
PUBLIC
VENTURA COUNTY
WORKS



Ventura County Waterworks District No. 1

Moorpark Water Services Fiscal Year 2019-2020 Water Rate Analysis

Presentation to Citizens Advisory Committee Sept 12, 2019

September 12, 2019

Ventura County Waterworks District No. 1

Moorpark Water Services

Rate Analysis Objectives

- 1. Implementation of Approved Rate Study**
- 2. Cover Las Posas Basin Adjudication litigation costs**
- 3. Debt service for Bond Funded critical capital projects**

Ventura County Waterworks District No. 1
Moorpark Water Services
Fiscal Year 2019-2020 Budget Analysis by Category

EXPENDITURES	FY19 ADOPTED BUDGET	FY20 ADOPTED BUDGET	Variance (\$)	Variance (%)
County & Agency Svcs	\$575	\$547	(\$29)	-5%
Imported Water Cost	\$13,057	\$13,671	\$614	5%
Local Water Cost	\$562	\$583	\$22	4%
Operation & Maintenance	\$4,067	\$4,442	\$374	9%
Regulatory Permit Costs	\$37	\$43	\$6	15%
System Maint, Repairs & Replc.	\$1,200	\$1,272	\$72	6%
Grand Total	\$19,498	\$20,557	\$1,059	5%

In thousands

The \$20.6M Budget is a \$1M (5%) increase from FY2019 Adopted budget

Ventura County Waterworks District No. 1
Moorpark Water Services

FY20 Adjusted Budget O&M Expenditures vs. Revenue Analysis

SUMMARY:

Total Adjusted Budget O&M Expenditures

\$20,859,590

Total Estimated O&M Revenue

\$20,739,284

% of O&M Expenditures Financed by Water Sales

99.4%

% of O&M Expenditures Funded by Cash Reserves

0.6%

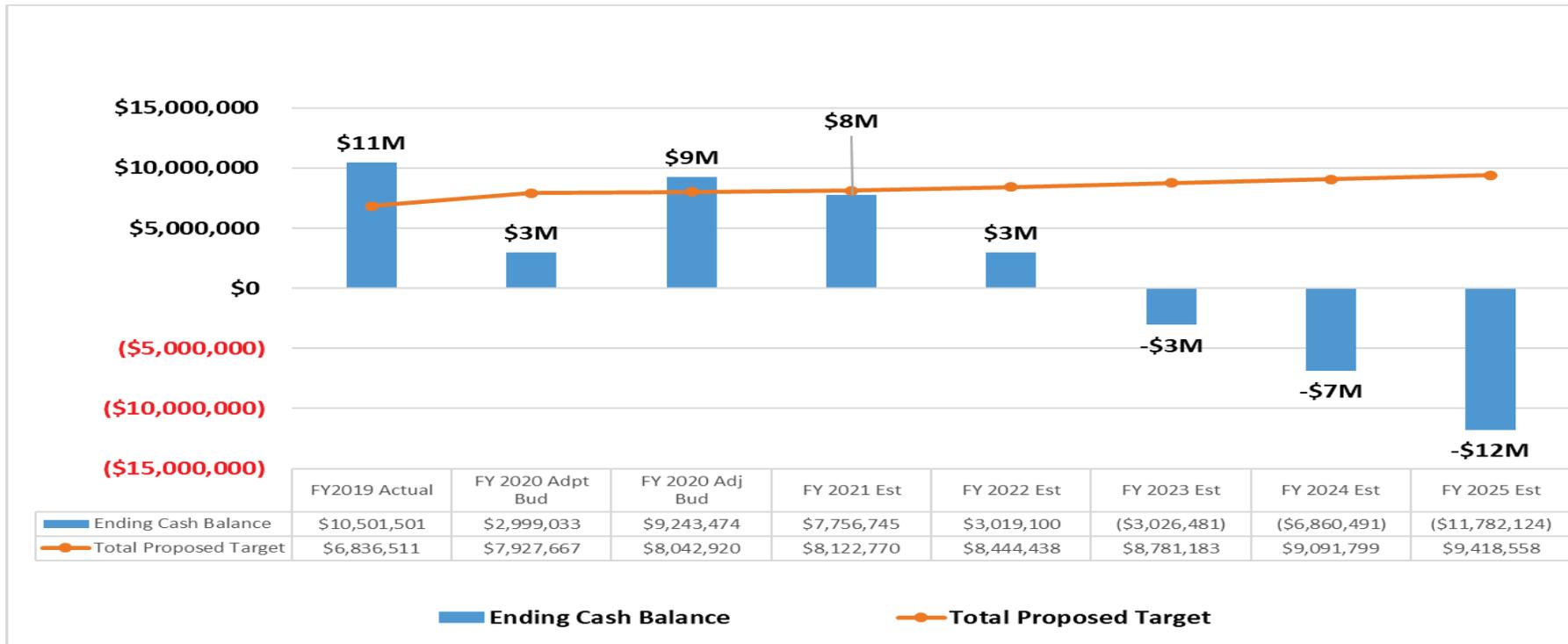
Ventura County Waterworks District No. 1
Moorpark Water Services

