

# VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT

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3757 Constellation Road • Vandenberg Village • Lompoc, CA 93436  
Telephone: (805) 733-2475 • Fax: (805) 733-2109



*"Pride in Community Service"*

<http://vvcasd.org>  
[info@vvcasd.org](mailto:info@vvcasd.org)

**NOTICE:** The Board of directors of the Vandenberg Village Community Services District will hold a Regular Meeting at 7:00 p.m., on Tuesday, March 7, 2006, at the District Office conference Room, 3757 Constellation Road, Vandenberg Village, in compliance with Section 54954.2 of the Government Code of the State of California.

If you need reasonable accommodations due to a disability, please contact the Board Secretary 24 hours prior to the meeting date at (805) 733-2475. Board package is available at the Vandenberg Village Public Library and the Districts website [www.vvcasd.org](http://www.vvcasd.org).

## **AGENDA**

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE
2. ROLL CALL: Directors Brooks, Fox, Redmon, Rowland and Wyckoff
3. ADDITIONS AND DELETIONS TO AGENDA
4. PUBLIC FORUM:

The Board will invite public comment on each action item as it is considered during the meeting.

At this time members of the public wishing to address the Board on other matters that are within the jurisdiction of the District may do so when recognized by the President. Please begin by stating your name and place of residence.

5. OPERATIONS REPORT

6. CONSENT CALENDAR

- A. Approval of Minutes of the February 23, 2006 Special Meeting
- B. Approval of Monthly Financial Reports
- C. Approval of Disbursements through February 28, 2006

7. ACTION ITEMS

- A. Mid-Year Budget Review: Consider approving the mid-year budget as recommended by the Finance/Budget Committee.....page 16
- B. Directors Expense Budget: Consider increasing the budget to fund Directors to conferences and training seminars.....page 31
- C. Assembly Bill 1234: Consider sending a letter to the California Special Districts Association (CSDA) expressing dissatisfaction with the new requirement for meal reimbursement.....page 33
- D. Reserves: Review the current policy and status of reserves and discuss possible changes. No Board package material.

8. REPORTS

- A. Committees
- B. District Representatives to External Agencies
- C. Board President
- D. General Manager

9. INFORMATIONAL CORRESPONDENCE

10. DIRECTORS' FORUM: Any member of the Board may address the Board on any subject within the jurisdiction of the District.

11. ADJOURN

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## MINUTES REGULAR MEETING

**February 23, 2006**

The Board of directors of the Vandenberg Village Community Services District met for a Special Meeting, at 5:30 p.m. on Thursday, February 23, 2006, at the District Office Conference Room.

### 1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

The meeting was called to order at 5:30 p.m. by President Wyckoff who led the Pledge of Allegiance.

### 2. ROLL CALL: Directors Brooks, Fox, Redmon, Rowland and Wyckoff

#### OTHERS PRESENT

Joe Barget, General Manager, was also present.

### 3. ADDITIONS AND DELETIONS TO AGENDA

There were no additions or deletions to the Agenda.

### 4. PUBLIC FORUM:

President Wyckoff opened the Public Forum at 5:32 p.m. There was no one from the public and President Wyckoff closed the Public Forum at 5:32 p.m.

## 5. CONSENT CALENDAR

- A. Approval of Minutes of the January 3, 2006 Regular Meeting.
- B. Approval of December Monthly Financial Reports.
- C. Approval of Disbursements through January 31, 2006.

The General Manager called attention to two pages of the monthly financial reports. The Combined Balance Sheet (page 9) showed that liabilities had decreased \$1.5 million due to the bond payoff, and that equity had increased \$.5 million. The Schedule of Investments (page 16) showed that the District has a total of \$1.85 million in reserves. This figure is up from a low of \$1.6 million last year and should now rebuild at a rate of about \$30,000-\$40,000 a month.

**Motion by Director Rowland, seconded by Director Fox to Approve the consent calendar as presented.**

**Unanimous**

## 6. ACTION ITEMS

Local Agency Formation Commission:

**Motion by Director Redmon, seconded by Director Wyckoff to Nominate Christopher Brooks to serve as a special district representative on Santa Barbara LAFCO.**

**Unanimous**

## 7. DIRECTORS' FORUM:

Director Fox said he was up and feeling better after his operation.

Director Brooks attended the SYRWCD and said that there was a lot of discussion about steelhead but nothing transpired that directly affects VVCSD.

Director Rowland reported on the Finance/Budget Committee that met just prior to the special meeting. The committee is going to recommend establishing an internal covenant of 25% to help build reserves. The committee would also like the Board write a letter to the CSDA and complain about the new AB 1234 Law.

Joe Barget, General Manager, reported that the Directors Expense budget for this fiscal year was \$5,250 and there is only about \$70 remaining in this line item. The previous year's budget was about \$10,000. He said that a budget increase will be on the March regular meeting agenda to cover the ACWA/JPIA Conference in May. He asked the directors to advise staff of any other training/travel requirements for the rest of this fiscal year. Director Redmon expressed interest in attending a Water Law Conference in April.

8. ADJOURN

**Motion by Director Wyckoff, seconded by Director Rowland to adjourn the meeting at 5:58 p.m.**

**Unanimous**

**Respectfully submitted,**

**Approved as to form,**

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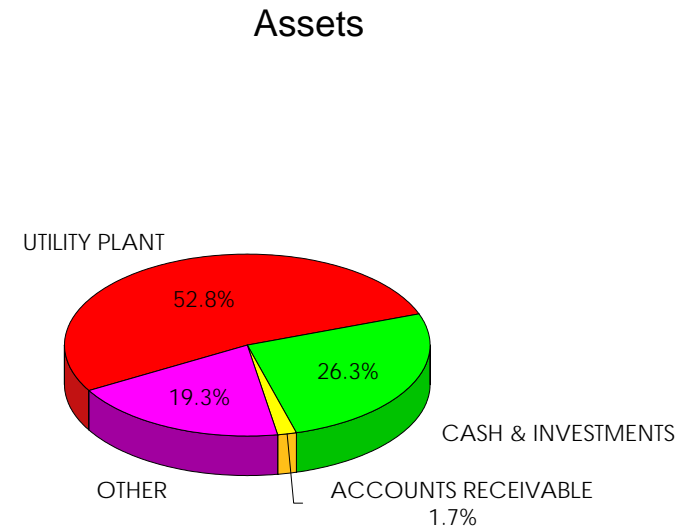
**Stephanie Vlahos-Rivera**  
**Secretary, Board of Directors**

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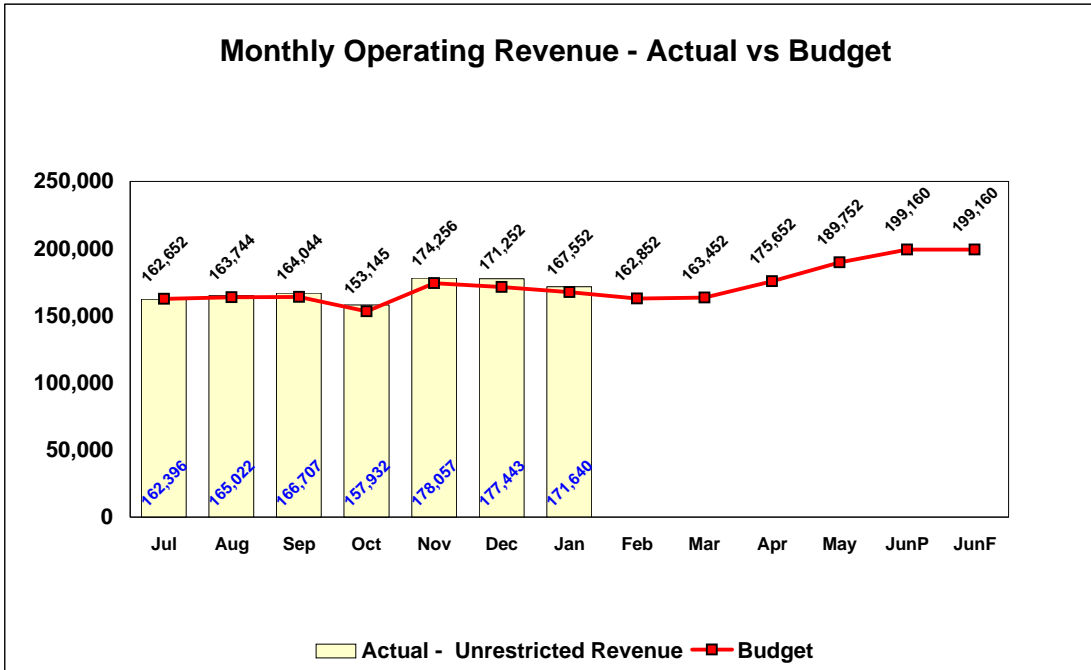
**Robert Wyckoff**  
**President, Board of Directors**

VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT  
 Combined Balance Sheet  
 As of January 31, 2006

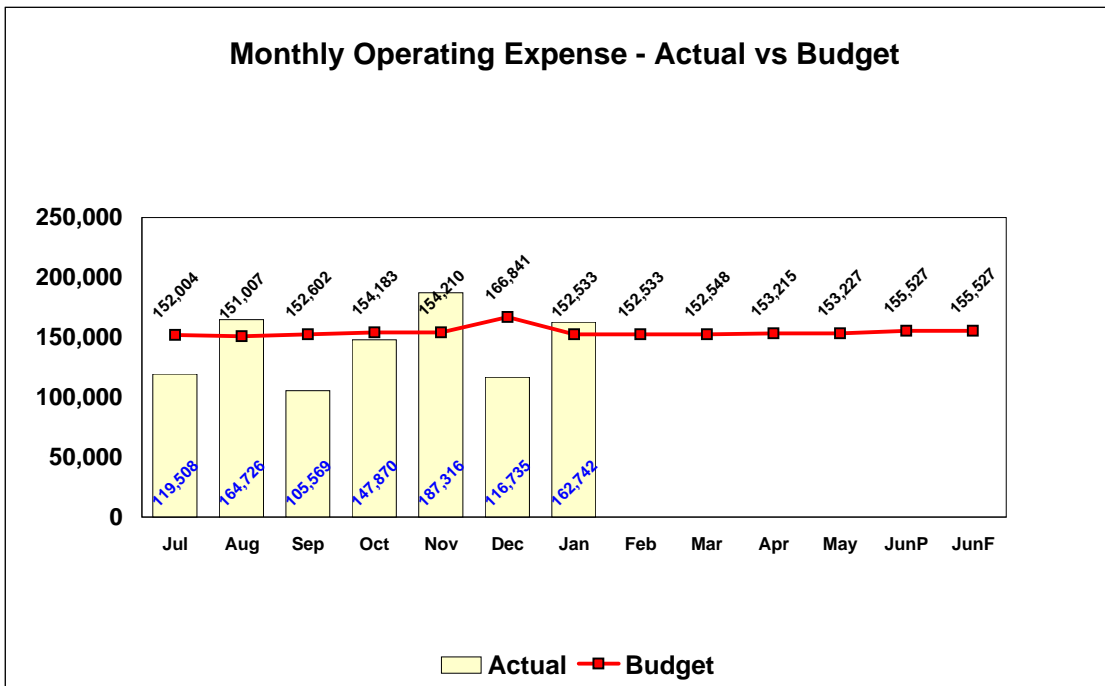
	<u>2006 FYTD</u>	<u>FYE 2005</u>	<u>VARIANCE</u>
<b>ASSETS</b>			
UTILITY PLANT	\$4,246,068	4,291,192	(\$45,124)
CASH & INVESTMENTS	2,113,219	2,623,202	(509,983)
RESTRICTED CASH	0	226,846	(226,846)
ACCOUNTS RECEIVABLE	134,058	158,436	(24,378)
OTHER	1,553,565	1,671,294	(117,729)
<b>TOTAL ASSETS</b>	<u>\$8,046,911</u>	<u>\$8,970,970</u>	<u>(\$924,060)</u>
<b>LIABILITIES</b>			
CURRENT LIABILITIES	\$216,389	\$581,786	(\$365,397)
UNEARNED REVENUE	66,566	66,566	0
ACCRUED BOND INTEREST PAYABLE	0	12,062	(12,062)
LONG TERM BONDS	0	1,090,000	(1,090,000)
<b>TOTAL LIABILITIES</b>	<u>\$282,955</u>	<u>\$1,750,414</u>	<u>(\$1,467,459)</u>
<b>EQUITY</b>			
CONTRIBUTED CAPITAL	\$484,600	\$484,600	\$0
EQUITY	6,735,954	6,240,814	495,140
CURRENT EARNINGS	543,402	495,142	48,260
<b>TOTAL EQUITY</b>	<u>\$7,763,956</u>	<u>\$7,220,556</u>	<u>\$543,400</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u>\$8,046,911</u>	<u>\$8,970,970</u>	<u>(\$924,059)</u>



