity Rates for Residential Customers			
Tier	Proposed Monthly Use (HCF)	Current 2019	Proposed 2020
1	0 - 10	\$2.35	\$2.56
2	>10 – 25	\$2.86	\$3.11
3	> 25	\$3.78	\$4.12
<i>Note: Rates per 100 Cubic Feet of Water (HCF)=748 Gallons</i>			

- 9% Commodity rate adjustment

Commodity Rates for Other Customer Classes		
Customer Class	Current 2019	Proposed 2020
Agricultural	\$3.02	\$3.29
Commercial	\$3.23	\$3.52
Industrial	\$5.35	\$5.83
Institutional	\$3.49	\$3.80
Multi-Family Residential	\$3.25	\$3.54

Ventura County Waterworks District No.19

Somis Water Services

Proposed Fixed Meter Charge Recommendation: 12% Increase

Monthly Meter Charges		
Meter Size	Current 2019	Proposed 2020
3/4-inch	\$20.18	\$22.60
1-inch	\$30.88	\$34.58
1 1/2-inch	\$57.61	\$64.52
2-inch	\$89.69	\$100.45
3-inch	\$191.28	\$214.23
4-inch	\$340.99	\$381.90
6-inch	\$699.22	\$783.12

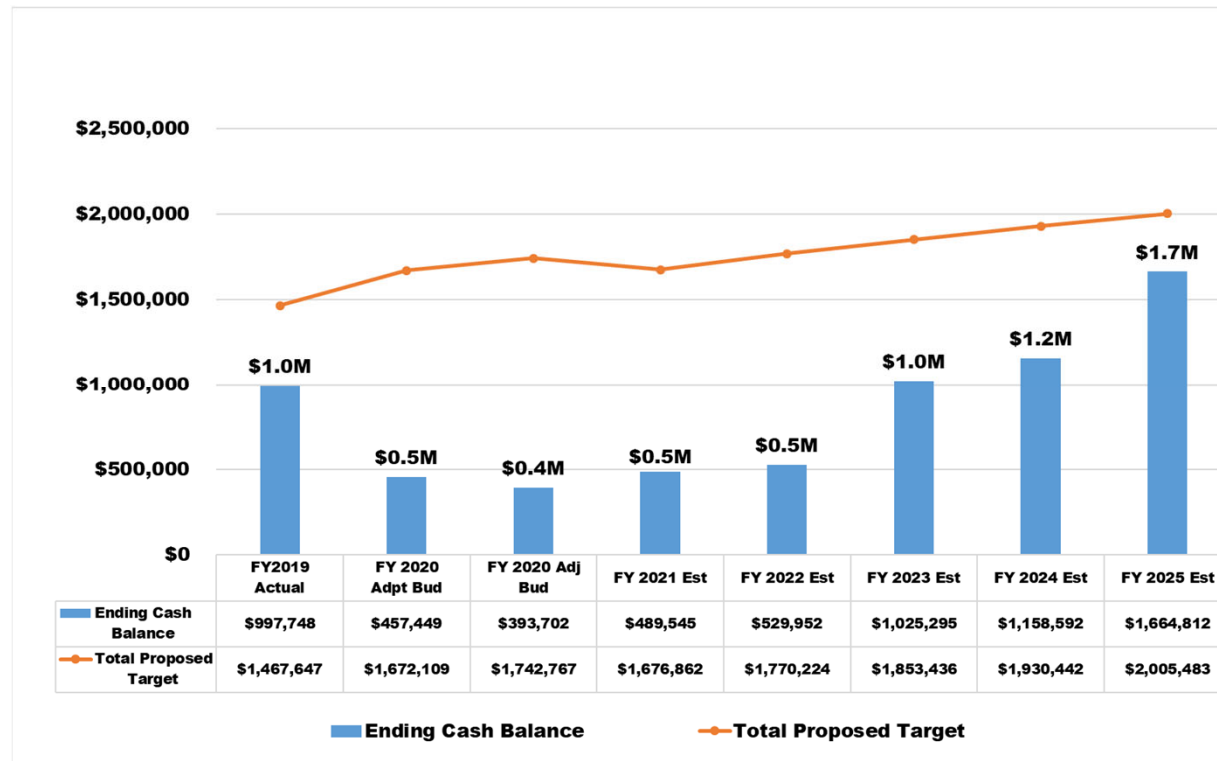
Monthly Fireline Charges		
Meter Size	Current 2019	Proposed 2020
2-inch	\$9.38	\$10.51
3-inch	\$19.35	\$21.68
4-inch	\$36.55	\$40.94
6-inch	\$98.28	\$110.08
8-inch	\$204.75	\$229.32

