

Regular Meeting
June 16, 2020
6:00 p.m.



1

NOTICE OF REGULAR MEETING OF BOARD OF DIRECTORS

June 16, 2020

Right to be heard: Members of the public have a right to address the Board directly on any item of interest to the public that is within the subject matter jurisdiction of the Board, provided that no action shall be taken on any item not appearing on the agenda unless the action is otherwise authorized by subdivision (b) of Section 54954.2.

Please Note: If you have comments on a specific agenda item(s), please fill out a comment card and return it to the Board Secretary. The Board President will call on you for your comments at the appropriate time, either before or during the Board's consideration of that item.

If you require special accommodations for attendance at or participation in this meeting, please notify our office 24 hours in advance at (805) 646-2114 (Govt. Code Section 94594.1 and 94594.2 (a))

Agenda

DUE TO THE OUTBREAK OF CORVID-19, ALL MEETINGS OF THE BOARD WILL BE CONDUCTED VIA TELECONFERENCE UNTIL FURTHER NOTICE

Please join my meeting from your computer, tablet or smartphone.
<https://www.gotomeet.me/MOWD/regularboardmeetingjune16>

United States (Toll Free): [1 877 309 2073](tel:18773092073)
Access Code: 883-737-109

New to GoToMeeting? Get the app now and be ready when your first meeting starts:
<https://global.gotomeeting.com/install/883737109>

The meeting will be called to order at 6:00 p.m.

1. Roll Call

2. Approval of Minutes: 5/19/2020, Regular Meeting

3. Public Comments

The Board will receive comments from the public at this time on any item of interest to the public that is not on the agenda that is within the subject matter jurisdiction of the legislative body, provided that no action shall be taken on any item not appearing on the agenda unless the action is otherwise authorized by subdivision (b) of Section 54954.2. Matters raised by public comment requiring Board action will be referred to staff or placed on a subsequent agenda where appropriate.

When addressing the Board, please state your name and address and limit your comments to three (3) minutes.

Please Note: If you have comments on specific agenda items, please fill out a comment card and return it to the Board Secretary. The Board President will call on you for your comments at the appropriate time, either before or during the Board's consideration of that item.

4. Closed Session: The Board of Directors will hold a closed session to discuss personnel matters or litigation, pursuant to attorney/client privilege, as authorized by Government Code Section 54957, 54956.8, & 54956.9 and 54957.

- **State Case: SBCK vs. SWRCB, San Francisco Superior Court, Case # CPF-14-513875**
- **Meiners Oaks Water District vs Moll, Ostling and Ojai Vista Farms 56-2018-00515474-CU-OR-VTA/**

5. Financial Matters

- **Approval of Payroll and Payables from May 16, 2020 to June 15, 2020 in the amount of:**

Payables – \$ 34,523.47

Payroll – \$ 37,421.87

Total – \$ 71,945.34

6. Board Discussion and/or Action

- a) Approve FY2018/2019 Financial Audit (C. Fanning)

Open Public Comment

Close Public Comment

Recommended Action: Approve FY 18/19 Financial Audit

- b) Approve Resolution 2020616-1 FY18/19 Financial Audit

Open Public Comment

Close Public Comment

Recommended Action: Approve Resolution 2020616-1

- c) Approve RFQ for legal services template and discussion of Attorney contact list

Open Public Comment

Close Public Comment

Recommended Action: Approve RFQ template and direct staff

- d) Approve customer notice "Pandemic Response" bill-stuffer

Open Public Comment

Close Public Comment

Recommended Action: Approve notice and direct staff.

- e) Discuss possible customer repayment plan options

Open Public Comment

Close Public Comment

Recommended Action: Discuss options and direct staff.

- f) Approval of grant agreement with VCRCD for the Ventura Watershed Flow Enhancement & Water Resiliency Regional Framework Project

Open Public Comment

Close Public Comment

Recommended Action: Approve Grant Agreement

- g) Approve draft FY2020/2021 Budget

Open Public Comment

Close Public Comment

Recommended Action: Approve FY 20/21 Budget

- h) Approve Resolution 2020616 FY 2020/2021 Budget

Open Public Comment

Close Public Comment

Recommended Action: Approve Resolution 2020616

- i) Approve Resolution 2020616-2 Consolidated General Election

Open Public Comment

Close Public Comment

Recommended Action: Approve Resolution 2020616-2

- j) Approve customer notice "Join Our Board" bill-stuffer

Open Public Comment

Close Public Comment

Recommended Action: Approve notice and direct staff

- k) Approve 2019 Consumer Confidence Report (CCR)

Open Public Comment

Close Public Comment

Recommended Action: Approve 2019 CCR

- l) Discuss values to endorse in the UVRGA Sustainability Goal

Open Public Comment

Close Public Comment

Recommended Action: Provide direction to Director Engle regarding MOWD's input on the GSA's Sustainability Goal.

7. General Manager's Report**8. Board Secretary's Report****9. Board Committee Reports**

- GSA Report (6/11/2020)
- Executive Committee Report
- Budget/Rate Committee Report
- Allocation Program Committee Report
- New Meters and Expansion Committee Report
- Emergency Preparedness Committee Report

10. Old Business

- State Water
- Ojai, Ventura Water Partnership
- Matilija Dam Removal Update
- Grant Projects - Nitrate removal and Blending
Cold Water Formation
- District Office Re-opening

11. Board of Directors Reports/Comments**12. Meeting Adjournment.**

Regular Meeting
May 19, 2020
6:00 pm

Meiners Oaks Water District

202 West El Roblar Drive
Ojai, CA 93023-2211
Phone 646-2114

MINUTES

The meeting was called to order at 6:00 pm.

1. Call to Order

The meeting was called to order by the Board President, Mike Etchart, at 6:04 pm via teleconference.

Present: Board President, Mike Etchart, Board Directors, James Kentosh, Mike Krumpschmidt, and Larry Harrold. Staff Present: General Manager, Mike Hollebrands, Board Secretary, Summer Ward and Attorneys, Lindsay Nielson, and Jeanne Zolezzi (6:11 pm).

Absent: None.

**** The Board went into closed session at 6:15 pm ****

2. Closed Session: The Board of Directors held a closed session to discuss personnel matters or litigation, pursuant to the attorney/client privilege, as authorized by Government Code Sections § 54957 & 54956.8, 54956.9 and 54957.

- Conference with Legal Counsel – Personnel §54957 (b)(4) G.M. Review
- State Case: SBCK vs. SWRCB, San Francisco Superior Court, Case # CPF-14-513875
- Meiners Oaks Water District vs. Moll, Ostling and Ojai Vista Farms 56-2018-00515474-CU-OR-VTA/
- Conference with Legal Counsel – Personnel §54957(b)(4)

**** The Board adjourned closed session at 8:02 pm. ****

Attorney Nielson stated that in closed session, the Board discussed current ongoing litigation and personnel matters. No actions were taken, and no decisions were made during this closed session.

3. Approval of the Minutes

Approval of April 21, 2020, Regular Meeting minutes:

Director Krumpschmidt made the motion to approve April 21, 2020, Regular Meeting minutes, with requested revisions. Director Harrold seconded the motion.

No public comments.

Krumpschmidt/Harrold

Roll Call Vote:

Etchart – Y Engle – Y Harrold – Y Kentosh – Y Krumpschmidt – Y

All Ayes

M/S/C

4. Public Comments

- Beth Von Gunten was present, provided a statement of attendance, and added that she has found it works best if everyone mutes their line, unless speaking, to prevent unnecessary background noise during teleconferences.

5. Financial Matters

Approval of Payroll and Payables from April 16 to May 15, 2020, in the amount of:

Payables -	\$ 94,751.85
Payroll -	<u>\$ 38,125.85</u>
Total -	\$ 132,877.70

Director Harrold made the motion to approve the Payroll and Payables from April 16 to May 15, 2020. Director Kentosh seconded the motion.

Public Comment:

No Public Comments.

Harrold/Kentosh

Roll Call Vote:

Etchart – Y Engle – Y Harrold – Y Kentosh – Y Krumpschmidt – Y

All Ayes

M/S/C

6. Board Discussion/Actions

a) Discussion and Approval of Draft FY 2020/2021 Budget

Director Kentosh reported that the Committee met at the end of April. The Budget & Rate Committee recommends in light of the COVID-19 pandemic, postponing the Prop 218 Rate increase, until after the emergency resolves.

Director Krumpschmidt stated that the idea was to raise the rates for infrastructure. The District reserves are currently at \$1.6 million (Board Adopted minimum Reserve of \$500,000). The Committee's proposed budget reduces the reserves down to \$1.2 million, noting that the upcoming Treatment Plant project is coming soon, so we cannot let the reserves get too low.

Mr. Hollebrands added that the Committee discussed postponing \$250,000 in capital projects, to help offset the delay in increasing the water rates. Additionally, Mr. Hollebrands stated that Casitas Municipal Water District is holding a Prop 218 pass-through charge as a CMWD customer.

Director Engle requested clarification on the "Revenue Breakdown" as it relates to the "over-allocation fee," and if the revenue from this fee is not part of the budget, why is it included on the breakdown calculations. Mr. Hollebrands explained that the over-allocation revenue is not included for budgetary purposes; however, it is used for other purposes. Mr. Hollebrands agreed to reformat the "Revenue Breakdown" sheet.

Mr. Hollebrands stated that he would like the Board to approve increasing the over-allocation fee from \$1 to \$2.34/unit. The intent of the fee is to encourage customers to conserve water, a \$1 fee on top of what they pay per unit, is not motivating to customers. Mr. Hollebrands proposes increasing the fee by \$1.34, for an over-allocation fee of \$2.34, which would be charged per unit that the customer exceeds their allocation. The current water rate is \$2.34/unit, with over-allocation fee comes to \$3.34/unit consumed over the allocation with proposed water rate comes to \$4.68/unit consumed over the allocation.

Director Kentosh expressed concern that the proposed fee structure may appear to be a tiered structure. Additionally, Director Kentosh stated that the over-allocation fee is a conservation penalty, not a cost of water fee; however, Director Kentosh requested Attorney Nielson research and let the Board know if a Prop 218 is required to increase the over-allocation fee.

Director Engle asked the Committee about how the new Allocation Program is reflected in the proposed budget. The Committee said that, the new A.P. is not reflected, as the allocations have not yet been set, and provided to the Committee. Director Engle requested that the Committee present the information in a table format with side by side comparisons, and include which projects were identified for postponement.

No Public Comment

No motion Budget Committee to meet and present revised Budget next meeting.

b) Attorney RFP – Board Selection Process

Mr. Hollebrands introduced the topic of starting the request for proposals process for legal services, as Mr. Nielson is retiring. Mr. Hollebrands explained that the UVRGA recently went through an RFP for Legal Services, and we could use the template as a starting point. Ms. Ward agreed to edit the UVRGA template for MOWD.

Director Krumpschmidt stated that he would like the District to cast a wide net. Director Etchart will schedule an Executive Committee meeting within 30 days, with the plan to present the RFP for Legal Services Template at the June Regular meeting, all proposals received will be included in the meeting packet along with a summary table.

No Public Comments

c) Discussion of CMWD Prop 218 Hearing: Water Rights & MOWD Implications

Mr. Hollebrands presented the notice received regarding the Casitas Prop 218 for rate increase due to legal expenses in the adjudication lawsuit.

Director Kentosh asked if a member of the Board should attend the hearing.

Director Etchart stated that he plans to participate as a Casitas customer.

No Public Comments

d) Employee Survey

Director Etchart reported that the Board is planning to continue the Employee Surveys, seeking input from Staff three times a year. It is best practice to keep engaged with Staff throughout the year. The process will be the same, with a written survey from Staff directly to the Board President, considering the use of teleconferencing to follow-up with Staff, as appropriate.

Director Krumpschmidt stated that it is prudent for us to see how things are working and make any necessary adjustments. Additionally, Director Krumpschmidt stated that he has been caring for his (now deceased) Mother-in-Law, and has not been able to make progress on the Employee Manual revisions. Director Krumpschmidt stated that the electronic version is too difficult to use for this purpose and requested a hardcopy. Ms. Ward to print a hardcopy and deliver to Director Krumpschmidt's house. Director Krumpschmidt asked that Mr. Hollebrands order additional hard copies to keep in the office.

The Board agreed with proceeding forward with the employee survey.

7. General Manager's Report

• **District Operations & Maintenance Report**

Mr. Hollebrands provided a summary of operations and maintenance activities.

Mr. Hollebrands reported that he had discussed plans to repopulate the District Office on June 1. Mr. Hollebrands stated that he has already

completed the County Attestation form online; he installed 2 plexiglass barriers at the front counter and will limit entrance to 1 customer in the office at a time, with social distancing signage and markers. The COVID-19 plans and documents will be added to the District Emergency Response Plan, as required.

The Board discussed whether customers would be required to wear face coverings/masks when entering the office. Director Etchart recommended to be prudent and to err on the side of safety and require face coverings/masks. The Board also discussed if the office staff would be required to wear a face-covering all day or just during customer transactions. The Board agreed that due to enough physical space between Staff that a mask would only need to be worn when at the counter. Director Etchart also stated that we should remain flexible, as we do not know if this will become seasonal; it is important to stay flexible with operations. Director Engle posed the question of why, why is the District in a rush to reopen if operations are continuing and work is being done remotely, we need to proceed with an abundance of caution with such a small staff.

The Board consensus was to continue to work remotely until this is revisited at the June Regular meeting.

Public Comment:

Elizabeth Von Gunten: She is uniquely susceptible to this virus; she has outlived her prognosis for over 20 years. Social distancing is critical, it is much easier to prevent than to recover. Masks are not preventing the user from being exposed. Still, it helps protect others, it is necessary to limit liability, and it is more about shared air than the 6 feet apart, consider reconfiguring the front counter area. Also, consider addressing the HVAC system in the future.

Mr. Hollebrands continued with his G.M. Report. The field operators will not be doing rounds at Wells 4 & 7, due to an incident over the weekend involving our Field Operator and 3 assailants who were disgruntled that the Land Conservancy had closed off the swimming areas in the river bottom. Our Staff had to lock himself in the well housing to avoid confrontation with the group. Mr. Hollebrands reported the incident to Larry Rose of the Land Conservancy and will be contacting the Sheriff's Department to request police escort on the weekends down to those wells.

Mr. Hollebrands reported that weed abatement continues, the District has stopped using Roundup and has switched to a safer herbicide. The capital project at Zone 2 (lateral 6" line Meiners Rd/Hwy33), Toro bid was approved, and the contract has been signed, materials are being ordered, no start date scheduled yet. The job is estimated to take 10-15 days.

Director Krumpschmidt requested an update on the office reconfiguration, including moving the G.M. desk to the Conference Room and adding privacy partitions and any other items necessary for making the transition. Director Krumpschmidt said that doing this work while the office is closed to the public, would be ideal.

Public Comment:

Elizabeth Von Gunten: 1) Requested clarification that no one will be going to those two wells alone; 2) Goats are effective at weed abatement.

8. Board Committee Reports

- **Upper Ventura River GSA:** Director Engle reported that the UVRGA authorized the GSP Technical Team to create a numeric hydrogeologic model; adopted the FY 2020/2021 Budget and 5-Year Projections. Some costs are increasing, so the Board agreed to reduce the reserves to help offset rates.
- **Executive Committee:** No update.
- **Budget/Rate Committee:** Discussed Agenda Item 6(a)
- **Allocation Program Committee:** No update.
- **New Meters and Expansion Committee:** No update.
- **Emergency Management Committee:** No update – Active COVID-19 Emergency

9. Old Business

- **State Water:** No update.
- **Ojai, Ventura Water Partnership:** Mr. Hollebrands reported the group met 5/8/2020; discussions included Interagency Agreements, timelines, and Casitas consideration of Drought Stage II. Of note, Casitas stopped diverting water from the river yesterday.
- **Matilija Dam Removal Update:** No update.
- **Grant Projects:** No update.

10. Board of Directors' Reports/Comments

Mr. Harrold: No report.

Mr. Krumpschmidt: Have we heard from Ted Moore? Mr. Hollebrands responded, no.

Mr. Kentosh: No report.

Mr. Etchart: No longer diverting out of the Ventura River.

Ms. Engle: No report.

11. Meeting Adjournment

There being no further business to conduct at this time, Board President Mike Etchart adjourned the meeting at 10:14 pm.

President

Secretary



Meiner's Oaks County Water District, CA

Check Report

By Vendor Name

Date Range: 05/16/2020 - 06/15/2020

Vendor Number Payable #	Vendor Name Payable Type	Post Date	Payment Date Payable Description	Payment Type	Discount Amount Discount Amount	Payment Amount Payable Amount	Number
Bank Code: AP Bank-AP Bank							
AQUA-F 511526362	Aqua-Flo Supply Invoice	05/05/2020	06/11/2020 Ball Valve, Brass Nipple, Metal Flange, etc.	Regular	0.00 0.00	97.88 97.88	9212
AT&T 01340520	AT&T Invoice	05/13/2020	05/27/2020 Office Phones	Regular	0.00 0.00	191.74 191.74	9201
AT&T 08330520	AT&T Invoice	05/19/2020	06/11/2020 Office Phones	Regular	0.00 0.00	534.04 534.04	9213
ERICKSON 3425036	Bradley Erickson Invoice	06/10/2020	06/11/2020 Clothing/Uniform	Regular	0.00 0.00	200.00 200.00	9214
CALPERS INV0001445	California Public Employees' Retirement Invoice	05/15/2020	05/31/2020 Health	Bank Draft	0.00 0.00	4,458.40 4,458.40	DFT0000972
CALPERS 052620	California Public Employees' Retirement Invoice	05/26/2020	05/26/2020 Retired Premium	Bank Draft	0.00 0.00	419.64 419.64	DFT0000981
CALPERS INV0001458	California Public Employees' Retirement Invoice	05/29/2020	05/31/2020 Health	Bank Draft	0.00 0.00	4,458.32 4,458.32	DFT0000984
CAL-STATE 155886 156251	Cal-State Invoice Invoice	05/18/2020 05/23/2020	05/27/2020 Portable Toilet Portable Toilet	Regular	0.00 0.00 0.00	206.09 104.73 101.36	9202
CMWD 261150520 262000520 300650520	Casitas Municipal Water District Invoice Invoice Invoice	05/29/2020 05/29/2020 05/29/2020	06/11/2020 Fairview Standby Hartmann Allocation Tico & La Luna Standby	Regular	0.00 0.00 0.00 0.00	1,500.48 665.71 169.06 665.71	9215
CLEANCO 1187	Cleancoast Janitorial Invoice	05/29/2020	06/11/2020 May 2020 Janitorial	Regular	0.00 0.00	300.00 300.00	9216
VCRMA IN0201358	County of Ventura, RMA Invoice	05/01/2020	05/27/2020 Cross Connection	Regular	0.00 0.00	263.44 263.44	9203
EJHAR 281300520 994260520	E. J. Harrison Roloffs, Inc. Invoice Invoice	05/15/2020 05/15/2020	05/27/2020 Office Trash 3 Yard Dumpster	Regular	0.00 0.00 0.00	283.84 64.15 219.69	9204
FGLENV 005850A 005851A	FGL Environmental Invoice Invoice	05/15/2020 05/15/2020	05/27/2020 Samples Samples	Regular	0.00 0.00 0.00	118.00 33.00 85.00	9205
FGLENV 005563A 005564A 005565A 005977A 006202A 006203A 006532A 006868A	FGL Environmental Invoice Invoice Invoice Invoice Invoice Invoice Invoice Invoice	05/29/2020 05/29/2020 05/29/2020 05/29/2020 05/22/2020 06/04/2020 05/27/2020 06/04/2020	06/11/2020 Samples Samples Samples Samples Samples Samples Samples Samples	Regular	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00	3,053.00 758.00 758.00 758.00 30.00 85.00 494.00 85.00 85.00	9217
GUARDIAN INV0001447 INV0001459	Guardian Invoice Invoice	05/15/2020 05/29/2020	05/27/2020 Dental Dental	Regular	0.00 0.00 0.00	745.44 372.75 372.69	9199