Aggregate Rate Increase by Operating Components

RATE COMPONENTS	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
WSD ISF SERVICE RATE	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%
EDISON RATE	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
CALLEGUAS RATE	6.1%*	6.0%	6.0%	6.0%	6.0%	6.0%

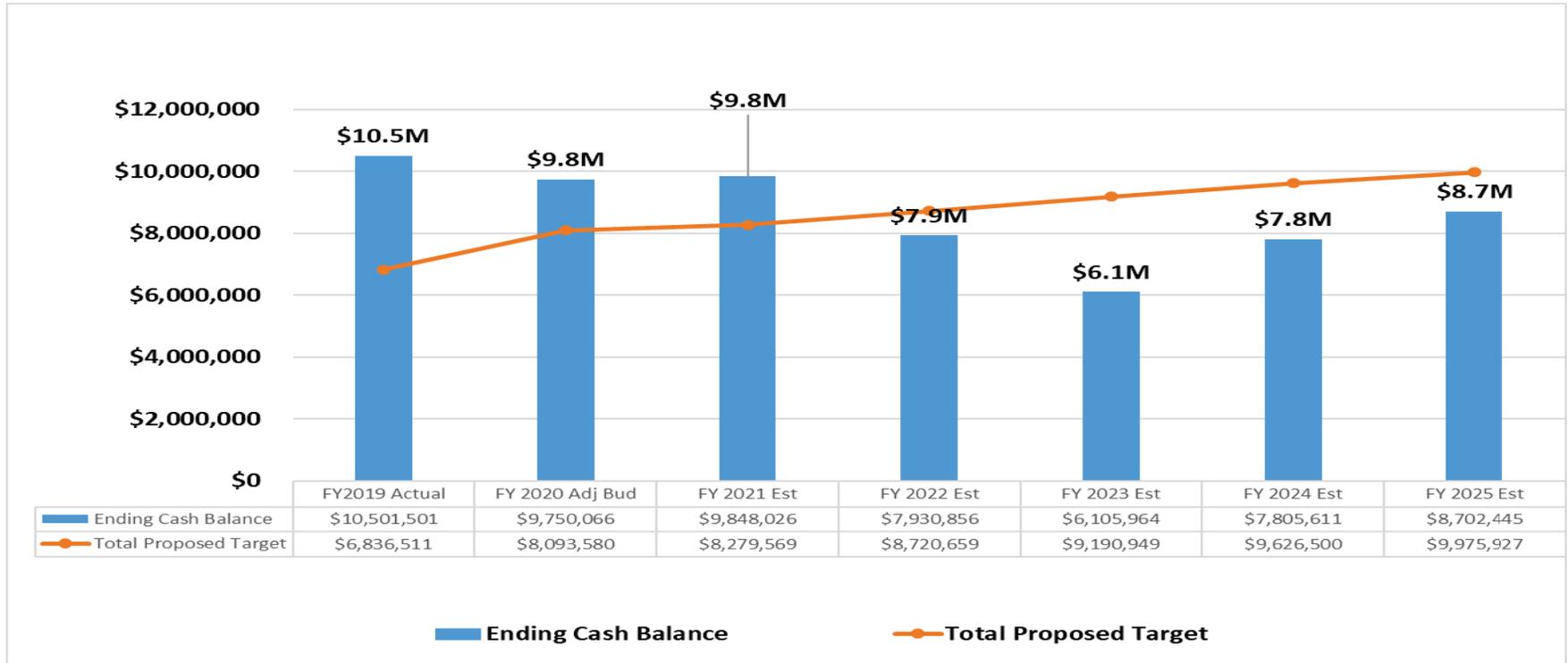
*Calleguas sets rates by Calendar Year - CY 2019 8.8%; CY 2020 3.4%.