Note: Water used through private fire services will be charged at the temporary construction water rate

Ventura County Waterworks District No.19

Somis Water Services

Cash Reserve Forecast With Recommended 9% Rate Increase



Proposed Rate Increase will help maintain positive cash balances. Series of increases on all study period years will gradually increase cash reserves but will not meet target by Fiscal Year 2025.

Proposed Water Rate Increases Impact on Residential Customers

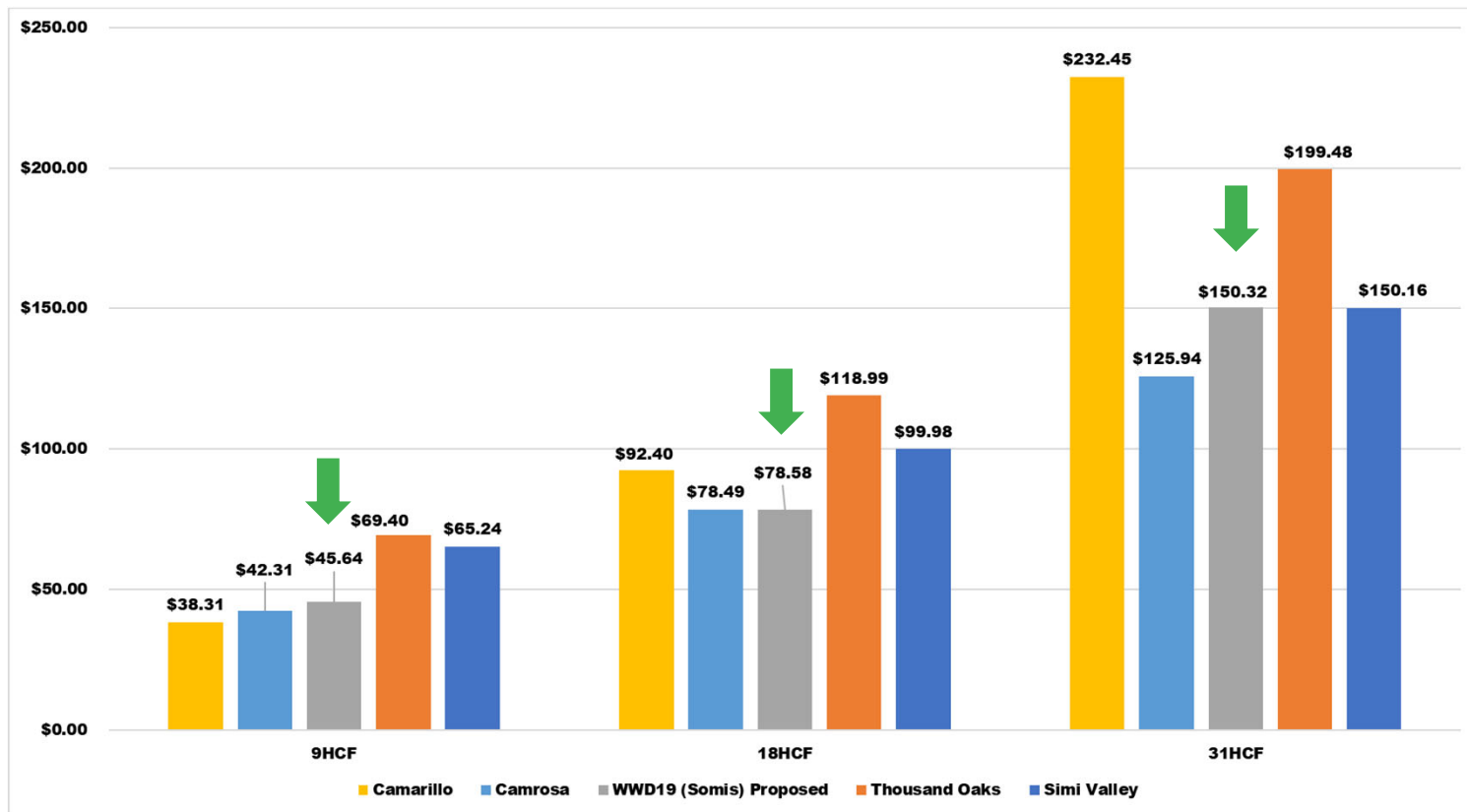
Meter Size	Average Bill	Monthly Increase \$ (%)
3/4"	\$104.18	\$9.02 (9.48%)
1"	\$141.04	\$12.30 (9.55%)
1.5"	\$174.09	\$15.76 (9.95%)