Check Report

Date Range: 05/16/2020 - 06/15/2020

Vendor Number Payable #	Vendor Name Payable Type	Post Date	Payment Date Payable Description	Payment Type	Discount Amount Discount Amount	Payment Amount Payable Amount	Number
HLTHNE 61790520	Health Net Life Insurance Company Invoice	05/07/2020	05/27/2020 Life Insurance	Regular	0.00 0.00	43.35 43.35	9206
NEILSON 34880520	Law Offices of Lindsay F. Nielson Invoice	05/11/2020	05/27/2020 Attorney Fees	Regular	0.00 0.00	1,520.00 1,520.00	9207
MOHARD 923110 923366 924415 924413 924907 924966 925156 925201 925362 925528 925537 925796 925809 925925 925951 925961 925974 926039	Meiners Oaks Hardware Invoice Invoice Invoice Invoice Invoice Invoice Invoice Invoice Invoice Invoice Invoice Invoice Invoice Invoice Invoice Invoice Invoice Invoice	05/01/2020 05/01/2020 05/11/2020 05/11/2020 05/15/2020 05/15/2020 05/17/2020 05/17/2020 05/19/2020 05/20/2020 05/20/2020 05/22/2020 05/22/2020 05/23/2020 05/23/2020 05/23/2020 05/23/2020 05/24/2020	06/11/2020 Batteries Gas Can Bolts & Screws, Acrylic Sheet, Chain, etc. Gorilla Tape Ceiling Hook, Corner Pin Blower Supplies for Plexiglass Shield Supplies for Plexiglass Shield Chemical Sprayer Bottle Bolts & Screws Towels, Marking Paint TP By-Pass Valve Seal Thread, Valveball, Bender Tubing, etc Plastic Lid, Plastic Bucket Connectors, Bolts & Screws, Ball Valve, etc Nipple, PVC Adapters Elbows, Couplings Marking Paint, Thread Tee, Brass Hex Bus	Regular	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00	617.90 33.16 19.29 126.28 8.39 11.86 214.49 3.21 16.65 6.42 0.97 32.56 12.68 48.32 19.85 22.55 9.33 2.17 29.72	9218
MITEC 61704	MiTec Solutions LLC Invoice	05/15/2020	05/27/2020 Splashtop, Antivirus	Regular	0.00 0.00	20.00 20.00	9208
MITEC 62060 62119	MiTec Solutions LLC Invoice Invoice	06/01/2020 06/01/2020	06/11/2020 Exvhange/Web Hosting Off-Site Back Up	Regular	0.00 0.00 0.00	255.89 206.89 49.00	9220
PATHIAN INV0001449 INV0001461	Pathian Administrators Invoice Invoice	05/15/2020 05/29/2020	05/27/2020 HSBS HSBS	Regular	0.00 0.00 0.00	106.13 53.07 53.06	9200
PATHIAN 41375.2	Pathian Administrators Invoice	05/27/2020	05/27/2020 Vision	Regular	0.00 0.00	3.75 3.75	9209
PERS INV0001445	Public Employees' Retirement System Invoice	05/15/2020	05/31/2020 457 Withholdings	Bank Draft	0.00 0.00	150.00 150.00	DFT0000971
PERS INV0001448	Public Employees' Retirement System Invoice	05/15/2020	05/31/2020 PERS	Bank Draft	0.00 0.00	2,516.86 2,516.86	DFT0000973
PERS INV0001457	Public Employees' Retirement System Invoice	05/29/2020	05/31/2020 457 Withholdings	Bank Draft	0.00 0.00	150.00 150.00	DFT0000983
PERS INV0001460	Public Employees' Retirement System Invoice	05/29/2020	05/31/2020 PERS	Bank Draft	0.00 0.00	2,361.39 2,361.39	DFT0000985
PERS 10000001605544	Public Employees' Retirement System Invoice	06/01/2020	06/10/2020 Unfunded Accrued Liability	Bank Draft	0.00 0.00	1,694.90 1,694.90	DFT0000993
PERS 10000001605545	Public Employees' Retirement System Invoice	06/01/2020	06/10/2020 Unfunded Accrued Liability	Bank Draft	0.00 0.00	72.79 72.79	DFT0000994

Check Report

Date Range: 05/16/2020 - 06/15/2020

Vendor Number Payable # -	Vendor Name Payable Type	Post Date	Payment Date Payable Description	Payment Type	Discount Amount	Payment Amount	Number
					Discount Amount	Payable Amount	
SCE	Southern California Edison Co.		06/11/2020	Regular		0.00	5,566.58 9221
OFFELE0620	Invoice	06/10/2020	Office Electricity		0.00	164.03	
TNKFRM0620	Invoice	06/10/2020	Tank Farm		0.00	21.79	
WELL1-0620	Invoice	06/10/2020	Well 1		0.00	958.12	
WELL2-0620	Invoice	06/10/2020	Well 2		0.00	771.62	
WELL4&70620	Invoice	06/10/2020	Well 4&7		0.00	2,954.94	
WELL80620	Invoice	06/10/2020	Well 8		0.00	99.53	
Z_FIR0620	Invoice	06/10/2020	Zone 2 Fire		0.00	141.99	
Z-20620	Invoice	06/10/2020	Zone 2		0.00	96.87	
Z-2PWR0620	Invoice	06/10/2020	Zone 2 Power		0.00	344.06	
Z-3FIR0620	Invoice	06/10/2020	Zone 3 Fire		0.00	13.63	
SCGAS	Southern California Gas Co.		06/11/2020	Regular		0.00	3.35 9222
0326	Invoice	05/28/2020	Office Heat		0.00	3.35	
UAOFSC	Underground Service Alert of So. Ca.		06/11/2020	Regular		0.00	68.65 9223
520200437	Invoice	06/01/2020	Digalert		0.00	51.25	
dsb20192862	Invoice	06/01/2020	Digalert		0.00	17.40	
USBANK	US Bank Corporate Pmt. System		06/11/2020	Regular		0.00	1,660.09 9224
DODGE0504	Invoice	05/04/2020	Maintenance on Brad's Truck		0.00	837.17	
FGS0505	Invoice	05/05/2020	Pesticides		0.00	191.35	
FGS0519	Invoice	05/19/2020	Pesticides/Pump		0.00	244.60	
LOGMEIN051820	Invoice	05/18/2020	Web Conferencing		0.00	228.03	
OFFDEP0504	Invoice	05/04/2020	Mousepad, Calculator, Stamp, etc.		0.00	132.01	
QVWASH0424	Invoice	05/01/2020	Truck Wash		0.00	13.00	
PRIME052020	Invoice	05/20/2020	Membership		0.00	13.93	
VERIZON	Verizon Wireless		06/11/2020	Regular		0.00	321.01 9225
9855480610	Invoice	05/26/2020	Cell Phones		0.00	321.01	
WREA	Water Resource Engineering Associates		06/11/2020	Regular		0.00	217.50 9226
3295-13	Invoice	06/01/2020	Hwy 33 Pipeline Relocation/Replacement		0.00	217.50	
WRIGHT EXP	WEX Bank		05/27/2020	Regular		0.00	343.02 9210
65479715	Invoice	05/15/2020	Fuel		0.00	343.02	

Bank Code AP Bank Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	74	26	0.00	18,241.17
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	9	9	0.00	16,282.30
EFT's	0	0	0.00	0.00
	83	35	0.00	34,523.47

PR \$37,421.87

Meiners Oaks Water District

Report of Expenses and Budget Appropriations, Current Bills and Appropriations To Date

Expenditures	Month of May	Year To Date	Budget Approp	Approp Bal 05/31/20	Current June	Approp Bal To Date
Salary / Taxes	37,888.77	416,821.40	500,000.00	83,178.60	-	83,178.60
Payroll Taxes	2,900.03	34,264.57	45,000.00	10,735.43	-	10,735.43
Retirement Contributions	4,319.04	47,603.60	42,000.00	(5,603.60)	-	(5,603.60)
Group Insurance	8,648.86	86,273.01	78,000.00	(8,273.01)	-	(8,273.01)
Company Uniforms	-	2,495.45	2,000.00	(495.45)	200.00	(695.45)
Phone Office	725.78	8,892.75	9,000.00	107.25	-	107.25
Janitorial Service	506.09	5,648.70	4,500.00	(1,148.70)	-	(1,148.70)
Refuse Disposal	283.84	3,018.74	3,100.00	81.26	-	81.26
Liability Insurance	-	27,225.13	27,000.00	(225.13)	-	(225.13)
Workers Compensation	-	13,984.93	18,000.00	4,015.07	-	4,015.07
Wells	-	4,010.15	10,000.00	5,989.85	-	5,989.85
Truck Maintenance	850.17	8,058.16	3,000.00	(5,058.16)	-	(5,058.16)
Office Equip. Maintenance	775.57	4,534.34	6,000.00	1,465.66	-	1,465.66
Cell Phones	321.01	3,519.02	4,000.00	480.98	-	480.98
System Maintenance	660.84	48,915.83	75,000.00	26,084.17	-	26,084.17
Safety Equipment	-	2,764.45	3,000.00	235.55	-	235.55
Laboratory Services	2,677.00	8,812.00	12,000.00	3,188.00	579.00	2,609.00
Membership and Dues	-	7,720.00	8,000.00	280.00	-	280.00
Printing and Binding	-	3,009.01	500.00	(2,509.01)	-	(2,509.01)
Office Supplies	540.36	7,584.54	5,000.00	(2,584.54)	-	(2,584.54)
Postage and Express	-	10,771.98	13,000.00	2,228.02	-	2,228.02
B.O.D. Fees	900.00	14,050.00	15,000.00	950.00	-	950.00
Engineering & Technical Services	1,463.67	28,787.21	50,000.00	21,212.79	217.50	20,995.29
Computer Services	422.14	16,230.59	15,000.00	(1,230.59)	255.89	(1,486.48)
Other Prof. & Regulatory Fees	302.39	29,721.58	45,000.00	15,278.42	68.65	15,209.77
Public and Legal Notices	-	-	2,000.00	2,000.00	-	2,000.00
Attorney Fees	6,145.00	85,680.25	90,000.00	4,319.75	-	4,319.75
GSA Fees	-	72,214.82	50,000.00	(22,214.82)	-	(22,214.82)
VR/SBC/City of VTA Law Suit	-	31,839.54	100,000.00	68,160.46	-	68,160.46
State Water	-	-	35,000.00	35,000.00	-	35,000.00
Audit Fees	-	13,700.00	22,000.00	8,300.00	-	8,300.00
Small Tools	282.10	3,286.81	2,500.00	(786.81)	-	(786.81)
Election Supplies	-	-	-	-	-	-
Water Purchase	-	-	75,000.00	75,000.00	-	75,000.00
CMWD Standby Charges	1,500.48	16,328.34	17,000.00	671.66	-	671.66
Treatment Plant	42.40	5,986.17	20,000.00	14,013.83	-	14,013.83
Fuel	343.02	10,869.00	10,000.00	(869.00)	-	(869.00)
Travel Exp./Seminars	-	690.51	2,000.00	1,309.49	-	1,309.49
Utilities	113.16	1,987.50	3,500.00	1,512.50	164.03	1,348.47
Power and Pumping	3,851.58	58,850.95	80,000.00	21,149.05	5,402.55	15,746.50
Meters	2,552.59	11,227.19	10,000.00	(1,227.19)	-	(1,227.19)
Total Expenditures	79,015.89	1,157,378.22	1,512,100.00	354,721.78	6,887.62	347,834.16

Water Distribution System	-	-	-	-	-	-
Automating Fairview Conn. Design	-	-	20,000.00	20,000.00	-	20,000.00
Well 8 Nitrate Removal/Blending	-	-	25,000.00	25,000.00	-	25,000.00
4 Valve Replacements/Deadends	-	-	50,000.00	50,000.00	-	50,000.00
Relocate 6" Main for Z-2	-	9,875.00	100,000.00	90,125.00	-	90,125.00
EI Sol to Lomita Tie-In	-	-	50,000.00	50,000.00	-	50,000.00
R1 & 2 Well Conditions Report	-	-	25,000.00	25,000.00	-	25,000.00
Structures and Improvements	-	-	-	-	-	-
Generator/Panel Upgrades	-	151,787.28	155,000.00	3,212.72	-	3,212.72
T.P. Final Eng/Permitting/PH-2	-	15,207.00	150,000.00	134,793.00	-	134,793.00
Well 4 Development Work	-	92,263.16	25,000.00	(67,263.16)	-	(67,263.16)
Furniture and Fixtures	-	-	-	-	-	-
General Managers Desk	-	-	2,000.00	2,000.00	-	2,000.00
Field Equipment	-	-	-	-	-	-
T.P. Computer/Programming	-	-	-	-	-	-
Appropriations for Contingencies	-	42,840.72	100,000.00	57,159.28	-	57,159.28
Total CIP Spending	-	311,973.16	702,000.00	390,026.84	-	390,026.84

GRAND TOTAL	79,015.89	1,469,351.38	2,214,100.00	744,748.62	6,887.62	737,861.00
--------------------	------------------	---------------------	---------------------	-------------------	-----------------	-------------------

Report of Income as of 5/31/2020

Income	Month of May	Year To Date	Budget Approp	Approp Bal 07/31/19
Interest	3,190.24	36,603.01	--	36,603.01
Taxes	1,191.17	166,891.83	--	166,891.83
Pumping Charges	266.16	3,502.46	--	3,502.46
Fire Protection	67.34	1,614.85	--	1,614.85
Meter & Inst. Fees		--	--	--
Water Sales	29,212.79	586,679.65	692,256.00	105,576.35
¹ Casitas Water/Standby	853.25	8,604.34	--	8,604.34
MWAC Charges	54,793.92	602,998.13	770,484.00	167,485.87
MCC Chg.	5,858.38	69,691.34	80,000.00	10,308.66
² Misc. Income	2,689.12	42,418.10	--	42,418.10
Late & Delinquent Chgs.	161.13	23,828.62	--	23,828.62
Conservation Penalty		--	--	--
Capital Improvement		--	--	--
Drought Surcharge	1,263.59	38,465.14	--	38,465.14
		--	--	--
		--	--	--
		--	--	--
TOTAL INCOME	99,547.09	1,581,297.47	1,542,740.00	(38,557.47)

Note:

¹ This line item is necessary because these sales are tracked in the expenditures

² This line item could includes things such as:

Recycled meters and scrap metal

Employee payments for insurance payouts

DRAFT (6-5-2020)

MEINERS OAKS WATER DISTRICT

Financial Statements for the
Years Ended June 30, 2019 and 2018
And Independent Auditor's Report

Fanning & Karrh

Certified Public Accountants

A Professional Corporation

DRAFT (6-5-2020)

MEINERS OAKS WATER DISTRICT Table of Contents

	<u>Page</u>
Governing Board of Directors and Management	1
Independent Auditor's Report	2 - 3
Management's Discussion and Analysis	4 - 7
Statements of Net Position, June 30, 2019 and 2018	8
Statements of Revenues and Expenses and Changes in Net Position for the Years Ended June 30, 2019 and 2018	9
Statements of Cash Flow for the Years Ended June 30, 2019 and 2018	10
Notes to the Financial Statements	11 - 21
<u>Required Supplementary Information</u>	
Cost Sharing Defined Benefit Pension Plan - Schedule of Proportionate Share of Net Pension Liability and Schedule of Contributions	22
Schedule of Changes in the Net OPEB Liability and Related Ratios	23
<u>Other Report</u>	
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	24 - 25

DRAFT (6-5-2020)

MEINERS OAKS WATER DISTRICT
Governing Board of Directors and Management
June 30, 2019

<u>Name</u>	<u>Position</u>
<u>Governing Board of Directors:</u>	
Mike Etchart	President
Jim Kentosh	Vice President
Mike Krumpschmidt	Director
Larry Harrold	Director
Diana Engle	Director
<u>Management:</u>	
Mike Hollebrands	General Manager
Summer Ward	Board Secretary



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Meiners Oaks Water District:

We have audited the accompanying financial statements of Meiners Oaks Water District (District) as of and for the years ended June 30, 2019 and 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

DRAFT (6-5-2020)

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Meiners Oaks Water District as of June 30, 2019 and 2018, and the 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 7, the Schedules of Proportionate Share of the Net Pension Liability and of Contributions on page 22, and the Schedule of Changes in the Net OPEB Liabilities and Related Ratios on page 23 be presented to supplement the basic financial statements. Such information, 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.

Ventura, California
June __, 2020

DRAFT (6-5-2020)

MEINERS OAKS WATER DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS For the Year Ended June 30, 2019

This discussion and analysis of Meiners Oaks Water District's (District) financial performance during the fiscal year ended June 30, 2019 provides an overview of the District's operational activities that had an impact on the financial performance of the District.

Financial Highlights

- The District's total assets were \$4,967,704. Of this amount, \$3,150,214 represents capital assets net of accumulated depreciation and \$1,817,490 represents current assets consisting of cash and cash equivalents and receivables.
- The District's total liabilities were \$1,061,604. Of this amount, \$86,820 represents current liabilities and \$974,784 represents long-term liabilities.
- Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions and other postemployment benefited amounted to \$115,184 and \$96,531, respectively.
- Operating revenues for the year ended June 30, 2019 were \$1,513,942 and primarily consisted of water sales and water availability charges.
- Operating expenses for the year ended June 30, 2019 were \$1,819,090. Significant expenses included salaries and employees benefit expenses of \$623,770, water purchases of \$296,474, repairs and maintenance expense of \$291,433, professional fees of \$222,021 and depreciation expense of \$194,048.

Required Financial Statements

This report consists of a series of financial statements with accompanying notes. The Statements of Net Position presents information on all the District's assets, deferred outflows, liabilities and deferred inflows. Over time, increases or decreases in net position may serve as an indicator of whether the financial position of the District is improving or deteriorating. The Statements of Revenues, Expenses and Changes in Net Position provides the results of operating for the years ended June 30, 2019 and 2018 and the effect on the District's net position due from these results.

The District's financial strength can be evaluated by reviewing the Statements of Net Position and measuring the difference between the assets the District owns and the liabilities/debt the District owes. The increase or decrease in the net position over time is an indicator of the wellbeing of the District. However, other non-financial aspects need to be considered when evaluating the District's wellbeing such as capital projects and the District's philosophy to maintain low water rates for its customers.

The District uses a single enterprise fund for accounting and reporting the results of all operations. The statements referred to above include all assets and liabilities using the accrual basis of accounting, which is similar to accounting used by most private-sector companies. Accrual of current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The notes that follow the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements.

DRAFT (6-5-2020)

Statements of Financial Position

The District is operated and reported as a single enterprise fund; there are no subsidiary fund financial statements presented as part of this report. The following is a summary of the net position of the District and the change in the net position from the prior fiscal year.