Ventura County Waterworks District No. 1
Moorpark Water Services
Cash Reserves Forecast With No Rate Increases



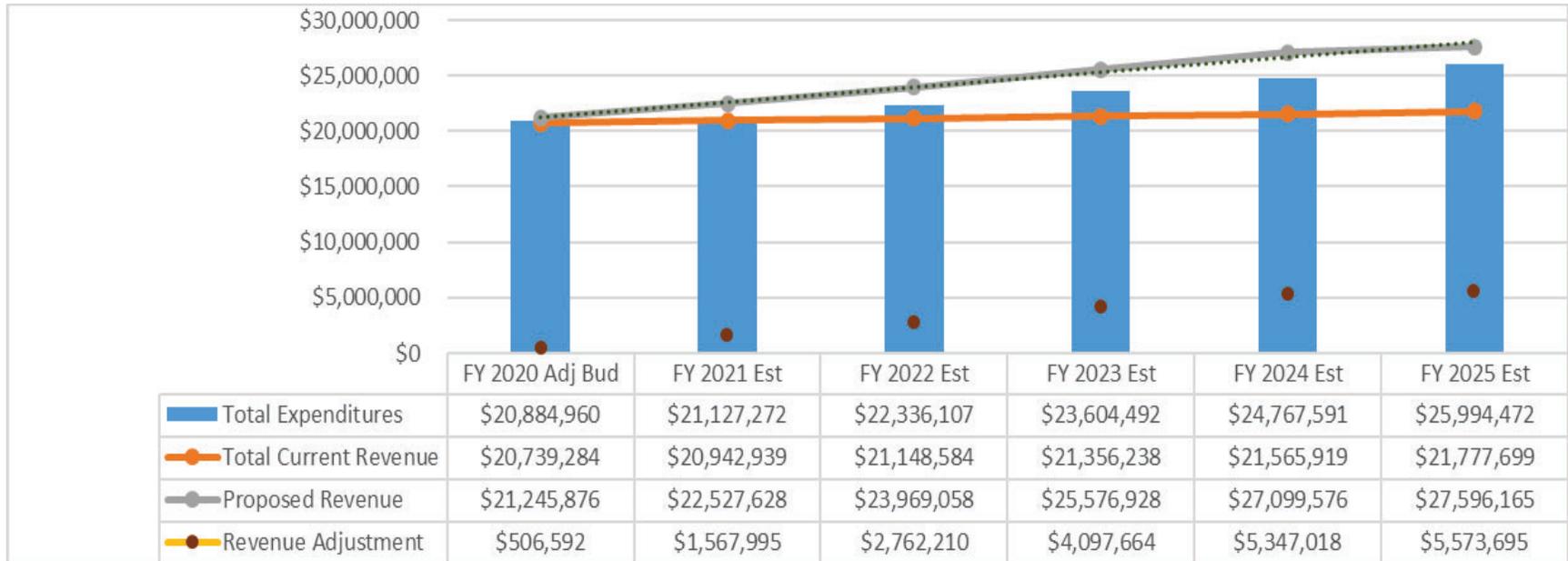
Cash Balance goes negative due to inflationary factors and Rate Funded CIP projects

Ventura County Waterworks District No. 1
Moorpark Water Services
Cash Reserve Forecast With Recommended Rates



Proposed Rate Increase will help maintain positive Cash Reserves needed to fund Capital Projects and Debt Service.

Ventura County Waterworks District No. 1
Moorpark Water Services
Proposed Operating Plan With Recommended 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. Does not include Desalter Plant Operating maintenance. Desalter construction project completion anticipated in fiscal year 2020. Row 4 of graph table shows the compounding effect of Revenue Adjustment for each fiscal year given above proposed rate increases thru FY 2025.