Calculators are available on our website: <http://pwa.vcpublishworks.org/wsd/ratesandcharges/>

Ventura County Waterworks District No. 19
Somis Water Services - Regional Rate Water Rate Comparison (9% increase)

Comparison of Rate Structures (Residential) HCF



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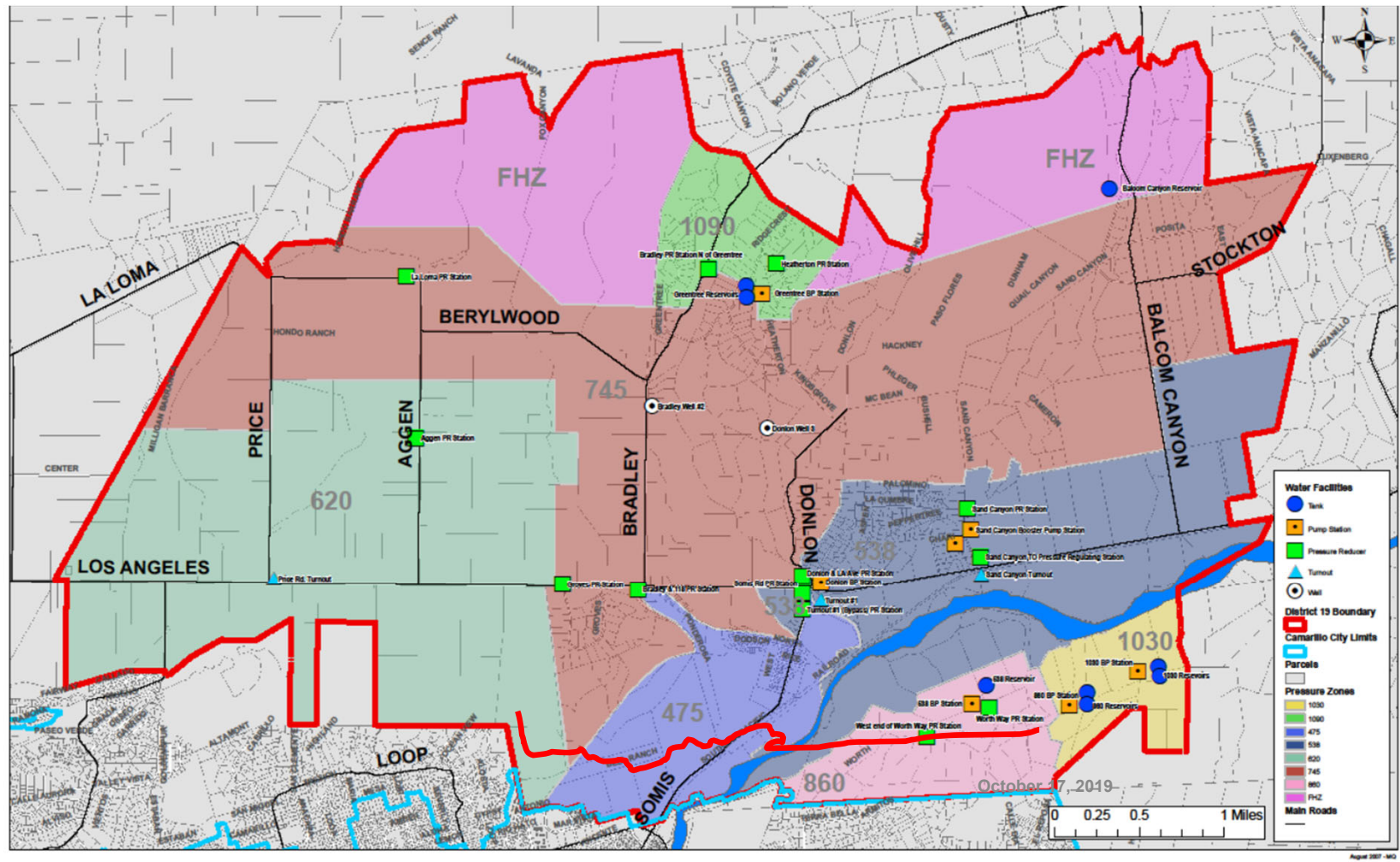