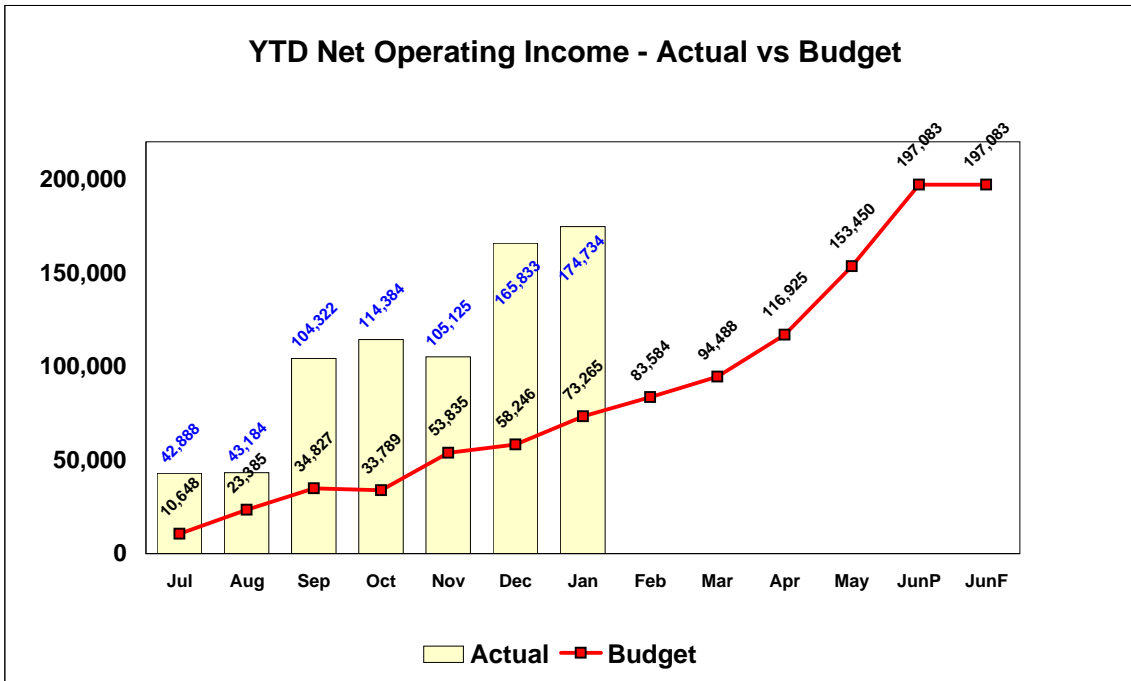
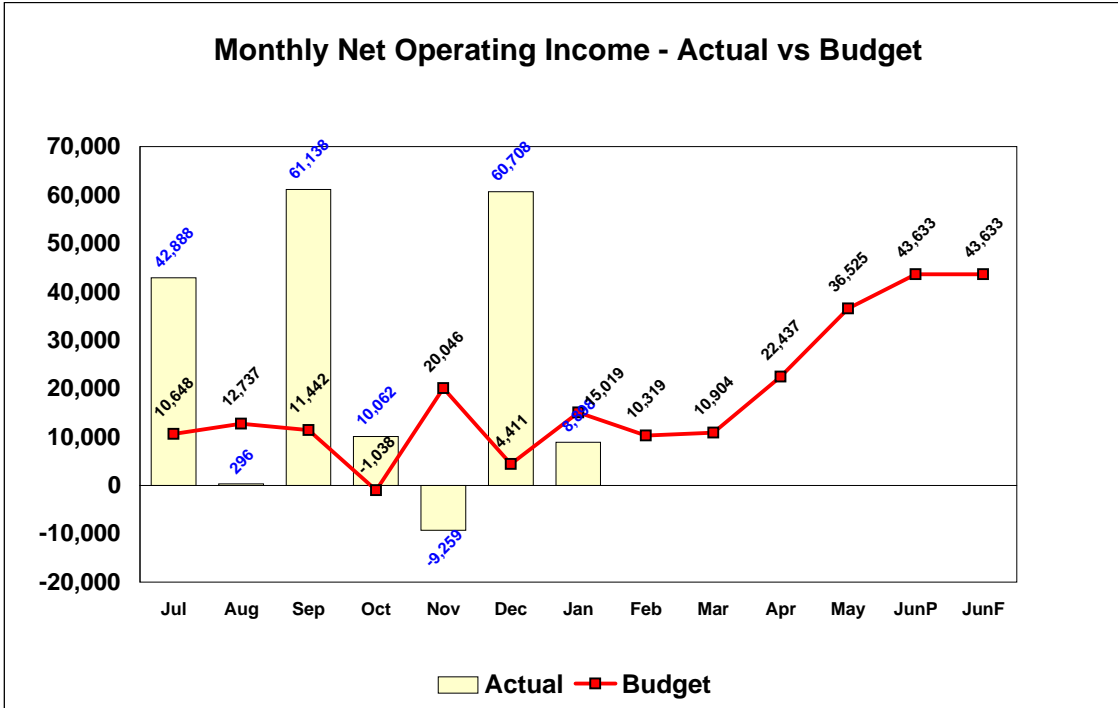
VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT  
**Summary of Revenue and Expense**  
 For the Period From July 1, 2005 to January 31, 2006



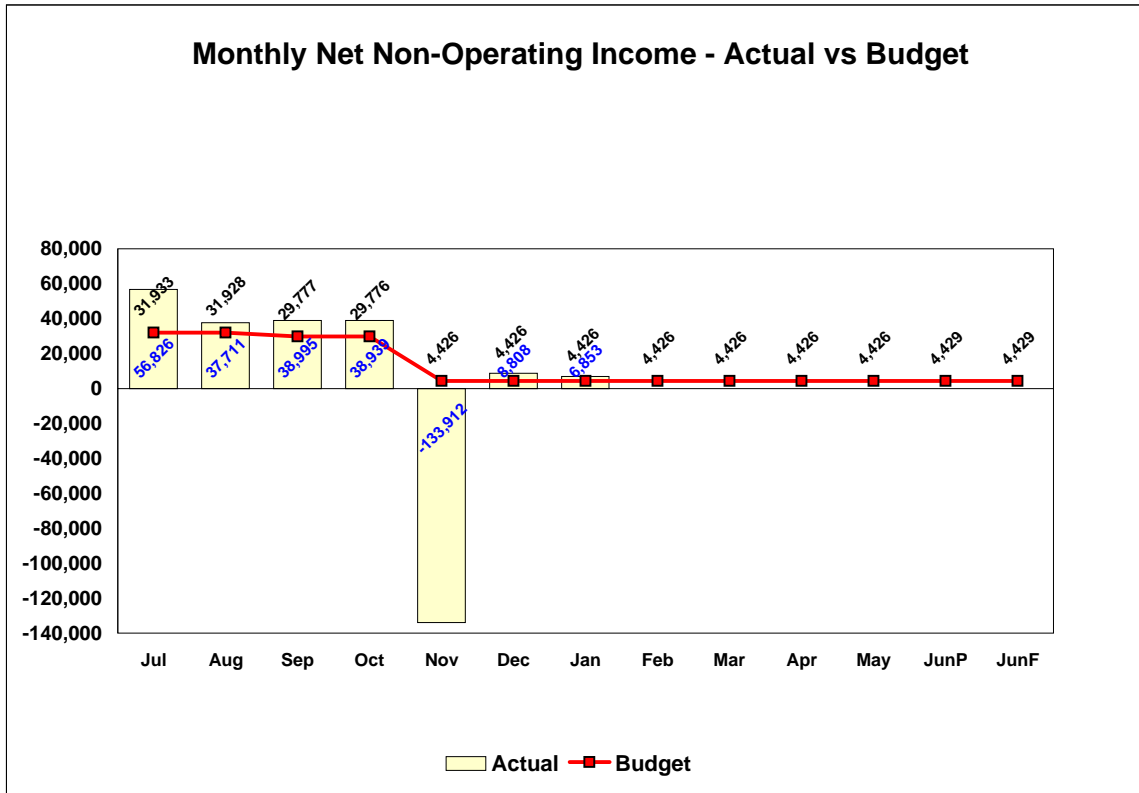
Note: In addition to the Unrestricted Revenue shown above, the District has also received total Connection Fees of \$314,452 this fiscal year.