	<u>2019</u>	<u>2018</u>
<u>Assets and Deferred Outflows</u>		
Current assets	\$ 1,817,490	\$ 2,094,575
Capital assets	<u>3,150,214</u>	<u>2,948,764</u>
Total assets	4,967,704	5,043,339
 Deferred outflows of resources	 <u>115,184</u>	 <u>123,141</u>
 Total Assets and Deferred Outflows of Resources	 <u>5,082,888</u>	 <u>5,166,480</u>
 <u>Liabilities and Deferred Inflows of Resources</u>		
Current liabilities	86,820	117,551
Long-term liabilities	<u>974,784</u>	<u>966,942</u>
Total liabilities	1,061,604	1,084,493
 Deferred Inflows of Resources	 <u>96,531</u>	 <u>60,010</u>
 Total Liabilities and Deferred Inflows of Resources	 <u>1,158,135</u>	 <u>1,144,503</u>
 Net Position		
Invested in capital assets	3,150,214	2,948,764
Unrestricted	<u>774,539</u>	<u>1,073,213</u>
 Total Net Position	 <u>\$ 3,924,753</u>	 <u>\$ 4,021,977</u>

The net position of the District decreased 2.4%, as follows:

- Current assets decreased by 13.23% (\$277,085) resulting from the use of cash and cash equivalents to fund capital asset acquisitions.
- An increase in capital assets of 6.83% (\$201,450) primarily due to improvements to the District's wells, offset by depreciation expense.
- Current liabilities decreased by 26.14% (\$30,731) primarily due to accounts payable related to capital projects.
- An increase in deferred inflows of resources of 60.85% (\$36,521) is due to pension and other postemployment benefit activities.

DRAFT (6-5-2020)

Statement of Revenues, Expenses and Changes in Net Position

	2019	2018
<u>Operating Revenue</u>		
Water sales and charges	\$ 1,484,594	\$ 1,472,121
Late and delinquency charges	24,438	34,323
Other	4,910	6,416
Total operating revenue	<u>1,513,942</u>	<u>1,512,860</u>
<u>Non-Operating Revenues (Expenses)</u>		
Property taxes	164,674	156,613
Interest income	36,695	17,868
Other	6,555	9,451
Insurance recoveries	-	151,403
Loss on disposition of capital assets	-	(22,121)
Total non-operating revenue	<u>207,924</u>	<u>313,214</u>
<u>Operating Expenses</u>		
Salaries and employee benefits	623,770	627,219
Water purchases	296,474	44,415
Repairs and maintenance	291,433	255,885
Professional fees	222,021	179,813
Other	191,344	207,669
Depreciation expense	194,048	173,752
Total operating expenses	<u>1,819,090</u>	<u>1,488,753</u>
Change in Net Position	<u>\$ (97,224)</u>	<u>\$ 337,321</u>

- Total operating revenues reflect a minimal increase of \$1,082 resulting from a 4% rate increase and charges for Casitas passthroughs offset by a decrease in water usage.
- Total non-operating revenues and expenses decreased 33.620% (\$105,290), primarily due to prior year insurance recoveries of \$151,403 received on damages sustained in the Thomas fire.
- Operating expenses reflect an increase of 22.19% (\$330,337) due in large part because of repairs made on the District's wells which resulted in increased repair and maintenance expense as well as an increase in water purchases since the wells were not producing while the repairs were in progress. Additionally, the District's professional fees increased due to legal fees incurred in connection with lawsuits which have arisen during the ordinary course of business

DRAFT (6-5-2020)

Actual Results Compared to Budget

	<u>Actual</u>	<u>Budget</u>
Total Operating Revenue	\$ 1,513,942	\$ 1,105,045
Less: Operating Expenses		
Salaries and benefits	(623,770)	(593,519)
Water purchases	(296,474)	(75,000)
Repairs and maintenance	(291,433)	(93,100)
Professional fees	(194,048)	(220,000)
Other	<u>(191,344)</u>	<u>(268,981)</u>
Net Operating Revenue (Loss)	<u>\$ (83,127)</u>	<u>\$ (145,555)</u>
<u>Non-Operating Revenues (Expenses)</u>		
Property taxes	\$ 164,674	\$ -
Interest income	36,695	-
Other	6,555	-
Insurance recoveries	-	-
Loss on disposition of capital assets	<u>-</u>	<u>-</u>
Total non-operating revenue	<u>\$ 207,924</u>	<u>\$ -</u>

Economic Factors

Economic factors include wages, insurance (medical, dental, vision, etc.) and other benefit costs including retirement expenses. Other economic factors include GSA (Groundwater Sustainability Act) fees, professional fees, rises in vendor charges, including piping, fittings, disinfection products and tax rates. Most of these factors occur outside of the District, but heavily impact the financial operating of the District.

Request for Information

This financial report is designed to provide a general overview for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the General Manager, 202 West El Roblar Drive, Ojai, California 93023.

DRAFT (6-5-2020)

MEINERS OAKS WATER DISTRICT
STATEMENTS OF NET POSITION
JUNE 30, 2019 and 2018

ASSETS	Notes	2019	2018
CURRENT ASSETS			
Cash and cash equivalents	2	\$ 1,689,042	\$ 1,973,057
Receivables:			
Customers, net of allowance for doubtful accounts of \$25,000, at June 30, 2019 and 2018		113,891	113,284
Interest		14,557	8,234
TOTAL CURRENT ASSETS		<u>1,817,490</u>	<u>2,094,575</u>
CAPITAL ASSETS			
Capital assets not being depreciated		309,557	288,535
Capital assets being depreciated		6,706,306	6,342,722
Total		7,015,863	6,631,257
Less: Accumulated depreciation and amortization		(3,865,649)	(3,682,493)
NET CAPITAL ASSETS	3	<u>3,150,214</u>	<u>2,948,764</u>
TOTAL ASSETS		<u>4,967,704</u>	<u>5,043,339</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pensions	4	110,624	123,141
Deferred outflows of resources related to other postemployment benefits	5	4,560	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES		<u>115,184</u>	<u>123,141</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable		48,919	79,646
Accrued compensated absences		14,106	12,186
Customer service deposits		11,765	10,715
Deferred revenue		12,030	15,004
TOTAL CURRENT LIABILITIES		<u>86,820</u>	<u>117,551</u>
LONG-TERM LIABILITIES			
Net pension liability	4	309,043	314,541
Net other postemployment benefit liability	5	665,741	652,401
TOTAL LONG-TERM LIABILITIES		<u>974,784</u>	<u>966,942</u>
TOTAL LIABILITIES		<u>1,061,604</u>	<u>1,084,493</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to pensions	4	41,648	60,010
Deferred inflows of resources related to other postemployment benefits	5	54,883	-
TOTAL DEFERRED INFLOWS OF RESOURCES		<u>96,531</u>	<u>60,010</u>
NET POSITION			
Net investment in capital assets		3,150,214	2,948,764
Unrestricted		774,539	1,073,213
TOTAL NET POSITION		<u>\$ 3,924,753</u>	<u>\$ 4,021,977</u>

See accompanying notes to financial statements.

DRAFT (6-5-2020)

MEINERS OAKS WATER DISTRICT
STATEMENTS OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION
For the Years Ended June 30, 2019 and 2018

	<u>Notes</u>	<u>2019</u>	<u>2018</u>
OPERATING REVENUES			
Water sales	\$	545,775	647,295
Water availability charges		707,515	671,576
Meter capacity charges		80,048	79,904
Drought surcharges		52,004	72,504
Casitas passthrough charges		99,252	842
Late and delinquency charges		24,438	34,323
Other revenue		4,910	6,416
TOTAL OPERATING REVENUES		<u>1,513,942</u>	<u>\$ 1,512,860</u>
OPERATING EXPENSES			
Salaries and employee benefits		623,770	627,219
Water purchases		296,474	44,415
Repairs and maintenance		291,433	255,885
Professional fees		222,021	179,813
Utilities		33,148	46,999
Insurance		25,069	24,650
Outside services		51,958	31,604
Postage and printing		15,370	13,780
Treatment plant supplies		14,677	17,404
Communications		11,421	14,218
Travel and fuel		10,649	11,549
Dues and memberships		8,357	7,670
Supplies		7,400	7,188
Board member fees		12,650	12,700
Bad debt		-	15,000
Other		645	4,907
Depreciation and amortization		194,048	173,752
TOTAL OPERATING EXPENSES		<u>1,819,090</u>	<u>1,488,753</u>
(LOSS) INCOME FROM OPERATIONS		<u>(305,148)</u>	<u>24,107</u>
NON-OPERATING REVENUES AND EXPENSES			
Property taxes		164,674	156,613
Interest income		36,695	17,868
Other revenue		6,555	9,451
Insurance recoveries		-	151,403
Loss on disposition of capital assets		-	(22,121)
TOTAL NON-OPERATING REVENUES AND EXPENSES		<u>207,924</u>	<u>313,214</u>
CHANGE IN NET POSITION		<u>(97,224)</u>	<u>337,321</u>
NET POSITION - Beginning of year		<u>4,021,977</u>	<u>3,684,656</u>
NET POSITION - End of year		<u>\$ 3,924,753</u>	<u>\$ 4,021,977</u>

See accompanying notes to financial statements.

DRAFT (6-5-2020)

MEINERS OAKS WATER DISTRICT
STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2019 and 2018

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from user charges	\$ 1,510,361	\$ 1,529,674
Cash payments to employees	(569,530)	(510,703)
Cash payments for operating expenses	(1,031,999)	(627,426)
Cash payments from deposits	1,050	810
NET CASH (USED FOR) PROVIDED BY OPERATING ACTIVITIES	<u>(90,118)</u>	<u>392,355</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of capital assets	(395,498)	(573,449)
Proceeds from insurance recoveries	-	151,403
NET CASH USED FOR CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(395,498)</u>	<u>(422,046)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Property taxes collected	164,674	156,613
Other revenue	6,555	9,451
NET CASH PROVIDED BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>171,229</u>	<u>166,064</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	<u>30,372</u>	<u>12,824</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(284,015)	149,197
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,973,057</u>	<u>1,823,860</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 1,689,042</u>	<u>\$ 1,973,057</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating (loss) income	(305,148)	\$ 24,107
Adjustments to reconcile operating (loss) income to net cash provided by operating activities:		
Depreciation and amortization	194,048	173,752
Changes in assets, deferred outflows, liabilities and deferred inflows:		
Accounts receivable - customers	(607)	15,427
Deferred outflows of resources	7,957	17,030
Accounts payable	(30,727)	60,356
Accrued compensated absences	1,920	8,003
Customer service deposits	1,050	810
Deferred revenue	(2,974)	1,387
Net pension liability	(5,498)	54,334
Other postemployment benefits	13,340	72,149
Deferred inflows of resources	<u>36,521</u>	<u>(35,000)</u>
NET CASH (USED FOR) PROVIDED BY OPERATING ACTIVITIES	<u>\$ (90,118)</u>	<u>\$ 392,355</u>

See accompanying notes to financial statements.

DRAFT (6-5-2020)

MEINERS OAKS WATER DISTRICT

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization – The Meiners Oaks Water District (District), a special district of the State of California, was organized in 1949 and formed under the County Water District Law of the State of California, as amended, Government Code Sections 30,000 et seq. The District supplies water to an unincorporated portion of Ventura County known as Meiners Oaks. The Board of Directors consists of a five-member group which has the governance responsibilities over the activities related to the District. The Directors are elected by the public for four-year terms. The Directors have the decision-making authority, the power to designate management, the responsibility to significantly influence operations and accountability for fiscal matters. All of the Directors reside within the District boundaries and either purchase water from the District or guarantee the payment of water purchases by tenants.

Reporting Entity – The District's reporting entity includes all significant operation and revenue sources which the District Board of Directors exercises oversight responsibility. 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. There are no component units included in this report.

Basis of Accounting – The Meiners Oaks Water District is accounted for as a proprietary fund in accordance with generally accepted accounting principles as applied to governmental units. Proprietary 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 a proprietary fund, the District uses the economic resources measurement focus and the accrual basis of accounting is used for financial statement reporting purposes. Revenues are recognized when they are earned, and expenses are recognized when they are incurred. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the Statement of Net Position. Net position is segregated into investment in capital and unrestricted.

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

Principles of Presentation – The accompanying financial statements are presented utilizing the accrual method of accounting.

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. Significant estimates used in preparing these financial statements include:

- Depreciable lives and estimated residual value of capital assets
- Allowance for uncollectible receivables
- Accrual of net pension liability
- Accrual of other postemployment benefit liability

Cash and Cash Equivalents – For the purpose of the Statement of Cash Flows, the District considers all highly liquid investments with original maturities of 90 days or less to be cash and cash equivalents. The District considers funds in the Ventura County Treasury Fund to be cash equivalents.

DRAFT (6-5-2020)

Accounts Receivable – Accounts receivable are stated at net realizable value and net of related allowance for uncollectible accounts. The District uses the allowance method to account for uncollectible accounts. At June 30, 2019 and 2018, the District determined that an allowance for uncollectible accounts of \$25,000 was adequate.

Capital Assets – Capital assets that are acquired and/or constructed are capitalized at historical cost. Donated property is recorded at fair market value at the date of donation. No formal capitalization policy has been established. Depreciation is recorded on a straight-line basis over the estimated service lives. The services lives of assets are as follows:

Vehicles	5 years
Furniture and fixtures	5-10 years
Water distribution system	10-60 years
Buildings and improvements	10-20 years
Equipment	5-20 years

Compensated Absences – The District's personnel policies provide for accumulation of compensated absences. Liabilities for compensated absences are recorded when benefits are earned. Payment of unused compensated absences is available to those qualified employees upon termination or retirement. Sick leave is not included in the accrual as the District does not pay for unused sick time upon employee termination.

Deferred Outflows of Resources and Deferred Inflows of Resources – Deferred outflows of resources is a consumption of net position by the District that is applicable to a future period and deferred inflows of resources is an acquisition of net position by the District that is applicable to a future reporting period. Both deferred outflows and inflows are reported in the Statement of Net Position, but are not recognized in the financial statements as revenue and expenses until the period(s) to which they relate. Deferred outflows of resources and deferred inflows of resources are related to pensions and other postemployment benefits.

Pensions – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's California Public Employees' Retirement System (CalPERS) cost-sharing multiple-employer defined benefit plan and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

Postemployment Benefits Other Than Pensions (OPEB) – The District follows GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions for purposes of measuring the net other postemployment liability. The District does not pre-fund the OPEB plan in a trust. The total OPEB liability represented the actuarial present value of projected OPEB benefit payments attributable to employees' past services as of June 30, 2019.

Net Position – Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources on the financial statements. Net position is classified in the following categories:

- Net investment in capital assets – This category includes capital assets, net of accumulated depreciation and reduced by any outstanding debt related to the acquisition, construction or improvement of those assets.
- Restricted – This category consists of net position with legal limitations imposed on their use by external restrictions by other governments, creditors, grantors, contributors, laws or regulations, or through constitutional provision, or enabling legislation. As of June 30, 2019 and 2018, the District did not have restricted net position.
- Unrestricted net position – This category consists of all other net position that does not meet the definition of restricted or invested in capital assets.

DRAFT (6-5-2020)

Subsequent Events – The District has evaluated subsequent events through June __, 2020, the date which the financial statements were available to be issued.

Reclassifications - Certain reclassifications have been made to the prior year financial statements in order to conform to the presentation of the current year financial statements for comparative purposes. There is no material effect on the financial statements.

2. DEPOSITS AND INVESTMENTS

The District's carrying value of deposits with a bank was \$30,024 and \$508,599 at June 30, 2019 and 2018, respectively. The corresponding bank balance was \$79,687 and \$666,290, respectively. Of the bank balances, \$250,000 was covered by Federal deposit insurance. The California Government Code requires all financial institutions to secure a local government agency's deposits by pledging governmental securities as collateral. The market value of pledged securities must equal 110% of an agency's deposits. California law also allows financial institutions to secure an agency's deposits by pledging first trust deed mortgage notes having a value of 150% of an agency's total deposits, and collateral is considered to be held in the name of the District. All cash held by financial institutions is, therefore, entirely insured or collateralized.

At June 30, the District had the following investments, which are included in Cash and Cash Equivalents:

	<u>2019</u>	<u>2018</u>
County of Ventura Investment Pool	\$ 1,396,600	\$ 1,207,857
State of California - Local Agency Investment Fund	<u>262,239</u>	<u>256,422</u>
Total	<u>\$ 1,658,839</u>	<u>\$ 1,464,279</u>

The County Treasurer maintains a cash investment pool for all funds of the County and other agencies for which the County treasury is the depository. Interest earned on the pooled funds is allocated and credited to these funds quarterly. Interest is apportioned to the District based on the average daily balances on deposit with the County Treasurer. Investment earnings are accrued at year-end. The investment pool operates in accordance with appropriate state laws and regulations and the investment policy of the County. The District's investment in the County of Ventura Investment Pool was rated AAA by Standard & Poor's for a primary objective of safety and SI by Standard & Poor's for a secondary objective of liquidity.

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The State Treasurer's Office audits the funds annually. The fair value of the position in the investment pool is the same as the value of the pool shares. The fair value of the District's investment in this pool is reported at amounts based upon the District's pro-rata share of the fair value provided by LAIF portfolio.

The District's investment policy established by the Board of Directors permits the District to invest in the County of Ventura investment pool, LAIF and commercial banks.

To address credit risk, the District invests its funds in accordance with state statutes and the District's investment policy. The criteria for selecting investments are, in order of priority, (1) safety – consideration of the potential loss of principal or interest, (2) liquidity – the ability to have funds available at any moment in time with a minimal potential loss and (3) yield – the optimum rate of return while preserving capital.

DRAFT (6-5-2020)

3. CAPITAL ASSETS

	Balance <u>June 30, 2018</u>	<u>Increases</u>	<u>Decreases</u>	Balance <u>June 30, 2019</u>
Capital assets not being depreciated -				
Land and permanent easements	\$ 57,035	\$ -	\$ -	\$ 57,035
Water rights	231,500	-	-	231,500
Construction in progress	-	21,022	-	21,022
Total capital assets not being depreciated	<u>288,535</u>	<u>21,022</u>	<u>-</u>	<u>309,557</u>
Capital assets being depreciated:				
Buildings	61,472	-	-	61,472
Water distributions system	5,018,216	365,238	(10,892)	5,372,562
Structures and improvements	396,422	-	-	396,422
Equipment	46,930	6,298	-	53,228
Transportation	212,822	-	-	212,822
Furniture and fixtures	40,946	-	-	40,946
Office machines	47,545	2,940	-	50,485
Communication equipment	19,159	-	-	19,159
SCADA water project	499,210	-	-	499,210
Total capital assets being depreciated	<u>6,342,722</u>	<u>374,476</u>	<u>(10,892)</u>	<u>6,706,306</u>
Less accumulated depreciation	<u>(3,682,493)</u>	<u>(194,048)</u>	<u>10,892</u>	<u>(3,865,649)</u>
Total capital assets being depreciated and amortized, net	<u>2,660,229</u>	<u>180,428</u>	<u>-</u>	<u>2,840,657</u>
Total capital assets, net	<u>\$ 2,948,764</u>	<u>\$ 201,450</u>	<u>\$ -</u>	<u>\$ 3,150,214</u>

4. DEFINED BENEFIT PENSION PLAN

A. General Information about the Pension Plan

Plan Description, Benefits Provided and Employees Covered – All qualified permanent and probationary employees are eligible to participate in the District's Miscellaneous Employee Pension Plan (Plan). The Plan is a cost-sharing multiple employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plan are established by State statute and Local Government resolution. The Plan provides retirement, death and disability benefits to plan members and beneficiaries. A full description regarding number of employees covered, benefit provisions, assumptions, and membership information for the Plan is listed in the District's June 30, 2016 Annual Valuation Report. This report and CalPERS audited financial statements are publicly available reports that can be found on CalPERS website.