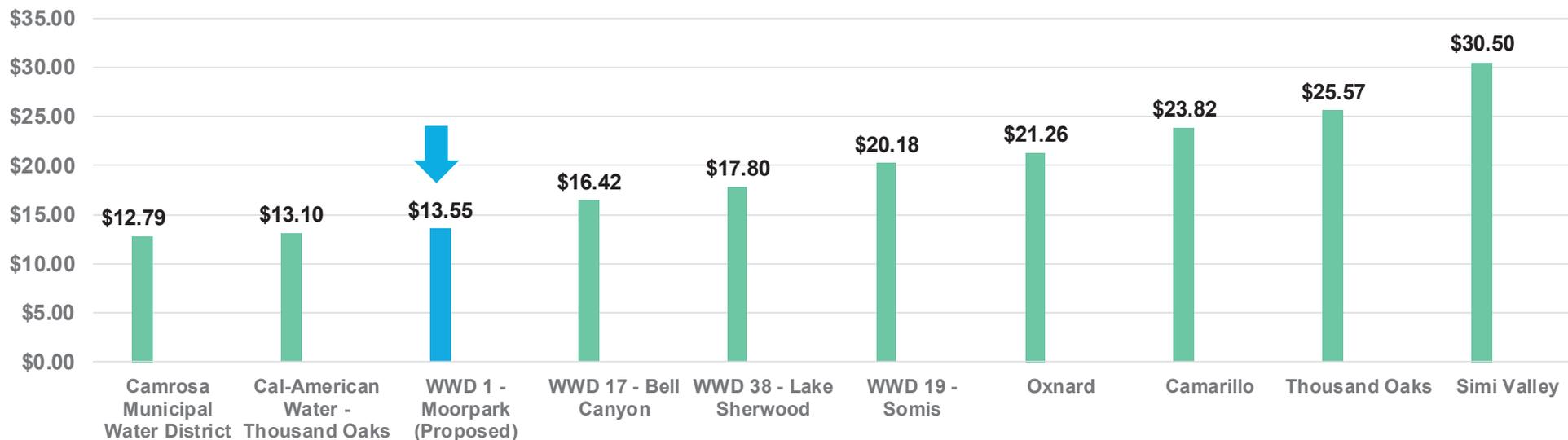
Note: Revenue Adjustments reflects recommended non-agriculture commodity rates increase of 3.5% on all study period fiscal years. Fixed Rate increase of 10% for FY20 and 13%, 14% & 14% increases on outyears. AGR rate increase of 9.4% for FY20 and 8.9%, 8.7%, 8.2%, 6.7%, 3.6% respectively on outyears.

RECOMMENDATIONS

- 3.5% Non-AGR commodity rate
- 9.4% Agricultural rate
- 10% Fixed charge rate

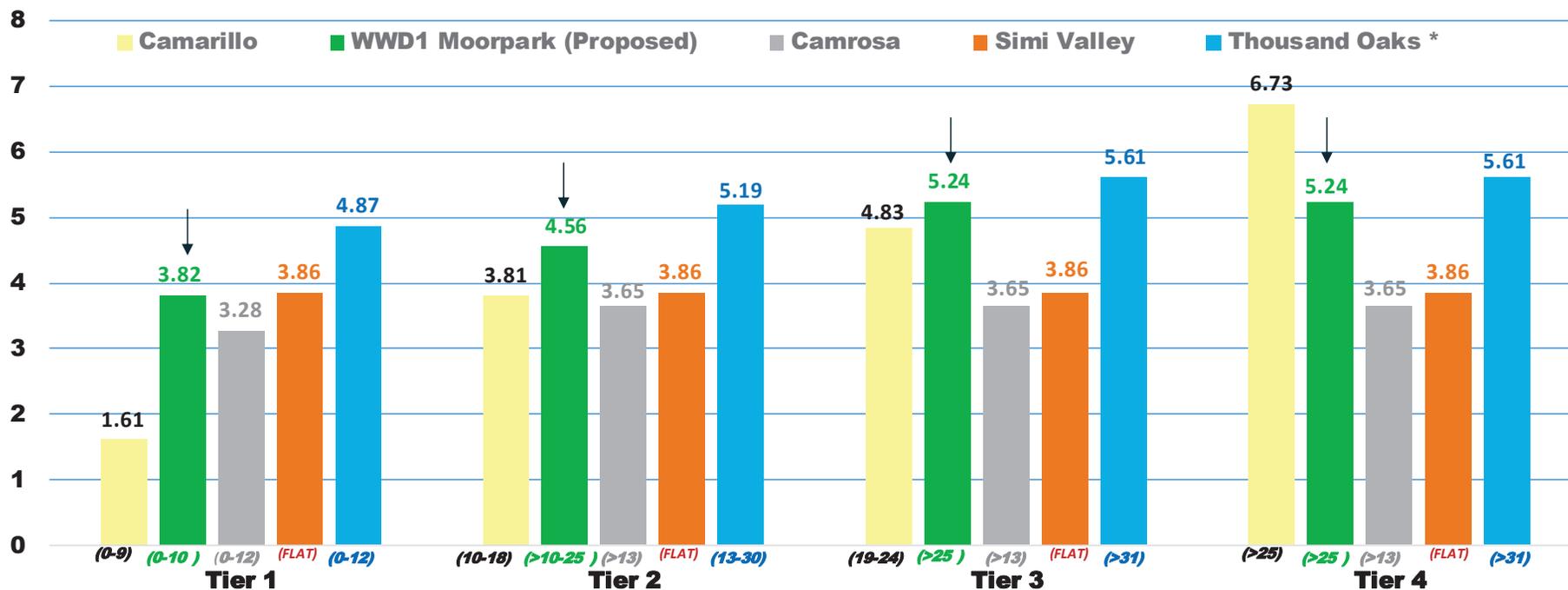
Ventura County Waterworks District No. 1
Moorpark Water Services

