

Ventura County Waterworks District No.38

Lake Sherwood Water Services CAC Meeting

Joe Pope
Director, Water and Sanitation Department
County of Ventura Public Works Agency
October 16, 2019

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Budgets and Factors Impacting Water Rates

- District 38 operates as an enterprise fund.
 - **No tax revenues**
- All expenses are paid by District 38 customers through water rates and charges.
- The goal of District 38 is to maintain a cash balance between \$5M and \$7M for each fiscal year to fund depreciation costs for infrastructure already in service for multiple years, but yet to be turned over to District 38.
- Annual budget for FY 2020: \$3.8 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

Ventura County Waterworks District No. 38
Lake Sherwood Water Services
Fiscal Year 2019-2020 Budget Analysis by Category

EXPENDITURES	FY19 Adopted Budget	FY20 Adopted Budget	Variance (\$)	Variance (%)
County & Agency Svcs	\$125	\$116	(\$9)	-7%
Imported Water Cost	\$2,296	\$2,727	\$432	19%
Operation & Maintenance	\$725	\$812	\$87	12%
Regulatory Permit Costs	\$10	\$9	(\$1)	-14%
System Maint, Repairs & Replc.	\$163	\$175	\$12	7%
Grand Total	\$3,319	\$3,839	\$520	16%

In thousands

The \$3.9M Budget is a \$520K (16%) increase from FY2019 Adopted budget

Ventura County Waterworks District No. 38
Lake Sherwood Water Services

FY20 Budgeted Expenditures vs. Revenue Analysis

SUMMARY:

Total Budgeted Expenditures

\$3,838,943

Total Estimated Revenue

\$3,777,130

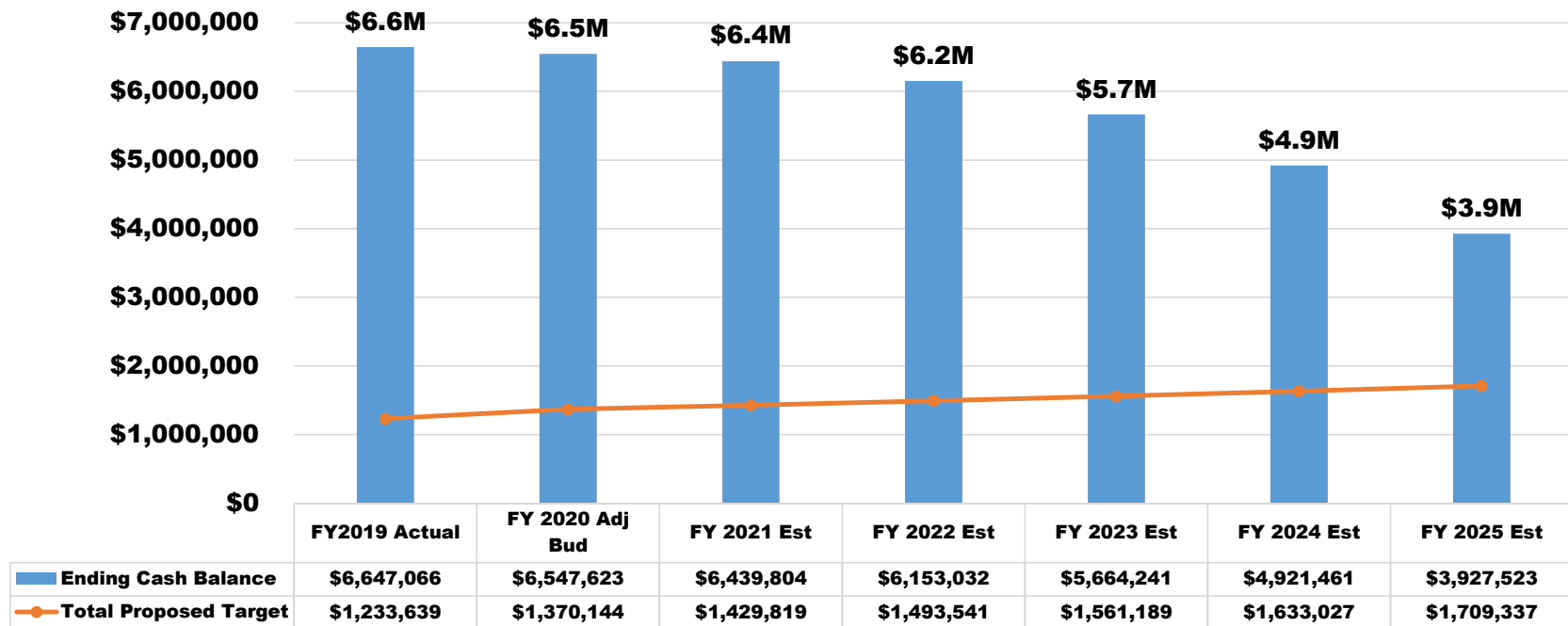
% of Expenditures Financed by Water Sales