The Plan's provisions and benefits in effect at June 30, 2019, as summarized as follows:

	Prior to <u>January 1, 2013</u>	On or after <u>January 1, 2013</u>
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	52
Required employee contribution rates	7.000%	6.250%
Required employer contribution rates	7.634%	6.842%

DRAFT (6-5-2020)

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 rate. The Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

Beginning for the year ended June 30, 2016, CalPERS collected employer contributions towards unfunded liability as a dollar amount instead of the prior method of a contribution rate. The pool's unfunded liability is allocated to each individual plan based on the plan's total liability rather than by plan individual payroll. The District's unfunded liability payment for the year ended June 30, 2019 was \$15,856.

For the year ended June 30, 2019, the contributions recognized as part of pension expense were as follows:

Contributions - employer	\$	41,918
Contributions - employee (paid by employer)	\$	23,874

B. Pension Liabilities, Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2019, the District's reported net liability for its proportionate share of the net pension liability was \$309,043.

The District's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, 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, 2017 rolled forward to June 30, 2018 using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

The District's proportionate share of the net pension liability as of June 30, 2019 and 2018 was as follows:

Proportion - June 30, 2018	0.00798%
Proportion - June 30, 2019	0.00820%
Change - Increase (Decrease)	0.00022%

For the year ended June 30, 2019, the District recognized pension expense of \$30,574. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

DRAFT (6-5-2020)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 41,918	\$ -
Net differences between projected and actual earnings on plan investments	1,528	-
Difference between expected and actual experiences	11,857	4,035
Changes in assumptions	35,233	8,636
Differences between actual contributions and proportionate share of contributions	-	18,623
Change in employer's proportion	20,088	10,354
Total	\$ 110,624	\$ 41,648

The \$41,918 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Measurement Period Ended June 30:	Deferred Outflows/(inflows) of Resources, Net
2020	\$ 18,090
2021	18,763
2022	(7,015)
2023	(2,780)
Total	\$ 27,058

Actuarial Methods and Assumptions - For the measurement period ended June 30, 2018 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2017 total pension liability determined in the June 30, 2017 actuarial accounting valuation. The June 30, 2018 total pension liability was based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Projected Salary Increase	Varies by Entry Age and Service
Investment Rate of Return	7.50%
Mortality	Derived using CalPERS' Membership Data
Post Retirement Benefit Increase	Contract COLA up to 2.50% until purchasing power protection allowance floor on purchasing power applies, 2.50% thereafter

The underlying mortality assumption and all other actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period 1997 to 2015, including updates to salary increase, mortality and retirement rates. The Experience Study can be found on the CalPERS' website under Forms and Publications.

DRAFT (6-5-2020)

Discount Rate – The discount rate used to measure the total pension liability was 7.15%. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.15% discount rate is deemed adequate and the use of the municipal bond rate calculation is not necessary. The long-term expected discount rate of 7.15% is applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained from the CalPERS' website under the GASB 68 section.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as schedule in all future years. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11–60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by assets class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	New	Real Return	
	Strategic Allocation	Years 1 - 10 (a)	Years 11+ (b)
Global Equity	50.00%	4.80%	5.98%
Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Estate	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%

(a) An expected inflation of 2.0% used for this period

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

Amortization of Deferred Outflows and Deferred Inflows of Resources – Under GASB 68, actuarial gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflow and deferred inflows of resources related to pension and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

DRAFT (6-5-2020)

Net difference between projected and actual earnings on pension plan investments

5 year straight-line amortization

All other amounts

Straight-line amortization over the expected average remaining service lifetime (EARS�) of all members that are provided with pensions (active, inactive, and retired) as of the beginning of the measurement period

The net difference between projected and actual investment earnings on pension plan investments is amortized over a five-year period on a straight-line basis. One-fifth is recognized in pension expense during the measurement period, and the remaining net difference between projected and actual investment earnings on pension plan investments at the measurement date is to be amortized over the remaining four-year period. The net difference between projected and actual investment earnings on pension plan investments in the schedule of collective pension amounts represents the unamortized balance relating to the current measurement period and the prior measurement period on a net basis.

Deferred outflows of resources and deferred inflows of resources relating to differences between expected and actual experience, changes of assumptions and employer-specific amounts should be amortized over EARS� of members provided with pensions through the plan.

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 calculated using the discount rate of 7.15%, 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 (6.15%) or 1 percentage point higher (8.15%) higher than the current year:

	1% Decrease 6.15%	Current Discount Rate 7.15%	1% Increase 8.15%
District's proportionate share of the net pension liability	\$ 519,481	\$ 309,043	\$ 135,330

Pension Plan Fiduciary Net Position – The plan's fiduciary net position disclosed in the District's GASB 68 accounting valuation report may differ from the plan assets reported in the District's funding actuarial valuation report due to several reasons. For the accounting valuations, CalPERS must keep items such as deficiency reserves, fiduciary self-insurance and OPEB expense included in fiduciary net position. These amounts are excluded for rate setting purposes in the District's funding actuarial valuation. Detailed information about the pension plan's fiduciary net position is available in the separately CalPERS financial reports.

C. Payable to the Pension Plan

At June 30, 2019, the District reported a payable of \$0 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2019.

5. OTHER POST EMPLOYMENT BENEFITS

A. General Information about the Pension Plan

Plan description – The District's defined benefit OPEB plan (Plan) provides lifetime post-employment medical insurance to eligible retirees and their spouses through the California Public Employees Medical and Hospital Care Act (PEMHCA), commonly referred to as PERS Health. PEMHCA provides health insurance through a variety of Health Maintenance Organization (HMO) and Preferred Provider Organization (PPO) options.

DRAFT (6-5-2020)

Benefits provided – Employees may retire directly from the District under PERS (age 50 and 5 years of PERS service) and receive a District-paid contribution towards medical premiums. The District joined PEMHCA in 2007 and has been subject to the unequal method since 2016, with the monthly cap being based on the Blue Shield Los Angeles single non-Medicare premium. As of 2018, the District contributes up to 55% of the non-Medicare premium, and this will increase 5% each year. The cap is scheduled to increase not more than \$100 each year per the unequal method rule, until/unless the cap equals the Blue Shield Los Angeles single non-Medicare premium, after which the \$100 rule no longer applies. Survivor benefits are available and spouse benefits are available until the cap. The District also pays the CalPERS administrative fee. The District does not offer vision, dental, or life benefits for retirees.

Employees covered by benefit terms – As of the June 30, 2018 measurement date, the following employees were covered by the benefit terms of the Plan:

Inactive employees or beneficiaries currently receiving benefit payments	1
Inactive employees entitled to but not yet receiving benefit payments	0
Active employees	5
Total	<u>6</u>

Contributions – The District currently finances benefits on a pay-as-you-go basis.

B. Net OPEB Liability

The District's net OPEB liability was measured as of June 30, 2018 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation using the Alternative Measurement Method as of that date. Standard actuarial update procedures were used to project/discount from valuation to measurement dates.

Actuarial assumptions – The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	3.62%
Inflation rate	3.00%
Salary increases	3.00%
Medical cost trend rate	5.00% for 2018 and later years

Pre-retirement mortality rates were based on the RP-2014 Employee Mortality Table for Males or Females, as appropriate, without projection. Post-retirement mortality rates were based on the RP-2014 Health Annuitant Mortality Table for Males or Females, as appropriate, without projection.

Discount rate – A discount rate of 3.62% was used in the valuation. The rate, as required by GASB 75, reflects the following:

- The long-term expected rate of return on OPEB investments – to the extent that the OPEB plan's fiduciary net position (if any) is projected to be sufficient to make projected benefit payments and assets are expected to be invested using a strategy to achieve that return.
- A yield or index rate for 20-year, tax-exempt general obligations municipal bonds with an average rating of AA/Aa or higher – to the extent that the conditions in (a) are not met.

To determine a resulting single (blended) rate, the amount of the plan's projected fiduciary net position (if any) and the amount of projected benefit payments is compared in each period of projected benefit payments. The discount rate used to measure the District's total OPEB liability is based on these requirements and the following information:

Reporting date	Measurement Date	Long-Term Expected Return of Plan Investments (if any)	Municipal Bond 20- Year High Grade Rate Index	Discount Rate
June 30, 2019	June 30, 2018	4.00%	3.62%	3.62%

DRAFT (6-5-2020)

The components of the net OPEB liability are as follows:

Total OPEB liability	\$665,741
Plan fiduciary net position	\$ 0
Net OPEB liability	\$665,741
Measurement date	June 30, 2018
Reporting date	June 30, 2019

Changes in the Net OPEB Liability

The changes in the net OPEB liability for the Plan are as follows:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Total OPEB Liability (Asset) (a) - (b)
Balances at June 30, 2018	\$ 652,401	\$ -	\$ 652,401
Changes for the year:			
Service cost	59,403	-	59,403
Interest	20,337	-	20,337
Changes of benefit terms	-	-	-
Plan experience differences	-	-	-
Changes in assumptions	(61,050)	-	(61,050)
Contributions - employers	-	5,350	(5,350)
Benefit payments	(5,350)	(5,350)	-
Administrative expenses	-	-	-
Net changes	13,340	-	13,340
Balances at June 30, 2019	\$ 665,741	\$ -	\$ 665,741

Sensitivity of the net OPEB liability to changes in the discount rate and health-care cost trend rates – The following presents the net OPEB liability of the District if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2018:

	1% Decrease 2.62%	Current Discount Rate 3.62%	1% Increase 4.62%
Net OPEB Liability	\$ 798,261	\$ 665,741	\$ 560,425

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates – The following presents the net OPEB liability of the District if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2018:

	1% Decrease 4.00%	Healthcare Cost Trend Rate 5.00%	1% Increase 6.00%
Net OPEB Liability	\$ 537,715	\$ 665,741	\$ 834,216

DRAFT (6-5-2020)

C. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2019, the District recognized OPEB expenses of \$73,573. At June 30, 2019, the District reported deferred outflows of resources and inflows of resources related OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 4,560	\$ -
Changes in assumptions	-	(54,883)
Total	\$ 4,560	\$ (54,883)

6. RISK MANAGEMENT

The District is exposed to potential losses from claims arising from its business operations. Significant losses are covered by commercial insurance. There have been no significant reductions in insured coverage. Settlement amounts have not exceeded insurance coverage.

7. CONTINGENCIES

The District is involved in certain lawsuit arising in the ordinary course of business. Management believes that the potential adverse impact of these proceedings would be material to the basic financial statements of the District.

8. SUBSEQUENT EVENTS

The District evaluated its June 30, 2019 financial statements for subsequent events through the date the financial statements were available for issuance. As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen. The ultimate disruption which may be caused by the outbreak is uncertain; however, it may result in a material adverse impact on the District's financial position, operations, and cash flows. Possible effects may include, but are not limited to, disruption to the District's customers and revenue, absenteeism in the District's labor workforce and unavailability of products and supplies used in operations.

DRAFT (6-5-2020)

REQUIRED SUPPLEMENTARY INFORMATION

DRAFT (6-5-2020)

MEINERS OAKS WATER DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
California Public Employees' Retirement System
June 30, 2019
Last 10 years *

Schedule of Proportionate Share of the Net Pension Liability

Year Ended *	Proportion of the Net Pension Liability	Proportionate Share (Amount) of Net Pension Liability	Actual Covered Member Payroll	Net Pension Liability as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total Pension Liability
6/30/15	0.46200%	\$ 287,230	\$ 325,293	88.30%	88.30%
6/30/16	0.79500%	\$ 218,077	\$ 334,923	65.11%	83.39%
6/30/17	0.79800%	\$ 260,208	\$ 344,499	75.53%	80.85%
6/30/18	0.74900%	\$ 314,541	\$ 361,962	86.90%	79.28%
6/30/19	0.00820%	\$ 309,043	\$ 351,533	87.91%	80.13%

* The data provided in the schedule is based as of the measurement date of CalPERS net pension liability, which is as of the beginning of the District's fiscal year.

Schedule of Contributions

Year Ending	Statutorily Required Contributions	Actual Employer Contributions	Contribution Excess/ (Deficiency)	Actual Covered Member Payroll	Contributions as a Percentage of Covered Payroll
6/30/15	\$ 56,243	\$ 56,243	\$ -	\$ 334,923	16.79%
6/30/16	\$ 20,365	\$ 20,365	\$ -	\$ 342,959	5.94%
6/30/17	\$ 22,308	\$ 22,308	\$ -	\$ 348,196	6.41%
6/30/18	\$ 35,526	\$ 35,526	\$ -	\$ 344,499	10.31%
6/30/19	\$ 41,918	\$ 41,918	\$ -	\$ 361,962	11.58%

These schedules are intended to show information for ten years. Additional years will be displayed as they become available.

DRAFT (6-5-2020)

MEINERS OAKS WATER DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
Schedule of Changes in the Net OPEB Liability and Related Ratios
Last Ten Years*

	Measurement Date 6/30/18	Measurement Date 6/30/17
Total OPEB Liability		
Service cost	\$ 59,403	\$ 57,673
Interest	20,337	18,105
Changes of benefit terms	-	-
Differences between expected and actual experience	-	-
Changes of assumptions	(61,050)	-
Benefit payments	(5,350)	(3,629)
Net change in total OPEB liability	13,340	72,149
Total OPEB liability - beginning	652,401	580,252
Total OPEB liability - ending	<u>\$ 665,741</u>	<u>\$ 652,401</u>
Plan Fiduciary Net Position		
Contribution - employer	\$ 5,350	\$ 3,629
Net investment income	-	-
Benefit payments	(5,350)	(3,629)
Administrative expense	-	-
Net change in plan fiduciary net position	-	-
Plan fiduciary net position - beginning	-	-
Plan fiduciary net position - ending	<u>\$ -</u>	<u>\$ -</u>
Net OPEB liability - ending	<u>\$ 665,741</u>	<u>\$ 652,401</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>0.00%</u>	<u>0.00%</u>
Covered employee payroll	<u>\$ 351,533</u>	<u>\$ 361,962</u>
Net OPEB liability as a percentage of covered employee payroll	<u>189.38%</u>	<u>180.24%</u>

Notes to Schedule:

Changes in assumptions: none

Benefit changes - none

* Historical information is required only for measurement period for which GASB 75 is applicable. Future years' information will be displayed up to 10 years as information becomes available. Fiscal year 2017-2018 was the first year of implementation.

DRAFT (6-5-2020)

OTHER REPORT



Fanning & Karrh
Certified Public Accountants

A Professional Corporation

DRAFT (6-5-2020)

290 Maple Court, Suite 140
Ventura, California 93003
Telephone (805) 654-0450
Fax (805) 654-0325

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors of
Meiners Oaks Water District:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Meiners Oaks Water District as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Meiners Oaks Water District's basic financial statements, and have issued our report thereon dated June __, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Meiners Oaks Water District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Meiners Oaks Water District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Meiners Oaks Water District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Meiners Oaks Water District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

DRAFT (6-5-2020)

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Ventura, California
June __, 2020

To the Senior Management and
The Board of Directors of
Meiners Oaks Water District

June __, 2020

In planning and performing our audit of the financial statements of Meiners Oaks Water District (District) as of and for the year ended June 30, 2019 in accordance with auditing standards generally accepted in the United States of America, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

However, during our audit, we became aware of certain matters that are opportunities for strengthening internal controls and operating efficiency. This letter does not affect our report dated February __, 2020 on the financial statements of Meiners Oaks Water District.

We will review the status of these comments during our next audit engagement. We have already discussed the comments with District personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional studies of the matters, or to assist staff in implementing the recommendations. Our comments are as follows:

DRAFT (6-5-2020)

Organizational Structure

The size of the District's accounting and administrative staff precludes certain internal controls that would be preferred if the office staff were large enough to provide optimum segregation of duties. This control deficiency necessitates the continuing oversight of the Board of Directors.

Capital Assets

The District should establish a capitalization policy for capital assets which sets a threshold, above which qualifying expenditures are recorded as capital assets, and below which they are charged to expense as incurred.

Expenditures for purchases of certain equipment were expensed during the year rather than capitalized as capital assets. Additionally, repair and maintenance expenditures were capitalized rather than expensed. Policies and procedures should be implemented to ensure the proper recording of capital assets and related expenses in accordance with a capitalization policy.

Trust Fund (prior year comment)

The District has a separate bank account referred to as the Trust Fund. The purpose of the Trust Fund is to hold customers' deposits in accordance with the District's deposit policy. The balance of the Trust Fund at June 30, 2019 was \$14,252.93. The balance of the Customer Service Deposit account at the same date was \$11,765.00. We recommend these two accounts be analyzed and reconciled.

Unbilled Receivables (prior year comment)

The District does not record accrued revenue for unbilled receivables. Unbilled receivables represent water billings for the period from the date of the meter read to the end of the month. We recommend policies and procedures be developed to evaluate the effect on an ongoing basis.

Accounts Payable (prior year comment)

There is an unreconciled difference of \$4,244 between the accounting records and the supporting detail listing of accounts payable as of June 30, 2019. We recommend the difference be analyzed and adjusted accordingly.

The District records accounts payable based on invoice date, i.e. accrual is made for all invoices date prior to year-end. However, we noted certain invoices with invoice dates subsequent to June 30, 2019 that were for services rendered during the year ended June 30, 2019. Policies and procedures should be implemented to properly record accounts payable based on when the services were incurred.

DRAFT (6-5-2020)

Fraud Risk Assessment

The District should document its assessment of fraud risk. As part of this assessment, the following should be considered:

1. Management's understanding of the risks of fraud with the District.
2. Management's knowledge of any fraud or suspected fraud.
3. District's compliance with laws and regulations.
4. Management's awareness of any allegations of fraud or suspected fraud.
5. Management's communication to employees the importance of ethical behavior and appropriate business practices.
6. Controls the District has in place to address identified fraud risk.

We wish to thank the District's staff for their support and assistance during the audit.

This report is intended solely for the information and use of the Board of Directors, management and others within the District and is not intended to be and should not be used by anyone other than these specified parties.

Fanning & Karrh



Meiners Oaks Water District Financial Audit FY 2018-2019 Resolution 2020616-1

The Board of Directors of Meiners Oaks Water District on this 16th day of June 2020, the following resolution was proposed and approved:

WHEREAS, the mission of the Meiners Oaks Water District and its staff is to produce and deliver a reliable and sustainable supply of water to meet the needs of the residents and properties and the community within its boundaries, and

WHEREAS, it is the responsibility of the Board of Directors to establish policy to uphold and support the mission statement and to agree and pass an annual audit to insure that our financial statements are fairly presented and in conformity with U.S. GAAP for Meiners Oaks Water District.

NOW, therefore be it resolved by the Meiners Oaks Water District Board of Directors that the annual audit for the year 2018-2019, prepared by Fanning & Karrh, CPAs, and presented in the annual audit report titled Meiners Oaks Water District Financial Statements year end June 30, 2019, is

Passed, Approved and Adopted this 16th day of June 2020.

President of the Board
Michel Etchart

Secretary to the Board
Summer Ward



MEINERS OAKS WATER DISTRICT

REQUEST FOR PROPOSALS (RFP) FOR LEGAL SERVICES

INTRODUCTION

The Meiners Oaks Water District (District) is seeking proposals from attorneys or firms with experience representing public agencies to provide General Counsel legal services to the District.

General Counsel needs are focused on general public agency governance, public meetings and public records issues, intergovernmental agreements with other public agencies, revenue options, and public contracting issues.

The selected firm(s) or attorney(s) will serve at the pleasure of the Board of Directors of the District. If the District decides to award a contract for legal services as a result of this RFP, it will enter into a contract(s) establishing the terms and compensation for the subject services. All costs incurred in the preparation of a proposal responding to this RFP will be the responsibility of the Offeror and will not be reimbursed by the District. The District reserves the right to contract with any firm or firms responding to this RFP.