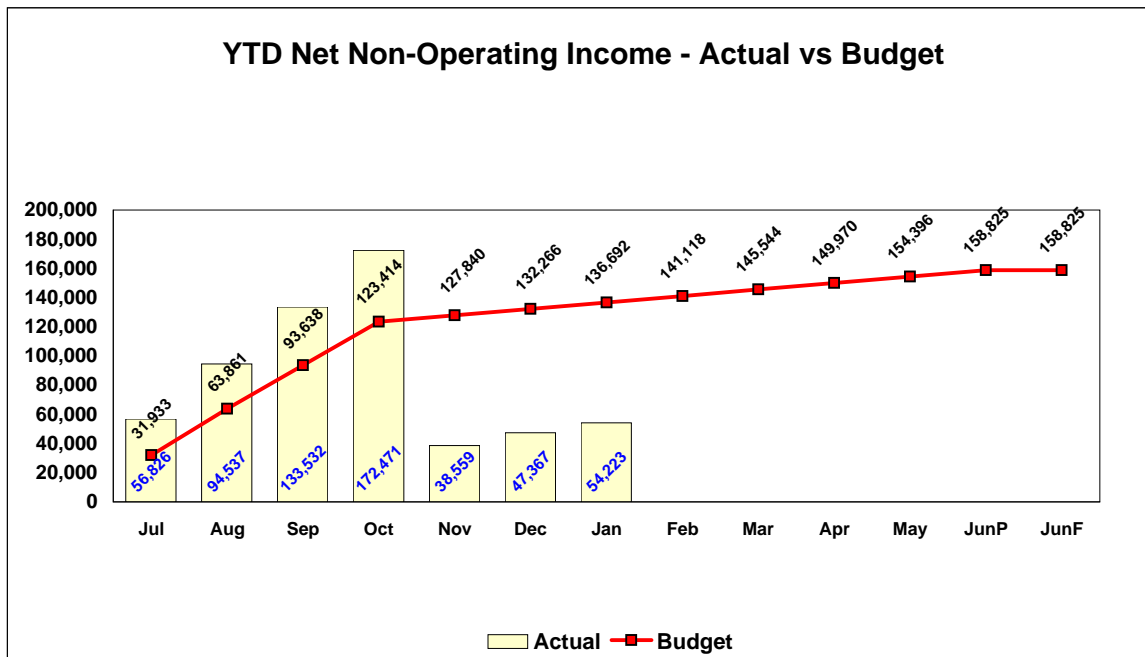
VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT  
**Summary of Revenue and Expense**  
 For the Period From July 1, 2005 to January 31, 2006



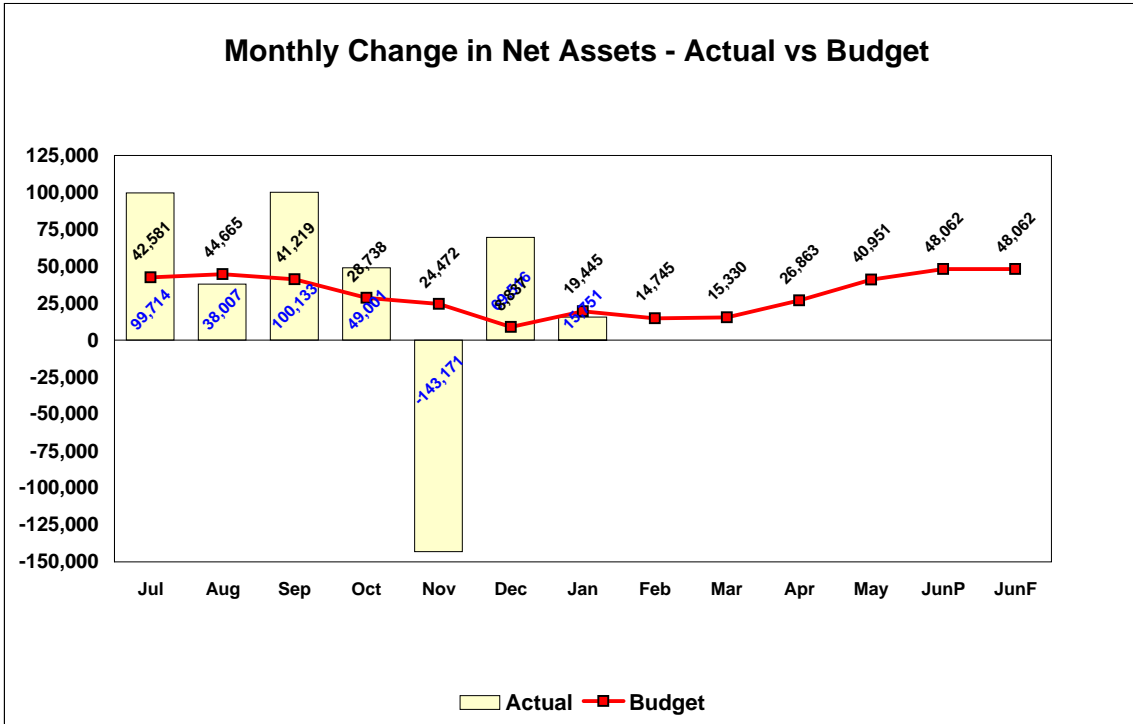
**VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT**  
**Summary of Revenue and Expense**  
 For the Period From July 1, 2005 to January 31, 2006



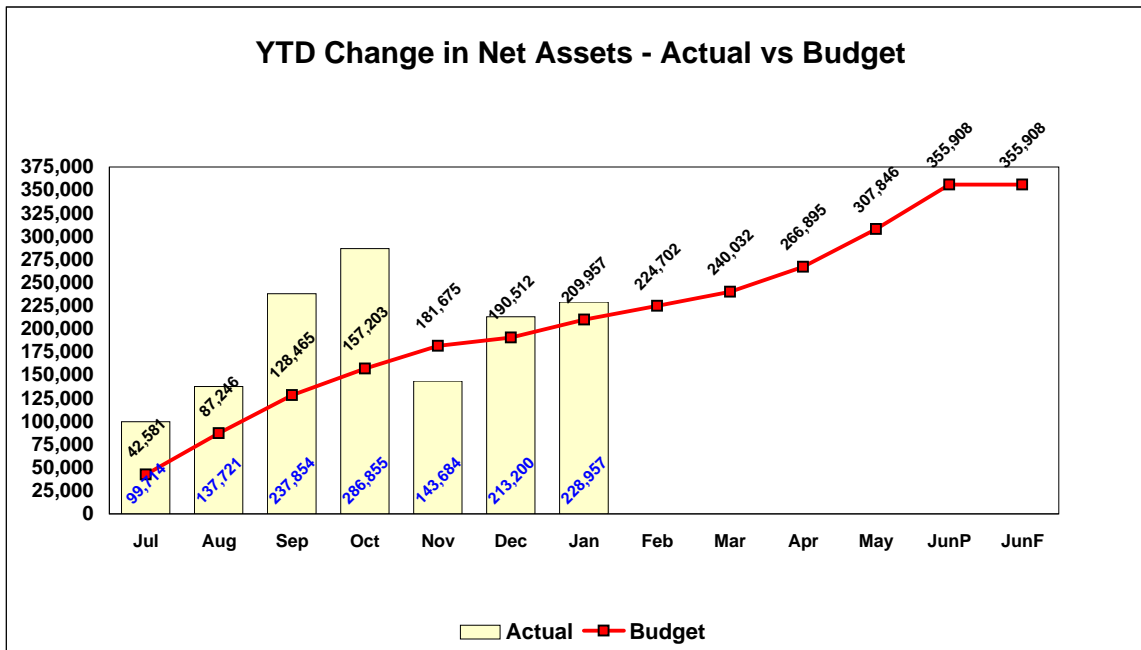
Early redemption of the bonds occurred in November 2005, with funding coming from reserves. The non-operating expenses for November include \$123,760 in Bond Insurance, Underwriting, and Issuance costs which must be written-off concurrently with the redemption of the bonds.



**VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT**  
**Summary of Revenue and Expense**  
For the Period From July 1, 2005 to January 31, 2006



Early redemption of the bonds occurred in November 2005, with funding coming from reserves. The non-operating expenses for November include \$123,760 in Bond Insurance, Underwriting, and Issuance costs which must be written-off concurrently with the redemption of the bonds.



**PRINCIPAL PAYMENTS**

Debt Principal Payments in the amount of \$106,667 must be paid out of annual Net Income.

VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT

**Statement of Cash Flow**

For the Period from July 1, 2005 to January 31, 2006

CASH FLOWS FROM OPERATING ACTIVITIES

Cash received from customers	\$ 1,530,137	
Cash payments for goods and services	(600,353)	
Cash payments to employees	(411,328)	
Net Cash Provided by Operating Activities	<u>518,455</u>	\$ 518,455

CASH FLOWS FROM CAPITAL & RELATED

FINANCING ACTIVITIES

Bond surcharge	151,706	
Interest payments	(47,088)	
Bond principal payments	(1,410,000)	
Purchase of fixed assets	(28,812)	
WCRF	(11,033)	
Net Cash Used - Capital & Related Financing Activities	<u>(1,345,226)</u>	(1,345,226)

CASH FLOWS FROM INVESTING ACTIVITIES

(Purchase) of certificates of deposit	(125,834)	
Investment income	89,945	
Net Cash Provided by Investing Activities	<u>(35,889)</u>	(35,889)

Net Increase (Decrease) in Cash & Cash Equivalents	<u>(862,660)</u>	
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Cash and cash equivalents, beginning of year	<u>2,821,688</u>	
Cash and cash equivalents, year-to-date	<u>\$ 1,959,028</u>	

Reconciliation to the Statement of Net Assets:

Cash on hand	\$ 400	
Cash and short term investments	1,958,628	
Cash and investments with fiscal agent	-	
	<u>\$ 1,959,028</u>	

VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT  
**Statement of Cash Flow**  
For the Period from July 1, 2005 to January 31, 2006

**Reconciliation of Operating Income to Net Cash**

**Provided by Operating Activities**

Operating Income	\$	489,181
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Adjustments to reconcile operating income  
to net cash provided by operating activities

Depreciation	\$	73,935
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**Change in operating assets and liabilities:**

Decrease in accounts receivable	9,355
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Decrease in other receivables	96
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(Increase) in prepaid items	(8,715)
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(Decrease) in accounts payable	(61,133)
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Increase in accrued payroll	2,422
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Increase in customer deposits	27,037
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(Decrease) in compensated absences	(13,721)
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Net Cash Provided by Operating Activities	<u>\$</u>	<u>518,455</u>
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## VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT

Disbursement # 03/06 From 02/01/06 To 02/28/06  
 Board Meeting Date 03/07/06 Item: 6.C.

Accounts Payable Amount	\$69,389.82		
Check Numbers	13145-13176,13177-13196	Void Checks	12782, 12846, 13121, 13144, 13154
Electronic Vendor Payment Amount			
Confirmation Number			
A/P Hand Check Amount			
Check Numbers			
Payroll Amount	\$47,567.73		
Check Numbers	payroll is electronically transferred		
Investments	\$125,000.00		
Wire Numbers	001BR226		
Disbursements/Investments			
A/P Checks	\$69,389.82		
Electronic Vendor Payments	\$0.00		
A/P Hand Checks	\$0.00		
Payroll	\$47,567.73		
Investments	\$125,000.00		
<b>TOTAL</b>	<b>\$241,957.55</b>		

REPORT.: Mar 02 06 Thursday  
 RUN...: Mar 02 06 Time: 09:29  
 Run By.: PATTY LECAVALIER

VVCSD  
 Cash Disbursement Detail Report  
 Check Listing for 02-06 Bank Account.: 13100