98%

% of Expenditures Funded by Cash Reserves

2%

Ventura County Waterworks District No.38
 Lake Sherwood Water Services
 Cash Reserves Forecast with No Rate Increases



Reduction in Cash Reserves mainly due to operating losses

Ventura County Waterworks District No.38
 Lake Sherwood Water Services
 Proposed Rate Increase & Recommendation

Commodity Rates for Residential Customers			
Tier	Proposed Monthly Use (HCF)	Current 2019	Proposed 2020
1	0 - 10	\$3.61	\$3.74
2	>10 – 63	\$4.89	\$5.07
3	> 63	\$5.91	\$6.12
<i>Note: Rates per 100 Cubic Feet of Water (HCF)=748 Gallons</i>			

3.5% Commodity rate adjustment

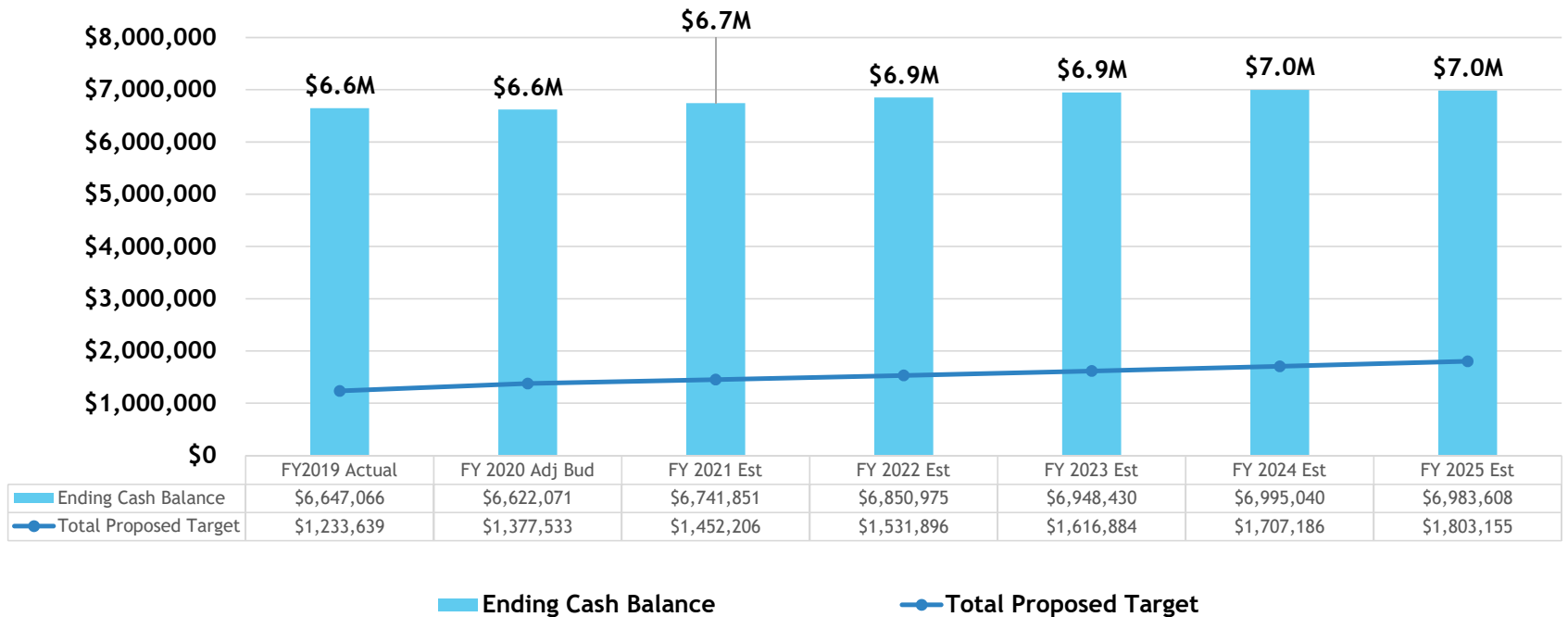
Commodity Rates for Other Customer Classes		
Customer Class	Current 2019	Proposed 2020
Residential Non-Tiered	\$5.34	\$5.53
Commercial	\$5.49	\$5.69
Institutional	\$5.49	\$5.69
Temporary Construction	\$4.56	\$4.72