BACKGROUND INFORMATION

Meiners Oaks Water District has served its community and properties of the unincorporated portion of Ventura County called Meiners Oaks for over the past 70 years. Appropriately named after John Meiners encompassing some 1300 acres, formally known as "Suhren Ranch" latterly as "Meiners Place." This tract was included in the Rancho Ojai area which was originally granted by the Mexican Government to Fernando Tico in 1837. Later in 1870-76 transferred by Mesne and conveyed to and vested in John Meiners officially deeded from Geo H. Suhren to John Meiners in April, 1876.

Since our formation in 1949 Meiners Oaks Water District has gone through some significant changes; through demographics, population, housing and system demand. Meiners Oaks Water District currently serves approximately 4200 through 1280 connections and 19 miles pipelines including; domestic, commercial, and agricultural customers. We achieve this with 4 active wells, just over 1 million gallons of storage, and 2 booster stations to supply water to customers at higher elevations.

Page 2

The District delivers an average of 2.64 acre feet of water per day to its customers which is equal to 862,005 gallons or 205.2 gallons per customer. In the summer months, that number can reach up to 5.56 acre feet per day or 1,812,002 gallons.

The mission of Meiners Oaks Water District and its staff is to produce and deliver a reliable and sustainable supply of water to meet the needs of the residents and properties and the community within its boundaries.

SCHEDULE

To the extent achievable, the following schedule shall govern the RFP. The District reserves the right to modify the dates below.

- Availability of the Request for Proposals and Qualifications: **June 17, 2020**
- Deadline for Submission of Questions: **July 3, 2020**

Questions should be submitted to the Board Secretary, Summer Ward:
summer@meinersoakswater.com

- Closing Date for the receipt of proposals: **July 8, 2020 by 5:00 pm.**

QUALIFICATIONS

1. Firm or individual attorney must have at least 10 years of public law experience representing public agencies, special districts, municipal governments, or joint powers authorities in California.
2. All attorneys performing services must be admitted to practice in the State of California and be members in good standing with the State Bar of California.
3. The attorney with primary responsibility for the services provided to the District ("Lead Counsel"), must have at least ten (10) years of experience providing general counsel legal services for local public agencies, special districts, or municipalities.
4. Demonstrated legal expertise in the following practice areas as they relate to public agencies, special districts, municipal governments, and joint powers authorities in California:
 - a. General Counsel - Laws and regulations that pertain to the governance of public entities including, but not limited to, California joint powers authorities, special districts, water districts, irrigation districts and municipalities. The relevant laws and regulations include, but are not limited to, the Ralph M. Brown Act; Public Records Act; Political Reform Act; conflicts of interest laws; general public entity and municipal law; the California Government Code and California Water Code; public agency bylaws and policies; public contracting and procurement processes and operating procedures; and rules of order relative to the conduct of joint powers authorities, special districts, water districts, irrigation districts and municipalities.

The types of services may include some or all of the following:

- Review, draft, and negotiate contracts.
- Advise on District legal matters

- Advise on labor and employment matters
 - Review personnel, fiscal, and other policies
 - Maintain District bylaws
 - Attend District Board of Director meetings and other meeting as directed by the Board of Directors
 - Advise on government grant and contract issues
 - Advise on responses to subpoenas, court orders, and requests for information from third parties
 - Defend lawsuits, administrative claims, or other legal claims
 - Conduct litigation as necessary
 - Other legal services as deemed necessary by the Agency
 - Sustainable Groundwater Management Act.
 - Public financing and revenue mechanisms, including experience with Propositions 26 and 218. Environmental law, including: California Environmental Quality Act (CEQA); National Environmental Policy Act (NEPA); California and federal Endangered Species Acts; federal Clean Water Act and the California Porter-Cologne Water Quality Act.
 - Governance of public agencies, special districts, municipalities, and joint powers authorities, including amendments and bylaws, and experience interfacing with counsel for joint powers member agencies.
 - Other relevant areas pertaining to special district and public entity law.
5. Lead Counsel shall be available to attend District Board meetings as requested, and the attorney must be accessible to provide legal assistance to the District on an urgent basis, from time to time.

SUBMISSION REQUIREMENTS

Submission Materials and any questions should be sent to Summer Ward, Board Secretary at summer@meinersoakswater.com

- **Cover letter** (no longer than 2 pages) - The cover letter should convey a clear understanding of the requirements and objectives, and why the Respondent is qualified to be awarded a contract.
- **Respondent's Qualifications** - Summary of overall qualifications and experience of the Respondent. It is expected that the firm(s) will describe its organization, size, structure, areas of practice, and office locations.
- **Proposed Respondent Team** - The Proposal shall identify the Lead Counsel who will be primarily responsible for providing legal services to the District, and other attorneys and staff to be assigned to the District's legal matters. Please include the qualifications, training, and certifications of Lead Counsel, and all other

attorneys and staff who will perform the services outlined herein. Particular emphasis should be placed on those attorneys likely to be assigned to the representation.

- Fee Schedule - This section should identify the billing rates for listed personnel, as well as other costs or expenses that would be charged in conjunction with the work. The Offeror is free to propose alternative billing structures (e.g., monthly flat fee for attending District Board of Director meetings and advising on routine matters that do not require extensive research or other legal work) for consideration by the District. The District reserves the right to negotiate with the Offeror on the billing structure.
- Conflicts - This section should identify whether Respondent anticipates it would need to obtain conflict waivers from any existing clients and how Respondent anticipates addressing any potential conflicts.
- References - The names, addresses, and telephone numbers of three (3) public agency clients who have contracted with the Respondent for services similar to those described in this RFP within the last five years.

SUBMITTALS

The Proposal should be e-mailed to Summer Ward, Board Secretary at summer@meinersoakswater.com.

EVALUATION CRITERIA

The District Board of Directors will review the proposals and make recommendations for final approval. The District Board of Directors may request an interview meeting and/or responses to written questions with some qualified Offerors prior to final selection. The proposals will be reviewed with the following general criteria:

- Level of experience and competence of the individual proposed as Lead Counsel with respect to the key areas of service identified in the Qualifications.
- Level of experience and competence of the individual/firm proposed for each of the major issue categories.
- Proposed approach to the scope of work.
- Offerors experience with similar clients and legal matters.
- Reference recommendations.
- Potential conflict of interest issues with Offeror's other clients.
- Labor rates
- Approach to controlling overall costs for providing the requested services.
- Interviews/responses to written questions (if conducted)

DRAFT

Meiners Oaks Water District
Status Report on Your Water District
June 2019

Pandemic response

We are planning how to reopen our office to the public when the coronavirus pandemic wanes. Meanwhile, we would like to thank our customers for their patience during these difficult times. Though some of our staff are working from home, we continue to answer the phone and are happy to answer your questions or resolve problems. Many of you are using the mail slot in our office door to pay your bills, or you may now pay online.

In April, MOWD adopted a 3 month moratorium on disconnecting water service for non-payment of water bills. Depending on events, we will consider extending the moratorium. If you are having trouble paying your bills, please send us a note. We are studying possible repayment plans.

We had intended to raise our water rates in July. However, with so many customers experiencing economic stress, we have decided to delay a rate increase until late 2020 or beyond. We will postpone several projects until things approach a new normal. We will temporarily use our financial reserves to sustain the District.

Drought Status

We had enough rain this winter to increase the level of Lake Casitas to 45% of capacity. However, we remain in a declared Stage 3 drought, and we ask our customers to continue conserving water. Overall, thanks to our customers, we are exceeding our conservation goals.

(805) 646-2114
www.meinersoakswater.com

AGREEMENT

This Agreement is made between the VENTURA COUNTY RESOURCE CONSERVATION DISTRICT (VCRC), with a principal place of business at PO Box 147, 3380 Somis Road, Somis, CA 93066 and Meiners Oaks Water District (MOWD), with a principal place of business at: 202 W El Roblar Drive, Ojai CA 93023.

Term

This Agreement will become effective upon the date of the last signature herein and will end March 31, 2022.

Work Plan & Budget

MOWD agrees to perform work on the Ventura Watershed Flow Enhancement and Water Resiliency Regional Framework Project (Project) as described in Exhibit A – Work plan and deliverables for Pumping and Nutrient Balance Project.

Payment

In consideration for the services to be performed by MOWD, VCRC agrees to pay approximately \$26,700 to MOWD as outlined in Exhibit B, Budget, Match and Invoice Template. MOWD will invoice VCRC quarterly for services performed for the prior quarter.

Matching Contribution

MOWD agrees to provide \$7,060 of in-kind services and direct funding as match to the VCRC for the Ventura Watershed Flow Enhancement and Water Resiliency Framework Project as outlined in Exhibit B, Budget, Match and Invoice Template.

Invoicing & Reporting

An invoice and supporting documentation, i.e. timesheets, receipts, and invoices, shall be submitted quarterly for reimbursement. Any agreed upon match shall be noted at this time as well and supporting documentation of said match must be provided.

A quarterly progress report is required. This report shall detail the work performed in the reporting period, list accomplishments, explain any delays in the project, any challenges, and upcoming work to be performed.

Invoices and progress reporting periods and due dates are as follows:

- | | |
|-----------------------|-----------------|
| 1. October – December | Due: January 10 |
| 2. January – March | Due: April 10 |
| 3. April – June | Due: July 10 |
| 4. July – September | Due: October 10 |

Late invoices and progress reports, or invoices and progress reports with missing information may cause a significant delay in payment.

Invoices must be submitted electronically to: debragillis@sbcglobal.net and an original hardcopy with supporting documentation mailed to: Debra Gillis, VCRCD, PO Box 147, Somis CA 93066

Payment of Invoices

Upon successful submission of invoices by MOWD, the VCRCD shall pay the invoice within 14 days after receipt of payment from Grantor. In accordance to the terms of the Grant Agreement, 10% of each invoice will be withheld until completion of the project. Once the Wildlife Conservation Board gives final approval and payment, the 10% retention will be remitted.

Insurance

MOWD shall, at their own cost and expense throughout the term of this Agreement and any extensions of it, carry one or more insurance policies that provide at least the following minimum coverages:

- a. Commercial General Liability insurance that provides a minimum of \$1,000,000 coverage per occurrence and \$2,000,000 in general aggregate coverage.
- b. Automobile liability insurance that provides a minimum of either a combined single limit (CSL) of \$1,000,000 for each accident or all of the following: \$250,000 bodily harm (BI) per person, and \$500,000 bodily injury per accident, and \$100,000 property damage (PD). Automobile Liability insurance is not required if no employee or other individual acting for Consultant does any traveling in performing work.
- c. Workers' Compensation insurance in full compliance with California statutory requirements for all employees of Consultant in the minimum amount of \$1,000,000.
- d. The VCRCD shall be named as additional insured on these policies and a copy of said proof of insurance shall be provided to the VCRCD prior to beginning work and upon each renewal during the Agreement period.

Permits and Approvals

MOWD is responsible for obtaining all necessary permits and approvals for the Project, and complying with all federal, state and local statutes, laws, regulations, ordinances, orders and other governmental and quasi-government requirements that apply to the Project.

Signs and Promotional Material

MOWD shall recognize the cooperative nature of the Project and shall provide credit to the Grantor and fund source (Proposition 1) on signs, demonstrations, promotional materials, advertisements, publications and exhibits prepared or approved by Grantee referencing the Project. Logos are available at <https://www.wcb.ca.gov/> VCRCD logo available upon request.

Right of Auditors and Record Retention

MOWD agrees to allow the auditors of the State of California to examine the records relative to the goods, services, equipment, materials, supplies or other assistance provided to subawardee for the Project if so requested. MOWD shall maintain complete and accurate records of its actual Project costs, in accordance with generally accepted accounting principles and practices, and shall retain said records for at least three years after final disbursement by the Wildlife Conservation Board through the VCRCD.

Indemnification

VCRCD will indemnify and hold MOWD harmless from any loss or liability arising from performing services under this Agreement. MOWD will indemnify and hold VCRCD harmless from any loss or liability arising from performing services under this Agreement.

Exclusive Agreement

This is the entire agreement between MOWD and VCRCD.

Severability

If any part of this Agreement is held unenforceable, the rest of the Agreement will continue in effect.

Applicable Law

This Agreement will be governed by the laws of the state of California.

Notices

All notices and other communications in connection with this Agreement will be in writing and will be considered given as follows:

- When delivered personally to the recipient's address as stated on this Agreement.
- Three days after being deposited in the United States mail, with postage prepaid to the recipient's address as stated on this Agreement, or
- When sent by e-mail to the most recent e-mail address of the recipient known to the person giving notice. Notice is effective upon receipt provided that a duplicate copy of the notice is promptly given by first class mail, or the recipient delivers a written confirmation of receipt.

No Partnership

This Agreement does not create a partnership relationship. MOWD does not have authority to enter into contracts on VCRCD's behalf, and the VCRCD does not have authority to enter into contracts on MOWD'S behalf.

Resolving Disputes

If a dispute arises under this Agreement, the parties agree to first try to resolve the dispute with the help of a mutually agreed-upon mediator in California. Any costs and fees other than attorney fees associated with the mediation will be shared equally by the parties.

If it proves impossible to arrive at a mutually satisfactory solution through mediation, the parties agree to submit the dispute to a mutually agreed upon arbitrator. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction to do so. Costs of arbitration, including attorney fees, will be allocated by the arbitrator.

Budget Contingency Clause

It is mutually agreed that if the Budget Act of the current and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the VCRCD shall have no liability to pay any funds whatsoever to MOWD for work performed beyond the time of notification by VCRCD.

If funding for any fiscal year is reduced or deleted by the Budget Act or other reasons for purposes of this program, the VCRCD shall have the option to either cancel this Agreement with no liability occurring to the Contractor, or offer an agreement amendment to Contractor to reflect the reduced amount.

Grant Contact Information & Billing:

Debra Gillis, Executive Director
Ventura County Resource Conservation District
PO Box 147, 3380 Somis Rd.
Somis, CA 93066
debragillis@sbcglobal.net
805-764-5133 Office
Taxpayer ID# 95-2666744

Signatures:

Ventura County Resource Conservation District:

By:  Date: 6.5.2020
Debra Gillis, Executive Director

Meiners Oaks Water District:

By: _____ Date: _____

Printed Name & Title: _____

Exhibit A – Work Plan & Deliverables
Exhibit B – Budget, Match & Invoice Template
Exhibit C – Taxpayer ID FormW9

Ventura Watershed Flow Enhancement and Water Resiliency Regional Framework Project
EXHIBIT A Work Plan and Deliverables Summary

Proj. No.	Project Title	Brief Description and List of Deliverables
25	Pumping Regime/Balancing and Water Quality	<p>Prepare plan for BMPs effective to remove high nitrates from Meiners Oaks Water District's (MOWD) Well No. 8, which is not connected to surface flows. In this phase of the project, MOWD will hire a civil engineering consultant with expertise in water treatment to evaluate the potential project and provide cost estimates. Of particular concern will be options for brine disposal. With continued groundwater extractions, water supply for agriculture is highly nutrient loaded, and application of that water is contributing to nutrient loading in the 303(d) listed Ventura River. Optimizing non-stream flow connected alternate sources in lieu of other pumping sources will alleviate pressure from groundwater over-extraction on stream flow.</p> <p>Deliverables:</p> <ul style="list-style-type: none"> • <i>Feasibility Study, including:</i> <ul style="list-style-type: none"> ◦ <i>Evaluate and compare methods of nitrate removal: ion-exchange, reverse osmosis, etc.</i> ◦ <i>Evaluate brine disposal options</i> ◦ <i>Estimate project costs for skid-mounted treatment facilities.</i> ◦ <i>Study blending options</i> ◦ <i>Develop project approach and schedule</i> • <i>Coordinate with Ojai Valley Sanitation District for disposal options including reuse</i> • <i>Refined estimate of potential instream flow benefits</i>

DISBURSEMENT REQUEST TEMPLATE

Invoice Date: _____
 Invoice No: _____

Project Proponent: Mainers Oaks Water District
Project Name: Pumping and Nutrient Balance Project
Project Number: 25
Address:
City, State, Zip:
Email:

Invoice Period Covered:

PROJECT TASK	TOTAL COST	WCB ALLOCATION	TOTAL COST SHARE	COST SHARE, CUMULATIVE	WCB PRIOR INVOICED AMOUNT	CURRENT WCB INVOICE	Remaining Balance of WCB allocation available for expenditure on this task
<small>Describe in a separate worksheet project task in the Budget approved by the WCB. Must be identical to those shown in the approved budget unless amended.</small>	<small>Show the total cost for each task. Must be identical to those shown in the approved budget unless amended.</small>	<small>Show the total WCB allocated for each task. Must be identical to those shown in the approved budget unless amended.</small>	<small>Show the total cost for each task. Must be identical to those shown in the approved budget unless amended.</small>	<small>Enter the total share of all non-WCB invoices. This column should increase progressively with successive invoices.</small>	<small>Sum of invoices already submitted to the WCB for payment on this task (includes amounts retained by WCB).</small>	<small>Amount of current invoice applied to this task.</small>	<small>Remaining balance of WCB allocation available for expenditure on this task.</small>
Task 1 - Project Management	\$ 2,185.00	\$ -	\$ 2,185.00				\$ -
Task 2 - Integrated Water Management Framework & Action Identification	\$ 500.00	\$ -	\$ 500.00				\$ -
Task 3 - Final Design Plans, Due Diligence, and Permitting	\$ 31,095.00	\$ 26,700.00	\$ 4,395.00				\$ 26,700.00
Task 4 - Regional Agency Guidance & Recommendations	\$ -	\$ -	\$ -				\$ -
Task 5 - Education & Outreach	\$ -	\$ -	\$ -				\$ -
TOTAL	\$ 33,780.00	\$ 26,700.00	\$ 7,080.00	\$ -	\$ -	\$ -	\$ 26,700.00
Total Current Invoices:	\$ -						
Less 10% Retention:	\$ -						
TOTAL PAYMENT DUE:	\$ -						

Submitted by: _____
 By: _____
 Printed Name: _____
 Date: _____

Each invoice should be accompanied by the following:

- Supporting or back-up documentation for all charges on the invoice, including receipts for all materials and supplies, all Grantee staff time shown by number of hours worked and hourly rate, and all other services.
- Clearly reconcile all supporting documents and identify them with the charges reflected in the invoice. If the attached supporting document includes a charge that will be reimbursed in part by the WCB and another funding source, clearly indicate the portion being paid by the WCB, and reconcile this amount with the invoice.

2020-21 Annual Budget For Meiners Oaks Water District

**Presented
06/16/2020**

Proposed 06-16-2020



MEINERS OAKS WATER DISTRICT

June 16, 2020

Proposed Budget for Fiscal Year 2020-2021

Postponing a Rate Increase

Meiners Oaks Water District has adopted a “wait-and-see” strategy for its budget and rates for the next fiscal year. Our original intention was to raise rates in July after a Prop 218 public hearing process. Our water rates must eventually increase in order to fund a treatment plant replacement, respond to a lawsuit by the City of Ventura, contribute to Groundwater Sustainability Agency expenses, and advance various capital projects. At this time, however, many of our customers are suffering financial stress resulting from the Covid-19 pandemic. The ultimate effects on the California economy are unknown. Therefore, we believe that this is not a good time to raise rates for our customers. In addition, a public Prop 218 process would be hindered by social distancing rules. Fortunately, MOWD currently has about \$1.6 million in reserves, exceeding the traditionally-expected minimum of \$500,000. That will allow us to delay a rate increase for at least six months if we postpone some projects.

Therefore, MOWD intends to proceed as follow:

1. Postpone about \$190,000 of planned projects and expenses.
2. Adopt an interim budget in June for Fiscal Year 2020-21.
3. Maintain rates at their current level going into the next fiscal year. Even without any rate increase, reserves should remain above a million dollars by the FY's end.
4. Wait to see what happens with the pandemic and its financial fallout.
5. As the crisis abates, the Board may decide to adopt a revised mid-year budget and undertake a Prop 218 process to increase rates at that time.