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 ID #: PY-DP  
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Check Number	Check Date	Vendor Number	Vendor Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Description
012782	02/22/06	\G005	GAITHER, MICHAEL E.	-2.43	.00	-2.43	000A50601u	Ck# 012782 Reversed
012846	02/22/06	\S012	S.J. DEFERVILLE CONST.,	-163.98	.00	-163.98	000A50701u	Ck# 012846 Reversed
013121	02/01/06	VOID	VOIDED CHECK					
013144	02/01/06	VOID	VOIDED CHECK					
013145	02/07/06	ARA01	ARAMARK UNIFORM SERV.INC.	33.17	.00	33.17	3804072	CONTINUOUS TOWELS,SHOP TO WELS 1/5/06
				28.57	.00	28.57	3816164	CONTINUOUS TOWELS,SHOP TO WELS 1/19/06
			Check Total.....:	61.74	.00	61.74		
013146	02/07/06	CAL13	CALIFORNIA DODGE	3043.59	.00	3043.59	CHCS15007	TRANSMISSION REPAIR - UNIT 10 - PO#1392
				51.23	.00	51.23	CHCS15274	OIL,FILTER,TIRE ROTATION, CHECK MIL LIGHT-UNIT 12
			Check Total.....:	3094.82	.00	3094.82		
013147	02/07/06	CCW01	CCWUA	15.00	.00	15.00	A60206	CCWUA MEETING - JL
013148	02/07/06	CON02	CNGRSSMN ELTON GALLEGLY	51.60	.00	51.60	A60206	5'X8' COTTON FLAGS (QTY 2)
013149	02/07/06	CON04	CONOCO INC.	566.92	.00	566.92	39896601	236.73 GALS FUEL
013150	02/07/06	COR01	CORBIN WILLITS SYSTEM INC	545.86	.00	545.86	A601151	SERVICE AND ENHANCEMENT FEE 2/06
013151	02/07/06	COV01	COVERALL/MIDSTATE CALIF	150.00	.00	150.00	3036153	JANITORIAL SERVICE 2/06
013152	02/07/06	DAL01	DALCERRI INC	443.12	.00	443.12	7659	CASE 580K BACKHOE-REPLACE WHEEL SEAL,HOSE
013153	02/07/06	DEB01	DEBOLT ELECTRIC	97.50	.00	97.50	6012	TROUBLESHOOT FLOAT SWITCHES AND RELAYS
013154	02/07/06	ENR01	ENRIGHT DESIGNS	8.00	.00	8.00	200	ENGINEERING COPIES - 24"X 36" (QTY 4)
				-8.00	.00	-8.00	200u	Ck# 013154 Reversed
			Check Total.....:	.00	.00	.00		
013155	02/07/06	FER01	FERGUSON ENTERPRISES INC	420.24	.00	420.24	1007883	BALL CORPS(QTY 6),BRONZE SADDLES (QTY 6)

REPORT.: Mar 02 06 Thursday  
 RUN...: Mar 02 06 Time: 09:29  
 Run By.: PATTY LECAVALIER

VVCS D  
 Cash Disbursement Detail Report  
 Check Listing for 02-06 Bank Account.: 13100

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Check Number	Check Date	Vendor Number	Vendor Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Description
013155	02/07/06	FER01	FERGUSON ENTERPRISES INC	879.25	.00	879.25	1017916	GASKETS,COUPLERS,GATE VAL VE -PO#1394
Check Total.....:				1299.49	.00	1299.49		
013156	02/07/06	GRA03	GRANDFORMS PRINTING SERV.	4182.68	.00	4182.68	83817	UTILITY BILLING MAILER (Q TY 25,000) -PO#1395
013157	02/07/06	HAM01	ALEXANDER HAMILTON INST.	29.95	.00	29.95	35183342	EMPLOYEE PROBLEM SOLVER-W INTER'06
013158	02/07/06	HEA01	HEALTH SANITATION	39.77	.00	39.77	10820106	TRASH COLLECTION 1/06
013159	02/07/06	IMP01	IMPAC GOVERNMENT SERVICES	667.14	.00	667.14	203210120	TOOLS,EXPERTS EXCHANGE,HP TAPE DRIVE,CARTRIDGES
013160	02/07/06	IMP10	IMPULSE INTERNET SERVICES	30.00	.00	30.00	531668	INTERNET DSL ACCOUNT 1/13 -2/12/06
013161	02/07/06	LOM01	CITY OF LOMPOC, FINANCE	32718.09	.00	32718.09	60683	12/05 M&O,12/05 ESTIMATE, 1/06 ESTIMATE
013162	02/07/06	MIL01	MILLER GARDEN CENTER	126.00	.00	126.00	22681	OFFICE YARD MAINTENANCE 1 /06
013163	02/07/06	NAP01	NAPA (BREMER) AUTO PARTS	32.81	.00	32.81	099357	SIGNAL LIGHT,BULBS,CONNEC TOR FOR SEWER JETTER
				214.03	.00	214.03	103780	RADIATOR HOSES,CLAMPS,ANT IFREEZE - UNIT 8
				9.45	.00	9.45	103879	RADIATOR HOSE - UNIT 8
				-29.50	.00	-29.50	103909C	CREDIT - RADIATOR HOSE - UNIT 8
				47.39	.00	47.39	103916	HOSE FOR TRUCK MAINTENANC E
				-64.63	.00	-64.63	103917C	CREDIT - RADIATOR HOSE - UNIT 8
				90.50	.00	90.50	104822	BATTERY FOR CASE TRACTOR
				33.57	.00	33.57	105122	AIR FILTER,TERMINAL,FRESH ENER-UNIT 12
Check Total.....:				333.62	.00	333.62		
013164	02/07/06	OFF04	OFFICE DEPOT	722.20	.00	722.20	49630106	LEFT PEDESTAL DESK;CORREC TION TAPE/FLUID,CDRS,TAPE

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Check Number	Check Date	Vendor Number	Vendor Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Description
013165	02/07/06	PGE01	PACIFIC GAS & ELECT. INC.	9367.67	.00	9367.67	68720106	PGE CHARGES 12/15/05-1/12/06
013166	02/07/06	PIT03	PITNEY BOWES	207.50	.00	207.50	40080106	POSTAGE FOR METER
013167	02/07/06	POS01	POSTMASTER GENERAL	600.00	.00	600.00	A60206	POSTAGE FOR 2/06 BILLS
013168	02/07/06	SOU01	SO.CALIFORNIA GAS CO.INC.	77.70	.00	77.70	79000106	SO.CALIF GAS-WELL 1B 12/27/05-1/27/06
				91.48	.00	91.48	84000106	SO.CALIF GAS-OFFICE 12/22/05-1/26/06
			Check Total.....:	169.18	.00	169.18		
013169	02/07/06	STA09	STAPLES CREDIT PLAN	754.22	.00	754.22	56290106	CREDENZA,KEYBOARD PLATFORM-OFFICE REMODEL-PO#1388
013170	02/07/06	TRA01	TRADITIONAL PAINT AND	82.36	.00	82.36	627304	PAINT SUPPLIES FOR FIRE HYDRANTS
013171	02/07/06	UND01	UNDERGROUND SERVICE ALERT	19.20	.00	19.20	120060707	USA TICKETS (12 @ \$1.60)
013172	02/07/06	VAL03	VALLEY ROCK	279.61	.00	279.61	33571	SLURRY-4197 VANGUARD DR-PB REPAIR
013173	02/07/06	VAN02	VVCSD--PETTY CASH	169.94	.00	169.94	A60206	PETTY CASH 7/1/05 TO 1/31/06
013174	02/07/06	VER01	VERIZON CALIFORNIA	240.98	.00	240.98	24750106	VERIZON 733-2475 1/13-2/13/06
				54.28	.00	54.28	36150106	VERIZON 733-3615 1/13-2/13/06
				34.99	.00	34.99	39750106	VERIZON SCADA SYSTEM 1/13-2/13/06
			Check Total.....:	330.25	.00	330.25		
013175	02/07/06	\C013	CPH LOMPOC LLC,	2.82	.00	2.82	000A60101	CUSTOMER REFUND - CPH0069
013176	02/07/06	\D011	DOUDNA, TERRI	2.82	.00	2.82	000A60101	CUSTOMER REFUND - DOU0004
013177	02/22/06	\S012	S.J. DEFERVILLE CONST.,	163.98	.00	163.98	000A50701y	Ck# 013177->012846 Replacement
013178	02/22/06	ALL01	CYNTHIA ALLEN	73.00	.00	73.00	A60222	MEAL REIMB-SPECIAL DISTRICT GOVERNANCE SEMINAR-CA

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Check Number	Check Date	Vendor Number	Vendor Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Description
013179	02/22/06	ALL06	ELLIOTT, ROBERT	65.00	.00	65.00	1750	SERVICE CALL-REPLACE LATCH ON FRONT DOOR
013180	02/22/06	AME02	AMERICAN INDUSTRIAL SPPLY	31.03	.00	31.03	22386	GLOVES
013181	02/22/06	AME03	AMERICAN EXPRESS	503.76	.00	503.76	10050206	MAINTENANCE SUPPLIES, REFRESHMENT SUPPLIES
013182	02/22/06	ASC01	ACWA SERVICES CORPORATION	5582.74	.00	5582.74	01840306	GROUP MEDICAL,DENTAL,VISION,LIFE 3/06
013183	02/22/06	BAS01	BASIC CHEMICAL SOLUTIONS	400.83	.00	400.83	SI5138235	300 GALS NaHSO3
				493.76	.00	493.76	SI5142817	375 GALS NaHSO3
			Check Total.....:	894.59	.00	894.59		
013184	02/22/06	CAL06	CALIFORNIA ELECTRIC SUPP	30.10	.00	30.10	634189	YARD LIGHT-SITE 1
013185	02/22/06	CLS01	CLINICAL LABS OF SAN	91.00	.00	91.00	743645	BACTERIA TESTS 1/06
013186	02/22/06	COS01	COSTCO WHOLESALE	90.00	.00	90.00	A60222	COSTCO MEMBERSHIP - 000111765113468
013187	02/22/06	CUL01	CULLIGAN WATER CONDITION.	54.31	.00	54.31	010698	HTH TABLETS TO DISINFECT WELL 1B
013188	02/22/06	DAT01	DATAMATIC INC	9.54	.00	9.54	5591	FREIGHT FOR DATAMATIC BATTERY DOOR COVER-PO#1266
				150.00	.00	150.00	5598	DATAMATIC BATTERY DOOR COVER - PO#1266
			Check Total.....:	159.54	.00	159.54		
013189	02/22/06	GRA03	GRANDFORMS PRINTING SERV.	720.46	.00	720.46	84010	2500 CLOSED ACCOUNT REMINDER CARDS -PO#1398
013190	02/22/06	JOB01	JOBS AVAILABLE INC.	29.95	.00	29.95	A60215	JOBS AVAILABLE SUBSCRIPTION
013191	02/22/06	LOS01	LOS OSOS ENGINEERING	560.00	.00	560.00	TF6302	SEISMIC EVENT FIRST RESPONDER TRAINING SEMINAR
013192	02/22/06	NAT01	NATIONAL GROUP TRUST	460.86	.00	460.86	23940306	LONG TERM DISABILITY 3/06
013193	02/22/06	PIO01	PIONEER AMERICAS LLC	2322.00	.00	2322.00	38700952	2208 GALS NaOCL

REPORT.: Mar 02 06 Thursday  
 RUN...: Mar 02 06 Time: 09:29  
 Run By.: PATTY LECAVALIER

VVCS D  
 Cash Disbursement Detail Report  
 Check Listing for 02-06 Bank Account.: 13100

PAGE: 005  
 ID #: PY-DP  
 CTL.: VAN

Check Number	Check Date	Vendor Number	Vendor Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Description
013194	02/22/06	SAN18	SANTA BARBARA COUNTY SDA	78.00	.00	78.00	A60222	SBCSDA DINNER MEETING-JB, AF, RW
013195	02/22/06	USA01	USA BLUE BOOK	307.04	.00	307.04	114085	THERMOMETERS, GAUGES
013196	02/22/06	VER02	VERIZON WIRELESS	177.80	.00	177.80	014319764	VERIZON CELLULAR PHONE SERVICE 2/2-3/1/06
Cash Account Total.....:				69389.82	.00	69389.82		
Total Disbursements.....:				69389.82	.00	69389.82		
Cash Account Total.....:				.00	.00	.00		

REPORT.: Mar 02 06 Thursday  
 RUN...: Mar 02 06 Time: 09:29  
 Run By.: PATTY LECAVALIER

VVCS D

Cash Disbursement Detail Report - Payroll Vendor Payment(s)  
 Check Listing for 02-06 Bank Account.: 13101