Ventura County Waterworks District No.38
Lake Sherwood Water Services
 Proposed Rate Increase & Recommendation

- 9% Fixed meter charge increase

Monthly Meter Charges		
Meter Size	Current 2019	Proposed 2020
3/4-inch	\$17.80	\$19.41
1-inch	\$26.64	\$29.04
1 1/2-inch	\$48.75	\$53.14
2-inch	\$75.27	\$82.05
3-inch	\$159.25	\$173.59
4-inch	\$283.00	\$308.47
6-inch	\$579.14	\$631.27
Monthly Fireline Charges		
Meter Size	Current 2019	Proposed 2020
2-inch	\$6.88	\$7.50
3-inch	\$10.77	\$11.74
4-inch	\$17.80	\$19.41
6-inch	\$43.04	\$46.92
8-inch	\$86.59	\$94.39
<i>Note: Water used through private fire services will be charged at the temporary construction water rate</i>		

Ventura County Waterworks District No.38
Lake Sherwood Water Services
Cash Reserve Forecast with Recommended Rates



Proposed Water Rate Increases Impact on Residential Customers

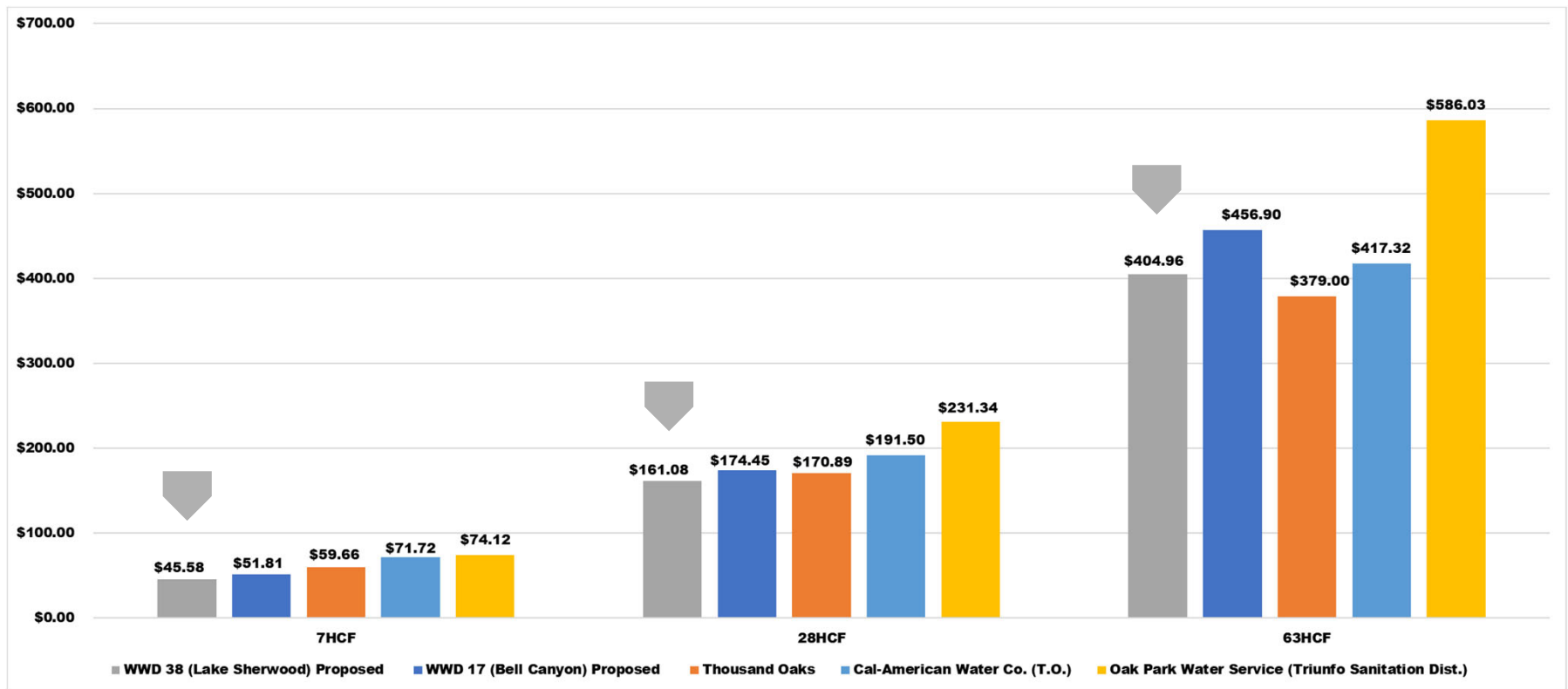
Meter Size	Median Bill	Monthly Increase \$ (%)
3/4"	\$274.40	\$10.23 (3.8%)
1"	\$766.04	\$28.30 (3.7%)