One anticipated outcome of the pandemic is that, as in 2008, grants might become available for “shovel-ready” projects to boost the economy. To be ready, we plan to proceed with the design of our treatment plant replacement and Lomita tie-in.

Budget Summary

The proposed budget for Fiscal Year 2020-21 is summarized in Table 1. The table shows total expenses and revenues for the year, and the effects on MOWD's reserves. Our decision to postpone a rate increase, in combination with reduced sales caused by the drought, will reduce our reserves. Incorporating the cost of some needed capital projects, our reserves will start at \$1,608,175 and fall to \$ 1,310,059 by the end of the fiscal year. Although some capital projects will be delayed, the budget does include the cost of

MOWD Budget for FY 2020-2021

engineering work required to advance some planned projects. However, some projects cannot wait, which will require us to use part of our reserves to accomplish those tasks. Such tasks include a nitrate removal study, needed valve replacements, and final engineering on our replacement water treatment plant. It is projected that our reserves will remain adequate to support District operations and maintenance.

Projected Expenses

The budgeted expenses for FY 2020-21 are shown in Table 2 by category. The adopted budget amounts for the previous three fiscal years are shown in the table for comparison. The operating expenses by category are comparable to the prior three years. Capital expenses differ substantially each year and are not shown in detail for the previous years. Some highlights of the projected expenses are:

- 1) The Upper Ventura River Groundwater Sustainability Agency (UVRGSA) will continue to require funding for at least another two years.
- 2) New pumping fees paid to the GSA could exceed \$40,000 per year.
- 3) Our long-term maintenance backlog continues, but it's not as severe as in the recent past. We plan to continue scheduled maintenance projects in 2020-21 to maintain the reliability of our water supply.
- 4) A nitrate removal study for Well No. 8 will be performed, supplemented by grant funding from the Wildlife Conservation Board.
- 5) We must prepare for a lawsuit by Santa Barbara Channel Keepers (SBCK) and the City of San Buenaventura adjudication.

Projected Revenues

The projected total revenue of \$1,734,284 for FY 2020-21 is summarized in Table 3, and is based on current rates, reductions in water sales corresponding to Casitas MWD's Stage 3 drought, and current allocation amounts.

Water Rates

Rates will be held steady until mid 2020 or beyond, as summarized in Table 4. Our Prop 218 hearing for future years 2020 - 2024 will be postponed until late 2020 or beyond due to the coronavirus pandemic and the unprecedented number of unemployed customers. The District will wait to adjust its water rates until it is more appropriate to do so.

MOWD has adopted a new water allocation program for its customers. Within the next few months, customers will be notified of their new allocations. Afterwards, MOWD may increase its penalty for water use above the allocation amount. Such an increase would be adopted at a regular board meeting open to the public and, as a penalty, is exempt from the Prop 218 process.

MOWD Budget for FY 2020-2021

After the rainfall last winter, we do not expect to purchase much water from Casitas MWD next year. Nevertheless, if we do the cost would be passed on to our customers via a "Casitas Surcharge," as in previous years.

Future Water Rates

Customers will be notified if MOWD opts to proceed with a rate increase after the pandemic wanes. A Prop 218 process would be used and customers would have an opportunity to protest the increase in advance of its adoption.

Please check our website or call the office for any questions you might have.

Prepared by Mike Hollebrands
General Manager
Meiners Oaks Water District

Proposed 6-16-2020

Table 1

Proposed Budget Summary for the Fiscal Year 2020 – 2021

Total Operating expenditures	\$ 1,586,400
Capital Outlay	\$ 446,000
Total Capital and Operating	\$ 2,032,400
Projected Revenues	\$ 1,734,284
Shortfall to be absorbed by reserves	<298,116>
<hr/>	
Reserves beginning	\$ 1,608,175
Reserves ending	\$ 1,310,059

Meiners Oaks Water District
Proposed Budgeted Expenses for FY 2020-2021

Table 2

Budgeted Expenses	3 PRIOR YEARS				Proposed Budget for FY 2020-21	% ↑ ↓
	Adopted Budget for FY 2017-18	Adopted Budget for FY 2018-19	Adopted Budget for FY 2019-20			
Operating Expenses						
Salary	\$ 382,000.00	\$ 448,000.00	\$ 500,000.00	\$ 575,000.00		13.04%
Payroll Taxes	\$ 30,000.00	\$ 37,500.00	\$ 45,000.00	\$ 60,000.00		25.00%
Retirement Contributions	\$ 30,000.00	\$ 38,000.00	\$ 42,000.00	\$ 51,000.00		17.65%
Group Insurance	\$ 70,000.00	\$ 70,000.00	\$ 78,000.00	\$ 86,000.00		9.30%
Company Uniforms	\$ 1,500.00	\$ 1,500.00	\$ 2,000.00	\$ 2,500.00		20.00%
Phone Office	\$ 7,600.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00		0.00%
Janitorial Service	\$ 5,500.00	\$ 4,500.00	\$ 4,500.00	\$ 5,000.00		10.00%
Refuse Disposal	\$ 2,700.00	\$ 3,100.00	\$ 3,100.00	\$ 3,400.00		8.82%
Liability Insurance	\$ 22,000.00	\$ 25,000.00	\$ 27,000.00	\$ 40,000.00		32.50%
Workers Compensation	\$ 17,500.00	\$ 12,000.00	\$ 18,000.00	\$ 18,000.00		0.00%
Wells	\$ 25,000.00	\$ 15,000.00	\$ 10,000.00	\$ 10,000.00		0.00%
Truck Maintenance	\$ 4,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,500.00		14.29%
Office Equip./ Maintenance	\$ 7,500.00	\$ 6,500.00	\$ 6,000.00	\$ 5,000.00		-20.00%
Cell Phones	\$ 4,500.00	\$ 4,000.00	\$ 4,000.00	\$ 4,500.00		11.11%
System Maintenance	\$ 55,000.00	\$ 55,000.00	\$ 75,000.00	\$ 75,000.00		0.00%
Safety Equipment	\$ 3,500.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00		0.00%
Laboratory Services	\$ 8,000.00	\$ 9,000.00	\$ 12,000.00	\$ 11,000.00		-9.09%
Membership and Dues	\$ 7,500.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00		0.00%
Printing and Binding	\$ 1,000.00	\$ 1,500.00	\$ 500.00	\$ 3,500.00		85.71%
Office Supplies	\$ 6,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00		0.00%
Postage and Express	\$ 13,500.00	\$ 13,000.00	\$ 13,000.00	\$ 10,000.00		-30.00%
B.O.D. Fees	\$ 13,000.00	\$ 13,500.00	\$ 15,000.00	\$ 15,000.00		0.00%
Engineering & Technical Services	\$ 35,000.00	\$ 35,000.00	\$ 50,000.00	\$ 50,000.00		0.00%
Computer Services	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 17,000.00		11.76%
Other Prof. & Regulatory Fees	\$ 15,000.00	\$ 25,000.00	\$ 45,000.00	\$ 40,000.00		-12.50%
Public and Legal Notices	\$ 1,000.00	\$ 1,000.00	\$ 2,000.00	\$ 2,000.00		0.00%
Attorney Fees	\$ 15,000.00	\$ 50,000.00	\$ 90,000.00	\$ 75,000.00		-20.00%
GSA Fees	\$ 40,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00		0.00%
VR/SBC/City of Ventura Law suit	\$ 15,000.00	\$ 25,000.00	\$ 100,000.00	\$ 75,000.00		-33.33%
State Water	\$ 25,000.00	\$ 25,000.00	\$ 35,000.00	\$ 20,000.00		-75.00%
Audit Fees	\$ 18,000.00	\$ 20,000.00	\$ 22,000.00	\$ 25,000.00		12.00%
Small Tools	\$ 3,000.00	\$ 1,000.00	\$ 2,500.00	\$ 3,000.00		16.67%
Election Supplies	\$ -	\$ 2,500.00	\$ -	\$ 2,500.00		100.00%
Water Purchase	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00		0.00%
Casitas Standby Charges	\$ 10,000.00	\$ 15,000.00	\$ 17,000.00	\$ 20,000.00		15.00%
Treatment Plant	\$ 10,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00		0.00%
Fuel	\$ 12,000.00	\$ 11,000.00	\$ 10,000.00	\$ 13,000.00		23.08%
Travel Exp./Seminars	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00		0.00%
Meters	\$ 10,000.00	\$ 6,000.00	\$ 10,000.00	\$ 10,000.00		0.00%
Utilities	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00		0.00%
Power and Pumping	\$ 110,000.00	\$ 80,000.00	\$ 80,000.00	\$ 80,000.00		0.00%
Subtotal Oper. Expenditures	\$ 1,131,800.00	\$ 1,247,100.00	\$ 1,512,100.00	\$ 1,586,400.00		4.68%
CAPITAL EXPENSES						
Water Distribution System						
Automating Fairview Conn. Design				\$ -		
Well 8 nitrate removal/blending				\$ 5,000.00		
4 Valve replacements / Deadends				\$ -		
Relocate 6 inch main for Z-2				\$ 150,000.00		
El Sol to Lomita Tie-in engineering				\$ 5,000.00		
Repairs to Meiners Rd 80K gallon tank				\$ 50,000.00		
Structures and Improvements						
T.P. Final Eng. 100% design				\$ 50,000.00		
Treatment Plant set-aside Fund						
Vehicles						
1 Ton Service Truck				\$ 75,000.00		
Furniture and Fixtures						
General Managers desk				\$ 2,500.00		
Office Machines						
New meter reading handhelds/Software				\$ 6,000.00		
Field Equipment						
Leak Detector				\$ 2,500.00		
Vibraplate						
Welder for new truck						
Air Compressor for new truck						
Crane For new truck						
Appropriations for Contingencies						
Total CIP Spending				\$ 100,000.00		
Total Annual Expenditures 2020-21				\$ 446,000.00		
				\$ 2,032,400.00		

Note: Capital Expenses vary widely and are not shown for prior years

Table 3
MOWD Proposed Budget for FY 2020 - 2021
Projected Revenue

1) Fixed Meter Charges

Meter size	No. of Accts	Monthly WAC	Monthly MCC	Annual Revenue
5/8"-3/4"	1499	\$35.91	\$0.00	\$645,949
1"	258	\$35.91	\$16.00	\$160,713
1 1/2"	9	\$35.91	\$36.00	\$7,766
2"	18	\$35.91	\$104.00	\$30,221
3"	3	\$35.91	\$256.00	\$10,509
4"	1	\$35.91	\$776.00	\$9,743
6"	1	\$35.91	\$1,576.00	\$19,343
TOTAL FIXED REVENUE				\$884,244

1789

2) Water Sales

	Units	Rate	Annual Revenue
Total annual sales	256,000	\$2.34	\$599,040
Over-alloc usage	56,000	\$1.00	\$56,000
TOTAL WATER SALES REVENUE			\$655,040

3) Delinquent Fees

	Annual Revenue
Total Annual Fees Collected	\$30,000
TOTAL DELINQUENT REVENUE	\$30,000

4) Property Taxes

	Annual Revenue
	\$140,000
TOTAL PROPERTY TAX REVENUE	\$140,000

5) Interest Income

	Annual Revenue
	\$25,000
TOTAL INCOME FROM INTEREST	\$25,000

TOTAL PROJECTED ANNUAL REVENUE **\$1,734,284**

Table 4
Proposed Water Rates 2020 - 2021
(Unchanged since July 2018)

1) Monthly Water Availability Charge (WAC)

Meter size	<u>Current</u> <u>2020-21</u>
All	\$35.91

2) Monthly Meter Capacity Charge (MCC)

Meter size	<u>2020-21</u>
5/8" & 3/4"	\$0.00
1"	\$16.00
1.5"	\$36.00
2"	\$104.00
3"	\$256.00
4"	\$776.00
6"	\$1,576.00

3) Usage Rate per HCF of water used

Meter size	<u>2020-21</u>
All	\$2.34

4) Over-Allocation Penalty

Meter size	<u>2020-21</u>
All	\$1.00/Unit

5) Casitas Surcharge

Meter size	<u>2020-21</u>
All	The cost of purchasing water from Casitas MWD is collected as a "Casitas Surcharge" added to a customer's bill in proportion to the amount of water used that month. (NO CHANGE)

6) Other Fees and Charges

See our website for special rates and conditions.

Note: 1 Unit = 100 cubic feet = HCF = 748 gallons



Meiners Oaks Water District
Fiscal Year 2020-2021 Budget Resolution 2020616

The Board of Directors of Meiners Oaks Water District on this 16th Day of June 2020, the following resolution was proposed and approved:

WHEREAS, The mission of the Meiners Oaks Water District and its staff is to produce and deliver a reliable and sustainable supply of water to meet the needs of the residents and properties and the community within the boundaries, and

WHEREAS, It is the responsibility of the Board of Director to establish policy to uphold and support the mission statement and to agree and pass an annual budget for the Meiners Oaks Water District, and

NOW, therefore be it resolved by the Meiners Oaks Water District Board of Directors adopts the annual budget for the fiscal year of 2020 – 2021.

Passed, Approved and Adopted this 16th day of June 2020.

President of the Board
Michel Etchart

Secretary of the Board
Summer Ward



RESOLUTION NO. 2020616-2

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MEINERS OAKS WATER DISTRICT

REQUESTING THAT THEIR GENERAL DISTRICT ELECTION
TO BE HELD ON NOVEMBER 3, 2020, BE CONSOLIDATED
WITH OTHER ELECTIONS CALLED TO BE HELD ON THE SAME DAY AND IN THE SAME
TERRITORY

WHEREAS, an election shall be conducted for the Meiners Oaks Water District pursuant to the Uniform District Election Law commencing with section 10403 of the Elections Code on November 3, 2020, for the purpose of electing Two Directors; and

WHEREAS, the Board of Directors wishes the Elections Division of the Office of the County Clerk to conduct said election; and

WHEREAS, pursuant to Section 10418 et seq. of the Elections Code, said election may be consolidated with other elections to be held on the same day; and

WHEREAS, the Board of Directors desires to request that this District's General District Election be consolidated with any other election which may be held on the same date and involving the same territory.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS as follows:

THAT the General District Election of this District is to be held on November 3, 2020 and consolidated with any other elections held on the same date and involving all or a portion of the territory of the District pursuant to Section 10418 et seq. of the Elections Code; and further

THAT, pursuant to Elections Code Section 10002, the District shall reimburse the County in full for the services performed upon presentation of a bill to the District.

PASSED, APPROVED AND ADOPTED this 16th day of June, 2020.

President of the Board
Michel Etchart

Secretary to the Board
Summer Ward

DRAFT

Meiners Oaks Water District
Would You Like to Serve on Our Board?
July 2020

At the end of 2020 there will be an opening on the board of directors of Meiners Oaks Water District. Two director positions are up for election. Residents of Meiners Oaks are invited to run for election to the board.

MOWD is a public agency called a “special district,” and is operated on a not-for-profit basis. MOWD’s mission is to supply safe, economical drinking water to the residents and businesses of Meiners Oaks. Our primary water supply comes from our 4 local wells, with a backup supply from Lake Casitas.

MOWD is governed by a 5 member board of directors. Directors are elected by voters in a public election. However, there have been no elections for a decade because directors often run unopposed.

To run for the board you must be a registered voter and live in Meiners Oaks. Current directors include a retired teacher, a heavy equipment operator, a farmer, and a retired engineer. If elected you must attend monthly board meetings at 6 PM on the third Tuesday of each month. Some directors serve on committees that meet several times a year, at convenient times. As compensation, directors receive \$150 for each board meeting and \$50 for each committee meeting attended.

To run for the board you must apply to the Registrar of Voters of the County of Ventura Elections Division by ____ __, 2020. If you might be interested and would like more information, call us and ask for our board secretary, Summer.

(805) 646-2114
www.meinersoakswater.com

2019 Consumer Confidence Report

Water is Precious



MEINERS OAKS WATER DISTRICT CONSUMERS CONFIDENCE REPORT FOR 2019

Last year, as in years past, your tap water meets all EPA and State drinking water health standards. Meiners Oaks Water District has delivered safe drinking water that did not violate any maximum contaminant levels. This report details about where your water comes from, what it contains, and how it compares to State standards.

Drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of contaminants does not necessarily indicate that water poses a health risk. More information about contaminants and potential health effects can be obtained by calling the EPA's Safe Drinking Water Hotline (1-800-426-4791).

Some people may be more vulnerable to contaminants in drinking water than the general population. Immuno-compromised persons such as persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly, and infants can be particularly at risk from infections. These people should seek advice about drinking water from their health care providers. USEPA/Centers for Disease Control (CDC) guidelines on appropriate means to lessen the risk of infection by *Cryptosporidium* and other microbial contaminants are available from the Safe Drinking Water Hotline (1-800-426-4791).

The sources of drinking water (both tap water and bottled water) include rivers, lakes, streams, ponds, reservoirs, springs, and wells. As water travels over the surface of the land or through the ground, it dissolves naturally-occurring minerals and, in some cases, radioactive material. Water can also pick up substances resulting from the presence of animals or human activity. Contaminants that may be present in source water include:

2019 Consumer Confidence Report

- Microbial contaminants, such as viruses and bacteria that may come from sewage treatment plants, septic systems, agricultural, livestock operations, and wildlife.
- Inorganic contaminants, such as salts and metals that can be naturally-occurring or result from urban stormwater runoff, industrial or domestic wastewater discharges, oil and gas production, mining or farming.
- Pesticides and herbicides, which may come from a variety of sources such as agriculture, urban stormwater runoff, and residential uses.
- Organic chemical contaminants, including synthetic and volatile organic chemicals, which are byproducts of industrial processes and petroleum production, and can, also come from gas stations, urban stormwater runoff, and septic systems.
- Radioactive contaminants, which can be naturally-occurring or be the result of oil and gas production and mining activities.
- Disposing of unused, unwanted, and expired medications once it was common practice to flush these medications (also known as pharmaceuticals) down the toilet. Your doctor or pharmacist may have directed you to do this. We now know that these substances are bad for our environment - the ground, water, and the air around us. Please return all unused medications to your pharmacist.
- Department of Health and EPA regulations also establish limits for contaminants in bottled water that must provide the same protection for public health.

For more information, please look to (www.nodrugsdownthedrain.org)

To ensure that tap water is safe to drink, the USEPA and the California Department of Public Health (CDPH) prescribe regulations that limit the number of certain contaminants in water provided by public water systems. Department regulations also establish limits for contaminants in bottled water that must provide the same protection for public health.

Sources of your Water

Your water comes from four District wells drilled 100 to 300 feet into underground aquifers. Two groundwater wells are located at Lomita and Rice, and two wells three miles north of Meiners Oaks. We also have two 4" connections to receive surface water from Lake Casitas, when needed. Customers may receive Lake Casitas surface water if our wells need repair or cannot keep up with system demand. A blend of surface and groundwater is delivered on those occasions.

Water purchased from Casitas is treated by using chloramines; this type of treatment utilizes chlorine mixed with a small amount of ammonia. People on dialysis should ensure that they are using the proper filtration. If you have a fish pond or aquarium, the added ammonia will kill your fish if not properly treated by removing the ammonia content.

2019 Consumer Confidence Report

Water Conservation

Meiners Oaks Water District would like to remind its customers that a **Stage 3 water shortage** continues, and encourages every customer to stay diligent with their conservation practices. Lake Casitas currently measures at 44.4% of its capacity. Conserving water will help reduce the strain on our wells and lower the amount of water that would need to be purchased from Lake Casitas. It is a precious natural resource that we cannot afford to waste. So please keep in mind to use positive shut-off valves when washing your car or watering your plants or garden. Use low-flow shower heads and faucets. Low flow toilets are also a big water saver. If you cannot afford low flow fixtures or any of the many other water-saving devices available to you, as a customer of Meiners Oaks Water District, you are eligible for rebates from Casitas Municipal Water District as a Meiners Oaks Water District customer.