PAGE: 006  
 ID #: PY-DP  
 CTL.: VAN

Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	-----Payment Information----- Invoice #	Description
19897	02/10/06	PER04	STATE STREET BANK & TRUST	2935.00	.00	2935.00	A60210	EMPLOYEE PERS 457 PP#3
22788	02/24/06	PER04	STATE STREET BANK & TRUST	2935.00	.00	2935.00	A60224	EMPLOYEE PERS 457 PP#4
57701	02/24/06	PUB02	PUBLIC EMPLOYEES	4247.54	.00	4247.54	A60224	PERS EPMC PP#4
96099	02/10/06	PUB02	PUBLIC EMPLOYEES	4237.40	.00	4237.40	A60210	PERS EPMC PP#3
208981	02/24/06	EFT01	EFTPS	2130.29	.00	2130.29	A60224	FEDERAL WH TAXES PP#4
208982	02/24/06	EFT01	EFTPS	565.80	.00	565.80	1A60224	FICA MEDICARE PP#4
578270	02/24/06	EMP01	EMPLOYMENT DEVELOP.DEPART	815.38	.00	815.38	A60224	STATE WH TAXES PP#4
578271	02/24/06	EMP01	EMPLOYMENT DEVELOP.DEPART	156.09	.00	156.09	1A60224	STATE DISABILITY PP#4
673950	02/10/06	EFT01	EFTPS	2181.56	.00	2181.56	A60210	FEDERAL WH TAXES PP#3
673951	02/10/06	EFT01	EFTPS	569.80	.00	569.80	1A60210	FICA MEDICARE PP#3
963530	02/10/06	EMP01	EMPLOYMENT DEVELOP.DEPART	826.02	.00	826.02	A60210	STATE WH TAXES PP#3
963531	02/10/06	EMP01	EMPLOYMENT DEVELOP.DEPART	157.19	.00	157.19	1A60210	STATE DISABILITY PP#3
Cash Account Total.....:				21757.07	.00	21757.07		
Total Disbursements.....:				21757.07	.00	21757.07		
				=====	=====	=====		

# VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT

## AGENDA MEMORANDUM

TO: Board of Directors ITEM: 7.A.  
FROM: Finance/Budget Committee  
BY: Patricia LeCavalier, Finance Administrator  
DATE: March 7, 2006  
SUBJECT: Mid-Year Budget Review

**Recommendation:** Approve the attached mid-year budget review.

**Policy Issues:** The Board, through the oversight of the Finance/Budget Committee, reviews the status of annual budgets at the midpoint of every fiscal year.

**Resource Impacts:** The Board adopted the FY 2005-06 Budget for expenditures totaling \$2,389,755. Net income (revenue minus expenses) exceeds projections in the operating budget. The District is under budget on the capital budget.

**Alternatives Considered:** None.

**Discussion:** The Finance/Budget Committee met on February 23, reviewed the attached mid-year budget reports in detail, and recommends approving them as presented.

On November 1, 2005, the District paid off the remainder of its bond obligation using reserves for the bulk of the funds. For a benchmark consistent with previous years, the covenant calculation was determined using the amount that the District would have paid using net income for this fiscal year. The actual (combined) covenant performance was **1.72** which exceeded our 1.20 covenant requirement.

Both the water and wastewater enterprise funds are in excellent condition in all respects by meeting our objectives for revenue generation, controlling expenses, providing for reserves, and meeting bond covenant requirements (the portion which would have been due this fiscal year).

Conservative fiscal management has allowed the District to provide dependable water and wastewater services to customers, to finance its capital plans, and to maintain a strong financial position.

The status of the Water and Wastewater Funds are summarized in the tables below. Actual amounts are close to budget amounts with two exceptions:

- *Non-operating revenues are significantly higher than projected.* We estimated that interest rates on investments would be in the 2-3% range; however, they have been in the 3-4% range. The District is in the process of investing in a US Treasury Note and two certificates of deposit that will be earn more than 4% interest.
- *Non-operating expenses are significantly higher than projected.* The budget was based on amortizing bond origination and insurance expenses through the full term of the bonds (through November 2008). Because we paid the bonds off three years early, we had to realize those expenses this fiscal year. This distorts the short-term financial picture but over the long run it saved the District \$105,905.

**Water Fund**  
Summary of Revenue & Expenses  
July 1- December 1, 2005

	Actual	Budget	Variance	Percent
Operating Revenue (Unrestricted)	\$588,434	\$580,564	\$7,870	1%
<i>Connection Fees (Restricted)</i>	<i>\$163,821</i>	<i>0</i>	<i>\$163,821</i>	
Non-Operating Revenue	152,894	127,714	25,180	20%
Operating Expenses	503,350	531,409	(28,059)	-5%
Non-Operating Expenses	125,509	36,575	88,934	243%
Net Income (Unrestricted)	\$112,469	\$140,294	(\$27,825)	-20%

**Wastewater Fund**  
 Summary of Revenue & Expenses  
 July 1 - December 1, 2005

	Actual	Budget	Variance	Percent
Operating Revenue (Unrestricted)	\$419,123	\$408,529	\$10,594	3%
<i>Connection Fees (Restricted)</i>	<i>\$150,632</i>	<i>0</i>	<i>\$150,632</i>	
Non-Operating Revenue	66,976	53,427	13,549	25%
Operating Expenses	338,376	402,936	(64,560)	-16%
Non-Operating Expenses	46,995	12,300	34,695	282%
Net Income (Unrestricted)	\$100,728	\$46,720	\$54,008	116%

**Attachments:**

1. Water Operating Budget
2. Wastewater Operating Budget
3. Water Capital Budget
4. Wastewater Capital Budget
5. Debt Service Calculations

**VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT  
WATER CAPITAL BUDGET  
FISCAL YEAR 2005-06**

FYE Approved		FUNDING SOURCE	AMOUNT	SPENT YTD
<b>Capital Improvement Plan</b>		<b>Cash Reserves</b>		
02-03	11-11181	District Office Re-modeling (\$34,000 Budget)	\$4,000 remaining	\$1,406
04-05	11-11160	Chemical Tank electronic level measurement device	\$2,500	
05-06	11-11160	Water Quality Improvement Project - Pilot Study	\$110,000	
05-06	11-11171	Water and Wastewater System Evaluation @ 50%	\$30,600	
05-06	11-11171	16" Pipe from Tank 3 to Site 1	\$75,000	
05-06	11-11184	Sump pump for valve operator	\$2,500	\$2,929
05-06	11-11160	Replumb backwash line from 12" to 6"	\$2,100	
05-06	11-11171	Tank 3: 16" flange, 16" gate valve	\$20,000	
		Sub-Total Capital Improvement Plan	\$246,700	\$4,336
<b>Capital Replacement Plan</b>		<b>Replacement Reserves</b>		
04-05	11-11182	Laptop Computer	\$2,500	
05-06	11-11152	SCADA Operating System @ 80%	\$105,200	\$537
05-06	11-11182	Computer Workstation (2)	\$2,500	\$2,306
05-06	11-11182	Form Burster	\$3,500	\$1,675
05-06	11-11141	Site 3 Generator	\$50,000	
05-06	11-11172	Two 12" mainline meters	\$9,650	\$11,815
		Sub-Total Capital Replacement Plan	\$173,350	\$16,333
<b>Capital Outlay Plan</b>		<b>Cash Reserves</b>		
05-06	11-11160	Chlorine Analyzer	\$3,000	\$3,606
05-06	11-11160	Chemical transfer pump	\$1,000	
05-06	11-11160	Sodium Bisulfite pump	\$2,500	
		Sub-Total Capital Outlay Plan	\$6,500	\$3,606
		<b>Total Water Capital Budget</b>	<b>\$426,550</b>	<b>\$24,275</b>

**VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT  
WASTEWATER CAPITAL BUDGET  
FISCAL YEAR 2005-06**

FYE Approved		FUNDING SOURCE	AMOUNT	SPENT YTD
<b>Capital Improvement Plan</b>		<b>Cash Reserves</b>		
05-06	12-11171	Water and Wastewater System Evaluation @ 50%	\$30,600	
		Sub-Total Capital Improvement Plan	\$30,600	\$0
<b>Capital Replacement Plan</b>		<b>Replacement Reserves</b>		
05-06	12-11152	SCADA Operating System @ 20%	\$26,300	
		Sub-Total Capital Replacement Plan	\$26,300	\$0
<b>Capital Outlay Plan</b>		<b>Cash Reserves</b>		
		Sub-Total Capital Outlay Plan	\$0	
<b>Total Wastewater Capital Budget</b>			<b>\$56,900</b>	<b>\$0</b>

VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT  
**WATER OPERATING BUDGET**  
 FISCAL YEAR 2005 - 2006

50% 6 of 12 months completed

Account Number	Description	Actual YTD 12/31/05	Budget YTD 12/31/05	Variance YTD 12/31/05	Board Approved FY 05/06	Remaining @ 12/31/05	Percent of budget YTD	
<b>OPERATING REVENUES</b>								Fiscal YTD rainfall 2.92"
11- 41100	Residential	464,049	464,270	0%	970,440	506,391	48%	✓
11- 41200	Commercial	44,192	52,235	-15%	92,365	48,173	48%	✓
11- 41300	Bulk Meter Residential	29,348	30,691	-4%	74,385	45,037	39%	On budget FYTD
11- 41400	Irrigation	46,520	32,906	41%	56,310	9,790	83%	Usage is 60% higher than average CCF for previous 5 years.
11- 41700	Temporary Fire Hydrant Meters	1,919	0		0	-1,919		
11- 42100	Fire Protection	462	462	0%	924	462	50%	✓
11- 42310	Customer Reconnection Charges	250	0		0	-250		
11- 42320	Developer Connection Charges	163,821	0		0	-163,821		Providence Landing Connection Fees (restricted revenue)
11- 42330	Developer - CWIP Inspection Fees	0	0		0	0		
11- 42500	Late Payment Fee	1,693	0		0	-1,693		
<b>TOTAL OPERATING REVENUE</b>		<b>752,255</b>	<b>580,564</b>		<b>1,194,424</b>	<b>442,169</b>	<b>63%</b>	
<b>OPERATING EXPENSES</b>								
<b>SOURCE OF SUPPLY (WELLS)</b>								
11- 51105	Contract Services	0	0		2,300	2,300	0%	Groundwater monitoring for FY06 will be booked in June'06
11- 51112	Supplies/Repairs-Well Pumping Equipment	0	4,998	-100%	10,000	10,000	0%	Inspection of Well 1B motor not yet complete.
11- 51405	SYRWCD Pump Tax	6,685	8,648	-23%	17,300	10,615	39%	Price decrease per SYRWCD invoice for 7/05-12/05.
11- 51415	Cloud Seeding	2,675	2,630	2%	2,630	-45	102%	Complete for fiscal year.
<b>TOTAL SOURCE OF SUPPLY (WELLS)</b>		<b>9,360</b>	<b>16,276</b>		<b>32,230</b>	<b>22,870</b>	<b>29%</b>	
<b>PUMPING (BOOSTERS)</b>								
11- 52105	Contract Services	205	1,500	-86%	3,000	2,795	7%	Budget contingency.
11- 52112	Supplies/Repairs-Pumping Equipment	1,271	4,748	-73%	9,500	8,229	13%	Several repairs done FY05.
11- 52113	Supplies/Repairs - Pumping Computer Equip.	224	398	-44%	800	576	28%	Over-budget in FY05.
11- 52300	Purchased Power	87,338	96,750	-10%	193,500	106,162	45%	✓
11- 52310	Generator Fuel	642	0		2,000	1,358	32%	Anticipate purchase in late spring.
<b>TOTAL PUMPING (BOOSTERS)</b>		<b>89,680</b>	<b>103,396</b>		<b>208,800</b>	<b>119,120</b>	<b>43%</b>	
<b>WATER TREATMENT</b>								
11- 53115	Regulatory Fees AB2995	7,022	6,000	17%	6,000	-1,022	117%	Complete for fiscal year.
11- 53118	Chemicals	28,572	27,411	4%	54,825	26,253	52%	✓
11- 53203	Media	0	3,498	-100%	7,000	7,000	0%	Media replacement has not been completed yet.
11- 53205	Contract Services	1,238	1,500	-17%	3,000	1,762	41%	✓
11- 53212	Supplies/Repairs	8,308	3,000	177%	6,000	-2,308	138%	Includes gate valves and butterfly valves.
11- 53214	Utility Services	212	600	-65%	1,200	988	18%	On track with last year's usage.
<b>TOTAL WATER TREATMENT</b>		<b>45,353</b>	<b>42,009</b>		<b>78,025</b>	<b>32,672</b>	<b>58%</b>	
<b>TRANSMISSION &amp; DISTRIBUTION</b>								
11- 54105	Contract Services	70	248	-72%	500	430	14%	Fewer USA tickets received than budgeted.
11- 54132	Supplies/Repairs-Miscellaneous	58	498	-88%	1,000	942	6%	Fewer road excavation permits than last year.
11- 54205	Contract Services - Distribution Reservoirs	10,350	6,000	73%	12,000	1,650	86%	Inspection of Reservoirs 1, 3, 5A, 5B complete for FY06
11- 54222	Supplies/Repairs- Mains	4,093	2,498	64%	5,000	907	82%	Includes 12" RSGV
11- 54232	Supplies/Repairs-Service Connections	718	4,998	-86%	10,000	9,282	7%	Fewer repairs ytd than anticipated.
11- 54232 1	Supplies/Repairs-A/P Poly B	3,334	4,998	-33%	10,000	6,666	33%	Poly B repairs and replacements are done as needed and per schedule.
11- 54242	Supplies/Repairs-Meters	20,424	17,498	17%	35,000	14,576	58%	✓
11- 54252	Supplies/Repairs-Hydrants	262	248	6%	500	238	52%	✓
<b>TOTAL TRANSMISSION &amp; DISTRIBUTION</b>		<b>39,309</b>	<b>36,986</b>		<b>74,000</b>	<b>34,691</b>	<b>53%</b>	