*Operations &
Maintenance Team*

Questions?

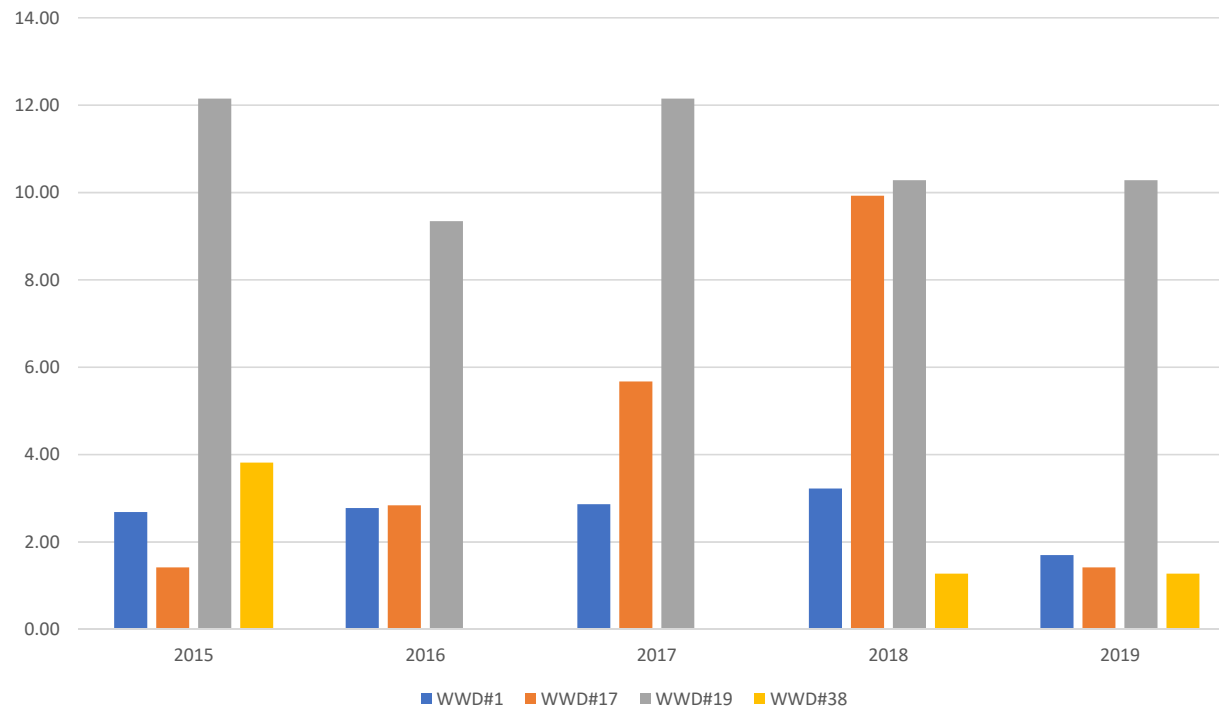
October 17, 2019

District 19 Service Area



Ventura County Waterworks District No.19
Somis Water Services
Historical Leaks by District 2015 to 2019