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

Ventura County Waterworks District No.38
Lake Sherwood Water Services

Comparison of Residential Water Bills



PUBLIC **VENTURA COUNTY** **WORKS**



*Operations &
Maintenance Team*

Questions?

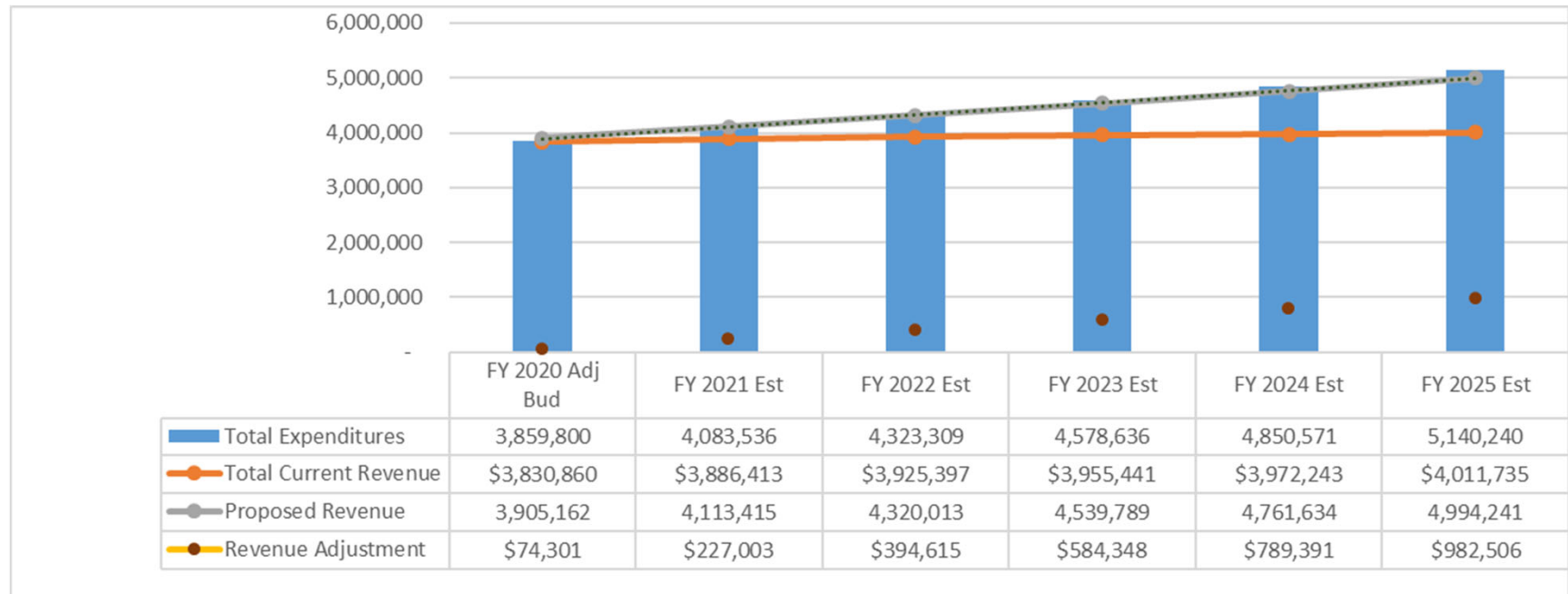
October 16, 2019