Account Number	Description	Actual YTD 12/31/05	Budget YTD 12/31/05	Variance YTD 12/31/05	Board Approved FY 05/06	Remaining @ 12/31/05	Percent of budget YTD	
<b>CUSTOMER ACCOUNTS</b>								
11- 55102	Operating Supplies	67	2,998	-98%	4,000	3,933	2%	Bill stock was not purchased yet as of Dec'05.
11- 55104	Utility Services	858	774	11%	1,550	692	55%	✓
11- 55105	Contract Services	2,758	3,274	-16%	6,550	3,792	42%	✓
11- 55106	Postage	2,176	2,524	-14%	5,050	2,874	43%	✓
11- 55200	Uncollectible Accounts	467	248	88%	500	33	93%	More uncollectible accounts than anticipated.
<b>TOTAL CUSTOMER ACCOUNTS</b>		<b>6,326</b>	<b>9,818</b>		<b>17,650</b>	<b>11,324</b>	<b>36%</b>	
<b>ADMINISTRATIVE &amp; GENERAL</b>								
11- 56202	Office Supplies	1,958	1,500	31%	3,000	1,042	65%	On track with last year's usage.
11- 56204	Utility Services-Office	1,533	2,424	-37%	4,850	3,317	32%	On track with last year's usage.
11- 56205	Contract Services-Office	2,401	2,674	-10%	5,350	2,949	45%	✓
11- 56206	Postage	0	124	-100%	250	250	0%	Postage for last two months of fiscal year.
11- 56208	Professional Services	5,214	3,924	33%	7,850	2,636	66%	Legal counsel and US Bank fees less than budgeted.
11- 56209	Memberships & Dues	7,682	9,250	-17%	9,250	1,568	83%	Anticipate approx. \$400 more for FY.
11- 56210	Travel Expense	785	2,048	-16%	4,100	2,390	42%	Combined codes 56210 and 56210-1 for budget comparison
11- 56210 1	Travel Expense - Reimburse Employee	925						
11- 56211	Subscriptions & Books	135	222	-39%	450	315	30%	Fewer books purchased ytd than budgeted.
11- 56213	Office Equipment Rentals	450	522	-14%	1,050	600	43%	✓
11- 56214	Other	-105	0		0	105		Bank service charges/NSF fees to customers.
11- 56215	LAFCO Mandatory Fees - AB2838	970	600	62%	600	-370	162%	Complete for fiscal year.
11- 56217	Director's Expense	2,350	1,572	82%	3,150	288	91%	Combined codes 56217 and 56217-1 for budget comparison
11- 56217 1	Director's Expense - Reimburse Director	512						
11- 56704	Utility Services-General Plant	549	486	13%	975	426	56%	✓
11- 56705	Contract Services-General Plant	1,957	1,624	20%	3,250	1,293	60%	✓
11- 56712	Supplies and Repairs - General Plant	2,562	1,474	74%	2,950	388	87%	Includes shop area asphalt repairs (\$1620 W/\$1080 WW)
11- 56713	Supplies and Repairs - Computer Equipment	394	624	-37%	1,250	856	32%	Budget includes funds for emergency repairs.
11- 56714	Supplies and Repairs - Furniture & Equipment	376	248	52%	500	124	75%	Planned purchases have been made for the year.
11- 56810	Election Expense	0	0		0	0		No elections planned for this fiscal year.
Sub-total Administrative Operating Expenses		30,647	29,316		48,825	18,178	63%	
Insurance								
11- 56301	Property/General Liability Insurance	7,724	7,500	3%	15,000	7,276	51%	✓
Sub-total Insurance		7,724	7,500		15,000	7,276	51%	
Employee Benefits								
11- 56401	Sick/Personal Time	10,783	7,998	35%	16,000	5,217	67%	
11- 56402	Vacation	14,538	11,198	30%	22,400	7,862	65%	
11- 56403	Holiday	13,340	10,200	31%	20,400	7,060	65%	
11- 56403 1	Floating Holiday	438	948	-54%	1,900	1,462	23%	
11- 56404	Bereavement	1,718	0		0	-1,718		
11- 56405	Jury Duty	0	0		0	0		
11- 56406	Medical Insurance	19,596	27,498	-29%	55,000	35,404	36%	
11- 56407	Long Term Disability	2,772	3,000	-8%	6,000	3,228	46%	
11- 56410	Educational	1,976	5,674	-65%	11,350	9,374	17%	Fewer seminars/training events have been attended this year than budgeted.
11- 56417	PERS	42,955	53,052	-19%	114,000	71,045	38%	PERS rate increase was budgeted for full year, but not effective until 9/18/05.
11- 56418	Dental Insurance	3,730	3,998	-7%	8,000	4,270	47%	
11- 56419	Life Insurance	954	998	-4%	2,000	1,046	48%	
11- 56421	Worker's Compensation Insurance	4,185	15,000	-72%	30,000	25,815	14%	\$7,023 booked in January for Oct - Dec'05.
11- 56423	Vision Care	855	998	-14%	2,000	1,145	43%	
11- 56424	Incentive Pay/Suggestion Awards	98	498	-80%	1,000	902	10%	

Account Number	Description	Actual YTD 12/31/05	Budget YTD 12/31/05	Variance YTD 12/31/05	Board Approved FY 05/06	Remaining @ 12/31/05	Percent of budget YTD
	Payroll Taxes						
11- 56430	Employer Medicare	3,079	3,798	-19%	7,600	4,521	41%
11- 56431	Employer SUI	378	548	-31%	1,100	722	34%
11- 56450	CWIP Contra Account	0	-6,822	-100%	-13,650	-13,650	0%
11- 57463	Less WW Allocation:Worker's Comp.Ins.	-3,562	-4,548	-22%	-9,100	-5,538	39%
11- 57464	Less WW Allocation: Employ. Benefits	-42,151	-53,498	-21%	-107,000	-64,850	39%
11- 57472	Less WW Allocation: Payroll Taxes	-1,142	-1,448	-21%	-2,900	-1,758	39%
	Sub-total Employee Benefits	74,541	79,090	-6%	166,100	91,559	45% ✓ Look at benefits as a whole
	<b>TOTAL ADMINISTRATIVE &amp; GENERAL</b>	<b>112,912</b>	<b>115,906</b>		<b>229,925</b>	<b>117,013</b>	<b>49%</b>
	<b>OTHER OPERATING EXPENSES</b>						
	Transportation						
11- 57302	Transportation (Vehicles)-Supplies/Repairs	1,255	724	73%	1,450	195	87% Includes 40K for Unit 10 / 45K,Sensor, and Tires for Unit 8
11- 57303	Transportation (Vehicles)-Fuel	2,603	1,500	74%	3,000	397	87% Fuel rates increased.
	Sub-total Transportation	3,857	2,224		4,450	593	87%
	Tool/Work Equipment						
11- 57312	Tool/Work Equipment-Supplies/Repairs	1,029	600	72%	1,200	171	86% Includes ARB registration for pneumatic tools / tractor repair / drills, bits
11- 57313	Tool/Work Equipment-Fuel	0	174	-100%	350	350	0% Annual diesel fuel purchase is usually in the spring.
	Sub-total Tool/Work Equipment	1,029	774		1,550	521	66%
	Other						
11- 57320	Uniforms	145	150	-3%	300	155	48% ✓
11- 57321	Uniform Reimbursement	369	198	86%	400	31	92% Reimbursed as employees submit receipts.
11- 57350	Safety Supplies	591	600	-1%	1,200	609	49% ✓
11- 57351	Safety Boot Reimbursement	0	174	-100%	350	350	0% Reimbursed as employees submit receipts.
	Sub-total Other	1,105	1,122		2,250	1,145	49%
	<b>TOTAL OTHER OPERATING EXPENSES</b>	<b>5,992</b>	<b>4,120</b>		<b>8,250</b>	<b>2,258</b>	<b>73%</b>
11- 57110	Depreciation	52,169	54,848	-5%	109,700	57,531	48% ✓
	<b>TOTAL SALARIES</b>	<b>142,250</b>	<b>148,050</b>	<b>-4%</b>	<b>296,100</b>	<b>153,850</b>	<b>48% ✓</b>
	<b>TOTAL OPERATING EXPENSES</b>	<b>503,350</b>	<b>531,409</b>		<b>1,054,680</b>	<b>551,330</b>	<b>48%</b>
	<b>TOTAL OPERATING INCOME (LOSS)</b>	<b>248,905</b>	<b>49,155</b>		<b>139,744</b>	<b>-109,161</b>	<b>178%</b>
	<b>NON-OPERATING REVENUE</b>						
11- 49200	Interest Earnings (In-house)	32,185	14,490	122%	26,400	-5,785	122% Reversal of Fair Market Value was \$12,012.Interest rates exceeded budget.
11- 49210	Interest Earnings (Fiscal Agent) -1996 Bonds	5,686	224	2438%	225	-5,461	2531% Earned interest on bond payoff while it was being held by US Bank
11- 49310	Developer's Contributed Capital (GASB 33)	0	0		0	0	
11- 49600	Bond Charges to customers	115,023	113,000	2%	113,000	-2,023	102% Complete for fiscal year.
11- 49700	Reimbursements - State Mandates	0	0		0	0	
	<b>TOTAL NON-OPERATING REVENUE</b>	<b>152,894</b>	<b>127,714</b>		<b>139,625</b>	<b>-13,270</b>	<b>110%</b>