Residential 3/4" Monthly Meter Charge



Ventura County Waterworks District No. 1
Moorpark Water Services

Comparison of Residential Commodity Rates (HCF)



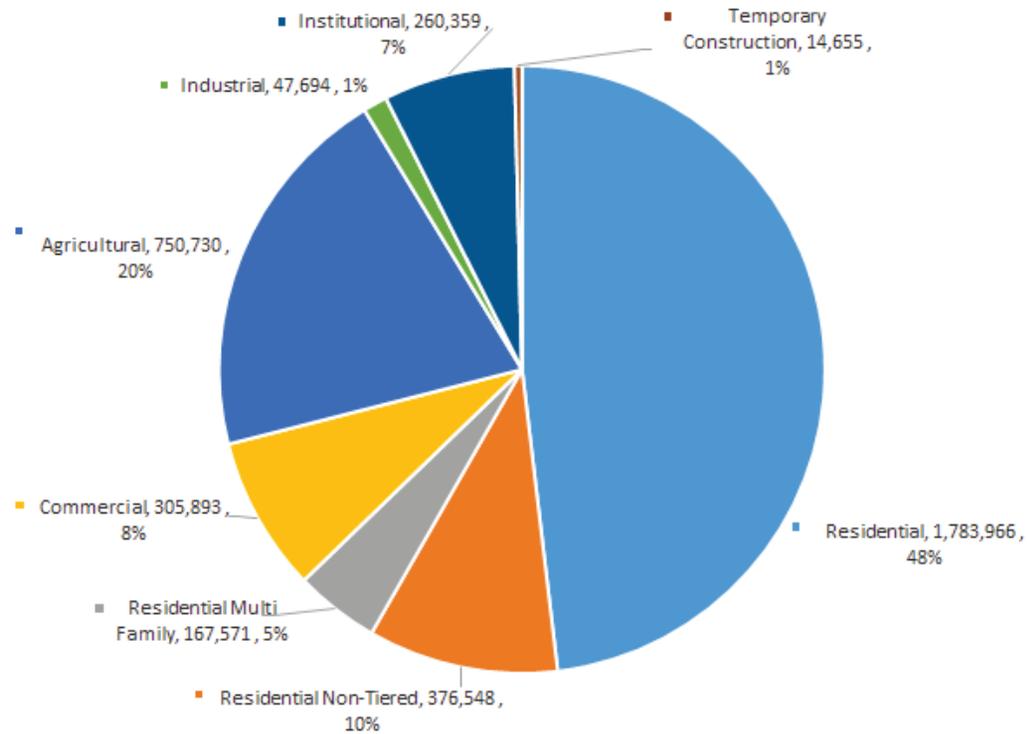
*Note: The City of Thousand Oaks does not include the pumping lift charge of \$.18 per unit

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. 1
Moorpark Water Services
Agricultural Glide Path Rate Analysis