BACKUP

October 16, 2019

Ventura County Waterworks District No.38
 Lake Sherwood Water Services
Proposed Operating Plan With Recommended Rates



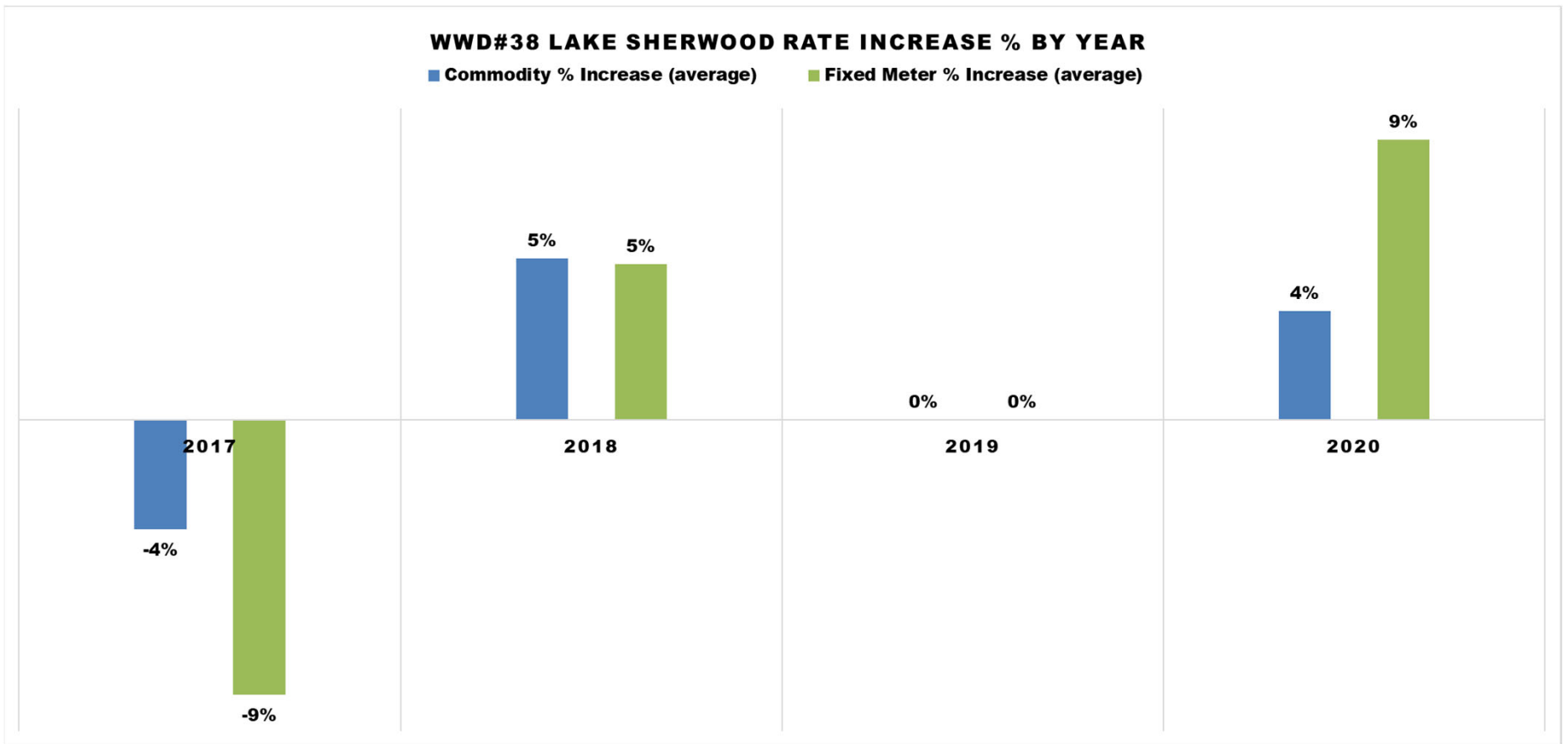
Illustrates the operating financial plan by comparing the existing and proposed revenues with projected expenses.