Another way to save water is to use smart controllers for your irrigation valves. They are available through Casitas Municipal Water rebate program and most irrigation supply houses. Let Casitas Water know that you are one of our customers and present them a water bill from our District and they will take it from there. Casitas now offers rebates for getting rid of your lawns. Please contact Casitas MWD at 649-2251 for more information.

Once Lake Casitas level reaches 30% of capacity, the threshold for Stage 4 will be reached; this stage will require a mandatory 40% reduction in use.

Meiners Oaks Water District continues to work on the following projects to expand/support our water portfolio and lessen the amount of water we would have to supplement from Lake Casitas:

- Drilling a new well off of Rice Rd (Completed)
- Exploring options of an optional 2000 foot deep well, that would be used in critical times to supplement our existing sources in place of purchasing Lake Casitas water
- Nitrate removal and blending at our well W-8
- Lining wells 1 and 2 with stainless steel liners and equipping them with variable frequency drives for longer life and durability (Completed)

Also, the Meiners Oaks Water Board of Directors has passed Resolution 20180417-1 supporting Casitas MWD in their pursuit of bringing State water into the Ojai Valley.

Fun Facts about Water



780 million people lack access to an approved water source.



1/3 of what the world spends on bottled water in one year could pay for projects providing water to everyone in need.



In the United States, the West has experienced less rain over the past 50 years, as well as increases in the severity and length of droughts; this has been especially of concern in the Southwest.



Water can dissolve more substances than any other liquid including sulfuric acid.



In one year, the average American residence uses over 100,000 gallons (indoors and outside).



Only .003% of water on Earth is freshwater available for human consumption. Save water by challenging friends to only use 13 gallons of water in a day. (It is harder than it sounds!)



The United States draws more than 40 billion gallons (151 million liters) of water from the Great Lakes every day—half of which is used for electrical power production.



Water acts as a natural insulator to regulate the earth's temperature.



1.7% of the world's water is frozen and therefore unusable.

For more information about saving water and doing your part go to
www.bewaterwise.com or www.meinersoakswater.org or www.casitaswater.org

Consumer Confidence Report Certification Form

(to be submitted with a copy of the CCR)
(to certify electronic delivery of the CCR, use the certification form on the State Water Board's website at
http://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/CCR.shtml)

Water System Name: **MEINERS OAKS CWD**

Water System Number: **5610005**

The water system above hereby certifies that its Consumer Confidence Report was distributed on June 30, 2020 (date) to customers (and appropriate notices of availability have been given). Further, the system certifies that the information contained in the report is correct and consistent with the compliance monitoring data previously submitted to the State Water Resources Control Board, Division of Drinking Water.

Certified By: Name Mike Hollebrands
Signature [Signature]
Title General Manager
Phone Number (805) 646-2114 Date June 2, 2020

To summarize report delivery used and good-faith efforts taken, please complete the form below by checking all items that apply and fill-in where appropriate:

☒ CCR was distributed by mail or other direct delivery methods. Specify other direct delivery methods used:

CCR Included in water bills

☒ "Good faith" efforts were used to reach non-bill paying customers. Those efforts included the following methods:

☒ Posted the CCR on the internet at http://meinersoakswater.com

☒ Mailed the CCR to postal patrons within the service area (attach zip codes used) 93023

☐ Advertised the availability of the CCR in news media (attach a copy of press release)

☐ Publication of the CCR in a local newspaper of general circulation (attach a copy of the published notice, including name of the newspaper and date published)

☒ Posted the CCR in public places (attach a list of locations) District Office

☐ Delivery of multiple copies of CCR to single bill addresses serving several persons, such as apartments, businesses, and schools

☐ Delivery to community organizations (attach a list of organizations)

☐ Other (attach a list of other methods used)

☐ For systems serving at least 100,000 persons: Posted CCR on a publicly-accessible internet site at the following address: http://

☐ For privately-owned utilities: Delivered the CCR to the California Public Utilities Commission

(This form is provided as a convenience and may be used to meet the certification requirement of section 64483(c), California Code of Regulations.)

2019 Consumer Confidence Report

Water System Name: MEINERS OAKS CWD

Report Date: April 2020

We test the drinking water quality for many constituents as required by state and federal regulations. This report shows the results of our monitoring for the period of January 1 - December 31, 2019.

Este informe contiene información muy importante sobre su agua potable. Tradúzcalo ó hable con alguien que lo entienda bien.

Type of water source(s) in use: According to SWRCB records, the Sources Well 01 and Well 02 are Groundwater under the influence of Surface Water. This Assessment was done using the Default Groundwater System Method. According to SWRCB records, the Sources Well 04, and Well 07 are Groundwater. This Assessment was done using the Default Groundwater System Method.

Your water comes from 4 source(s): Well 01, Well 02, Well 04 and Well 07

Opportunities for public participation in decisions that affect drinking water quality: Regularly-scheduled water board or city/county council meetings are held at 202 W. El Roblar every 3rd Tuesday of each month at 6:00pm.

For more information about this report, or any questions relating to your drinking water, please call (805) 646-2114 and ask for Mike Hollebrands or visit our website at www.meinersoakswater.org.

TERMS USED IN THIS REPORT

Maximum Contaminant Level (MCL): The highest level of contaminant that is allowed in drinking water. Primary MCLs are set as close to the PHGs (or MCLGs) as is economically feasible. Secondary MCLs are set to protect the odor, taste, and appearance of drinking water.

Maximum Contaminant Level Goal (MCLG): The level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs are set by the U.S. Environmental Protection Agency (USEPA).

Public Health Goal (PHG): The level of a contaminant in drinking water below which there is no known or expected risk to health. PHGs are set by the California Environmental Protection Agency.

Maximum Residual Disinfectant Level (MRDL): The highest level of a disinfectant allowed in drinking water. There is convincing evidence that addition of a disinfectant is necessary for control of microbial contaminants.

Maximum Residual Disinfectant Level Goal (MRDLG): The level of a drinking water disinfectant below which there is no known or expected risk to health. MRDLGs do not reflect the benefits of the use of disinfectants to control microbial contaminants.

Primary Drinking Water Standards (PDWS): MCLs and MRDLs for the contaminants that affect health along with their monitoring and reporting requirements, and water treatment requirements.

Secondary Drinking Water Standards (SDWS): MCLs for the contaminants that affect taste, odor, or appearance of the drinking water. Contaminants with SDWSs do not affect the health at the MCL levels.

Treatment Technique (TT): A required process intended to reduce the level of a contaminant in drinking water.

Regulatory Action Level (AL): The concentration of a contaminant which, if exceeded, triggers treatment or other requirements that a water system must follow.

Level 1 Assessment: A Level 1 assessment is a study of the water system to identify potential problems and determine (if possible) why total coliform bacteria have been found in our water system.

Level 2 Assessment: A Level 2 assessment is a very detailed study of the water system to identify potential problems and determine (if possible) why an E. coli MCL violation has occurred and/or why total coliform bacteria have been found in our water system on multiple occasions.

ND: not detectable at testing limit

mg/L: milligrams per liter or parts per million (ppm)

ug/L: micrograms per liter or parts per billion (ppb)

pCi/L: picocuries per liter (a measure of radiation)

NTU: Nephelometric Turbidity Units

umhos/cm: micro mhos per centimeter

The sources of drinking water: (both tap water and bottled water) include rivers, lakes, streams, ponds, reservoirs, springs, and wells. As water travels over the surface of the land or through the ground, it dissolves naturally-occurring minerals and, in some cases, radioactive material, and can pick up substances resulting from the presence of animals or from human activity.

Contaminants that may be present in source water include:

- *Microbial contaminants*, such as viruses and bacteria, that may come from sewage treatment plants, septic systems, agricultural livestock operations, and wildlife.
- *Inorganic contaminants*, such as salts and metals, that can be naturally-occurring or result from urban stormwater runoff, industrial or domestic wastewater discharges, oil and gas production, mining, or farming.
- *Pesticides and herbicides*, that may come from a variety of sources such as agriculture, urban stormwater runoff, and residential uses.
- *Organic chemical contaminants*, including synthetic and volatile organic chemicals, that are by-products of industrial processes and petroleum production, and can also come from gas stations, urban stormwater runoff, agricultural application, and septic systems.
- *Radioactive contaminants*, that can be naturally-occurring or be the result of oil and gas production and mining activities.

In order to ensure that tap water is safe to drink, the USEPA and the State Water Resource Control Board (State Water Board) prescribe regulations that limit the amount of certain contaminants in water provided by public water systems. State Water Board regulations also establish limits for contaminants in bottled water that provide the same protection for public health.

Tables 1, 2, 3, 4, 5, 6 and 7 list all of the drinking water contaminants that were detected during the most recent sampling for the constituent. The presence of these contaminants in the water does not necessarily indicate that the water poses a health risk. The State Water Board allows us to monitor for certain contaminants less than once per year because the concentrations of these contaminants do not change frequently. Some of the data, though representative of the water quality, are more than one year old.

Any violation of MCL, AL or MRDL is highlighted. Additional information regarding the violation is provided later in this report.

Table 1 - SAMPLING RESULTS SHOWING THE DETECTION OF LEAD AND COPPER						
Lead and Copper (complete if lead or copper detected in last sample set)	Sample Date	90th percentile level detected	No. Sites Exceeding AL	AL	PHG	Typical Sources of Contaminant
Lead (ug/L)	20 (2017)	5.3	0	15	0.2	Internal corrosion of household water plumbing systems; discharges from industrial manufacturers, erosion of natural deposits
Copper (mg/L)	20 (2017)	0.37	0	1.3	.3	Internal corrosion of household plumbing systems; erosion of natural deposits; leaching from wood preservatives

Table 2 - SAMPLING RESULTS FOR SODIUM AND HARDNESS						
Chemical or Constituent (and reporting units)	Sample Date	Average Level Detected	Range of Detections	MCL	PHG (MCLG)	Typical Sources of Contaminant
Sodium (mg/L)	(2017 - 2018)	59	51 - 62	none	none	Salt present in the water and is generally naturally occurring
Hardness (mg/L)	(2017 - 2018)	474	447 - 497	none	none	Sum of polyvalent cations present in the water, generally magnesium and calcium, and are usually naturally occurring

Table 3 - DETECTION OF CONTAMINANTS WITH A PRIMARY DRINKING WATER STANDARD						
Chemical or Constituent (and reporting units)	Sample Date	Average Level Detected	Range of Detections	MCL [MRDL]	PHG (MCLG) [MRDLG]	Typical Sources of Contaminant
Aluminum (mg/L)	(2017 - 2018)	ND	ND - 0.08	1	0.6	Erosion of natural deposits; residue from some surface water treatment processes

Fluoride (mg/L)	(2017 - 2018)	0.5	0.4 - 0.6	2	1	Erosion of natural deposits; water additive that promotes strong teeth; discharge from fertilizer and aluminum factories.
Nitrate as N (mg/L)	(2019)	5.5	1.0 - 7.1	10	10	Runoff and leaching from fertilizer use; leaching from septic tanks and sewage; erosion of natural deposits
Nitrate + Nitrite as N (mg/L)	(2017 - 2018)	2.4	ND - 5.2	10	10	Runoff and leaching from fertilizer use; leaching from septic tanks and sewage; erosion of natural deposits
Selenium (ug/L)	(2017 - 2018)	ND	ND - 6	50	30	Discharge from petroleum, glass, and metal refineries; erosion of natural deposits; discharge from mines and chemical manufacturers; runoff from livestock lots(feed additive)
Gross Alpha (pCi/L)	(2017 - 2018)	3.41	2.04 - 4.11	15	(0)	Erosion of natural deposits.
Uranium (pCi/L)	(2017)	ND	ND - 1.51	20	0.43	Erosion of natural deposits

Table 4 - DETECTION OF CONTAMINANTS WITH A SECONDARY DRINKING WATER STANDARD

Chemical or Constituent (and reporting units)	Sample Date	Average Level Detected	Range of Detections	MCL	PHG (MCLG)	Typical Sources of Contaminant
Chloride (mg/L)	(2017 - 2018)	52	35 - 76	500	n/a	Runoff/leaching from natural deposits; seawater influence
Specific Conductance (umhos/cm)	(2017 - 2018)	1140	1090 - 1190	1600	n/a	Substances that form ions when in water; seawater influence
Sulfate (mg/L)	(2017 - 2018)	304	240 - 384	500	n/a	Runoff/leaching from natural deposits; industrial wastes
Total Dissolved Solids (mg/L)	(2017 - 2018)	770	750 - 820	1000	n/a	Runoff/leaching from natural deposits
Turbidity (NTU)	(2017 - 2018)	0.4	0.2 - 0.6	5	n/a	Soil runoff

Table 5 - DETECTION OF UNREGULATED CONTAMINANTS

Chemical or Constituent (and reporting units)	Sample Date	Average Level Detected	Range of Detections	Notification Level	Typical Sources of Contaminant
Boron (mg/L)	(2017 - 2018)	0.7	0.5 - 0.9	1	Boron exposures resulted in decreased fetal weight (developmental effects) in newborn rats.

Table 6 - ADDITIONAL DETECTIONS

Chemical or Constituent (and reporting units)	Sample Date	Average Level Detected	Range of Detections	Notification Level	Typical Sources of Contaminant
Calcium (mg/L)	(2017 - 2018)	131	123 - 138	n/a	n/a
Magnesium (mg/L)	(2017 - 2018)	36	34 - 37	n/a	n/a
pH (units)	(2017 - 2018)	7.3	6.8 - 7.8	n/a	n/a
Alkalinity (mg/L)	(2017 - 2018)	230	200 - 250	n/a	n/a
Aggressiveness Index	(2017 - 2018)	12.1	11.7 - 12.7	n/a	n/a
Langelier Index	(2017 - 2018)	0.24	-0.2 - 0.8	n/a	n/a

Table 7 - DETECTION OF DISINFECTANT/DISINFECTANT BYPRODUCT RULE

Chemical or Constituent (and reporting units)	Sample Date	Average Level Detected	Range of Detections	MCL (MRDL)	PHG (MCLG)	Violation	Typical Sources of Contaminant
Total Trihalomethanes (TTHMs) (ug/L)	(2019)	79	1 - 84	80	n/a	No	By-product of drinking water disinfection

Chlorine (mg/L)	(2019)	1.10	0.43 - 1.60	4.0	4.0	No	Drinking water disinfectant added for treatment.
Haloacetic Acids (five) (ug/L)	(2019)	49	ND - 49	60	n/a	No	By-product of drinking water disinfection

Additional General Information on Drinking Water

Drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of contaminants does not necessarily indicate that the water poses a health risk. More information about contaminants and potential health effects can be obtained by calling the USEPA's Safe Drinking Water Hotline (1-800-426-4791).

Some people may be more vulnerable to contaminants in drinking water than the general population. Immuno-compromised persons such as persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly, and infants can be particularly at risk from infections. These people should seek advice about drinking water from their health care providers. USEPA/Centers for Disease Control (CDC) guidelines on appropriate means to lessen the risk of infection by *Cryptosporidium* and other microbial contaminants are available from the Safe Drinking Water Hotline (1-800-426-4791).

Lead Specific Language for Community Water Systems: If present, elevated levels of lead can cause serious health problems, especially for pregnant women and young children. Lead in drinking water is primarily from materials and components associated with the service lines and home plumbing. *Meiners Oaks Water District* is responsible for providing high quality drinking water, but cannot control the variety of materials used in plumbing components. When your water has been sitting for several hours, you can minimize the potential for lead exposure by flushing your tap for 30 seconds to 2 minutes before using water for drinking or cooking. If you are concerned about lead in your water, you may wish to have your water tested. Information on lead in drinking water, testing methods, and steps you can take to minimize exposure is available from the Safe Drinking Water Hotline or at <http://www.epa.gov/lead>.

Summary Information for Violation of a MCL, MRDL, AL, TT, or Monitoring and Reporting Requirement

VIOLATION OF A MCL,MRDL,AL,TT, OR MONITORING AND REPORTING REQUIREMENT				
Violation	Explanation	Duration	Actions Taken To Correct the Violation	Health Effects Language
Total Trihalomethanes (TTHMs)				Some people who drink water containing trihalomethanes in excess of the MCL over many years may experience liver, kidney, or central nervous system problems, and may have an increased risk of getting cancer.

About your Nitrate as N: Nitrate above 5 mg/L as nitrogen (50 percent of the MCL), but below 10 mg/L as nitrogen (the MCL); Nitrate in drinking water at levels above 10 mg/L is a health risk for infants of less than six months of age. Such nitrate levels in drinking water can interfere with the capacity of the infant's blood to carry oxygen, resulting in a serious illness; symptoms include shortness of breath and blueness of the skin. Nitrate levels above 10 mg/L may also affect the ability of the blood to carry oxygen in other individuals, such as pregnant women and those with certain specific enzyme deficiencies. If you are caring for an infant, or you are pregnant, you should ask advice from your health care provider.

2019 Consumer Confidence Report

Drinking Water Assessment Information

Assessment Information

A source water assessment was conducted for the WELL 01, WELL 02, WELL 04, and WELL 07 of the MEINERS OAKS CWD water system in March, 2001.

Well 01 - is considered most vulnerable to the following activities not associated with any detected contaminants:

- Agricultural Drainage
- Septic systems - low density [$<1/\text{acre}$]

Well 02 - is considered most vulnerable to the following activities not associated with any detected contaminants:

- Agricultural Drainage

Well 04 - is considered most vulnerable to the following activities not associated with any detected contaminants:

- Agricultural Drainage

Well 07 - is considered most vulnerable to the following activities not associated with any detected contaminants:

- Agricultural Drainage
- Sewer collection systems
- Wells - Agricultural/ Irrigation

Acquiring Information

A copy of the complete assessment may be viewed at:

SWRCB Division of Drinking Water

1180 Eugenia Place

Suite 200

Carpinteria, CA 93013

You may request a summary of the assessment be sent to you by contacting:

Jeff Densmore

District Engineer

805 566 1326

May 2020



To: Board of Directors of the Meiners Oaks Water District

From: General Manager

Subject: Monthly Manager's Report

Highlights

(Rainy season October thru April)

18.60" of rain Matilija Canyon

16.45" of rain Meiners Oaks Fire Station

LAKE CASITAS LEVEL

44.1%

Board Committees

Re-Organization Ad-Hoc committee 6-5-2020

Budget Committee met 6/10/2020

May 2020

Current Well levels and specific capacity

Well 1	May	June	Well 2	May	June	Well 4	May	June	Well 7	May	June
Static	22.7'	27.1'	Static	22.8'	27.2'	Static	34.0'	35.2'	Static	40.8'	41.9'
Running	32.1'	36.2'	Running	36.2'	48.3'	Running	71.2'	72.0'	Running	43.5'	44.7'
Drawdown	9.43'	9.1'	Drawdown	13.3'	21.1'	Drawdown	37.2'	36.8'	Drawdown	2.7'	2.8'
Specific Cap.	32.5 gal/ft	32.0 gal/ft	Specific Cap.	14.2 gal/ft	8.9 gal/ft	Specific Cap.	9.24 gal/ft	9.1 gal/ft	Specific Cap.	122.5 gal/ft	116.0 gal/ft

Water pumped, sold and purchased values are based on a calendar year.