Account Number	Description	Actual YTD 12/31/05	Budget YTD 12/31/05	Variance YTD 12/31/05	Board Approved FY 05/06	Remaining @ 12/31/05	Percent of budget YTD	
<b>NON-OPERATING EXPENSE</b>								
11- 59111	Interest on Long Term Debt - 1996 Bonds Long Term Debt Amortized	26,619	26,625	0%	26,625	6	100%	Paid off Bonds 11/05. Completed related bond expenses.
11- 57120	Cost of Issuance - 1988 Revenue Bonds	13,406	1,350	893%	1,350	-12,056	993%	Paid off Bonds 11/05. Completed related bond expenses.
11- 57121	Cost of Issuance - 1996 Revenue Bonds	12,541	1,250	903%	1,250	-11,291	1003%	Paid off Bonds 11/05. Completed related bond expenses.
11- 57130	Bond Insurance -1988 Revenue Bonds	7,492	775	867%	775	-6,717	967%	Paid off Bonds 11/05. Completed related bond expenses.
11- 57131	Bond Insurance - 1996 Revenue Bonds	6,204	650	854%	650	-5,554	954%	Paid off Bonds 11/05. Completed related bond expenses.
11- 57140	Underwriters Discount-1988 Revenue Bonds	12,752	1,275	900%	1,275	-11,477	1000%	Paid off Bonds 11/05. Completed related bond expenses.
11- 57141	Underwriters Discount-1996 Revenue Bonds	12,690	1,275	895%	1,275	-11,415	995%	Paid off Bonds 11/05. Completed related bond expenses.
11- 57151	Cost of Refunding-1988 Revenue Bonds	33,807	3,375	902%	3,375	-30,432	1002%	Paid off Bonds 11/05. Completed related bond expenses.
11- 59400	Asset Retirement Loss	0	0		0	0		
<b>TOTAL NON-OPERATING EXPENSES</b>		<b>125,509</b>	<b>36,575</b>		<b>36,575</b>	<b>-88,934</b>	<b>343%</b>	
<b>TOTAL NON-OPERATING INCOME (LOSS)</b>		<b>27,386</b>	<b>91,139</b>		<b>103,050</b>	<b>75,664</b>	<b>27%</b>	
<b>NET INCOME</b>		<b>276,291</b>	<b>140,294</b>		<b>242,794</b>	<b>-33,497</b>	<b>114%</b>	

VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT  
**WASTEWATER OPERATING BUDGET**  
 FISCAL YEAR 2005 - 2006

50% 6 of 12 months completed

Account Number	Description	Actual YTD 12/31/05	Budget YTD 12/31/05	Variance YTD 12/31/05	Board Approved FY 05/06	Remaining @ 12/31/05	Percent of budget YTD
<b>OPERATING REVENUES</b>							
12- 41100	Residential	337,810	327,250	3%	684,700	346,890	49% ✓
12- 41200	Commercial/Multi-family Dwelling	81,313	81,279	0%	168,381	87,068	48% ✓
12- 42320	Developer Connection Charges	150,632	0		0	-150,632	Providence Landing Connection Fees (restricted revenue)
12- 42330	Developer CWIP Inspection Fees	0	0		0	0	
<b>TOTAL OPERATING REVENUE</b>		<b>569,755</b>	<b>408,529</b>		<b>853,081</b>	<b>283,326</b>	<b>67%</b>
<b>OPERATING EXPENSES</b>							
<b>PUMPING</b>							
12- 52112	Supplies/Repairs-Pumping Equipment	4,623	4,024	15%	8,050	3,427	57% ✓
12- 52113	Supplies/Repairs - Pumping Computer Equip.	0	98	-100%	200	200	0% Over-budget in FY05.
12- 52300	Purchased Power	2,978	2,472	20%	4,950	1,972	60% ✓
<b>TOTAL PUMPING</b>		<b>7,601</b>	<b>6,594</b>		<b>13,200</b>	<b>5,599</b>	<b>58%</b>
<b>WASTEWATER TREATMENT</b>							
12- 53105 1	Contract Services- Wastewater Treatment	175,094	199,998	-12%	400,000	224,906	44% ✓
12- 53105 2	Contract Services - WCRF	5,000	4,998	0%	10,000	5,000	50% ✓
<b>TOTAL WASTEWATER TREATMENT</b>		<b>180,094</b>	<b>204,996</b>		<b>410,000</b>	<b>229,906</b>	<b>44%</b>
<b>WASTEWATER COLLECTION</b>							
12- 54222	Supplies/Repairs-Mains	609	1,248	-51%	2,500	1,891	24% Budget contingencies.
12- 54232	Supplies/Repairs-Services	0	998	-100%	2,000	2,000	0% Budget contingencies.
<b>TOTAL WASTEWATER COLLECTION</b>		<b>609</b>	<b>2,246</b>		<b>4,500</b>	<b>3,891</b>	<b>14%</b>
<b>CUSTOMER ACCOUNTS</b>							
12- 55102	Operating Supplies	67	2,998	-98%	4,000	3,933	2% Bill stock was not purchased yet as of Dec'05.
12- 55104	Utility Services	859	774	11%	1,550	691	55% ✓
12- 55105	Contract Services	50	1,774	-97%	3,550	3,500	1% Barcoding software not purchased yet. Anticipate April.
12- 55106	Postage	2,176	2,524	-14%	5,050	2,874	43% ✓
12- 55117	Credit & Collection	0	0		0	0	
12- 55200	Uncollectible Accounts	401	248	62%	500	99	80% More uncollectible accounts than anticipated.
<b>TOTAL CUSTOMER ACCOUNTS</b>		<b>3,553</b>	<b>8,318</b>		<b>14,650</b>	<b>11,097</b>	<b>24%</b>
<b>ADMINISTRATIVE &amp; GENERAL</b>							
12- 56202	Office Supplies	1,305	998	31%	2,000	695	65% On track with last year's usage.
12- 56204	Utility Services-Office	1,022	1,624	-37%	3,250	2,228	31% On track with last year's usage.
12- 56205	Contract Services - Office	1,600	1,787	-10%	3,575	1,975	45% ✓
12- 56206	Postage	0	85	-100%	175	175	0% Postage for last two months of fiscal year.
12- 56208	Professional Services	3,240	2,622	24%	5,250	2,010	62% Legal counsel and US Bank fees less than budgeted.
12- 56209	Memberships & Dues	737	850	-13%	850	113	87% Anticipate approx. \$100 more for FY.
12- 56210	Travel Expense	337	1,350	-51%	2,700	2,043	24% Combined codes 56210 and 56210-1 for budget comparison
12- 56210 1	Travel Expense - Reimburse Employee	320					
12- 56211	Subscriptions & Books	90	137	-34%	275	185	33% Fewer books purchased ytd than budgeted.
12- 56213	Office Equipment Rentals	300	348	-14%	700	400	43% ✓
12- 56214	Other	-70	0		0	70	Bank service charges/NSF fees to customers.
12- 56215	LAFCO Mandatory Fees - AB2838	646	400	62%	400	-246	162% Complete for fiscal year.
12- 56217	Director's Expense	1,377	1,050	64%	2,100	382	82% Combined codes 56217 and 56217-1 for budget comparison
12- 56217 1	Director's Expense - Reimburse Director	341					

Account Number	Description	Actual YTD 12/31/05	Budget YTD 12/31/05	Variance YTD 12/31/05	Board Approved FY 05/06	Remaining @ 12/31/05	Percent of budget YTD
12- 56704	Utility Services-General Plant	366	324	13%	650	284	56% ✓
12- 56705	Contract Services - General Plant	1,065	1,074	-1%	2,150	1,085	50% ✓
12- 56712	Supplies & Repairs - General Plant	1,708	972	76%	1,950	242	88% Includes shop area asphalt repairs (\$1620 W/\$1080 WW)
12- 56713	Supplies & Repairs - Computer Equipment	263	424	-38%	850	587	31% Budget includes funds for emergency repairs.
12- 56714	Supplies & Repairs - Furniture & Equipment	251	174	44%	350	99	72% Planned purchases have been made for the year.
12- 56810	Election Expense	0	0		0	0	No elections planned for this fiscal year.
	Sub-total Administrative Operating Expenses	14,898	14,219		27,225	12,327	55%
	<u>Insurance</u>						
12- 56301	Property/General Liability Insurance	5,150	4,998	3%	10,000	4,850	51% ✓
	Sub-total Insurance	5,150	4,998		10,000	4,850	51%
	<u>Employee Benefits</u>						
12- 56450	CWIP Contra Account	0	6,822	-100%	13,650	13,650	0%
12- 57363	Worker's Compensation	3,562	4,548	-22%	9,100	5,538	39%
12- 57364	Employee Benefits	42,151	53,498	-21%	107,000	64,850	39%
12- 57372	Payroll Taxes	1,142	1,448	-21%	2,900	1,758	39%
	Sub-total Employee Benefits	46,855	66,316	-29%	132,650	85,796	35% Allocations are based on total salaries.
	<b>TOTAL ADMINISTRATIVE &amp; GENERAL</b>	<b>66,902</b>	<b>85,533</b>		<b>169,875</b>	<b>102,973</b>	<b>39%</b>
	<b>OTHER OPERATING EXPENSES</b>						
	<u>Transportation</u>						
12- 57302	Transportation (Vehicles)-Supplies/Repairs	836	474	76%	950	114	88% Includes 40K for Unit 10 / 45K, Sensor, and Tires for Unit 8
12- 57303	Transportation (Vehicles)-Fuel	1,735	1,500	16%	3,000	1,265	58% Fuel rates increased.
	Sub-total Transportation	2,572	1,974		3,950	1,378	65%
	<u>Tool/Work Equipment</u>						
12- 57312	Tool/Work Equipment-Supplies/Repairs	651	398	64%	800	149	81% Includes ARB registration for pneumatic tools / tractor repair / drills, bits
12- 57313	Tool/Work Equipment-Fuel	0	124	-100%	250	250	0% Annual diesel fuel purchase is usually in the spring.
	Sub-total Tool/Work Equipment	651	522		1,050	399	62%
	<u>Other</u>						
12- 57320	Uniforms	97	98	-1%	200	103	48% ✓
12- 57321	Uniform Reimbursement	246	137	79%	275	29	89% Reimbursed as employees submit receipts.
12- 57350	Safety Supplies	362	398	-9%	800	438	45% ✓
12- 57351	Safety Boot Reimbursement	0	124	-100%	250	250	0% Reimbursed as employees submit receipts.
	Sub-total Other	705	757		1,525	820	46% ✓
	<b>TOTAL OTHER OPERATING EXPENSES</b>	<b>3,928</b>	<b>3,253</b>		<b>6,525</b>	<b>2,597</b>	<b>60%</b>
12- 57110	Depreciation	10,958	11,498	-5%	23,000	12,042	48% ✓
	<b>TOTAL SALARIES</b>	<b>64,731</b>	<b>80,498</b>	<b>-20%</b>	<b>161,000</b>	<b>96,269</b>	<b>40% ✓</b>
	<b>TOTAL OPERATING EXPENSES</b>	<b>338,376</b>	<b>402,936</b>		<b>802,750</b>	<b>464,375</b>	<b>42%</b>
	<b>TOTAL OPERATING INCOME (LOSS)</b>	<b>231,379</b>	<b>5,593</b>		<b>50,331</b>	<b>-181,049</b>	<b>460%</b>