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.

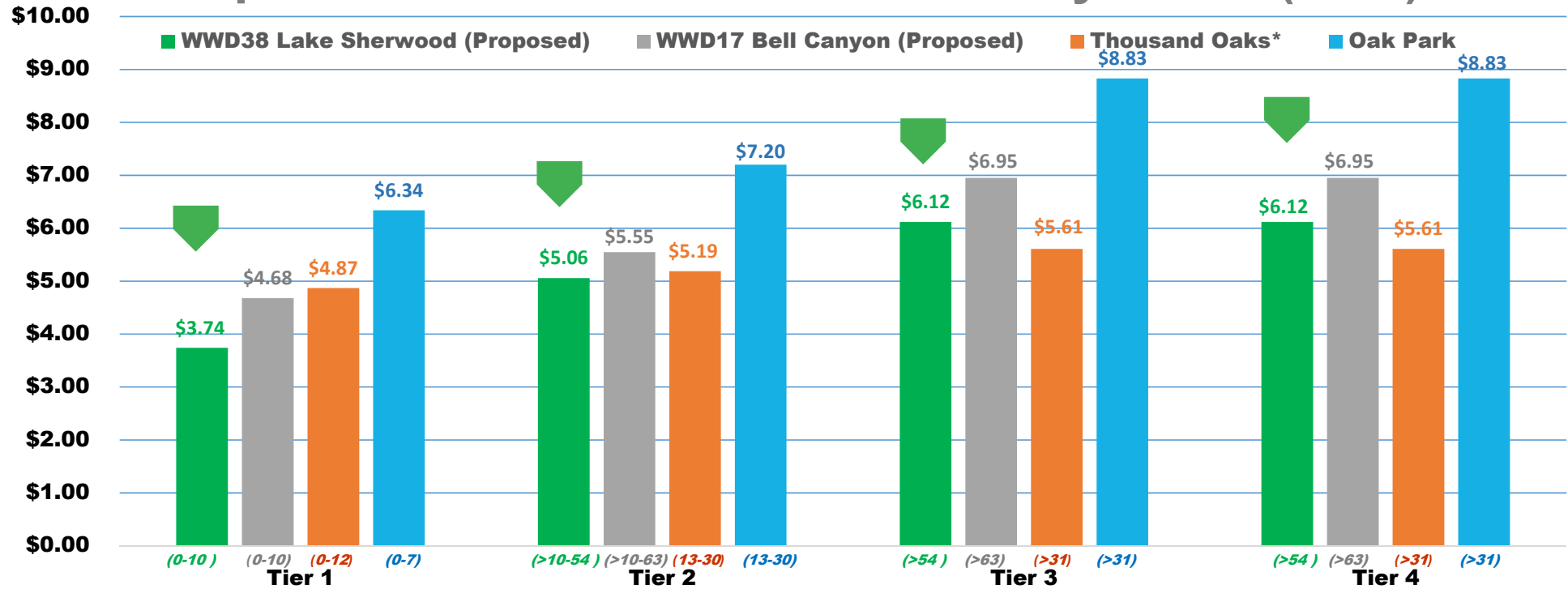
Note: Series of 6% applied to all given years for Commodity Rate and 9% for Fixed Rate