Total Leaks Per 1,000 Service Connections by District 2015 to 2019

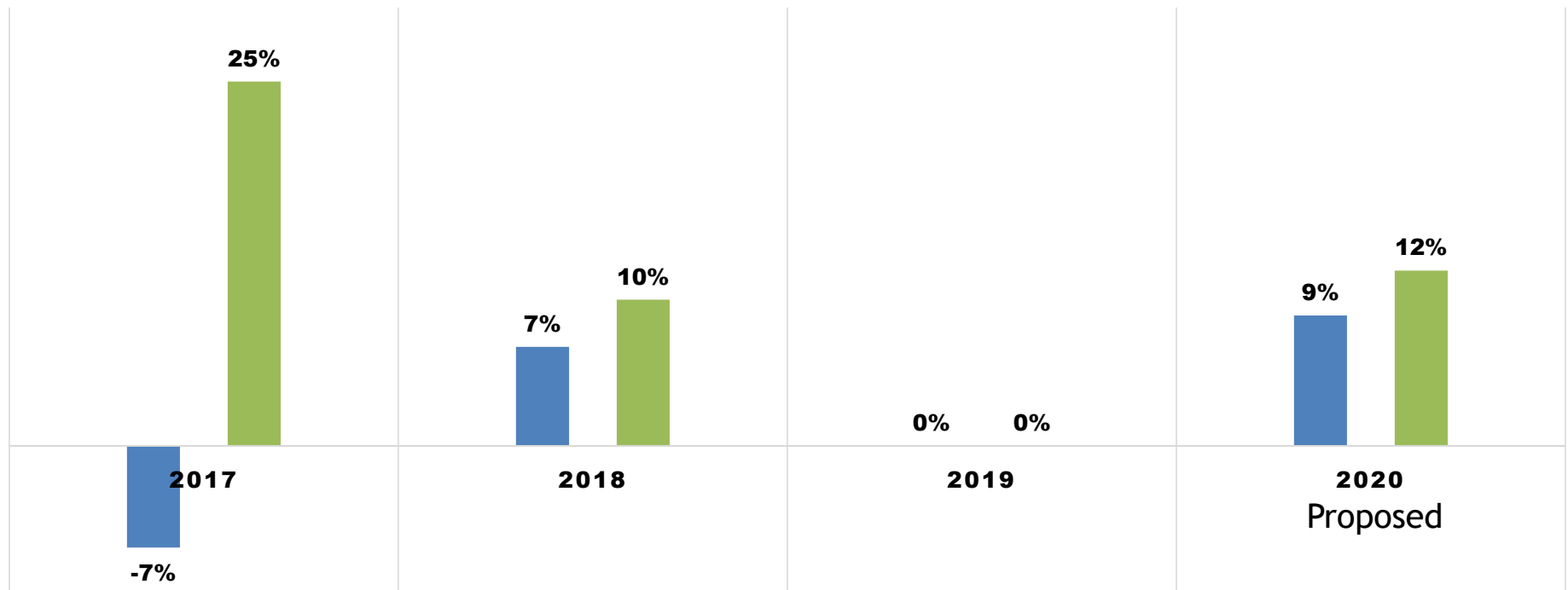


Robust Investment in Pipe Replacement Projects Recommended

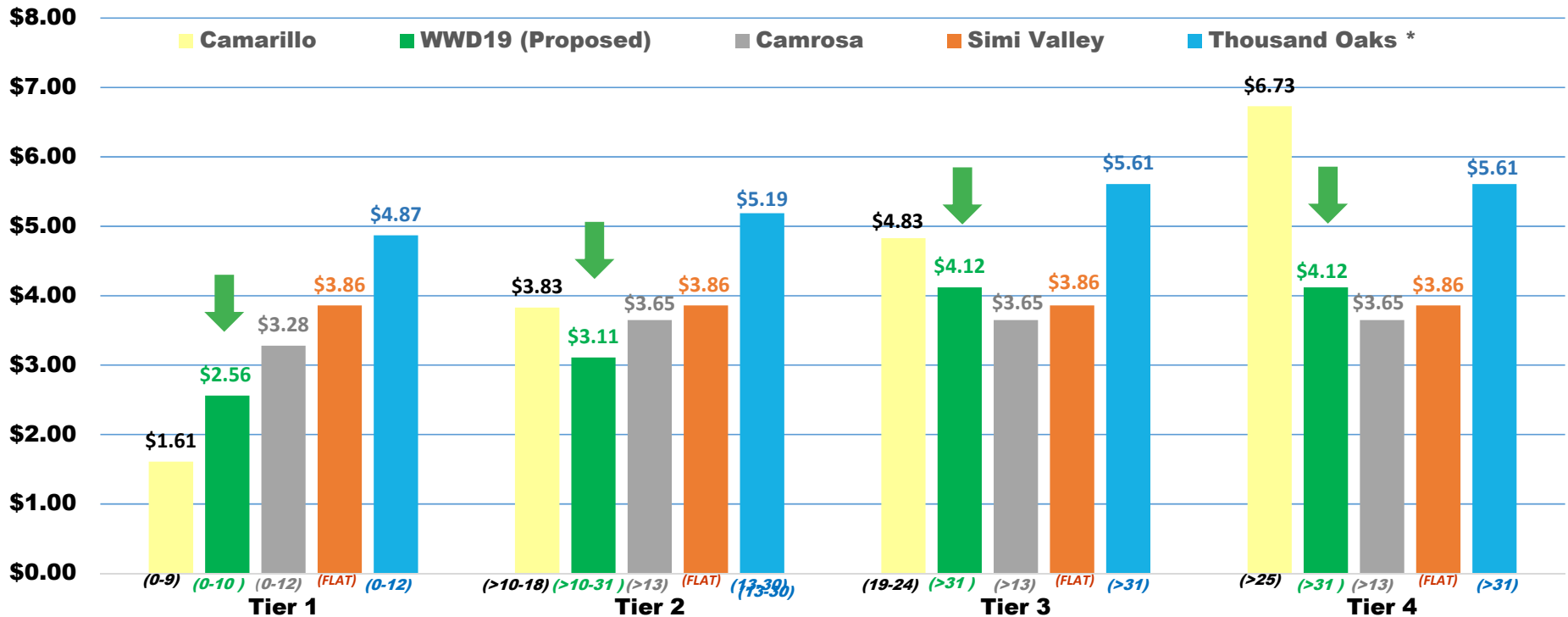
Ventura County Waterworks District No. 19
Somis Water Services
History of Rate Increases

WWD#19 SOMIS RATE INCREASE % BY YEAR

■ Commodity % Increase (average) ■ Fixed Meter % Increase (average)



Ventura County Waterworks District No. 19
 Somis Water Services - Regional Rate Water Rate Comparison (9% increase)
Comparison of Rate Structures (Residential) HCF