Total Pumped

Total Pumped for May 2020	53.49 AF
Total Pumped 2019:	609.61 AF
Total Pumped YTD 2020:	184.13 AF

Total Sold

Total Sold for April 2020:	26.69 AF
Total Sold 2019:	563.62 AF
Total Sold 2020:	178.27 AF

Total Purchased

Total Purchased from CMWD 2020	0.00 AF
Total Purchased YTD May	0.00 AF
Total Purchased YTD 2019	33.58 AF

May 2020

Total Capacity:

1,600 Gallons per Minute (GPM) with all current wells on line 1, 2, 4, 7)

3,600 Gallons per minute (GPM) with all current wells on line 1, 2, 4, 7) + Casitas

Water Sales:

(Sales values are based on the actual month listed only not YTD)

May	2019:	\$ 43,282.51
May	2020:	\$ 29,212.79

Reserve Funds

Balance at the County of Ventura	\$ 1,440,519.46
Total Taxes*	\$ 1,191.17
Total Interest from reserve account#	\$ 3,189.92

Fiscal Year Total Revenues

July 1 st – May 31 st	2019	\$ 1,584,806.01
July 1 st – May 31 st	2020	\$ 1,581,297.00

Bank Balances

LAIF Balance	\$ 227,801.70
Transferred from L.A.I.F. to General	\$ 0.00
(#) Quarterly Interest from LAIF	\$ 0.00

Money Market (RABO)	\$ 7,619.20
Amount Transferred to Rabo from County this month	\$ 0.00
Amount Transferred to General Fund from Money Market	\$ 0.00
(*) Monthly Interest received from Money Market	\$.32
General Fund Balance	\$ 43,634.92
Trust Fund Balance	\$ 16,745.93
Capital Improvement Fund	\$ 14,413.71
(#) Quarterly Interest from Capital Account	\$.24
Total Interest accrued	\$.56

District Summary/Update

- District O&M Report – Everything is running smoothly throughout the District. All operators have been busy over the last three weeks weed whacking all of our facilities to meet the June 1st deadline.
- Wells – I had to turn off wells '1 and 2 due to a piping failure in the treatment plant. No further damage was caused to the facility by the break, however, parts to this facility are not stocked on any shelf, they ordered, made, and re-assembled on-site to complete the repair. To save money and time, I made the trek to Banning Ca, last Thursday so that the wells could be turned on over this weekend.
- COVID -19 – As you know the District has been operating remotely since March 13th. Staff works out a monthly schedule assigning who will complete the field and office work on a daily basis. Things up to this point seem to be running smoothly with good communication all around. I have installed the plexiglass shields in the office to help protect from the airborne feature of this virus, proper sanitation, and distancing are always adhered to. The date to re-open the office is still to be determined, although, Monday June 1st, seems to be my target for now. Covid cases in Ventura County seem to be maintaining status quo with no real decline in the numbers.

May 2020

- Meiners Rd Project – All material submittals have been approved by our engineer and work is set to start the week of June 15th. Project should be completed by end of the month.

Capital Improvement Projects for 2019-2020
Budgeted capital funds \$ 637,000 FY 2019-2020

1. Well 4 Development (Completed)
2. Engineer design report for the treatment plant (In process)
3. Replace 6 inch main for Zone 2 (In Process)
4. El Sol and Lomita Tie-in (Engineering to start next month)
5. R1 and R2 well condition report (Tabled until next year)
6. Automate Casitas connection at Fairview and Hwy 33 (Tabled until next year)
7. Two generator purchase and electrical panel upgrades (Complete)

Unscheduled Work

<u>Type of Repair</u>	<u>Cause</u>	<u>Date</u>	<u>Leak Location</u>	<u>Contractor</u>	<u>Amount \$</u>
*Main Leak	Edison	7/11	1450 S. Rice	Sam Hill/Staff	\$10,885.10
Main Leak	Poor bedding	7/14	Rice and Myer	Sam Hill/Staff	\$3,850.00
**Service Leak	Edison	7/29	150 N. Encinal	Sam Hill	\$ 2,539.34
Valve replacement	Age	8/5	181 N. Encinal	Sam Hill	\$ 8,181.25
Main Leak	Pipe Settle	10/13	1878 Meiners Rd	Sam Hill/Staff	\$ 3,488.00
Main Leak	Poor Bedding	11/15	980 Oso Rd	Sam Hill/Staff	\$ 8,158.85
Main Leak	Crack	1/15/20	Tico/Lomita	Sam Hill/Staff	\$ 10,894.91
Hydrant Replacement	Age/Leaking	3/4/2020	239 N. Poli	Staff	\$
				Sub Total	\$ 47,997.45
			Total Less refunded amounts		\$ 37,112.35

May 2020

*** A refund check has been received by the District on behalf of Edison in the amount of \$ 10,885.10**

**** Refund check has been approved by Edison and should be received soon**

Tanks

1. 80k gallon bolted tank was installed in 1983 age = 37 (Zone -2)
2. 500k gallon bolted tank was installed in 1973 age = 47 (Put back into service 2011)
3. 500k gallon bolted tank was installed in 2003 age = 17
4. 750k gallon welded tank completed in 2015 age = 5

Life expectancy for a bolted tank is 30 – 40 years

Life expectancy for a welded steel tank 100 years

Well Drilled Dates & Depths

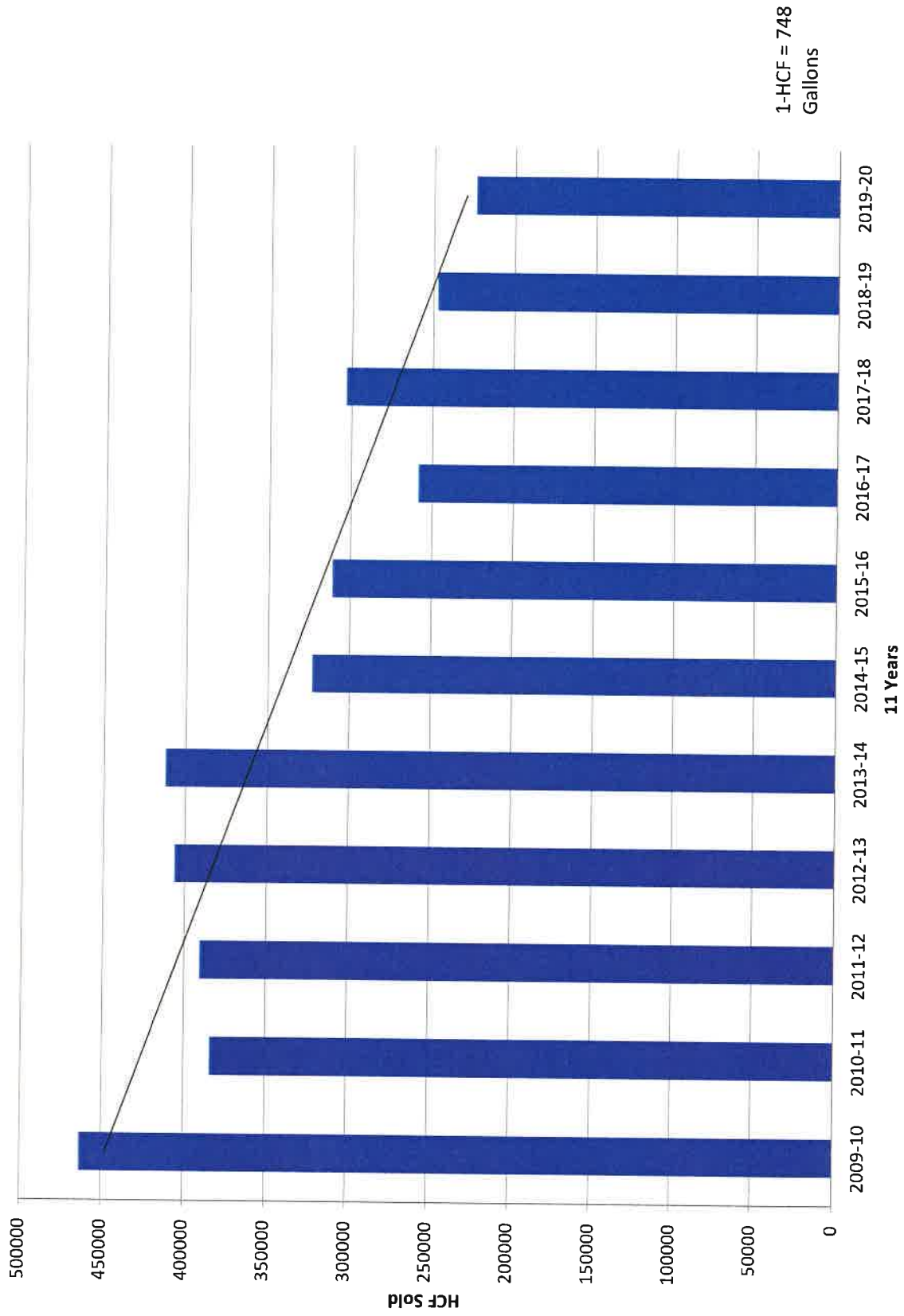
	<u>Date drilled</u>	<u>Drill Depth</u>
1. Well # 1	1969	65 feet Rehabilitated 2018
2. Well # 2	1969	110 feet Rehabilitated 2018
3. Well # 4	1969	240 feet (NON-OP.)
4. New well 4	2018	165 feet
5. Well # 7	1961	156 feet
6. Well # 8	1968	144 feet (NON-OP.)

May 2020

Board of Directors

President – Michel Etchart Re-elected in 2018	Term ends 2022	Long Term
Vice-President – James Kentosh Re-elected in 2018	Term ends 2022	Long Term
Board Member – Larry Harrold Re-elected in 2018	Term ends 2022	Long Term
Board Member – Michael Krumpschmidt Elected 2016	Term Ends 2020	Long Term
Board Member – Diana Engle Elected 2016	Term Ends 2020	Long Term

Water Sales

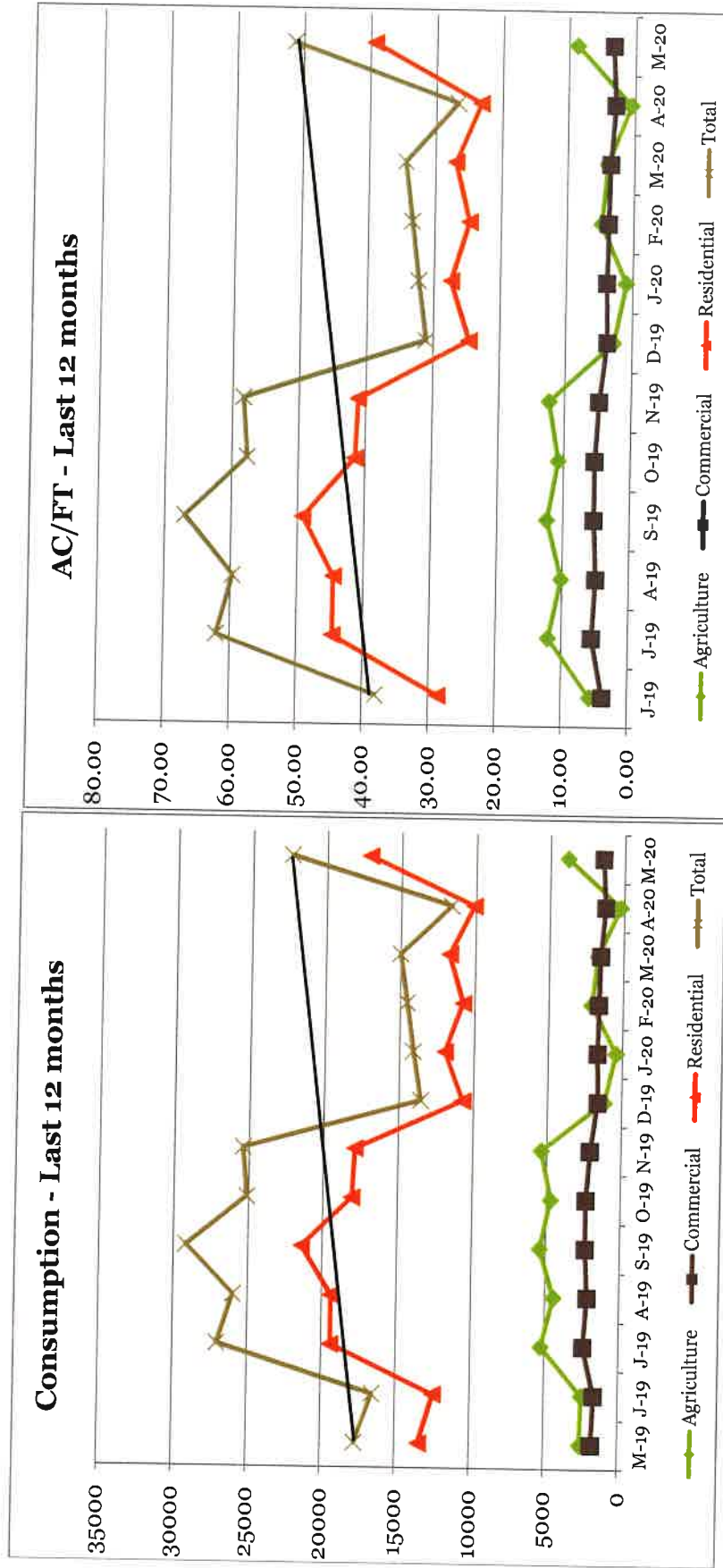


GM Consumption Report

Billed Consumption for May 2020

Account Class	Customers in Class	Consumption	Gallons Per Unit	AC/FT
Agriculture	30	3802	748	8.73
Commercial	55	1437	748	3.30
Residential	1191	17132	748	39.33

Total Consumption	1276	22371	Grand total	51.36
-------------------	------	-------	-------------	-------



Note: Previous report showed spike in January 2019, two factors contributed to high value: (1) Oso Rd. Leak 799 units (Res); (2) Meter Misread, corrected customer account and billing but the output report had not updated, erroneous 9,997 Res units removed from January Residential Consumption.

GM Report

AG	CONSUMPTION				AC/FT			
	2017	2018	2019	2020	2017	2018	2019	2020
JAN	605.00	3389.00	1212.00	437.00	1.39	7.78	2.78	1.00
FEB	195.00	4487.00	163.00	2109.00	0.45	10.30	0.37	4.84
MAR	1593.00	881.00	288.00	1742.00	3.66	2.02	0.66	4.00
APR	3436.00	3025.00	2415.00	253.00	7.89	6.94	5.54	0.58
MAY	5258.00	5511.00	2541.00	3802.00	12.13	12.65	5.83	8.73
JUN	6523.00	4677.00	2470.00		14.97	10.74	5.67	
JUL	8401.00	6047.00	5261.00		19.29	13.88	12.08	
AUG	9793.00	6475.00	4447.00		22.48	14.86	10.21	
SEP	10336.00	4846.00	5425.00		23.73	11.12	12.75	
OCT	8686.00	3714.00	4726.00		19.94	8.53	10.85	
NOV	5893.00	3875.00	5401.00		13.53	8.90	12.40	
DEC	6606.00	681.00	1204.00		15.17	24.44	2.76	

COM	CONSUMPTION				AC/FT			
	2017	2018	2019	2020	2017	2018	2019	2020
JAN	1531.00	2179.00	1582.00	1686.00	3.51	5.00	4.25	3.87
FEB	1808.00	1750.00	1417.00	1636.00	4.15	4.02	3.25	3.76
MAR	1441.00	1433.00	1447.00	1551.00	3.31	3.29	3.32	3.56
APR	1534.00	1631.00	1712.00	1257.00	3.52	3.74	3.93	2.89
MAY	2037.00	2137.00	1775.00	1437.00	4.68	4.91	4.07	3.30
JUN	2148.00	2141.00	1640.00		4.93	4.92	3.76	
JUL	2409.00	2384.00	2384.00		5.53	5.47	5.47	
AUG	2590.00	2513.00	2165.00		5.95	5.77	4.97	
SEP	2202.00	2183.00	2324.00		5.06	5.01	5.34	
OCT	2221.00	2114.00	2326.00		5.10	4.85	5.34	
NOV	2484.00	2167.00	2098.00		5.70	4.97	4.82	
DEC	2159.00	1788.00	1624.00		4.96	4.10	3.73	

RES	CONSUMPTION				AC/FT			
	2017	2018	2019	2020	2017	2018	2019	2020
JAN	9145.00	14041.00	11567.00	11961.00	20.99	32.23	26.55	27.46
FEB	9934.00	14009.00	8243.00	10800.00	22.81	32.16	18.92	24.79
MAR	9012.00	9375.00	8000.00	11737.00	20.69	21.52	18.37	26.94
APR	10693.00	12018.00	13199.00	10119.00	24.55	27.59	30.30	23.23
MAY	16844.00	16387.00	13427.00	17132.00	38.67	37.62	30.82	39.33
JUN	17499.00	19252.00	12470.00		40.17	44.20	28.63	
JUL	19982.00	21976.00	19416.00		45.87	50.45	44.57	
AUG	21012.00	22974.00	19398.00		48.24	52.74	44.53	
SEP	21428.00	19943.00	21446.00		49.19	45.78	49.23	
OCT	19992.00	18079.00	18096.00		45.90	41.50	41.54	
NOV	17067.00	16304.00	17937.00		39.18	37.43	41.18	
DEC	17147.00	10645.00	10734.00		39.36	24.44	24.64	



Board Secretary Report

June 2020

1. Administrative

- a. As part of the MOWD reorganization, the Board Secretary will now provide a monthly Board summary report, contents, and formatting will likely change over time.
- b. EDD Claim received on behalf of former employee, claim processed by GM.
- c. Board Elections November 2020 – (1 Open & 1 Incumbent)
 - i. Adopt Resolution for Election Consolidation - due by 6/29/2020.
 - ii. Instructional Meeting 6/22/2020 at 10:00 am (RSVP 654-2664)
 - iii. Nomination Period: Monday, July 13, 2020 – Friday, August 7, 2020

2. Financial (any items not covered in separate Financials Report)

- a. District General & Trust Bank Accounts transitioned from Rabobank to Mechanics Bank in the early part of June 2020. There have been some interim issues with the online banking access; however, the staff is working with the Mechanic's Bank Transition team on resolving each matter.

3. Billing/Customer Service

- a. Summary of Billing Statements & Customer Service Orders

Month	#Total Service Orders	# Account Turnovers	Total AR Bill Calculation	Over-Allocation \$	Other Penalties
Jan 20	88	5	\$103,517.04	\$3,060.00	\$0
Feb 20	75	11	\$102,457.21	\$1,919.00	\$0
Mar 20	109	11	\$104,012.24	\$1,849.00	\$0
Apr 20	78	9	\$ 94,817.80	\$1,106.00	\$0
May 20	112	2	\$124,586.74	\$5,220.00	\$0

Note: May 2020 over-allocation fees increase attributed to very high Ag consumption, (1) account over 500 units, and (2) accounts both over 850 units each. These reads were verified, and meters did not indicate leaks.

4. Projects

- a. Allocation Program – Reclassification letters for Ag (19) and Commercial (11) accounts were mailed 4/24/20 & 5/22/20, respectively. Customer responses have been tracked for review.
- b. Staff Procedures Ad-Hoc Committee – Job Tasks & Duties, Organizational Chart redesign, and Office layout reconfiguration.

5. Complaints & Compliments

- a. Customers, overall, have been very understanding and supportive of the District Staff during the office closure.
- b. A customer called 6/10/2020 to request financial assistance due to financial difficulties resulting from COVID-19, she expressed gratitude for us having a live person to speak to about her circumstances and appreciates our small-town customer service.

Recommended Actions: *Receive an update from the Board Secretary concerning miscellaneous matters and District correspondence. Provide feedback to staff.*

Attachments: None.