Account Number	Description	Actual YTD 12/31/05	Budget YTD 12/31/05	Variance YTD 12/31/05	Board Approved FY 05/06	Remaining @ 12/31/05	Percent of budget YTD	
<b>NON-OPERATING REVENUE</b>								
12- 49200	Interest Earnings (In-house)	21,422	9,656	122%	17,600	-3,822	122%	Reversal of Fair Market Value was \$8,008. Interest rates exceeded budget.
12- 49201	Interest (WCRF)	7,076	6,698	6%	13,400	6,324	53%	✓
12- 49210	Interest Earnings (Fiscal Agent) -1996 Bonds	1,796	73	2360%	75	-1,720	2384%	Earned interest on bond payoff while it was being held by US Bank
12- 49310	Developer's Contributed Capital (GASB 33)	0	0		0	0		
12- 49600	Bond Charges to customers	36,682	37,000	-1%	37,000	318	99%	Complete for fiscal year.
12- 49700	Reimbursements - State Mandates	0	0		0	0		
<b>TOTAL NON-OPERATING REVENUE</b>		<b>66,976</b>	<b>53,427</b>		<b>68,075</b>	<b>1,099</b>	<b>98%</b>	
<b>NON-OPERATING EXPENSES</b>								
12- 59111	Interest - Long Term Debt 1996 Bonds Long Term Debt Amortized	8,406	8,400	0%	8,400	-6	100%	Paid off Bonds 11/05. Completed related bond expenses.
12- 57120	Cost of Issuance - 1988 Revenue Bonds	6,132	600	922%	600	-5,532	1022%	Paid off Bonds 11/05. Completed related bond expenses.
12- 57121	Cost of Issuance - 1996 Revenue Bonds	3,960	400	890%	400	-3,560	990%	Paid off Bonds 11/05. Completed related bond expenses.
12- 57130	Bond Insurance - 1988 Revenue Bonds	3,154	350	801%	350	-2,804	901%	Paid off Bonds 11/05. Completed related bond expenses.
12- 57131	Bond Insurance - 1996 Revenue Bonds	1,959	200	880%	200	-1,759	980%	Paid off Bonds 11/05. Completed related bond expenses.
12- 57140	Underwriters Discount- 1988 Revenue Bonds	5,189	550	843%	550	-4,639	943%	Paid off Bonds 11/05. Completed related bond expenses.
12- 57141	Underwriters Discount- 1996 Revenue Bonds	4,007	400	902%	400	-3,607	1002%	Paid off Bonds 11/05. Completed related bond expenses.
12- 57151	Cost of Refunding 1988 Revenue Bonds	14,188	1,400	913%	1,400	-12,788	1013%	Paid off Bonds 11/05. Completed related bond expenses.
12- 59400	Asset Retirement Loss	0	0		0	0		
<b>TOTAL NON-OPERATING EXPENSES</b>		<b>46,995</b>	<b>12,300</b>		<b>12,300</b>	<b>-34,695</b>	<b>382%</b>	
<b>TOTAL NON-OPERATING INCOME (LOSS)</b>		<b>19,981</b>	<b>41,127</b>		<b>55,775</b>	<b>35,795</b>	<b>36%</b>	
<b>NET INCOME</b>		<b>251,360</b>	<b>46,720</b>		<b>106,106</b>	<b>-145,254</b>	<b>237%</b>	

**VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT**

Water & Wastewater Combined Debt Service Calculation

For the Period from July 1, 2005 to December 31, 2005

DESCRIPTION	FYTD Dec 2005
<b>1) Fee Requirement</b>	
a) Maintenance and Operations Costs	\$809,812
b) Less: Depreciation	(70,048)
c) Debt Service Interest	\$35,025
d) Debt Service Principal	164,167
Debt Service Sub-Total	199,192
	<u>\$938,956</u>
Fees Collected	
a) Service Charges	\$860,708
b) Bond Charges	222,645
	\$1,083,353
<b>2) Covenant Revenue Calculation</b>	
a) Total Revenues (Less Interest)	\$1,083,353
c) Less Operating Costs	(\$809,812)
d) Plus Depreciation	70,048
Covenant Revenues	\$343,589
<b>3) 120% Covenant Requirement</b>	\$239,030
(Debt Service Principal + Debt Service Interest) x 120%	
<b>4) Actual Covenant Performance</b>	1.72
Covenant Revenues ÷ Debt Service Principal & Interest	

# VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT

Water Operations Debt Service Calculation  
For the Period from July 1, 2005 to December 31, 2005

Draft

DESCRIPTION	FYTD Dec 2005
<b>1) Fee Requirement</b>	
a) Maintenance and Operations Costs	\$495,829
b) Less: Depreciation	(58,470)
c) Debt Service Interest	\$26,619
d) Debt Service Principal	124,767
Debt Service Sub-Total	151,386
	\$588,745
Fees Collected	
a) Service Charges	\$521,659
b) Bond Charges	168,743
	\$690,402
<b>2) Covenant Revenue Calculation</b>	
a) Total Revenues (Less Interest)	\$690,402
c) Less Operating Costs	(\$495,829)
d) Plus Depreciation	58,470
Covenant Revenues	\$253,043
<b>3) 120% Covenant Requirement</b>	
(Debt Service Principal + Debt Service Interest x 120%)	
	\$181,663
<b>4) Actual Covenant Performance</b>	
Covenant Revenues ÷ Debt Service Principal & Interest	
	1.67

# VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT

Wastewater Operations Debt Service Calculation  
For the Period From July 1, 2005 to December 31, 2005

Draft

DESCRIPTION	FYTD Dec 2005
<b>1) Fee Requirement</b>	
a) Maintenance and Operations Costs	\$313,983
b) Less: Depreciation	(11,578)
c) Debt Service Interest	\$8,406
d) Debt Service Principal	39,400
Debt Service Sub-Total	47,806
	\$350,211
Fees Collected	
a) Service Charges	\$339,049
b) Bond Charges	53,902
	\$392,951
<b>2) Covenant Revenue Calculation</b>	
a) Total Revenues (Less Interest)	\$392,951
c) Less Operating Costs	(\$313,983)
d) Plus Depreciation	11,578
Covenant Revenues	\$90,546
<b>3) 120% Covenant Requirement</b>	
(Debt Service Principal + Debt Service Interest) x 120%	
	\$57,367
<b>4) Actual Covenant Performance</b>	
Covenant Revenues ÷ Debt Service Principal & Interest	
	1.89

# VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT

## AGENDA MEMORANDUM

TO: Board of Directors ITEM: 7.B.  
FROM: Joe Barget, General Manager  
DATE: March 7, 2006  
SUBJECT: Directors Expense Budget

**Recommendation:** Increase the Directors Expense Budget by \$4,600.

**Policy Issues:** The Board approves the annual budget and any subsequent changes. District Ordinance 25.B2.2 requires Directors to ensure funds are available in the budget before attending training and conferences.

**Resource Impacts:**

- There is \$5,250 in the Directors Expense line item in the budget.
- The District has spent \$5,215 as of January 31.

**Alternatives Considered:**

- Just fund some of the activities discussed in this report.
- Do not increase the budget.

**Discussion:** The Directors Expense line item in the budget funds travel, training, conference, and meeting expenses for directors. The District significantly reduced this line item, from \$11,560 in last year's budget to \$5,250 in this year's budget.

We underestimated the amount of director training and a law enacted after the budget was adopted, Assembly Bill 1234, imposed a new requirement for ethics training. As a result, the District has spent all but \$35 in this year's budget.

Individual directors have expressed an interest in attending the following

activities that occur during the remainder of this fiscal year:

Activity	Director(s)	Number of Nights Lodging	Cost
Water Law Seminar <i>San Francisco</i>	Redmon	3	\$1,816
JPIA Conference <i>Monterey</i>	Rowland	2	\$794
ACWA Conference <i>Monterey</i>	Fox	3	\$1,480
Monthly CSDA Meetings (5) <i>Solvang</i>	Fox, Brooks	--	\$260
Contingency			\$250
<b>Total</b>			<b>\$4,600</b>

Attendance at educational conferences and professional meetings is considered part of a director's official duties for the District.

Directors attend local conferences and meetings whenever possible; however, the larger association conferences and specialized training are rarely held at locations within a day's driving distance. The District usually budgets for 1-2 overnight conferences or seminars per director per year. These include semiannual Association of California Water Agencies (ACWA) conferences and annual California Special Districts Association (CSDA) conferences.

Unlike many special districts, our directors do not receive compensation for serving on the Board. Other than the reward of public service, attendance at an occasional conference or seminar is one of the few benefits.

Overall, the District was \$92,000 under budget half way through the fiscal year so I recommend that the Board approves this minor increase in the budget.

**Attachments:** None

# DRAFT

[Date] 2006

Mrs. Catherine Smith, Executive Director  
California Special Districts Association (CSDA)  
1112 I Street, Suite 200  
Sacramento, CA 95814

**Subject: Assembly Bill (AB) 1234**

Dear Mrs. Smith:

Vandenberg Village Community Services District is unhappy with one aspect of AB 1234, specifically the new requirement for local agency officials to provide receipts for meals.

Previously, our district had a system whereby directors were paid the federal meal and incidental expense (M&IE) per diem rates established by the General Services Administration (GSA) while on official travel. For example, the per diem rate for Sacramento is \$59 per day. Benefits of this system were:

- **Fair.** From meal to meal, the per diem rates were slightly more or less than actual expenses but overall things averaged out. The GSA per diem rates also served as a reasonable cap on meal expenses. While AB 1234 limits meal reimbursement to “actual and necessary” expenses supported by receipts, it allows agencies to set reimbursement limits higher than the GSA per diem rates.
- **Certainty.** Directors knew their meal budgets in advance. If they wanted to splurge on a meal or have a glass of wine with dinner, they could—at personal expense.
- **Simplicity.** Directors often dine together or with spouses and friends. It is difficult and confusing for restaurants to separate expenses and generate multiple receipts in these cases.
- **Less Paperwork.** Instead of handling and filing a bunch of receipts, a simple math calculation by district staff was all that was necessary to reimburse meal expenses.

Mrs. Catherine Smith

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In retrospect, we should have reviewed the legislation in greater detail and provided comments before Assembly Bill 1234 was passed. Nonetheless, we wanted to provide this feedback and plant a seed for considering this alternative, per diem method in the future.

Sincerely,

Robert A. Wyckoff  
Board President

c:  
Senator Tom McClintock, 19<sup>th</sup> Senate District  
Assemblyman Sam Blaskeslee, 33<sup>rd</sup> Assembly District  
Supervisor Firestone, 3<sup>rd</sup> Supervisorial District, Santa Barbara County  
Susan Warnstrom, President, Santa Barbara Chapter, California Special  
Districts Association (CSDA)

**DRAFT**