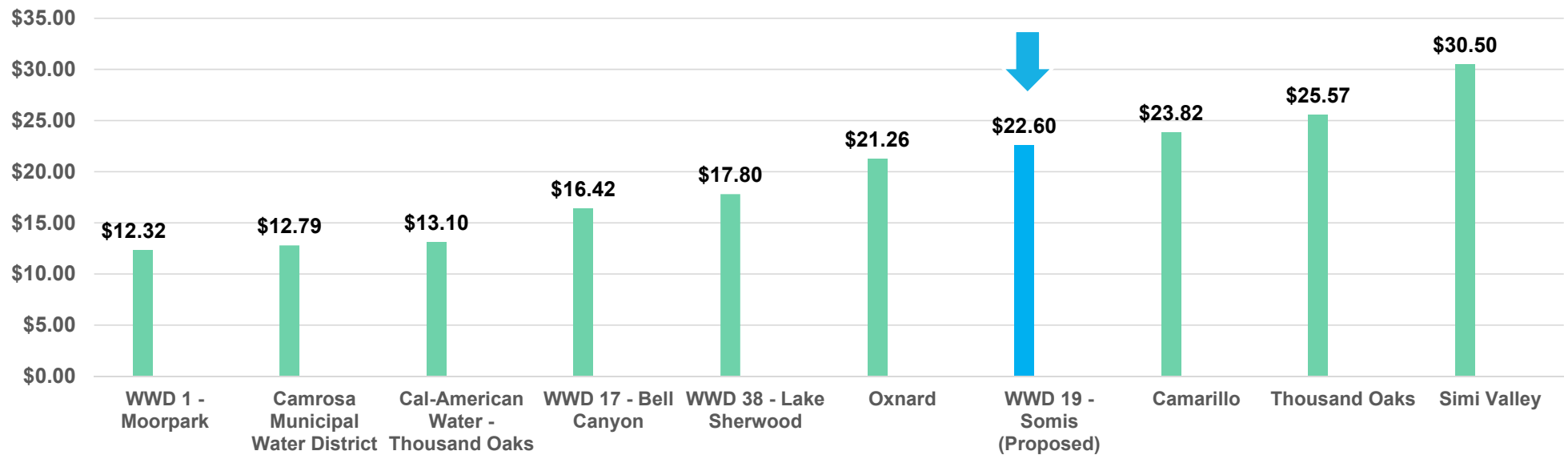


*Note: The City of Thousand Oaks does not include the pumping lift charge of \$.18 per unit

Disclaimer: While the information contained in this comparison has been presented with all due care, the County of Ventura Water and Sanitation Department does not warrant or represent that the information is free from errors or omissions.

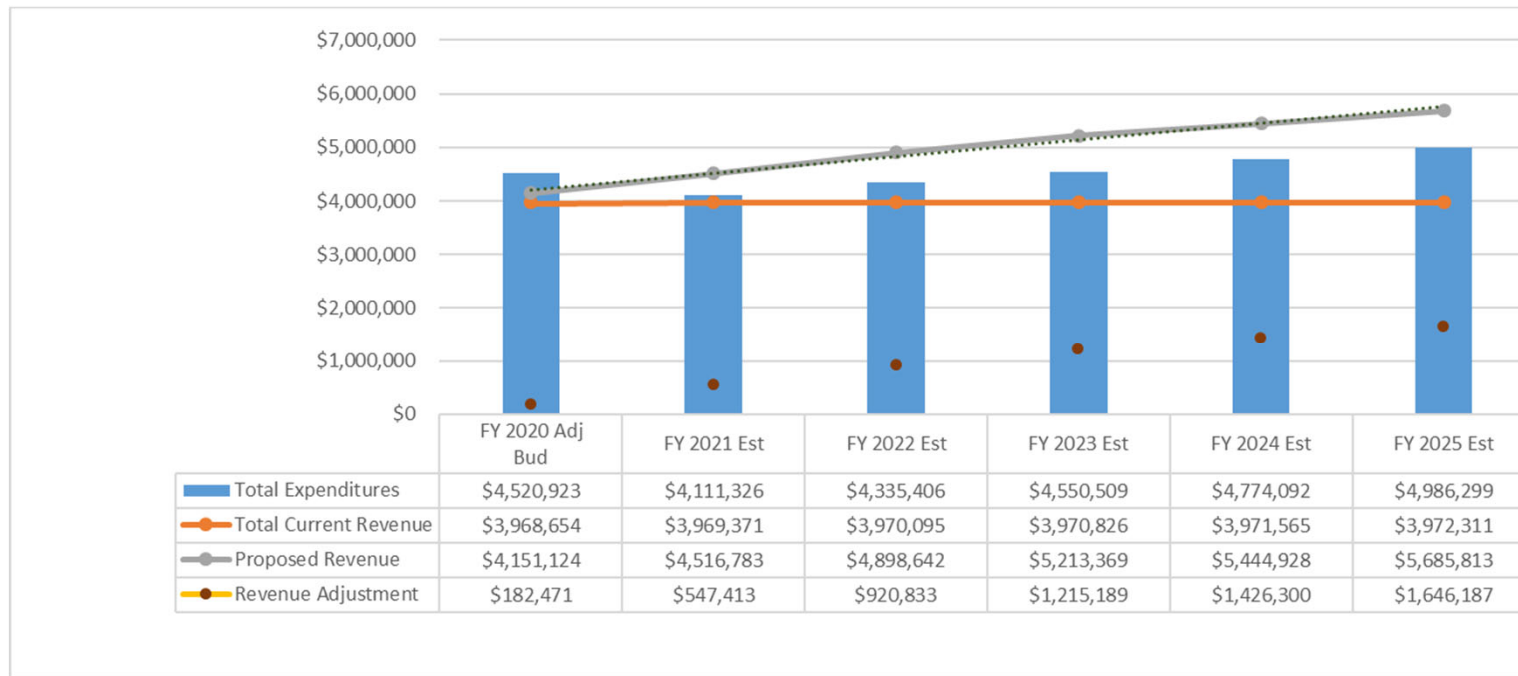
Ventura County Waterworks District No. 19
Somis Water Services- Meter Charge Comparison 12% Increase