Agricultural Rate % of Increase	9%	9%	9%	8%	7%	
ANALYSIS USING FY18 PROPOSED RATE INCREASE						
Estimated Revenue Loss from Agricultural Water Sales on the Glide Path Rates:						
	FY19 (Current Rate)	FY2020	FY2021	FY2022	FY2023	FY2024
AGR Rate calculated at Full Cost of Service	\$ 4.25	\$4.40	\$4.56	\$4.72	\$4.89	\$5.07
AGR on the Glide Path Rate - Made Whole	\$3.39	\$3.71	\$4.04	\$4.39	\$4.75	\$5.07
Discount (\$/hcf)	(\$0.86)	(\$0.69)	(\$0.52)	(\$0.33)	(\$0.14)	\$0.00
Revenue Loss due to the Glide Path:						
AGR Estimated Usage (HCF)	908,838.82	917,927.21	927,106.48	936,377.55	945,741.32	955,198.73
Discount (\$/hcf)	(\$0.86)	(\$0.69)	(\$0.52)	(\$0.33)	(\$0.14)	\$0.00
Annual Revenue Loss	(\$920,723.53)	(\$707,485.58)	(\$557,732.57)	(\$395,549.98)	(\$220,704.19)	(\$66,201.89)
FY20 Loss		(\$920,723.53)	(\$920,723.53)	(\$920,723.53)	(\$920,723.53)	(\$920,723.53)
FY21 Loss			(\$707,485.58)	(\$707,485.58)	(\$707,485.58)	(\$707,485.58)
FY22 Loss				(\$557,732.57)	(\$557,732.57)	(\$557,732.57)
FY23 Loss					(\$395,549.98)	(\$395,549.98)
FY24 Loss						(\$220,704.19)
Annual Compounding Revenue Loss	(\$920,723.53)	(\$1,628,209.11)	(\$2,185,941.68)	(\$2,581,491.66)	(\$2,802,195.85)	(\$2,868,397.74)

Ventura County Waterworks District No. 1
Moorpark Water Services
 Fiscal Year 2019 Actual Water Usage by Customer Class