Ventura County Waterworks District No.38
Lake Sherwood Water Services
Rate History



Ventura County Waterworks District No.38
Lake Sherwood Water Services

Comparison of Residential Commodity Rates (HCF)

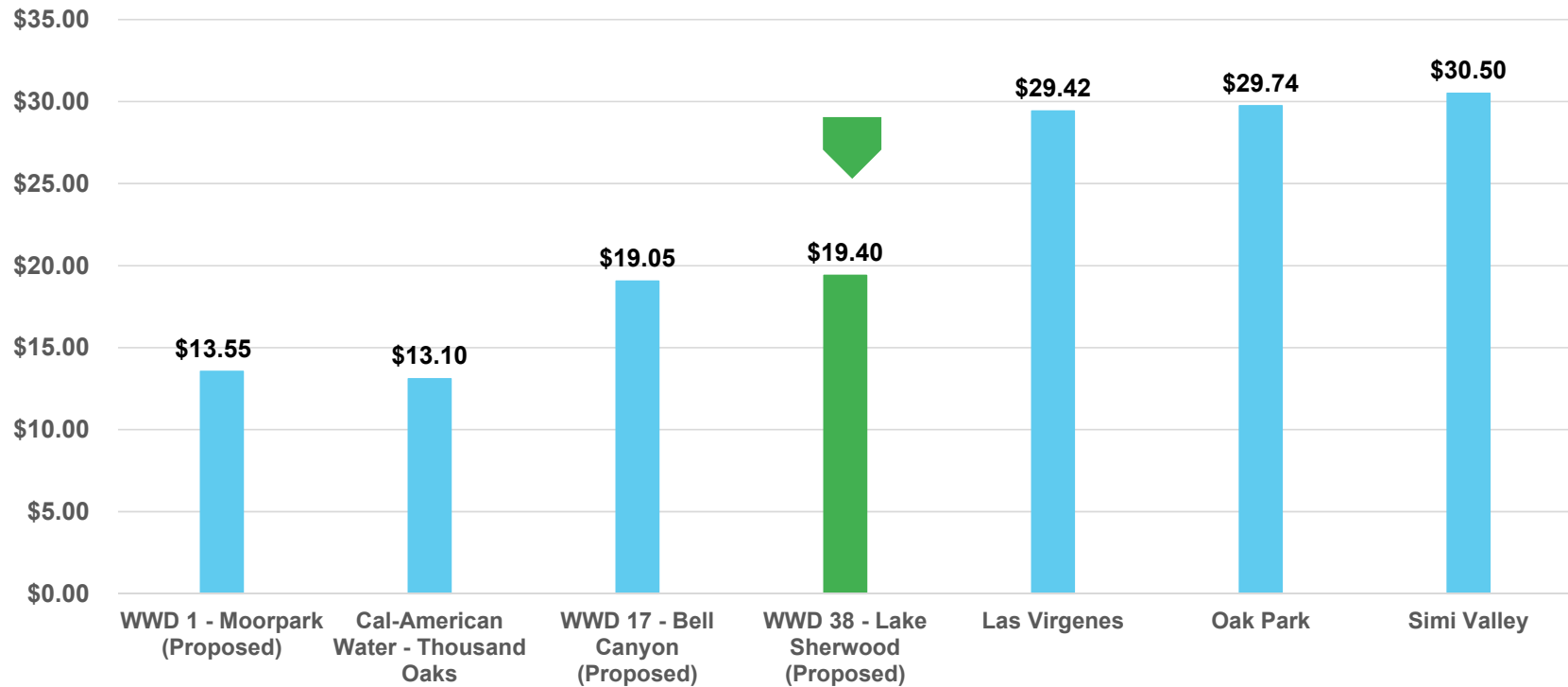


*Note: The City of Thousand Oaks does not include the pumping lift charge of \$.18 per unit

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.38
Lake Sherwood Water Services – Rate Increase History

396 Residential Customers with a ¾” Monthly Meter Charge



Ventura County Waterworks District No.38
Lake Sherwood Water Services
Rate Increase History

318 Residential Customers with a 1" Monthly Meter Charge