Residential Customers with a ¾” Monthly Meter Charge



Ventura County Waterworks District No. 19
Somis Water Services

Proposed Operating Plan With Recommended 9% Rate Increase



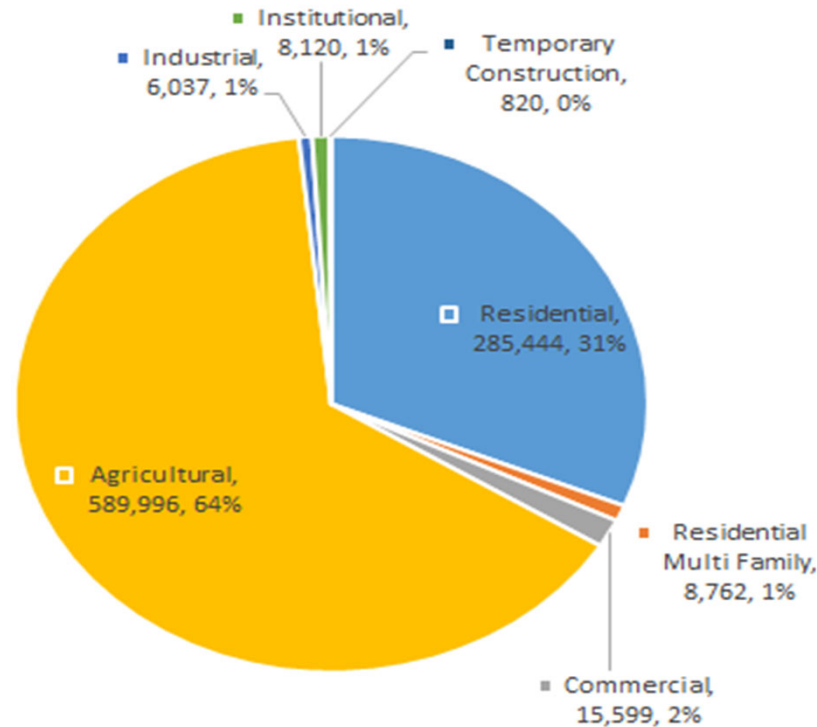
Illustrates the operating financial plan by comparing the existing and proposed revenues with projected expenses.

The expenses, shown in bars are O&M expenses.

Row 4 of graph table shows the compounding effect of Revenue Adjustment for each fiscal year given above proposed rate increases thru FY 2025.

Note: Revenue adjustment reflects recommended commodity rate increase of 9% in Fiscal Year 2020-21, 8% FY22 & 4% FY23-25. Fixed Rate Increases as follows: 12% FY20-21; 10% FY22 5% FY23-25.

Ventura County Waterworks District No. 19
Somis Water Services
Fiscal Year 2019 Actual Water Usage by Customer Class



*23 of 233 Ag Customers also have their own Well(s)

*1,354 acre-feet of Ag Water represents 0.5% of all Ag Water Deliveries in VC

FY 2019 water usage by customer classification. First number in the pie chart is water usage in hcf followed by the percentage of total water usage by customer class. Percentage of allocation is the basis used in the rate study.

Ventura County Waterworks District No. 19
 Somis Water Services
 Cost of Water per Acre-Feet