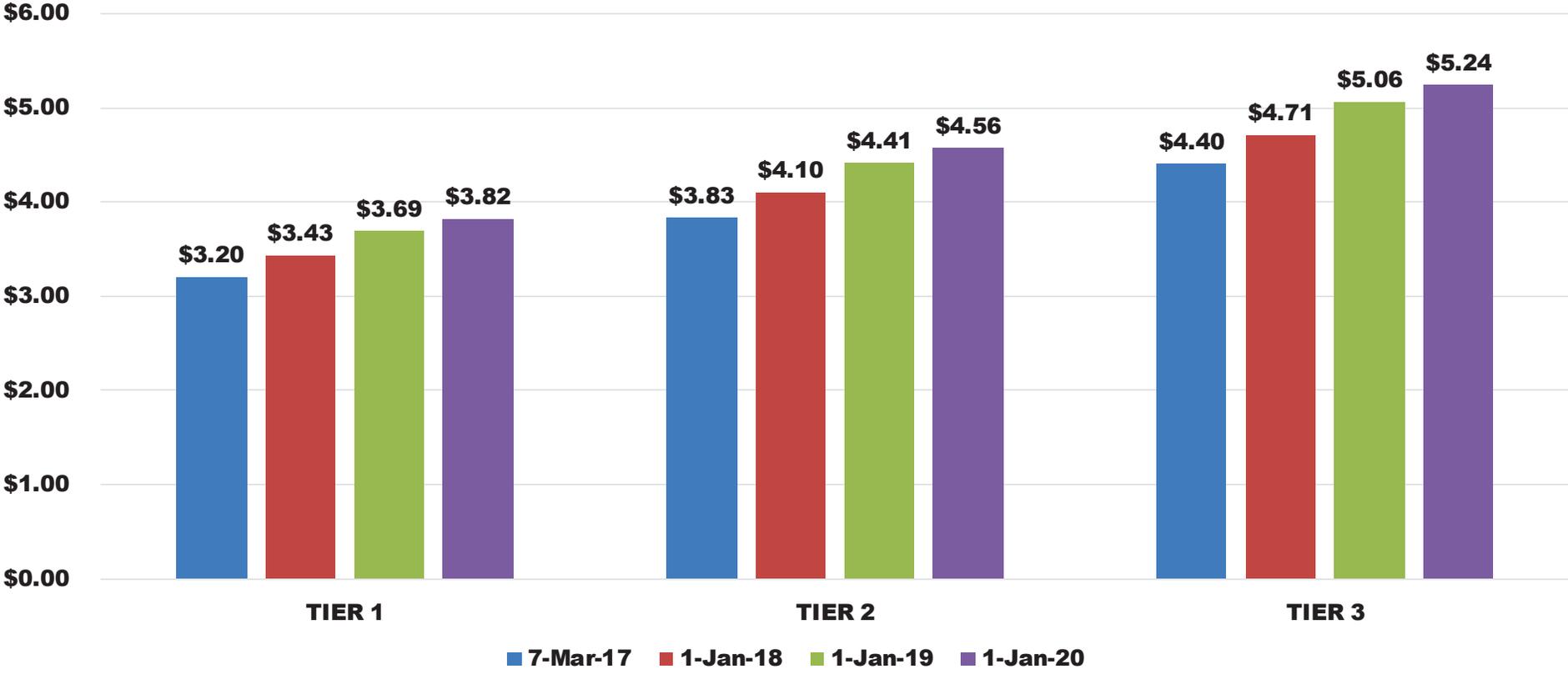


*67 of 179 Ag Customers also have their own Well(s)

*1,723 acre-feet represents 0.6% of all Ag Water Deliveries in the County

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.

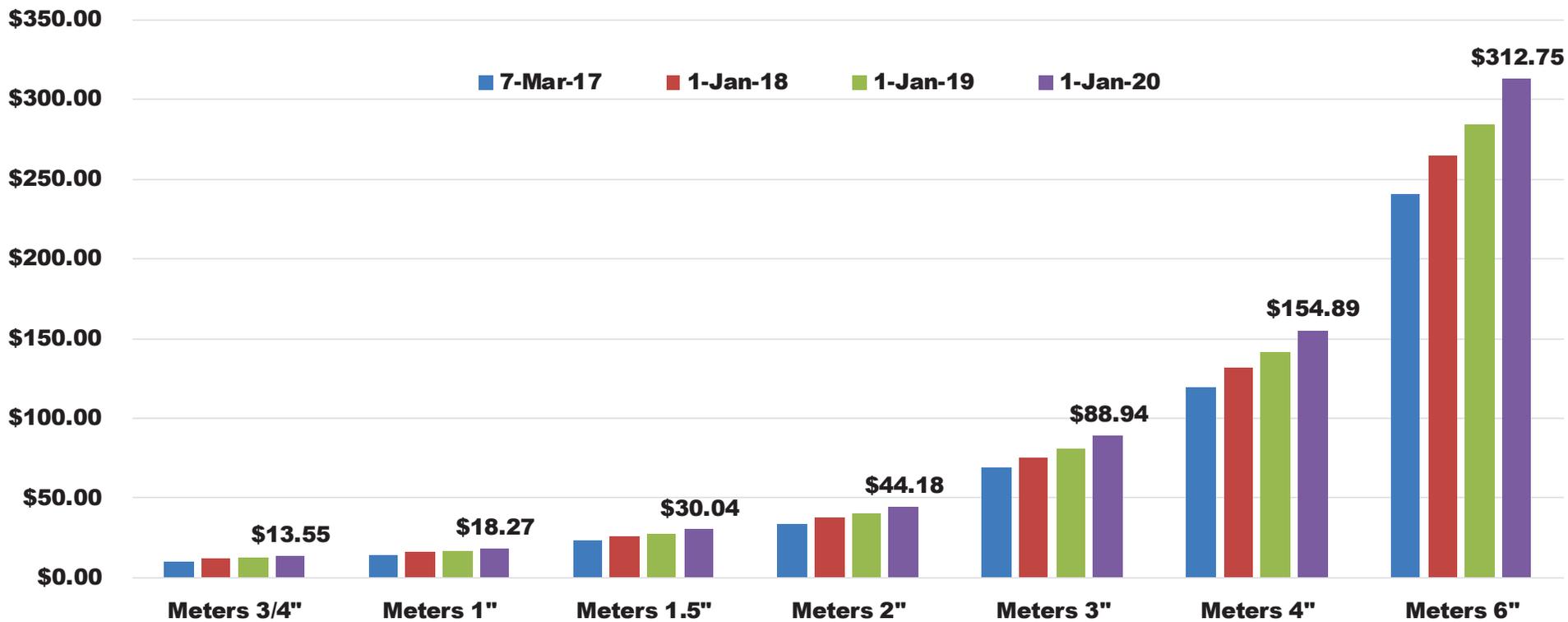
Ventura County Waterworks District No. 1
Moorpark Water Services
Residential Commodity Rate History



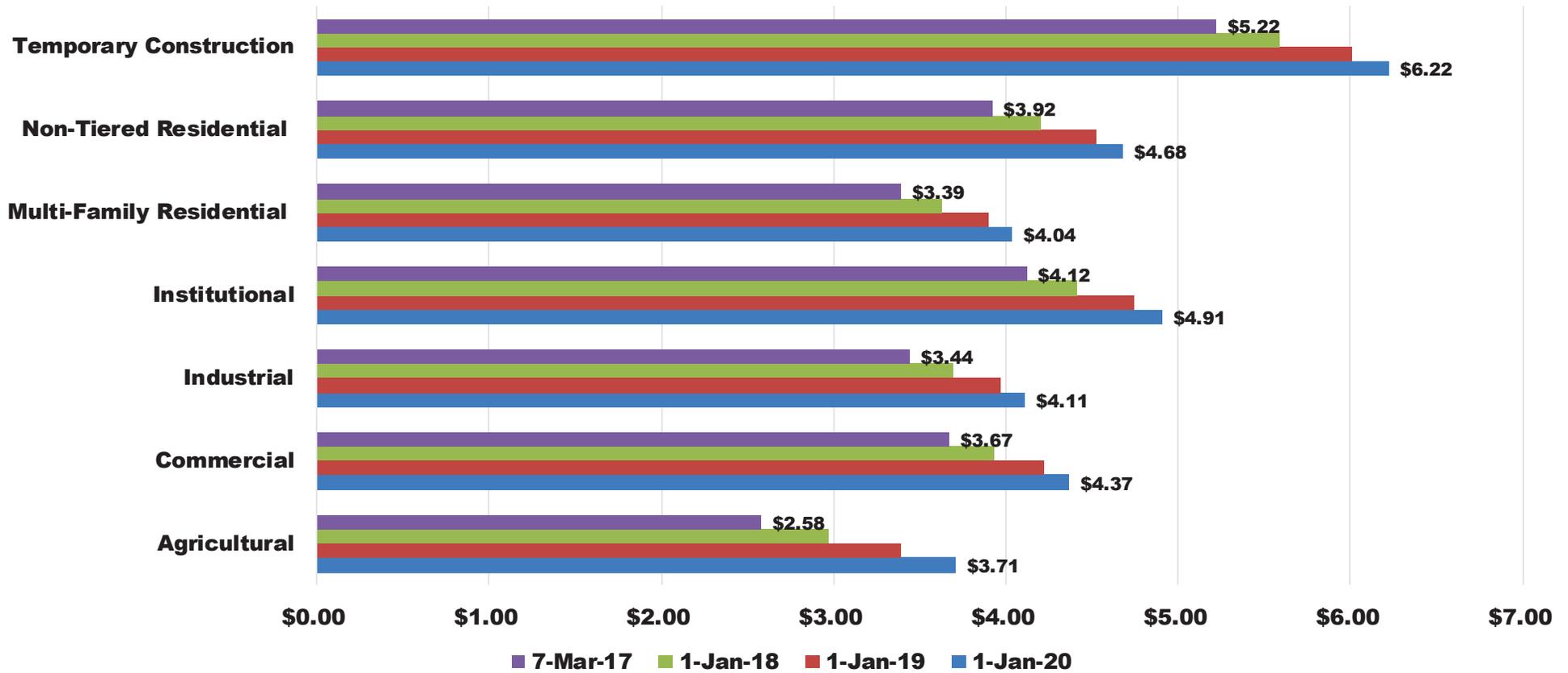
Ventura County Waterworks District No. 1

Moorpark Water Services

Meter Charge History



Ventura County Waterworks District No. 1
Moorpark Water Services
 Rate History - All Other Rate Categories



PUBLIC
VENTURA COUNTY
WORKS



QUESTIONS

September 12, 2019